



**City Council**  
**August 4, 2025**  
**6pm**

**Newberg Public Safety Building 401 E. Third Street**  
**Denise Bacon Community Room**

**Online: <https://us06web.zoom.us/j/89536547180>**

**[Public Comment Registration](#)**

**[View Slides](#)**

- 
1. **Call to Order**
  2. **Roll Call**
  3. **Pledge of Allegiance**
  4. **[City Manager Report](#)**
    - 4.1. [July Narrative Report](#)
  5. **Public Comments**
  6. **Public Hearing**
    - 6.1. **[Economic Opportunities Analysis](#)**
      - a. [Ordinance 2025-2956](#)
      - b. [Exhibit A: City of Newberg Economic Opportunities Analysis](#)
      - c. [Exhibit B: Comprehensive Plan Amendments](#)
      - d. [Exhibit C: Findings](#)
      - e. [Exhibit D: Planning Commission Resolution 2022-382](#)
      - f. [Exhibit E: City Council Resolution 2021-3728](#)
      - g. [Exhibit F: City Council Resolution 2022-3858](#)
      - h. [Exhibit G: Staff and Agency Comments](#)
      - i. [Exhibit H: Public Comments](#)
      - j. [Presentation](#)
    - 6.2. **[Vacation Rental Home Regulations](#)**
      - a. [Ordinance 2025-2935](#)
      - b. [Exhibits A-1 and A-2: Development Code Amendments and Findings](#)
      - c. [Exhibit B: Planning Commission Resolution 2025-399](#)
      - d. [Exhibit C: May 8, 2025 Planning Commission Minutes](#)
      - e. [Exhibit D: Public Comment](#)
      - f. [Presentation](#)
      - g. [Ehlers Written Comment\\*](#)
      - h. [Abbot Written Comment\\*](#)
      - i. [McCracken Written Comment\\*](#)
      - j. [Caneday Written Comment\\*](#)



## 7. Continued Business

### 7.1. Update and Direction on SB 1537 Urban Growth Boundary

- a. Attachment 1: Letters of Interest
- b. Presentation

### 7.2. Motion to Approve the Inflow and Infiltration Study

- a. Attachment 1: Keller Task Order Report

### 7.3. Council Rules Discussion

- a. Attachment 1: 2025 Council Rules Working Draft
- b. Attachment 2: Current Council Rules and Guidelines
- c. Presentation

## 8. Adjournment

**ADA Statement:** Contact the City Recorder's Office for physical or language accommodation at least 2 business days before the meeting. Call (503) 537-1283 or email [cityrecorder@newbergoregon.gov](mailto:cityrecorder@newbergoregon.gov). For TTY services please dial 711.

\*Indicates supplementary item

# REQUEST FOR COUNCIL ACTION



**Date Action Requested: (August 4, 2025)**

Order <input type="checkbox"/>	Ordinance <input type="checkbox"/>	Resolution <input type="checkbox"/>	Motion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>	Proclamation <input type="checkbox"/>
Subject: CM narrative for July 2025 events			Staff: Will Worthey CM Department: Administration		
Work Session <input type="checkbox"/> Business Session <input checked="" type="checkbox"/>			Order On Agenda: CM report		

**Is this item state mandated?** Yes  No

**If yes, please cite the state house bill or order that necessitated this action:** NA

**Recommendation:** NA

**Executive Summary:** The summary of events conducted by city departments in July of 2025.

**Fiscal Impact:** All were conventionally budgeted items.

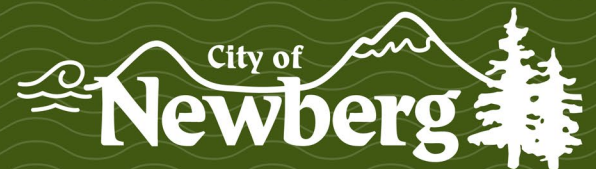
**Council Goals:**

**Goal 4: Create and maintain a high level of transparency with our residents in order to build trust.**

O1: Expand communication outreach in regard to regular city events and additional involvement with city businesses by the end of 2026.

# Newberg CM report

Monthly Events for July 2025



## Capital Engineering

- In early July, Keller Associates initiated a study to identify potential cross-connections between the sanitary sewer collection system and the storm system using smoke testing
- It is anticipated that smoke testing field work will be conducted in August and September prior to the rainy season

## Capital Engineering

- Mountainview has been 100% crack sealed
- S. Center and adjacent blocks have been crack sealed
- E. Fulton has been completed with grind and inlay repairs and one soft spot full-deep repair
- In August slurry seal on 3<sup>rd</sup> street and Howard will begin

## **NDPD**

- We are pleased to announce that we have been awarded a \$225,000 grant to outfit two patrol pickup trucks as our new drone vehicles.
- This money will also be used for equipment and expanded drone capabilities.
- National Night Out is August 5<sup>th</sup> @ Memorial Park

# National Night Out Flier:-

**August 5th, 2025**



**POLICE • COMMUNITY PARTNERSHIPS**

In partnership with:



**FREE ENTRY** | **4 - 7 PM**  
MEMORIAL PARK, NEWBERG OREGON

## City Recorder

- Welcomed the Grant Writer/Digital Archivist to our team! This is a shift to align with staff work. He is now focusing on Finance records and several grant opportunities.
- Finance Records Overhaul in Progress - data control to increase efficiencies.
- Preparing administrative records for scanning - soon it will be even easier to find past records!
- Completed a records policy for the city, will be finalized after review by leadership team.
- Worked with IT to launch the new Email Retention policy – aligns with state data requirements.

## Community Engagement

- Continued work communicating about TUF (Transportation Utility Fee) funded projects, including road closures and public education on how the roads were selected for this year's TUF funded repairs
- Worked with partners at Yamhill County and PGE to push information about county roadwork and installation of EV charges on PGE electric poles
- Collaborated with Finance to publish the Adopted Biennial Budget for 2025-2027



## Finance

- Interim audit occurred (auditors will be back end of October)
- Met with City Recorder's team to discuss electronic records organization
- Court is working on various modernization efforts (such as electronic convictions sent to DMV, online payment portal, electronic docketing, etc.)
- Red light camera testing is continuing between our court staff and vendors
- Efforts to make more vendors paid via ACH are underway

## Finance and Admin

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- Now that Dillon is working with finance records the cat problem is growing
- Cat people now outnumber dog people on the second floor!



## Community Development

- Collina substantial completion/early issuance of building permits approved!
- Popeyes design review approved at 2810 E Portland Rd. Former Finnigan's building to be demoed soon
- Roxy's Hawaiian Grill is now open in Crestview Crossing
- Staff solicited property owner interest in one-time UGB expansion
- ODOT grant for TSP update submitted

## Libraryland

- The Austin Meeting Room floor has been repaired and new carpet installed
- In July we had a request for Sign Language interpretation at one of our storytimes. We were able to let people know ahead of time and had a whopping 82 people in attendance!
- The Teen Service Club continues to help library staff with Summer Reading registrations, prepping crafts for programs and so much more!

## **More from the front porch of the Community (Library)**

- The outdoor Tie-Dye event for kids and teens filled up quickly with registrations
- The library's Cultural Passes, paid for by the Newberg Early Birds Rotary, remain very popular this summer, especially to places like the AC Gilbert House, Evergreen Aviation Museum, and Oregon State Parks.
- Summer continues to be super busy at the library, as it should be! Our highest library card registration week so far was the last week in June with 76 new cards!

## Public Works Emergency Readiness

- Scheduled ICS 300 & 400 training at Public Safety Bldg. in Fall 2025. No Cost to city
- City staff and volunteers have priority for seats, then partners with smaller staff and resources
- Registration and information to come in August
- Attended Oregon Cities Emergency Manager meeting via Teams

## **Safety Committee Updates**

- On boarding and coordination 4 new Committee Members
- New Secretary and Chair elected in compliance with OSHA
- TVF&R safety inspections occurred
- Coordinated with Facilities provided staff checklists and answered questions. Reminded departments of good housekeeping - all sites Passed
- Issued 2 heat reminders to all staff.
- Enrolled all Safety committee members and supervisors for alerts from NOAA & DEQ.

## **Public Works Maintenance Some Recent Work**

Sewer Main Clean – 5,460 ft

Sewer Main Video – 225 ft

Water Mains Flushed – 155 ft.

Water Valves Exercised – 1

Sweeping Debris – 25 yds

Sweeping Miles – 39 mi.

Trip hazards mitigated on 1<sup>st</sup> street.

## **Public Works Wastewater Operations**

- Replaced dehydration unit drying drum drive motor and gearbox
- Completed annual maintenance items on dehydration unit
- Troubleshooting on the fire prevention system on dehydration unit, drum inspection
- Annual crane inspections were completed
- Annual lab equipment certifications were completed
- Annual in line flow meter verifications were completed
- Screw press 2 was disassembled, wipers replaced and some welding work
- Clarifier 1 was drained, cleaned and had its annual inspection and oil change
- Clarifier 1 drive chain was replaced



Screw press  
screw



Inside the  
basket



Installing repaired  
screw

## PW Water Operations

- Average Daily Demand was 12% higher than the previous 5 years
- Non-Potable Water Demand 196,422 Gallons
- 1578 Completed Backflow Test Reports for 2025
- Replaced 3 failed hypochlorite generator cells
- Rebuilt warped and leaking hypochlorite cell manifold
- Removed partial blockage from existing hypochlorite cells and piping
- Rebuilt leaking hypochlorite pump
- Repaired wellfield gate



Failed Cell



Generator Cell Blockage



New Generator Cell

## Rebuilt warped and leaking hypochlorite cell manifold

## Thermal done on 8th



# Curb and Gutter pour and sawcut S. Blaine Storm Replacement Project



## 2<sup>nd</sup> Street Merchant Lot Light Pole Painting



# So that's it for this month!

As you can see, residents' tax dollars have been hard at work as usual.

Questions?

# REQUEST FOR COUNCIL ACTION



**Date Action Requested: August 4, 2025**

Order <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Information <input type="checkbox"/> No. 2025-2936	
Subject: Hearing for Economic Opportunities Analysis	Staff: Scot Siegel, James Dingwall Department: Community Development File No. CPTA22-0002
Business Session	Order On Agenda: Public Hearing
Hearing Type: Legislative <input checked="" type="checkbox"/> Quasi-Judicial <input type="checkbox"/> Administrative <input type="checkbox"/> Not Applicable <input type="checkbox"/>	

**Is this item state mandated?** Yes  No

**If yes, please cite the state house bill or order that necessitated this action:**

## Recommendation:

Move to adopt Ordinance No. 2025-2936 by title only. Consider waiving second reading.

**Executive Summary:** The proposal does the following:

1. Adopts City of Newberg Economic Opportunities Analysis (March 2021).
2. Amends the Newberg Comprehensive Plan, V. Land Need and Supply based on the Economic Opportunities Analysis.

Adoption of the EOA is a required step for the City as it updates the Economic Development chapter of its Comprehensive Plan and works toward implementing the City Council goal to, “Identify industrial land and attract employers to encourage family wage jobs” (Goal 2). The EOA also serves Council’s 2025 objective to “Make application to bring land into the urban growth boundary to zone for light manufacturing within 5 years.”

**Background:** The City of Newberg has been involved in a variety of initiatives to address its land supply sufficiency since 2018. The City received a grant from the Department of Land Conservation and Development (DLCDD) in 2018 to prepare a Housing Needs Analysis (HNA). The HNA was completed and accepted by City Council in 2019 and updated in 2021. While the HNA work was being conducted the City received a grant from DLCDD to prepare an Economic Opportunities Analysis. A Citizens Advisory Committee was established to provide community oversight and feedback. City Council was briefed on the EOA in June 2020, August 2020, October 2020, and December 2020. The EOA was accepted by City Council in 2021. The City additionally prepared a Public and Semi-Public Land Need analysis, accepted by City Council in February 2021. In 2022, The Newberg Planning Commission approved Planning Commission Resolution No. 2022-382 recommending the City Council adopt the land need analyses, including the EOA, amend the Newberg Comprehensive Plan, and initiate an urban growth boundary expansion process. Ordinance 2025-2936 is for adoption of the EOA only, as the HNA and PSP have been withdrawn.

In February 2024, City Council elected to use a Sequential Urban Growth Boundary (UGB) review process to adopt the analysis documents and consider a potential UGB amendment. The Oregon Department of Land Conservation and Development (DLCD) approved the Sequential UGB Review work program on April 9, 2024. On August 19, 2024, City Council heard an update on potential modifications to the work program and directed staff to request that it be modified to include only the EOA. DLCD indicated that the EOA could be adopted through an update to the existing Post-Acknowledgement Plan Amendment rather than the Sequential UGB review process. On October 21, 2024, City Council requested the Department of Land Conservation and Development (DLCD) dissolve the Sequential UGB Review work program and modify the deadlines for the City of Newberg to adopt a Housing Capacity Analysis and Housing Production Strategy, respectively, to 2027 and 2028, in compliance with state housing requirements, which was approved by DLCD on December 19, 2024. Currently, the City is applying for a Housing Planning Assistance Grant from DLCD to prepare a Housing Capacity Analysis.

The EOA evaluates development trends and inventories the City's existing land supply and demand to determine if sufficient employment land capacity for future growth exists. State land use laws require the City adopt the EOA and amend its Comprehensive Plan to incorporate the EOA by ordinance as the first step in a potential UGB expansion process for industrial lands.

The 2021-2041 population forecast used in this analysis indicates that over the 20-year planning period, Newberg will see an increase of 7,995 people, growing from 25,204 to 33,119 residents. The analysis indicates that to meet this projected growth for employment land needs, Newberg will need an additional 152 acres of industrial land between 2021 and 2041. The EOA also references needs for public and semi-public land based on analysis in the Newberg Public and Semi-Public Land Need Memorandum, which was also withdrawn and will be evaluated with the upcoming housing analysis. These references have been redlined to be removed in Exhibit "A" and staff will update the document following adoption. DLCD has confirmed that the 2020 population projections may still be used in updating the Post-Acknowledgement Plan Amendment to adopt the Economic Opportunities Analysis. The study is vested under the then applicable population and employment forecasts, and the City may update the EOA with new forecasts at any time.

**Process:** A comprehensive plan amendment is a Type IV application and follows the procedures in Newberg Municipal Code 15.100.060. The Planning Commission holds a legislative public hearing on the application. The Commission then makes a recommendation to the Newberg City Council. Following the Planning Commission's recommendation, the Newberg City Council holds a legislative public hearing to consider the matter. Adoption of the EOA is required to be adopted by Ordinance according to the Department of Land Conservation and Development. Important dates related to this application are as follows:

4/6/21: The Newberg City Council adopted Resolution 2021-3728 accepting the 2021 Economic Opportunities Analysis (Exhibit "E")

- 8/1/22: The Newberg City Council adopted Resolution 2022-3858 initiating the Comprehensive Plan amendment (Exhibit “F”).
- 9/6/22: A Post-Acknowledgement Plan Amendment was filed with the Department of Land Conservation and Development.
- 9/28/22: The *Newberg Graphic* published the notice of the Planning Commission hearing. Other required notices for a Type IV application were provided.
- 10/13/22: The Planning Commission held a legislative hearing to consider the application and adopted Resolution No. 2022-382 recommending City Council approval.
- 8/4/25: City Council public hearing on consideration of adopting Ordinance No. 2025-2936.

**Staff/Agency Comments:** As of the writing of this report, the City has received the following agency comments on the proposal (Exhibit “G”).

- a. Building Official: Reviewed, no conflict
- b. City Manager: Reviewed, no conflict
- c. Engineering Division: Reviewed, no conflict
- d. Police Department: Reviewed, no conflict
- e. Public Works Director: Reviewed, no conflict
- f. Public Works Water Treatment: Reviewed, no conflict
- g. Ziplly Fiber: Reviewed, no conflict

**Public Comments:** As of the writing of this report two comments have been received from Friends of Yamhill County/1000 Friends of Oregon and Housing Land Advocates/Fair Housing Council of Oregon for the previously proposed adoption of the HNA, EOA, and PSP. Friends of Yamhill County withdrew their comment on the EOA in testimony at the October 13, 2022 Newberg Planning Commission meeting (Exhibit “H”).

**Discussion:** As discussed above in the Background section the City has been engaged in a variety of activities to evaluate the land supply sufficiency or deficiency for Newberg. The EOA analysis has been prepared in compliance with Oregon Revised Statutes (ORS), Oregon Administrative Rules (OAR), and best practices to determine the employment land supply and need for Newberg for the horizon of 2021-2041.

**Planning Commission Recommendation:** The Planning Commission held a legislative hearing on October 13, 2022, to consider the proposals and approved Resolution No. 2022-382 recommending that the City Council adopt the City of Newberg Economic Opportunities Analysis (March 2021) and related Newberg Comprehensive Plan amendments. The Commission also recommended adoption of a Housing Needs Analysis (June 2021), Public and Semi-Public Land Needs Analysis (February 2021), and initiation

of an Urban Growth Boundary Expansion; however, these requests by the City of Newberg were later withdrawn as discussed above.

**Fiscal Impact:** The Economic Opportunities Analysis is complete. The analysis was funded by a grant from the Department of Land Conservation and Development.

**Council Goals:**

- Goal 2: Identify industrial land and attract employers to encourage family wage jobs.
  - Objective 2. Work to bring land into the urban growth boundary to zone for light manufacturing within 5 years.

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**Attachments:**

Ordinance No. 2025-2936 with:

Exhibit “A”: City of Newberg Economic Opportunities Analysis

Exhibit “B”: Comprehensive Plan Amendments

Exhibit “C”: Findings

Exhibit “D”: Planning Commission Resolution No. 2022-382

Exhibit “E”: City Council Resolution No. 2021-3728

Exhibit “F”: City Council Resolution No. 2022-3858

Exhibit “G” Staff/Agency Comments

Exhibit “H”: Public Comments

# ORDINANCE NO. 2025-2936



## An Ordinance adopting the City of Newberg Economic Opportunities Analysis and amending the Newberg Comprehensive Plan V. Land Need and Supply

### Recitals:

1. Whereas, the Newberg City Council accepted the City of Newberg Economic Opportunities Analysis by Resolution No. 2021-3728.
2. Whereas, the City of Newberg Economic Opportunities Analysis identifies land need for employment uses pursuant to Oregon Administrative Rule 660-024-0040(1) for a 20-year land need.
3. Whereas, state land use law requires the economic opportunities analysis be adopted by ordinance to incorporate the land needs analyses into the Newberg Comprehensive Plan.
4. Whereas, the Newberg City Council initiated a comprehensive plan text amendment to update the Newberg Comprehensive Plan V. Land Need and Supply by Resolution No. 2022-3858.
5. Whereas, the Newberg Planning Commission held a public hearing to consider CPTA22-0002 on October 12, 2022 and approved Planning Commission Resolution No. 2022-382 recommending City Council adopt the City of Newberg Economic Opportunities Analysis (March 2021).

### The City of Newberg Ordains as Follows:

1. The City of Newberg Economic Opportunities Analysis, included as Exhibit “A”, is hereby adopted.
2. The Newberg Comprehensive Plan V. Land Need and Supply is amended as shown in Exhibit “B”.
3. The adoption is based on upon the findings in Exhibit “C” and City of Newberg Planning Commission Recommendation in Exhibit “D”.
4. Exhibits “A”, “B”, “C”, and “D” are hereby adopted and by this reference incorporated.

**Effective Date** of this ordinance is 30 days after the adoption date, which is September 3, 2025.

**Adopted** by the City Council of Newberg, Oregon, this 4<sup>th</sup> day of August, 2025, by the following votes:

**AYE:**        **NAY:**        **ABSTAIN:**

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Rachel Thomas, City Recorder

Attest by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

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Bill Rosacker, Mayor



**Exhibit “A” to Ordinance No. 2025-2936  
City of Newberg Economic Opportunities Analysis (March 2021)**

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# City of Newberg Economic Opportunities Analysis

March 2021

Prepared for:  
City of Newberg

Final Report

**ECONorthwest**

ECONOMICS • FINANCE • PLANNING

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# Acknowledgments

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ECONorthwest prepared this report for the City of Newberg. ECONorthwest and the City thank the many people who helped to develop the Newberg Economic Opportunities Analysis. This project is funded by Oregon General Fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

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Patrick O'Connor, OED

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For over forty years, ECONorthwest has helped its clients make sound decisions based on rigorous economic, planning, and financial analysis. For more information about ECONorthwest: [www.econw.com](http://www.econw.com). For more information about this report, please contact:

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# Executive Summary

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This report presents an economic opportunities analysis consistent with the requirements of Statewide Planning Goal 9 and the Goal 9 Administrative Rule (OAR 660-009). Goal 9 describes the EOA as

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“an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends” and states that “a principal determinant in planning for major industrial and commercial developments should be the competitive advantage of the region within which the developments would be located.”

---

The primary goals of the EOA are to (1) project the amount of land needed to accommodate the future employment growth within the Newberg Urban Growth Boundary (UGB) between 2021 and 2041, (2) evaluate the existing employment land supply within the city to determine if it is adequate to meet that need, and (3) to fulfill state planning requirements for a twenty-year supply of employment land.

## How much buildable employment land does Newberg currently have?

Newberg has 971 total acres in its commercial or industrial plan designations. Of these 971 acres, about 233 acres (24%) are unconstrained and buildable within its UGB. Of Newberg's buildable acres, 104 (45%) are designated for commercial uses and 129 (55%) are designated for industrial uses.

## How much growth is Newberg planning for?

Goal 9 requires that cities provide for an adequate supply of commercial and industrial sites consistent with plan policies. To meet this requirement, Newberg needs an estimate of the amount of commercial and industrial land that will be needed over the 2021 to 2041 planning period.

Newberg's employment base is 14,034 employees in 2021. Newberg is forecast to have 18,486 employees by 2041. This is an increase of 4,452 jobs over the planning period.

## How much land will be required for employment?

The forecast for land needed to accommodate employment growth in Newberg shows that the growth of 1,919 new commercial (retail and office) employees will result in demand for about 83 gross acres of commercial employment lands. The growth of 2,407 new industrial employees will result in a demand for 131 industrial sites with a range of site size needs.

## Does Newberg have enough land to accommodate employment growth?

Newberg has sufficient land to accommodate demand for commercial employment in the Newberg UGB, but it does not have sufficient land to accommodate demand for industrial employment.

Based on land demand, Newberg is forecast to have a 21-gross-acre surplus of commercial land and a 152-gross-acre deficit of industrial land (on 96 sites).

## What are the conclusions of the EOA?

- **Newberg is forecast for growth in both the commercial and industrial employment sectors.** Newberg is planning for growth of 4,452 new jobs in the city over the 2021 to 2041 period. About 2,407 of the jobs will be industrial, 1,799 of the jobs will be in office and commercial services, and 120 in retail. Growth of these jobs will result in demand for about 83 gross acres of commercial land and 131 new sites for industrial uses.
- **Newberg has a surplus of commercially designated land of 21 acres.** Exhibit 32 shows that Newberg has enough land for commercial employment growth over the next 20 years, with a surplus of 21 acres. Commercial uses include services for residents and visitors (e.g., retail) as well as office services. This surplus includes commercial land in the Springbrook and Riverfront Districts, which are located in different parts of Newberg. This ensures that commercial development will be distributed throughout the city, providing reasonable access to services for residents and visitors.
- **Newberg has a deficit of land for industrial uses across all site sizes.** Newberg has a deficit of 96 sites or 152 acres of land for industrial uses. This need covers a range of site sizes from less than 5 acres to 50 acres. The majority of sites need at the less than 5-acre size, but the range of site sizes is key to diversifying Newberg's economy and aligning with the city's potential growth industries.
- **Newberg will need an additional 2.9 acres of commercial land and 12.3 acres of industrial land for public and semipublic uses.** The Newberg Public and Semi-Public Land Needs memorandum concludes that Newberg will need commercial and industrial land to accommodate public and semipublic uses over the 20-year period.
- **Newberg's wages are comparable to the regional average.** Newberg's average wage of \$43,480 is slightly higher than the average of \$43,299 for Yamhill County. Newberg's potential growth industries generally have above-average wages, except for some types of food or agricultural product industries, such as wineries or vineyards, which also tend to hire seasonally.
- **Newberg will need to address key infrastructure needs in the Riverfront District.** While water and wastewater connections will be relatively easy for eventual developers to access, the Riverfront Master Plan identifies potential challenges with connecting a road along the bluff area. This would require geotechnical studies that may present cost barriers for potential developers of the area.

- **Newberg’s lack of industrial land presents barriers for business retention, expansion, and recruitment.** Since 2014, the City has documented recruitment and retention of businesses looking to stay or locate in Newberg. A key issue businesses have cited is the lack of available or suitable greenfield sites. This has led to recent relocation of existing Newberg businesses, as well as lack of new businesses choosing to locate in Newberg. Businesses are attracted to Newberg because of the access to a skilled workforce and quality of life, but the lack of suitable sites remains a key issue for many of these businesses.

### What are the key recommendations?

In short, the City should continue to implement the *Newberg Economic Development Strategy* to continue to support the type of industrial and commercial growth described in the EOA.

Additional recommendations as a result of the EOA are listed below:

- The City has actively worked on implementing recent plans that in part address issues related to commercial and industrial land, including the *Newberg Economic Development Strategy*, *Newberg Downtown Improvement Plan*, *A NewBERG Community Vision*, and *Riverfront Master Plan*. This EOA implements the *Newberg Economic Development Strategy* by supporting the goals in the *Strategy*, such as identifying the need for land to support retention and expansion of businesses (item 1.2 in the *Strategy*), coordinating recruitment of traded-sector companies with partners such as SEDCOR and Business Oregon (item 1.3 in the *Strategy*), conducting analyses that support commercial development opportunities (item 2.1 and 2.2 in the *Strategy*), and providing other analyses and recommendations that implement the *Strategy*.

The redevelopment plans that are proceeding on the WestRock Mill site show that the City’s *Economic Development Strategy* and broader redevelopment plans are being implemented. Implementing the *Riverfront Master Plan* and using of Urban Renewal, as well as using the City’s Enterprise Zone and the Opportunity Zone at the WestRock Mill site, have all resulted in plans for the redevelopment and implementation of these plans.

- Newberg should develop a policy that supports preservation of prime industrial land for sites over 10 acres in size. The City may consider identifying prime industrial sites using the following criteria: sites larger than 10 acres, sites with direct access to a highway or major arterial road, sites with existing investments in infrastructure needed by industrial uses, and sites surrounded by properties that are planned for industrial uses.
- The City should consider using incentives to support economic development. These incentives could include creating an economic or business district, developing a downtown partnership, developing a parking management plan in key commercial areas, supporting land assembly, reducing costs of development via regulatory streamlining, using SDC “deferrals” or changing how SDCs are assessed, using New Market Tax Credits and EB-5 Investment programs to support business growth, and supporting growth of particular industries (such as tourism and hospitality).

- The City should address the deficit of industrial land identified in the EOA, for 152 acres of land on about 96 sites. Given the limited amount of vacant land within Newberg's existing UGB, the City has few opportunities to accommodate expected growth within the UGB. The best opportunity, redevelopment of the WestRock Mill site, as well as the other sites shown in Exhibit 30, are the City's primary opportunities to increase land use efficiency within the existing UGB. The City should consider opportunities for the expansion of the UGB to accommodate industrial land needs.

# 1. Introduction

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This report presents an Economic Opportunities Analysis (EOA) for the City of Newberg. The EOA includes technical analysis to address a range of questions that Newberg faces in managing its commercial and industrial land. The EOA includes an employment forecast that describes how much growth Newberg should plan for over the 2021 to 2041 period and identifies the amount and type of employment land necessary to accommodate growth in Newberg over that period. The EOA also includes an inventory of commercial and industrial land within Newberg's urban growth boundary (UGB) to provide information about the amount of land available to accommodate employment growth. This EOA complies with the requirements of Statewide Planning Goal 9, the Goal 9 Administrative Rules (OAR 660 Division 9), and the court decisions that have interpreted them.

The City of Newberg last completed an EOA in 2010, based on the 2000 Census data. Substantial changes have occurred in the national and regional economy since 2010 that have implications for economic growth in Newberg, such as the recovery from the Great Recession, the impacts of the COVID-19 recession, and changes in the retail and manufacturing sectors.

In 2019, Newberg completed a community visioning process, which resulted in the *NewBERG Community Profile, Community Vision, and Action Plan*. Part of this community visioning process included goals and objectives related to economic development and the *Newberg Economic Development Strategy*, which was updated in 2019. The City is also in the process of implementing the *Riverfront Master Plan*, which includes updating the comprehensive plan designations in the Riverfront area that includes the former Westrock Mill site. Information from these plans is incorporated into the EOA.

The purpose of the EOA was to develop a factual basis to provide the City with information about current economic conditions. This report identifies opportunities to meet the City's economic development objectives and policies identified in the *A NewBERG Community Vision, and Action Plan*, in addition to developing comprehensive plan policies and implementation strategies necessary to implement the EOA.

The EOA also provides information essential to addressing the City's challenges in managing economic development, such as a lack of industrial sites to support growth of businesses that require large sites, underutilized commercial land, underutilized industrial land, and a lack of policy direction to address these issues.

The EOA draws on information from numerous data sources, such as the Oregon Employment Department, US Bureau of Economic Analysis, US Bureau of Labor Statistics, and the US Census. The EOA also uses information from the following reports:

- *Newberg Economic Development Strategy* (2016, updated in 2019)
- *Newberg Riverfront Master Plan* (2019)

- *A NewBERG Community Profile, Community Vision, and Action Plan* (2019)
- *Mid-Willamette Valley Regional Comprehensive Economic Development Strategy* (2018)

## Framework for an Economic Opportunities Analysis

The content of this report is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The analysis in this report is designed to conform to the requirements for an Economic Opportunities Analysis in OAR 660-009 as amended.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The Economic Opportunities Analysis (EOA) requires communities to identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county, or local trends; to identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; to include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and to estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning or some other public input-based process in conjunction with state agencies.
2. *Industrial and commercial development policies (OAR 660-009-0020)*. Cities are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types, and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.
3. *Designation of lands for industrial and commercial uses (OAR 660-009-0025)*. Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage, and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies and must designate serviceable land suitable to meet identified site needs.

## Organization of This Report

This report is organized as follows:

- **Chapter 2. Factors Affecting Future Economic Growth** summarizes historic economic trends that affect current and future economic conditions in Newberg, as well as Newberg's competitive advantages for economic development.
- **Chapter 3. Employment Growth and Site Needs** presents a forecast for employment growth in Newberg and describes potential growth industries and site needs for potential growth in industries.
- **Chapter 4. Buildable Lands Inventory** presents a summary of the inventory of employment lands.
- **Chapter 5. Land Sufficiency and Conclusions** compares the supply of and demand for buildable lands and presents key concluding recommendations for Newberg.

This report also includes two appendices:

- Appendix A. National, State, and Regional and Local Trends
- Appendix B. Buildable Lands Inventory Methodology

## 2. Factors Affecting Future Economic Growth

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Newberg exists as part of the economy of the Mid-Willamette Valley region and is the second-largest city in Yamhill County. Its proximity to the Portland region, as well as Salem and the agricultural industries in Yamhill County, provides opportunities for the city's residents and access to a larger labor pool for employers. The focus of Newberg's economy includes several types of manufacturing, health-care, and service-sector industries focused on agriculture and wine tourism. The city's location in the Willamette Valley makes Newberg a popular destination for tourism in the area's wine country. The quality of life and available amenities also attract people to live and work in Newberg.

This chapter describes the factors affecting economic growth in Newberg within the context of national and regional economic trends. The analysis presents the City's competitive advantages for growing and attracting businesses, which forms the basis for identifying potential growth industries in Newberg.

### Factors that Affect Economic Development<sup>1</sup>

The fundamental purpose of Goal 9 is to make sure that a local government plans for economic development. The planning literature provides many definitions of economic development, both broad and narrow. Broadly,

"Economic development is the process of improving a community's well-being through job creation, business growth, and income growth (factors that are typical and reasonable focus of economic development policy), as well as through improvements to the wider social and natural environment that strengthen the economy."<sup>2</sup>

That definition acknowledges that a community's well-being depends in part on narrower measures of economic well-being (e.g., jobs and income) and on other aspects of quality of life (e.g., the social and natural environment). In practice, cities and regions trying to prepare an economic development strategy typically use a narrower definition of economic development; they take it to mean business development, job growth, and job opportunity. The assumptions are that:

- Business and job growth are contributors to and consistent with economic development, increased income, and increased economic welfare. From the municipal point of view,

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<sup>1</sup> The information in this section is based on previous Goal 9 studies conducted by ECONorthwest and the following publication: *An Economic Development Toolbox: Strategies and Methods*, Terry Moore, Stuart Meck, and James Ebenhoh, American Planning Association, Planning Advisory Service Report Number 541, October 2006.

<sup>2</sup> *An Economic Development Toolbox: Strategies and Methods*, Terry Moore, Stuart Meck, and James Ebenhoh, American Planning Association, Planning Advisory Service Report Number 541, October 2006.

investment and resulting increases in property tax are important outcomes of economic development.

- The evaluation of trade-offs and balancing of policies to decide whether such growth is likely to lead to overall gains in well-being (on average and across all citizens and businesses in a jurisdiction, and all aspects of well-being) is something that decision makers do after an economic strategy has been presented to them for consideration.

That logic is consistent with the tenet of the Oregon land use planning program: all goals matter, no goal dominates, and the challenge is to find a balance of conservation and development that is acceptable to a local government and the State. Goal 9 does not dominate, but it legitimizes and requires that a local government focus on the narrower view of economic development regarding economic variables.

In that context, a major part of local economic development policy is about local support for business development and job growth; that growth comes from the creation of new firms, the expansion of existing firms, and the relocation or retention of existing firms. Specifically, new, small businesses are accounting for a larger share of the job growth in the United States.<sup>3</sup> This shift toward a focus on entrepreneurship, innovation, and small businesses presents additional options for local support for economic development beyond firm attraction and retention. Thus, the key questions for economic development policy are, *What are the factors that influence business and job growth, and what is the relative importance of each?* This document addresses that question in depth.

## What factors matter?

Why do firms locate where they do? There is no single answer—different firms choose their locations for different reasons. Key determinants of a location decision are a firm's *factors of production*. For example, a firm that spends a large portion of total costs on unskilled labor will be drawn to locations where labor is relatively inexpensive. A firm with large energy demands will give more weight to locations where energy is relatively inexpensive. In general, firms choose locations they believe will allow them to maximize net revenues: if demand for goods and services are held roughly constant, then revenue maximization is approximated by cost minimization.

The typical categories that economists use to describe a firm's production function are:

- **Labor.** Labor is often the most important factor of production. Other things equal, firms look at productivity—labor output per dollar. Productivity can decrease if certain types of labor are in short supply, which increases the costs by requiring either more pay to

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<sup>3</sup> According to the 2018 Small Business Profile from the US Small Business Office of Advocacy, small businesses account for over 99 percent of total businesses in the United States, and their employees account for nearly 50 percent of American workers. <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-US.pdf>

acquire the labor that is available, the recruiting of labor from other areas, or the use of the less productive labor that is available locally.

- **Land.** Demand for land depends on the type of firm. Manufacturing firms need more space and tend to prefer suburban locations where land is relatively less expensive and less difficult to develop. Warehousing and distribution firms need to locate close to interstate highways.
- **Local infrastructure.** An important role of government is to increase economic capacity by improving quality and efficiency of infrastructure and facilities, such as roads, bridges, water and sewer systems, airport and cargo facilities, energy systems, and telecommunications.
- **Access to markets.** Though part of infrastructure, transportation merits special attention. Firms need to move their product, either goods or services, to the market, and they rely on access to different modes of transportation to do this.
- **Materials.** Firms producing goods, and even firms producing services, need various materials to develop products that they can sell. Some firms need natural resources (i.e., raw lumber) and others may need intermediate materials (i.e., dimensioned lumber).
- **Entrepreneurship.** This input to production may be thought of as good management, or even more broadly as a spirit of innovation, optimism, and ambition that distinguishes one firm from another even though most of their other factor inputs may be quite similar. Entrepreneurial activity, even when unsuccessful, can offer information about the local market that other entrepreneurs can use in starting a new firm. Entrepreneurs are typically willing to take on more risk in uncertain markets, and a strengthened entrepreneurial environment can help to reduce that risk and uncertainty.<sup>4</sup> Entrepreneurs also tend to have more mobility than larger firms and are more likely to locate in areas with a strong entrepreneurial environment.<sup>5</sup> To some degree, local governments can promote the high quality of life in an area to attract entrepreneurs, in addition to adopting regulations with minimal barriers—or at least, clear guidelines—for new small businesses.

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<sup>4</sup> Tessa Conroy and Stephan Weiler “Local and Social: Entrepreneurs, Information Network Effects, and Economic Growth” (2017). [https://redi.colostate.edu/wp-content/uploads/sites/50/2017/05/gender\\_gia\\_Jun2017-2.pdf](https://redi.colostate.edu/wp-content/uploads/sites/50/2017/05/gender_gia_Jun2017-2.pdf)

<sup>5</sup> Emil E. Malizia and Edward J. Feser. *Understanding Local Economic Development*. (1999).

The supply, cost, and quality of any of these factors depend on market factors: on conditions of supply and demand locally, nationally, and even globally. But they also depend on public policy. In general, public policy can affect these factors of production through:

- **Regulation.** Regulations protect the health and safety of a community and help maintain quality of life. Overly burdensome regulations, however, can be disincentives for businesses to locate in a community. Simplified bureaucracies and straightforward regulations can reduce the burden on businesses and help them react quickly in a competitive marketplace.
- **Taxes.** Firms tend to seek locations where they can optimize their after-tax profits. Tax rates are not a primary location factor—they matter only after businesses have made decisions based on labor, transportation, raw materials, and capital costs. The costs of these production factors are usually similar within a region. Therefore, differences in tax levels across communities within a region are more important in the location decision than are differences in tax levels between regions.
- **Financial incentives.** Governments can offer firms incentives to encourage growth. Most types of financial incentives have had little significant effect on firm location between regions. For manufacturing industries with significant equipment costs, however, property or investment tax credit or abatement incentives can play a significant role in location decisions. Incentives are more effective at redirecting growth within a region than they are at providing a competitive advantage between regions.

This discussion may make it appear that a location decision is based entirely on a straightforward accounting of costs, with the best location being the one with the lowest level of overall costs. Studies of economic development, however, have shown that location decisions depend on a variety of other factors that indirectly affect costs of production. These indirect factors include agglomerative economies (also known as industry clusters), quality of life, and innovative capacity.

- **Industry clusters.** Firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. For this reason, firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities.
- **Quality of life.** A community that features many quality amenities, such as access to recreational opportunities, culture, low crime, good schools, affordable housing, and a clean environment can attract people simply because it is a nice place to be. A region's quality of life can attract skilled workers, and if the amenities lure enough potential workers to the region, the excess labor supply pushes their wages down so that firms in the region can find skilled labor for a relatively low cost. The characteristics of local communities can affect the distribution of economic development within a region, with different communities appealing to different types of workers and business owners. Sometimes location decisions by business owners are based on an emotional or historical

attachment to a place or set of amenities, without much regard for the cost of other factors of production.

- **Innovative capacity.** Increasing evidence suggests that a culture promoting innovation, creativity, flexibility, and adaptability is essential to keeping US cities economically vital and internationally competitive. Innovation is particularly important in industries that require an educated workforce. High-tech companies need to have access to new ideas typically associated with a university or research institute. In addition to innovations in research and development within firms or research institutions, firms may also draw on the innovative capacity of entrepreneurs in an area. These entrepreneurs may be former employees of the larger firm or businesses that relocated to an area because of the proximity to an industry cluster. Strong networks and communication between firms, research institutions, and entrepreneurs are key components to leveraging innovative capacity in an area.<sup>6</sup> Local governments are well-equipped to help foster these networks through supporting economic development tools such as small business assistance centers or incubation centers. Government can also be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

### How important are these factors?

To understand how changes in public policies affect local job growth, economists have attempted to identify the importance for firms with different locational factors. They have used statistical models, surveys, and case studies to examine detailed data on the key factors that influence the business location decision.

Economic theory says that firms locate where they can reduce the costs of their factors of production (assuming demand for products and any other factors are held constant). Firms locate in regions where they have access to inputs that meet their quality standards at a relatively low cost. Because firms are different, the relative importance of different factors of production varies both across industries and, even more importantly, across firms.

No empirical analysis can completely quantify firm location factors because numerous methodological problems make any analysis difficult. For example, some would argue simplistically that firms would prefer locating to a region with a low tax rate to reduce tax expenses. However, the real issue is the value provided by the community for the taxes collected. Because taxes fund public infrastructure that firms need, such as roads, water, and sewer systems, regions with low tax rates may end up with poor infrastructure, making it less attractive to firms. When competing jurisdictions have roughly comparable public services (type, cost, and quality) and quality of life, then tax rates (and tax breaks) can make a difference.

Further complicating any analysis is the fact that many researchers have used public expenditures as a proxy for infrastructure quality. But large expenditures on roads do not

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<sup>6</sup> Nancey Green Leigh and Edward Blakely. *Planning Local Economic Development: Theory and Practice*. 2013.

necessarily equal a quality road system. It is possible that the money has been spent ineffectively and the road system is in poor condition.

An important aspect of this discussion is that the business function at a location matters more than a firm's industry. A single company may have offices spread across cities, with headquarters located in a cosmopolitan metropolitan area, research and development divisions located near a concentration of universities, back offices located in a suburb, and manufacturing and distribution located in areas with cheap land and good interstate access.

The location decisions of businesses are primarily based on the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region. Most economic development strategies available to local governments, however, only indirectly affect the cost of these primary location factors. Local governments can most easily affect tax rates, public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest effect on the level and type of economic development in the community.

Local governments can provide support for new and existing small businesses through policies and programs that support entrepreneurship and innovation. The National League of Cities suggests strategies for local governments, including strong leadership from elected officials; better communication with entrepreneurs, especially about the regulatory environment for businesses in the community; and partnerships with colleges, universities, small business development centers, mentorship programs, community groups, businesses groups, and financial institutions.<sup>7</sup>

Local governments in Oregon also play a central role in the provision of buildable land through inclusion of lands in the Urban Growth Boundary, as well as through determination of plan designations and zoning, and through provision of public services. Obviously, businesses need buildable land to locate or expand in a community. Providing buildable land alone is not sufficient to guarantee economic development in a community—market conditions must create demand for this land, and local factors of production must be favorable for business activity. In the context of expected economic growth and the perception of a constrained land supply in Newberg, the provision of buildable land has the potential to strongly influence the level and type of economic development in the city. The provision of buildable land is one of the most direct ways that Newberg can affect the level and type of economic development in the community.

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<sup>7</sup> National League of Cities "Supporting Entrepreneurs and Small Businesses" (2012).  
<https://www.nlc.org/supporting-entrepreneurs-and-small-business>

## Summary of the Effect of National, State, and Regional Trends on Economic Development in Newberg

This section presents a summary and the implications of national, state, and regional economic trends on economic growth in Newberg, which are presented in detail in Appendix A. As of August 2020, several counties across Oregon continue with the process of reopening from the stay-at-home orders associated with the COVID-19 pandemic. While it is difficult to predict the long-term implications of the pandemic at this point, it is certain that the COVID-19 pandemic will disrupt the economy in Newberg and the entire state over the next month and longer. This section focuses on long-term trends that are likely to affect economic growth in Newberg over the 20-year planning period. It considers some near-term impacts of the COVID-19 pandemic but focused on long-term trends.

- **County and local employment growth.** Employment increased in Yamhill County since 2008, with a gain of about 3,874 employees between 2008 and 2018. The largest increases were in education and health services and leisure and hospitality. Newberg accounted for about 27% of employment in Yamhill County in 2018. Employment in Newberg increased between 2008 and 2018 by about 837 employees or 9%.
- **Increases in regional economic diversity.** Within the Mid-Willamette Valley region (which includes Marion, Polk, and Yamhill Counties), industries have transitioned away from the traditional natural resource extraction-based economy to a more diverse economic base, which includes value-add agricultural products, metals and machinery, specialty product manufacturing, and professional and technical services.<sup>8</sup> The increasing diversity of regional economic development provides opportunities for the development of new businesses in Newberg, as clusters of similar businesses continue to locate in the Mid-Willamette Valley region.
- **Changes in manufacturing and concentration of manufacturing in Oregon.** Newberg's location in the Willamette Valley, as well as its access to highways and a skilled workforce, presents opportunities for growth in manufacturing businesses. In 2018, manufacturing accounted for about 22% of Newberg's total covered employment and had an average wage of \$59,194, higher than the city's average wage of \$43,480.

Between 2008 and 2018, the manufacturing sector in Newberg decreased from 2,475 to 2,085 employees, a decrease of 390 employees. Statewide, manufacturing employment remained relatively constant, decreasing by about 212 employees (or -0.01%) during the same time period. The largest decreases in manufacturing employment were in wood product, paper product, and transportation equipment manufacturing, while Oregon employment in industries such as food and beverage and machinery manufacturing

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<sup>8</sup> Mid-Willamette Valley Regional Comprehensive Economic Development Strategy (CEDs). Mid-Willamette Valley Community Development Partnership Board. June 2018.

increased. These growing industries in Oregon align with Newberg’s target industries defined in Chapter 3.

Major reasons for the decrease in manufacturing employment in Newberg were closure of the WestRock paper mill in 2016 and the closure of the Suntron electronics plant in 2009. However, over the 2008 to 2018 period, manufacturing added more than 260 jobs (as well as maintaining existing jobs) in sectors such as apparel manufacturing, specialty manufacturing, furniture manufacturing, and other types of manufacturing.

Another reason for the decrease in manufacturing employment in Newberg was a lack of vacant buildings and developable sites for manufacturing. Examples of businesses that left include NW Alpine, which moved to Salem in 2019 and increased its workforce from about 30 employees to 70 employees. They expect to add about 20 more employees during 2020 and 2021.

National changes in manufacturing and demand for industrial land suggest future demand for industrial land in Oregon, including in Newberg. In recent years, US industries with global supply chains have shifted in response to geopolitical issues (e.g., trade policy) and increased demand for e-commerce (e.g., warehousing and distribution). These shifts have included reshoring some supply chain elements to the United States and leading to increased demand for industrial space. These dynamics accelerated during the COVID-19 pandemic, and are expected to continue in the future.<sup>9</sup> Regionally, reports for markets on the West Coast, including the Portland region, confirm these trends with continued demand for industrial land and building space in 2020.<sup>10</sup> Business Oregon reported that agriculture and food and beverage industries are the most competitive traded-sector industries in the region of Marion, Polk, and Yamhill Counties, followed by forestry and wood products, metals and machinery, and other manufacturing.<sup>11</sup>

- **Increases in automation.** Businesses in both industrial and commercial industries will continue to respond to increases in automated processes, decreasing employment in some types of manufacturing processes and slightly increasing need for workers with skills in computers and other high-tech. While automation has been a factor in industrial sectors for decades (e.g., manufacturing), recent increases in automation for commercial industries have also occurred, such as certain functions of retail or office jobs. Oregon’s overall risk of automation is similar to that of the nation with lower and middle-wage jobs at higher risk of being automated. Jobs that are considered to be at lower risk include those that provide personal services or experiences, such as food service or hospitality. Higher-wage jobs that are also considered to be at a lower risk of automation include jobs that require social intelligence, perception, creativity, or fine motor skills.

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<sup>9</sup> CBRE Research. “The Changing Flow of International Trade.” 2020. <https://www.cbre.us/research-and-reports/US-Industrial---The-Changing-Flow-of-International-Trade-July-2020>

<sup>10</sup> CBRE Research. “Industrial continues to make positive strides despite pandemic.” Q3 2020.

<sup>11</sup> Business Oregon. “Regional Competitive Industries: Marion, Polk, and Yamhill Counties.” 2018.

Most industrial sectors will still hire employees to complete certain tasks, though the types of skills required for these jobs may change as automation increases. Newberg's access to a skilled workforce is an advantage for businesses in the city, as long as the educational opportunities in the region continue to align with the needs for skills in industries in Newberg.

- **Importance of small businesses in Newberg's economy.** The average business in Newberg has 11 employees, the same as the state average. The creation of new businesses is vital to Oregon's (and Newberg's) economy as their formations generate new jobs and advance innovations into markets. Younger workers are important to continued growth of small businesses, as more than one-third of millennials in the nation are self-employed. Newberg's access to a relatively young workforce from across the Willamette Valley and Portland Metro regions presents opportunities for small businesses to grow in the city. The Chehalem Valley Innovation Accelerator provides resources for local entrepreneurs to build their business in the region. The Accelerator has partnerships with several regional organizations, businesses, and educational institutions to help bridge gaps and promote partnerships with local small businesses in Newberg.
- **Changes in the retail sector.** The retail sector has reacted over the past two decades to changing consumer preferences for shopping at large supercenters as well as online shopping. The growth of shopping online is likely to continue, accelerated as a result of the COVID-19 pandemic. There will continue to be demand for local purchase of retail goods. Consumers still prefer physical, brick-and-mortar stores for certain items, such as large furniture, specialty goods, and groceries. Furthermore, consumer preferences have shifted to spending at restaurants and experience-focused series (e.g., entertainment or recreation). Retail businesses that compete with online retailers may become less common in Newberg (and other cities), but businesses providing experiences or goods that cannot be purchased online may grow and expand in Newberg. This presents opportunities for Newberg's retail industry to build on the city's high quality of life, providing experiences for residents and visitors, especially those in the wine industry.
- **Continued increase in demand for energy.** While energy prices were unusually low in early 2020, energy prices are forecasted to increase over the planning period. If energy prices increase over the long term, these higher prices will likely affect the mode of commuting before affecting workers' willingness to commute. For example, commuters may choose to purchase a more energy-efficient car or carpool. In Newberg, the options for modes of commuting into the city from other areas are more limited than in larger urban areas with access to transit, bike, and pedestrian infrastructure. Very large increases in energy prices may affect workers' willingness to commute, especially workers living the furthest from Newberg or workers with lower-paying jobs. In addition, very large increases in energy prices may make shipping freight long distances less economically feasible, resulting in a slowdown or reversal of offshore manufacturing, especially of large, bulky goods.

- **A tight labor market that changed abruptly.** In 2019, the unemployment rate in Yamhill County was 3.4%, slightly lower than Oregon’s rate of 3.7% and the national rate of 3.6%. However, the sudden onset of the COVID-19 pandemic resulted in an abrupt increase in unemployment across the nation and in Oregon. In April 2020, unemployment rates increased to 13.2% in Yamhill County, 14.8% in Oregon, and 14.7% nationwide.<sup>12</sup> By November 2020, the unemployment rate in Yamhill County decreased to 5.1% (6.0% statewide). Between March 2020 and November 2020, Yamhill County lost approximately 2,790 jobs concentrated in manufacturing, accommodations and food services, health services, and retail trade.<sup>13</sup> It is unclear how many of these jobs are lost in the long term and how many will come back as the regional and statewide economy reopens. The Oregon Office of Economic Analysis estimates that employment will not return to early 2020 levels until mid-2023, assuming the effects of the COVID-19 pandemic are alleviated by a vaccine or effective treatment.<sup>14</sup>
- **Availability of trained and skilled labor.** Availability of labor depends, in part, on population growth and in-migration. Newberg’s population increased by 5,981 people between 2000 and 2019 at an average annual growth rate of 1.5%. Most of the population increase occurred between 2000 and 2010, with an increase of 4,004 residents. In comparison, Oregon’s population grew at an average annual growth rate of 1.1% between 2000 and 2019 with 69% of the population coming from in-migration.

The current labor force participation rate is another important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. According to the 2014–2018 American Community Survey, Newberg had about 11,987 people in its labor force and Yamhill County had over 49,800. The labor force participation rate in Newberg (65%) was higher than Yamhill County (60%) and Oregon (62%) in the 2014–2018 period. Nonparticipants in the labor force (the 35% of people not participating in Newberg’s labor force) include students 16 years and older, retirees, and unemployed people not actively seeking work. A higher concentration of older residents in an area, or a mismatch between the types of jobs available in an area and the types of skills of the labor force, can contribute to low labor force participation rates.

Twenty-three percent of workers at businesses in Newberg live in Newberg and 48% live in Yamhill County. Businesses in Newberg draw employees from across Yamhill County as well as Washington, Clackamas, and Marion Counties.

- **Lower household income and average wages.** Newberg’s median household income is lower relative to both the county and the state. In the 2014–2018 period, Newberg’s median household income was \$56,599, lower than Yamhill County’s median household

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<sup>12</sup> Note that these unemployment rate estimates are preliminary and may be revised as the year continues.

<sup>13</sup> Based on information from the Oregon Employment Department for Yamhill County as of November 2020. <https://www.qualityinfo.org/covid-19>

<sup>14</sup> Oregon Employment Department, Oregon Economic and Revenue Forecast, September 2020.

income of \$59,484 and Oregon’s median household income of \$59,393. The average wage at private businesses in Newberg was about \$43,480 in 2018, which was higher than the Yamhill County average of \$42,302 in 2018 but below the state average of \$53,000.<sup>15</sup>

- **Education as a determinant of wages.** Newberg’s population has a larger share (31%) of college graduates (bachelor’s degree or higher) than Yamhill County (26%) but a smaller share than Oregon (33%). About 35% of Newberg’s residents have some college or an associate degree, and about 34% have a high school diploma or less. Businesses that need employees with a college degree may be more likely to move to Newberg, and some may need to recruit employees from outside of the city. Newberg businesses have access to students from the local campus of George Fox University, the Portland Community College Newberg Center, and neighboring Linfield College in McMinnville.
- **Aging of the population and need for replacement workers.** Newberg has a smaller percentage of residents 60 years and older (18%) relative to Oregon (24%) and Yamhill County (23%). Newberg’s median age, which was 30.1 in 2000, increased to 33.7 in the 2014–2018 period. In comparison, Yamhill County’s median age was 38.1, and Oregon’s median age was 39.2 in the 2014–2018 period.

Yamhill County’s population is expected to continue aging, with people 60 years and older increasing from 25% of the population in 2020 to 28% of the population in 2045, consistent with statewide trends. As workers retire, businesses need to replace them with new workers. This need for replacement workers will continue to drive need for workers.

- **Increases in racial and ethnic diversity.** Overall, both the nation and Oregon are becoming more racially and ethnically diverse. Between 2000 and 2014–2018, the Hispanic and Latino population in Oregon increased from 8% to 13%, while it increased in Newberg from 11% to 14%. The population of people of color has increased from 13% to 16% in Oregon since 2000 and from 10% to 12% in Newberg.

## Employment Trends in Newberg and Yamhill County

The economy of the nation changed substantially between 1980 and 2018. These changes affected the composition of Oregon’s economy, including Newberg’s economy. At the national level, the most striking change was the shift from manufacturing employment to service-sector employment. The most important shift in Oregon during this period has been the shift from a timber-based economy to a more diverse economy, with the greatest employment in services. This section focuses on changes in the economy in Yamhill County and Newberg since 2008.

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<sup>15</sup> Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

## Employment Trends in Yamhill County

Exhibit 1 shows covered employment<sup>16</sup> in Yamhill County for 2008 and 2018. Employment increased by 3,874 jobs, or 12%, over this period. The sectors with the largest increases in numbers of employees were education and health services (1,180 jobs), leisure and hospitality (1,088 jobs), natural resources and mining (743 jobs), and professional and business services (310 jobs).

The average wage for employment in Yamhill County in 2018 was about \$42,302. Employment in higher-wage industries, such as manufacturing and professional and business services, increased over the 2008 to 2018 time period. One exception is the financial activities sector, which saw a decrease of 70 jobs.

Exhibit 1. Covered Employment by Industry, Yamhill County, 2008–2018

Industry Sector	2008	2018	Change 2008 - 2018			Average Wage (2018)
			Number	Percent	AAGR	
Natural resources and mining	2,926	3,669	743	25%	2.3%	\$37,840
Construction	1,760	1,977	217	12%	1.2%	\$51,966
Manufacturing	6,592	6,896	304	5%	0.5%	\$52,331
Trade, transportation and utilities	4,547	4,844	297	7%	0.6%	\$35,692
Information	213	242	29	14%	1.3%	\$54,512
Financial activities	1,077	1,007	-70	-6%	-0.7%	\$54,405
Professional and business services	1,630	1,940	310	19%	1.8%	\$48,464
Education and health services	5,212	6,392	1,180	23%	2.1%	\$43,299
Leisure and hospitality	2,704	3,792	1,088	40%	3.4%	\$20,279
Other services	1,082	1,386	304	28%	2.5%	\$24,071
Unclassified	19	9	-10	-53%	-7.2%	\$51,094
Government	4,702	4,184	-518	-11%	-1.2%	\$50,765
<b>Total</b>	<b>32,464</b>	<b>36,338</b>	<b>3,874</b>	<b>12%</b>	<b>1.1%</b>	<b>\$42,302</b>

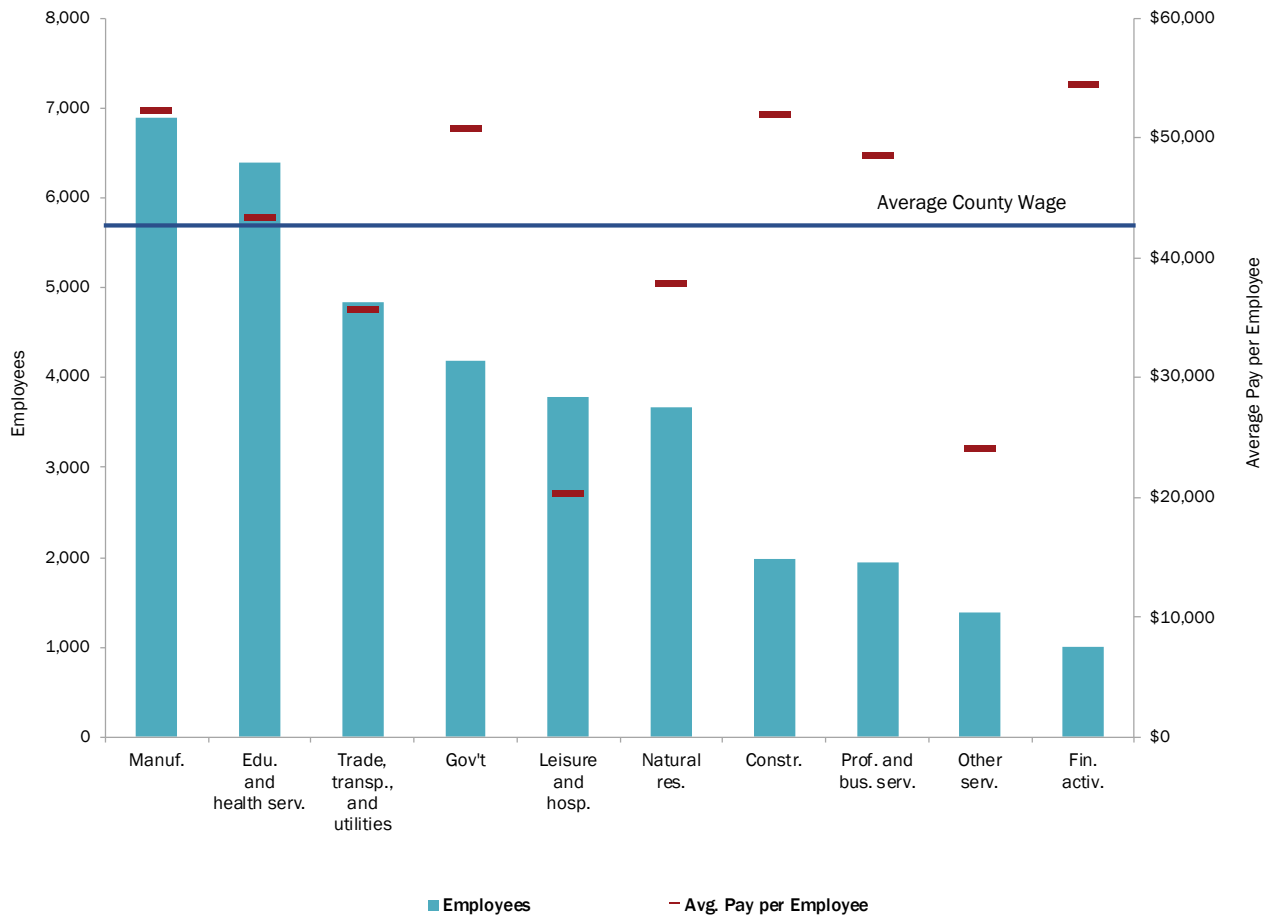
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2008–2018.

Note: “ND” stands for “Not Disclosed” and indicates that the data has been suppressed by the BLS due to confidentiality constraints. The total amount of not-disclosed employment is shown in the table.

<sup>16</sup> **Covered** employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as “1099 employees”), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Exhibit 2 shows covered employment and average wage for the ten largest industries in Yamhill County. Jobs in manufacturing accounted for approximately 19% of the county’s total covered employment, followed by education and health services (18%) and trade, transportation, and utilities (13%). However, of these sectors, only manufacturing and education and health services pay above the county wage (\$52,331 and \$43,299, respectively). Jobs in government, construction, professional and business services, and financial activities also paid more per year than the county average, but they account for a smaller share of covered employment in the county. In addition to trade, transportation and utilities, leisure and hospitality, natural resources and mining, and other services paid below the 2018 county average.

Exhibit 2. Covered Employment and Average Pay by Sector, 10 Largest Sectors Yamhill County, 2018



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2018.

The loss of statewide employment due to the COVID-19 pandemic impacted the accommodation and food services industry the most, followed by the health-care and social assistance industry, as well as the retail trade industry.<sup>17</sup> Other services, which include personal care services such as barber shops and beauty salons, nonveterinary pet care, and fitness instructors also experienced acute impacts. Jobs in these industries tend to have lower wages, and the Oregon Employment Department (OED) reported that in the first nine weeks of the pandemic, about 68% of all initial unemployment claims came from individuals working jobs that pay less than \$20 per hour.<sup>18</sup> Furthermore, OED reported that the manufacturing, construction, and health-care industries had a large quantity of initial unemployment insurance claims. For the manufacturing and construction industries, OED suggested that this is likely due to businesses' inability to put effective social distancing requirements into place.

In their September 2020 economic and revenue forecast, the Oregon Office of Economic Analysis (OEA) anticipates that over one-third of the initial job losses due to the pandemic will return by the end of 2020, with slower growth in the beginning of 2021.<sup>19</sup> However, the Oregon economy will be far from full recovery by then. OEA expects that after this initial economic snapback, Oregon's economy will recover more quickly than the Great Recession. OEA forecasts that the economy should recover to health by mid-2023.

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<sup>17</sup> Based on information from the Oregon Employment Department for Yamhill County as of June 2020. <https://www.qualityinfo.org/covid-19>

<sup>18</sup> Damon Runberg. "Who Are the COVID-19 Unemployed in Oregon?" Salem, OR: State of Oregon Employment Department. May 21, 2020. <https://www.qualityinfo.org/-/who-are-the-covid-19-unemployed-in-oregon->

<sup>19</sup> Oregon Employment Department, Oregon Economic and Revenue Forecast, September 2020.

## Employment in Newberg

Between 2008 and 2018, employment in Newberg increased by about 837 employees (9%). Employment in health care, social assistance, and private education increased by about 391 employees (19%), while manufacturing employment decreased by about 390 employees (16%) (Exhibit 3).

### Exhibit 3. Change in Covered Employment, Newberg UGB, 2008–2018

*Sectors highlighted in blue have wages higher than the city average.*

Sector	2008 Employment	2018 Employment	Change (Number)	Change (Percent)	AAGR
Construction; Natural Resources	420	531	111	26%	2.4%
Manufacturing	2,475	2,085	(390)	-16%	-1.7%
Wholesale Trade	66	99	33	50%	4.1%
Retail Trade	872	1,083	211	24%	2.2%
Transportation and Warehousing; Utilities	93	122	29	31%	2.8%
Information	55	62	7	13%	1.2%
Finance and Insurance	178	181	3	2%	0.2%
Real Estate and Rental and Leasing	95	105	10	11%	1.0%
Professional Services; Management of Companies	189	219	30	16%	1.5%
Administrative and Waste Services	115	139	24	21%	1.9%
Health Care and Social Assist.; Private Education	2,050	2,441	391	19%	1.8%
Arts, Entertainment, and Recreation	33	54	21	64%	5.0%
Accommodation and Food Services	849	1,292	443	52%	4.3%
Other Services (except Public Administration)	376	387	11	3%	0.3%
Government	972	875	(97)	-10%	-1.0%
<b>Total</b>	<b>8,838</b>	<b>9,675</b>	<b>837</b>	<b>9%</b>	<b>0.9%</b>

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2008 and 2018.

Employment in Newberg accounted for about 27% of employment in Yamhill County in 2018. Exhibit 4 shows a summary of covered employment data for the Newberg UGB in 2018. The sectors with the greatest number of employees were health care, social assistance, and private education<sup>20</sup> (25%); manufacturing (22%); accommodation and food services (13%); and retail trade (11%).

Exhibit 4. Covered Employment and Average Pay by Sector, Newberg UGB, 2018<sup>21</sup>

Sector	Establishments	Employees	Payroll	Average Wage
Natural Resources	6	72	\$ 2,976,629	\$ 41,342
Utilities	3	34	\$ 2,374,556	\$ 69,840
Construction	74	459	\$ 26,030,085	\$ 56,710
Manufacturing	53	2,085	\$ 123,419,738	\$ 59,194
Wholesale Trade	37	99	\$ 5,455,352	\$ 55,105
Retail Trade	73	1,083	\$ 33,930,351	\$ 31,330
Transportation and Warehousing	10	88	\$ 2,583,193	\$ 29,354
Information	14	62	\$ 3,657,441	\$ 58,991
Finance and Insurance	46	181	\$ 9,772,257	\$ 53,990
Real Estate and Rental and Leasing	40	105	\$ 3,555,991	\$ 33,867
Professional Services; Management of Companies	57	219	\$ 15,170,897	\$ 69,274
Administrative and Waste Services	35	139	\$ 3,456,261	\$ 24,865
Health Care and Social Assist.; Private Education	113	2,441	\$ 107,106,088	\$ 43,878
Arts, Entertainment, and Recreation	6	54	\$ 582,001	\$ 10,778
Accommodation and Food Services	74	1,292	\$ 28,533,996	\$ 22,085
Other Services (except Public Administration)	150	387	\$ 9,823,593	\$ 25,384
Government	23	875	\$ 42,241,881	\$ 48,276
<b>Total</b>	<b>814</b>	<b>9,675</b>	<b>\$ 420,670,310</b>	<b>\$ 43,480</b>

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

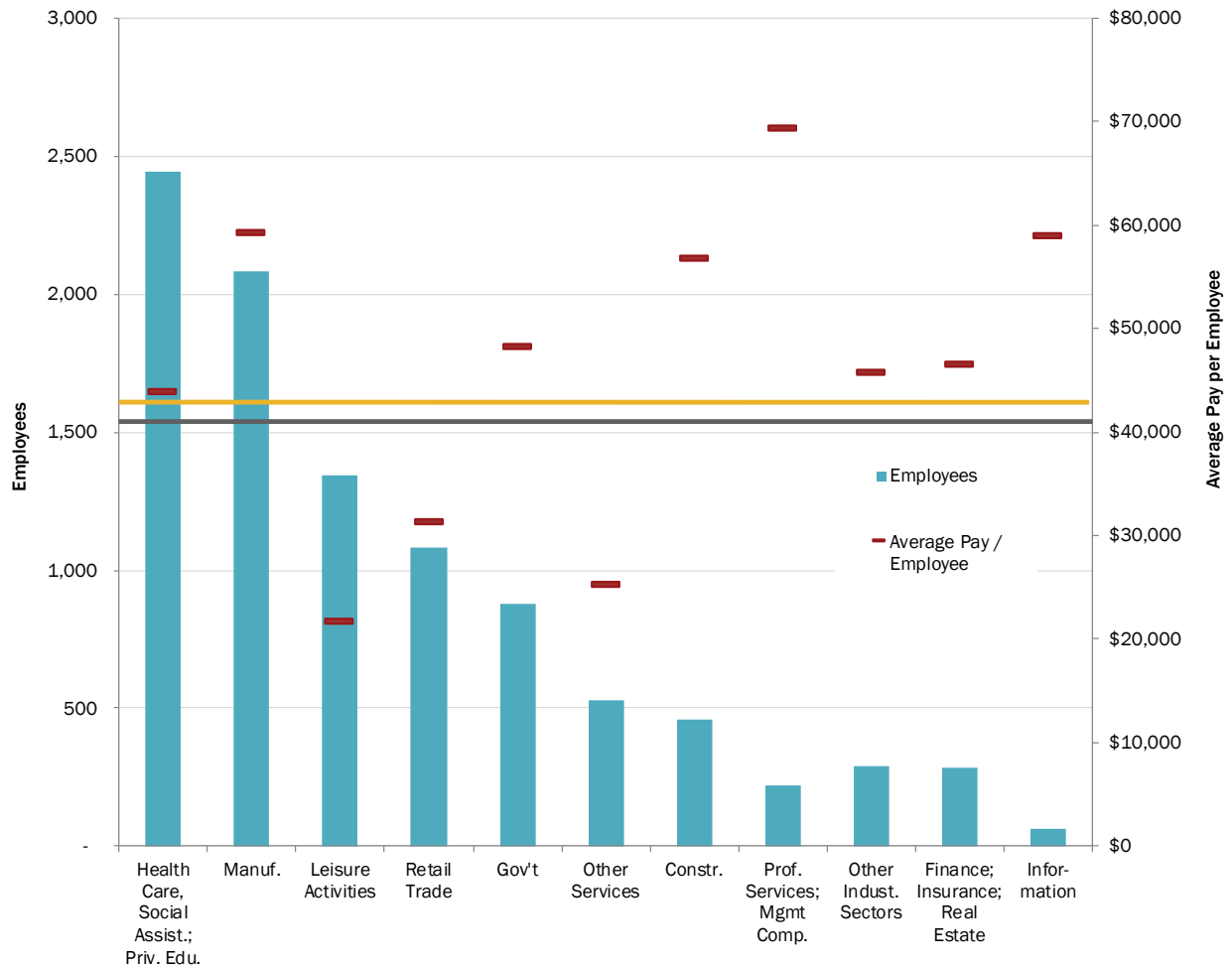
The average size for a private business in Newberg was 11 employees per business, the same as the state average. Businesses with 9 or fewer employees accounted for 18% of private employment, and businesses with 50 or fewer employees accounted for 52% of private employment.

Exhibit 5 shows the employment and average pay per employee for sectors in Newberg. Average pay for all employees (\$43,480) is shown as a yellow line across the graph and average pay for individual sectors as short red lines. The figure shows that health care and social assistance; finance, insurance, and real estate; professional, scientific, and technical services; government; and industrial sectors had above average wages. The lowest wages were in retail trade and leisure activities, which includes arts, entertainment, and recreation and accommodation and food services.

<sup>20</sup> These sectors are combined due to confidentiality. Health care makes up a larger share of the jobs in this sector grouping.

<sup>21</sup> The following sectors were combined due to confidentiality of QCEW data: Utilities, Transportation and Warehousing; Manufacturing and Wholesale Trade; Finance and Insurance, Real Estate and Rental and Leasing; Health Care and Social Assistance and Private Education; Arts, Entertainment and Recreation and Accommodation and Food Services.

Exhibit 5. Covered Employment and Average Pay by Sector, Newberg UGB, 2018<sup>22</sup>



Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

Though data are not readily available at the city level to inform the impacts of the COVID-19 pandemic, OED reports that Yamhill County had lower rates of unemployment insurance (UI) claims as a share of labor force relative to all Oregon counties.<sup>23</sup> In the months following the onset of the pandemic (for data ending June 30, 2020), nearly 3,303 continued UI claims were made in Yamhill County. Of these claims, almost 650 were in the manufacturing sector (20% of the county total). Accommodation and food services had the next largest share of claims at about 18% of the county total, followed by health care and social assistance with 12%. The depth of the impact on wages is not fully apparent in the data yet; however, the sharp job loss in these sectors and others is expected to decrease or at least stagnate in the short run.

<sup>22</sup> “Industrial sectors” includes natural resources, construction, transportation and warehousing, utilities, and wholesale trade. “Leisure activities” includes accommodation and food services and arts, entertainment, and recreation.

<sup>23</sup> Based on information from the Oregon Employment Department for Yamhill County as of June 2020. <https://www.qualityinfo.org/covid-19>

## Outlook for Growth in Yamhill County

Given the large change in the economy starting in March 2020 as a result of the COVID-19 pandemic, it is difficult to accurately understand the likely outlook for growth in Yamhill County. The best currently available data is as follows. Exhibit 6 shows the Oregon Employment Department's forecast for employment growth by industry for the Mid-Valley region (Linn, Marion, Polk, and Yamhill Counties) over the 2019 to 2029 period. Employment in the region is forecasted to grow at an average annual growth rate of 0.8%.

The sectors that will lead employment in the region for the ten-year period are private educational and health services (adding 6,700 jobs); government (3,100); trade, transportation, and utilities (2,600); professional and business services (2,400); construction (2,300); and leisure and hospitality (2,300). In sum, these sectors are expected to add 19,400 new jobs or about 81% of employment growth in the Mid-Valley region. Yamhill County accounts for about 14% of employment in these four counties, and Newberg accounts for about 27% of the county's employment.

Exhibit 6. Regional Employment Projections, 2019–2029, Mid-Valley Region (Linn, Marion, Polk, and Yamhill Counties)

Industry Sector	2019	2029	Change 2019 - 2029		
			Number	Percent	AAGR
Total private payroll employment	215,700	235,500	19,800	9%	0.9%
Natural resources and mining	18,000	19,300	1,300	7%	0.7%
Mining and logging	1,200	1,200	0	0%	0.0%
Construction	17,400	19,700	2,300	13%	1.2%
Manufacturing	28,900	30,300	1,400	5%	0.5%
Durable goods	17,100	18,200	1,100	6%	0.6%
Wood product manufacturing	4,400	4,500	100	2%	0.2%
Nondurable goods	11,800	12,100	300	3%	0.3%
Trade, transportation, and utilities	43,700	46,300	2,600	6%	0.6%
Wholesale trade	6,400	7,000	600	9%	0.9%
Retail trade	27,900	28,500	600	2%	0.2%
Transportation, warehousing, and utilities	9,400	10,800	1,400	15%	1.4%
Information	2,000	2,000	0	0%	0.0%
Financial activities	9,600	9,700	100	1%	0.1%
Professional and business services	20,400	22,800	2,400	12%	1.1%
Private educational and health services	42,100	48,800	6,700	16%	1.5%
Health care and social assistance	37,400	43,600	6,200	17%	1.5%
Leisure and hospitality	23,300	25,600	2,300	10%	0.9%
Accommodation and food services	20,700	22,800	2,100	10%	1.0%
Other services and private households	10,300	11,000	700	7%	0.7%
Government	54,000	57,100	3,100	6%	0.6%
Federal government	2,200	2,300	100	5%	0.4%
State government	21,200	22,800	1,600	8%	0.7%
Local government	30,600	32,000	1,400	5%	0.4%
Self Employment	15,500	16,700	1,200	8%	0.7%
<b>Total employment</b>	<b>285,200</b>	<b>309,300</b>	<b>24,100</b>	<b>8%</b>	<b>0.8%</b>

Source: Oregon Employment Department. Employment Projections by Industry 2019–2029.

## Newberg's Competitive Advantage

Local conditions, as well as national and state economic conditions, will affect economic development opportunities in Newberg. Economic conditions in Newberg relative to other portions of the Willamette Valley region form Newberg's competitive advantage for economic development. Newberg's competitive advantages have implications for the types of firms most likely to locate and expand in the area.

Newberg's primary competitive advantages and key economic assets are access to US Highway 99, access to a skilled labor force, and high quality of life. These factors make Newberg attractive to residents and businesses that want a high quality of life where they live and work.

The discussion earlier in this chapter provided information about Newberg's existing base of businesses and access to labor, which are key to understanding Newberg's competitive advantages. This section summarizes these and other local factors that form Newberg's competitive advantage, with additional details in the sections following this summary.<sup>24</sup>

- **Location.** Newberg is located in Yamhill County, less than an hour from Portland. Because of its relative proximity to the Portland metropolitan area, the city has access to infrastructure such as the Portland International Airport and Interstate Highway 5. These locational aspects allow both goods and workers to move in and out of Newberg with relative efficiency. Newberg's location can be an advantage, especially for workers who prefer to live in or near Newberg for its quality of life but still need access to urban amenities.
- **Transportation.** Newberg is located along Oregon Route 99W, providing a connection to McMinnville and the Portland Metro area. The Highway runs through Newberg, allowing for freight and automotive transportation within and beyond the city. Most recently, the Oregon Department of Transportation (ODOT) has completed the first phase of the Newberg-Dundee Bypass, which includes a 4-mile expressway extending from OR 219 to OR 99W.<sup>25</sup> In its final phase, the 11-mile expressway will feature four lanes running from Dayton to just outside of Newberg. The bypass is being built to improve livability for the surrounding areas and will hopefully, in turn, alleviate traffic around downtown Newberg.
- **Access to workers.** Newberg pulls workers from across Yamhill County. Newberg, unlike Yamhill County, has a higher share of residents in their early working lives. While many areas face the challenges of an aging workforce, Newberg has attracted younger residents who may help balance these effects.

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<sup>24</sup> The analysis in this section also incorporates information from the *Newberg Economic Development Strategy* (2016, updated 2019).

<sup>25</sup> Oregon Department of Transportation. (2019). Oregon Department of Transportation – Region 2 (Willamette Valley and Coast). <http://oregonjta.org/region2/?p=highway99w>

- **Remote workers.** The number of remote workers is expected to increase over time. Some of these workers will likely work from home, but they may also seek small office spaces if available.<sup>26</sup> This presents an opportunity for the development of coworking or shared office spaces in Newberg. Business for service-sector industries could increase beyond current seasonal demand, as remote workers may require access to local shops, restaurants, and other services to connect and collaborate.
- **Access to job training.** Aside from on-the-job training, workers in Newberg have access to an extension of the Portland Community College located in the city. The Newberg Center is about 30 miles from the main campus and offers associate and transfer degrees to students who plan on transferring to a State of Oregon college or university. Newberg has also made efforts to increase career and technical education (CTE) at the high school level. The city is home to George Fox University, a private, Christian university with extensions in Portland, Salem, and Redmond. The university offers bachelor's, master's, and doctorate degrees and has recently been ranked 24th out of 127 institutions in the "Best Regional Universities" West category by *US News & World Report*.<sup>27</sup> In addition to this accolade, both *Forbes* and *The Princeton Review* have named the university a top regional institution.<sup>28</sup>
- **Small business and entrepreneurial growth.** On average, private businesses in Newberg average 11.1 employees per business. Newberg's quality of life, especially its wineries and access to river-based recreation, make the community attractive as a place to grow small businesses. The City can continue working with regional and state resources, such as the Chehalem Valley Chamber of Commerce, to help connect small businesses and entrepreneurs with available resources and services.
- **Access to agricultural products.** Farming and processing of value-add agricultural products remains a large industry in Newberg and surrounding Yamhill County. In 2017, Yamhill County accounted for 6% of the state's total agricultural sales. The products with the largest sales produced in Yamhill County include nursery and greenhouse products, as well as fruits, tree nuts, and berries. The crops with the most acreage in Yamhill County include grass seed, hay, hazelnuts, grapes, and harvested vegetables. Farms in the county also produce animal products, including poultry, eggs, and milk.<sup>29</sup>

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<sup>26</sup> People working from home for businesses located outside of Newberg are likely not counted in annual employment figures. QCEW and the US Census' Longitudinal Employer-Household Dynamics (LEHD) data sets use employment data that is based on the location of the employer. Some employers have multiple locations, but an employee may not physically work at that location. For example, a Newberg resident may work remotely for a business located in Portland. While the employee does not commute to Portland, the employer reports the employee as a worker at the Portland location.

<sup>27</sup> George Fox University. (2019). George Fox University again receives recognition in 2019 'US News & World Report' Rankings. <https://blogs.georgefox.edu/newsreleases/?p=7571>

<sup>28</sup> George Fox University. (2019). High rankings testify to the quality of a George Fox education. <https://www.georgefox.edu/academics/rankings.html>

<sup>29</sup> US Census of Agriculture. Yamhill County Profile. 2017.

Newberg's location within Oregon's largest wine region, the North Willamette Valley, contributes to the strength of the agricultural industry in the area. As of 2018, the North Willamette Valley had 651 vineyards with 20,279 planted acres of grapes and 503 wineries.<sup>30</sup>

- **Collaborative economic development partnerships.** Newberg is part of a regional ecosystem of economic development partnerships. Successful local economic development is often a result of effective collaboration among governments, business owners, and community members. Newberg has existing collaborative partnerships with public agencies, including the Chehalem Valley Chamber of Commerce, Chehalem Valley Innovation Accelerator, SEDCOR, Mid-Willamette Valley Council of Governments, Polk County Economic Development, Willamette Workforce Partnership, Business Oregon, Oregon Department of Transportation (ODOT), George Fox University, and Portland Community College. The City can continue to build on these relationships with key partners to improve infrastructure, identify opportunities for education and training for needed skills in potential growth industries, and expand on existing resources.
- **Tourism and related industries.** Tourism is growing in Yamhill County. The number of overnight visitors to Yamhill County has increased from 1,683,000 in 2016 to 1,773,000 in 2018, an increase of 90,000 overnight stays or 5.3%.<sup>31</sup> Growth in tourism creates opportunities for services for visitors, such as river guides, restaurants, tasting rooms, a brew pub, overnight accommodations, and other services for visitors. Newberg shares many similar attributes with McMinnville, such as climate, outdoor recreation opportunities, and arts and culture. Marketing Newberg as a place with attributes similar to other cities in the Willamette Valley may help attract new visitors to Newberg.
- **Scenic resources.** Newberg is located in the northern part of the Willamette Valley, which is valued for its outdoor recreational activities, wineries, vineyards, and mountain ranges. Many residents and visitors to Newberg choose to live in and visit Newberg for its scenic beauty and tourism opportunities.
- **Quality of life.** Many residents of Newberg value the city's scenic beauty, friendly small-town character, pleasant climate, arts and culture, access to retail and other urban amenities, and access to outdoor recreational amenities.

Newberg's disadvantages for economic development include:

- **Land availability and serviceability.** Newberg has relatively little vacant, unconstrained commercial and industrial land within the city or urban growth boundary. Landowner willingness to sell or develop land varies, making some sites unavailable for development for the foreseeable future. Some sites within Newberg lack

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<sup>30</sup> University of Oregon. *2018 Oregon Winery and Vineyard Report*. Institute for Policy Research and Engagement. September 2019.

<sup>31</sup> Dean Runyan Associates, Oregon Travel Impacts.

urban infrastructure (e.g., water, sewer, or roads), making development infeasible at this time. The cost to provide services to these sites can be prohibitive to potential developers, requiring coordination and assistance from the City.

Businesses have relocated or expanded outside of Newberg due to lack of available and suitable industrial sites. Recent examples of businesses that left Newberg include Polymax, NW Alpine, Halstead Cabinets, Advance Machinery, and Aviatrix. Furthermore, new businesses interested in locating on industrial land in Newberg have cited lack of available land and infrastructure as key issues for locating elsewhere. According to recruitment information collected by City staff, since 2014 potential businesses interested in locating in Newberg ranged from industries in advanced manufacturing to aviation related services to food and agricultural products.

SEDCOR is the lead economic development agency for the Mid-Willamette Valley, including Newberg. SEDCOR has long worked with the City of Newberg to provide opportunities for businesses to grow, expand, and locate in Newberg. SEDCOR describes the following impacts of the lack of available and suitable industrial sites in Newberg for business growth, expansion, and attraction:

“SEDCOR, like most economic development organizations, considers the retention and expansion of our region’s traded-sector employers as our top priority. Our efforts to retain growing employers in Newberg have been hampered by the lack of available industrial sites in the city. A business with expansion opportunities has been forced to look outside the community for a site ready and able to accommodate its future growth. Moreover, business recruitment, also an important part of a community’s economic development strategy, depends on an inventory of project-ready sites. Marketable, attractive sites that are development-ready provide a community with an advantage to grow the successful businesses that have already made investments there, as well as attract new employers to sustain and grow the local economy into the future.” (Erik Andersson, President, SEDCOR)

- **Affordable housing for workers.** A growing concern among Newberg leaders and community members is the lack of available workforce housing. Those who choose to live and work in Newberg have lower wages than those who commute out of the city to surrounding areas for work. The lack of affordable housing pulls qualified workers away from the city’s employers and may inhibit employment and industry growth. The Housing Needs Analysis showed the following barriers to production of affordable housing: deficiency of land in medium and high-density residential plan designations, as well as increasing housing costs.

In addition, the winery businesses in and around Newberg need housing for migrant farmworkers. Vineyards rely heavily on migrant workers and the challenges these workers face in finding affordable short-term housing, and accommodations may deter

them from coming to Newberg or the surrounding agricultural areas during the harvest season.

- **Aging population.** Newberg has a higher labor force participation rate than Yamhill County and Oregon; however, the aging workforce will still present challenges to the City. As workers in Newberg retire, or new residents locate in Newberg after retirement, the need for skilled, educated replacement workers will increase.
- **Environmental and climate change risks.** Newberg’s economy relies heavily on outdoor, recreation-focused tourism. Environmental factors, including climate change, can threaten the success of tourism industries that rely on favorable weather conditions. Forest fires and floods are both a concern for communities in Oregon, and the risk of these natural hazards is likely to increase as a result of climate change.<sup>32</sup> Forest fires also cause poor air quality, which can detract visitors and decrease quality of life for residents. Other potential natural hazards that will likely increase in Newberg as a result of climate change include drought, increased invasive species, and loss of wetland ecosystems.<sup>33</sup>

## Public Facilities and Services

Provision and costs of public facilities and services can impact a firm’s decision regarding location within a region. One of the primary considerations about developing a site is whether it has infrastructure to the site or near the site, including water, wastewater, stormwater, and transportation. If infrastructure is not developed to or near the site, the consideration becomes whether infrastructure can be extended in a timely manner and at a financially feasible cost.

This section discusses Newberg’s large infrastructure systems, including the water system, wastewater system, and stormwater system. It answers the question of whether Newberg has or is planning to have sufficient capacity to support the amount and types of development proposed in the EOA.

### Water

Generally, Newberg has adequate water capacity and treatment facilities to meet current and future demand to serve population and employment growth. The City’s main water source is a well field in Marion County and has an overall maximum capacity to pump 8.5 million gallons per day. The water system includes three reservoirs each with the capacity to hold 4 million gallons—two are located at the North Valley Reservoir and the third is the Corral Creek Reservoir. The average winter demand for water in Newberg is 2.0 million gallons per day, while the average summer demand is 3.6 million gallons per day.<sup>34</sup> Currently, the City is able to

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<sup>32</sup> Oregon Climate Change Research Institute. Climate Change Influence on Natural Hazards in Oregon Counties. August 2018 and Fourth Oregon Climate Assessment Report. January 2019.

<sup>33</sup> Ibid.

<sup>34</sup> The peak maximum daily demand was reported at 6.1 million gallons per day on July 21, 2006. The average maximum demand during the summer months is 4.5 million gallons per day.

serve current and future water uses on commercial and industrial land. However, the City may not have capacity to accommodate development of a new industry with significant water needs, such as water-intense food processing or electronics manufacturing, until the upgrades (described below) are completed by approximately 2025.

The City is in the process of updating its water master plan and addressing the needs identified in the Riverfront Master Plan, such as extending water mains to the area and improving water distribution north of the bypass. The industrial areas identified in the Riverfront Master Plan are located in close proximity to the water treatment plant near the southern boundary of the UGB. There is opportunity for infrastructure development for industrial uses in this area, but it would need to be addressed in future development. The Riverfront area also has opportunities to extend the City's water reuse program.

Finally, the City is in the process of working to develop a redundant supply to provide secondary support for the existing water system, with one of the options as the Willamette River as a local source with intake near the existing water treatment plant. These additional water rights would add another 5.2 million gallons per day to the City's water capacity, increasing the City's potential capacity to 13.7 million gallons per day. The City expects to complete the water right acquisition by 2025. Based on the City's existing capacity, the average demand, and the redundant water supply available about five years into the 20-year planning period, Newberg will be able to accommodate heavy water users in the future.

## Wastewater

Newberg's wastewater treatment facilities are also adequate to meet current and future needs over the 20-year planning period. The City's 5-Year Capital Improvements Plan includes wastewater system improvement projects developed from the Wastewater Master Plan. These projects include improvements to lift stations, the treatment plant, and the collection and conveyance system. The City has an ongoing annual inflow and infiltration (I&I) project. The reduction of I&I adds capacity back into the wastewater system, which will assure that the plant will adequately serve existing and future users for the next 20 years. Due to their proximity to the wastewater treatment plant, connections to wastewater infrastructure will be relatively simple for future users in the Riverfront area. The City is in the process of updating its wastewater master plan, and addressing needs identified in the Riverfront Master Plan such as extension of wastewater mains to the area and improvements of wastewater distribution north of the bypass.

## Stormwater

Drainage for stormwater in Newberg flows to three creeks—Chehalem Creek, Hess Creek, and Spring Brook—all of which flow to the Willamette River. The City's stormwater system is over 50-miles long through closed (pipe) and open networks. The 2014 Stormwater Master Plan identified potential deficiencies in the capacity of Newberg's stormwater system, including needed improvements to pipe infrastructure, as well as drainage and flooding issues. The City

has also observed an increase in state regulation related to the development of new outlets in natural drainages. Additional requirements have resulted in challenges to develop new outfalls into drainages. The City is in the process of updating its stormwater master plan, which includes an analysis of regulatory requirements and the reprioritization of system needs. The City is also working to address needs identified in the Riverfront Master Plan, such as the extension of stormwater mains to the area and improvements of stormwater distribution north of the bypass.

## 3. Employment Growth and Site Needs

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Goal 9 requires cities to prepare an estimate of the amount of commercial and industrial land that will be needed over a 20-year planning period. The estimate of employment land need and site characteristics for Newberg is based on expected employment growth and the types of firms that are likely to locate in Newberg over the 20-year period. This chapter presents an employment forecast and analysis of potential growth industries that build from recent economic trends.

### Forecast of Employment Growth

OAR 660-009-0015(4) requires the EOA to “estimate the types and amounts of industrial and other employment uses likely to occur in the planning area.” The Goal 9 rule does not specify how jurisdictions conduct this analysis. The *types* of employment are described in the land use types shown in Exhibit 9 and the potential growth industries described later in this chapter. The *amounts* of employment uses are shown as number of employees (Exhibit 9) and acres of land for each land use type (see Exhibit 11 for commercial land need and Exhibit 21 for industrial land need). The sections in the chapter about commercial site needs and industrial site needs also describe the types of land needed to accommodate the forecast of employment growth in Newberg.

Demand for industrial and commercial land will be driven by the expansion and relocation of existing businesses and by the growth of new businesses in Newberg. This employment land demand is driven by local growth independent of broader economic opportunities, including the growth of potential growth industries.

The employment projections in this section build off Newberg’s existing employment base, assuming future growth is similar to Yamhill County’s long-term historical employment growth rates. The employment forecast does not take into account a major change in employment that could result from the location (or relocation) of one or more large employers in the community during the planning period. Such a major change in the community’s employment would exceed the growth anticipated by the City’s employment forecast and its implied land needs (for employment, but also for housing, parks, and other uses). Major economic events, such as the successful recruitment of a very large employer, are difficult to include in a study of this nature. The implications, however, are relatively predictable: more demand for land (of all types) and public services.

Projecting demand for industrial and nonretail commercial land has four major steps:

1. **Establish base employment for the projection.** We start with the estimate of covered employment in Newberg presented in Exhibit 4. Covered employment does not include all workers, so we adjust covered employment to reflect total employment in the city.

2. **Project total employment.** The projection of total employment considers forecasts and factors that may affect employment growth in Newberg over the 20-year planning period.
3. **Allocate employment.** This step involves allocating types of employment to different land use types.
4. **Estimate land demand.** This step estimates general employment land demand based on employment growth and assumptions about future employment densities.

## Employment Base for Projection

The purpose of the employment projection is to model future employment land need for general employment growth. The forecast of employment growth in Newberg starts with a base of employment growth on which to build the forecast. Exhibit 7 shows ECONorthwest's estimate of total employment in Newberg in 2018.

To develop the figures, ECONorthwest started with estimated covered employment in the Newberg UGB from confidential Quarterly Census of Employment and Wages (QCEW) data provided by the Oregon Employment Department. Based on this information, Newberg had about 9,675 covered employees in 2018.

Covered employment does not reflect all workers in an economy, including sole proprietors. Analysis of data shows that *covered* employment reported by the Oregon Employment Department for Yamhill County is only about 72% of *total* employment reported by the US Department of Commerce.<sup>35</sup> We evaluated this ratio for each industrial sector for Yamhill County and used the resulting ratios to determine the number of noncovered employees. This allowed us to determine the total employment in Newberg. Exhibit 7 shows Newberg had an estimated 13,466 *total* employees within its UGB in 2018.

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<sup>35</sup> *Covered* employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Total employment includes all workers based on data from the US Department of Commerce. Total employment includes all covered employees, plus sole proprietors and other noncovered workers.

Exhibit 7. Estimated Total Employment by Sector, Newberg UGB, 2018

	Covered Employment	Estimated Total Employment	Covered % of Total
Natural Resources	72	72	100%
Utilities	34	76	45%
Construction	459	662	69%
Manufacturing	2,085	2,324	90%
Wholesale Trade	99	140	71%
Retail Trade	1,083	1,441	75%
Transportation and Warehousing	88	196	45%
Information	62	105	59%
Finance and Insurance	181	365	50%
Real Estate and Rental and Leasing	105	796	13%
Prof., Sc., and Tech. Services; Mgmt of Comp.	219	544	40%
Admin. and Support and Waste Mgmt and Remed. Serv.	139	268	52%
Health Care and Social Assist.; Priv. Edu.	2,441	3,234	75%
Arts, Entertainment, and Recreation	54	150	36%
Accommodation and Food Services	1,292	1,459	89%
Other Services (except Public Administration)	387	701	55%
Government	875	933	94%
<b>Total Non-Farm Employment</b>	<b>9,675</b>	<b>13,466</b>	<b>72%</b>

Source: 2018 covered employment from confidential Quarterly Census of Employment and Wage (QCEW) data provided by the Oregon Employment Department.

## Employment Projection

The employment forecast covers the 2021 to 2041 period, requiring an estimate of total employment for Newberg in 2021. The base employment starts with the estimate of 13,466 total jobs in Newberg in 2018, shown in Exhibit 7.

Newberg does not have an existing employment forecast, and there is no required method for employment forecasting. OAR 660-024-0040(9) sets out some optional “safe harbors” that allow a city to determine employment land need.

Newberg is relying on the safe harbor described in OAR 660-024-0040(9)(a)(B), which allows the City to assume that the current number of jobs in the Newberg UGB will grow during the 20-year planning period at a rate equal to the population growth rate provided in the most recent forecast published by Portland State University’s Oregon Population Forecast Program. The latest forecast shows that population in Newberg will grow at an average annual growth rate of 1.39%.<sup>36</sup>

Exhibit 8 shows employment growth in Newberg between 2021 and 2041, based on the assumption that the city will grow at an average annual growth rate of 1.39%. Newberg will

<sup>36</sup> Final Population Forecasts prepared by Population Research Center, Portland State University, June 30th, 2020.

have 18,486 employees within the UGB by 2041, which is an increase of 4,452 employees (32%) between 2021 and 2041.

Exhibit 8. Employment Growth in Newberg UGB, 2021–2041

Year	Total Employment
2021	14,034
2041	18,486
<b>Change 2021 to 2041</b>	
Employees	4,452
Percent	32%
AAGR	1.39%

Source: ECONorthwest.

## Allocate Employment to Different Land Use Types

The next step in forecasting employment is to allocate future employment to broad categories of land use. Firms wanting to expand or locate in Newberg will look for a variety of site characteristics, depending on the industry and specific circumstances. We grouped employment into four broad categories of land use based on the North American Industrial Classification System (NAICS): industrial, retail commercial, office and commercial services, and government.

Exhibit 9 shows the expected share of employment by land use type in 2021 and the forecast of employment growth by land use type in 2041 in the Newberg UGB. For each land use type, we assumed that the *share* of total employment will decrease, except for industrial employment, which will increase to a similar share of Newberg’s employment as in 2008. Exhibit 9 shows the following changes in the mix of employment:

- Industrial.**<sup>37</sup> Industrial employment is forecast to increase to 32% of employment by 2041, resulting in 2,407 new jobs. This change is based on expected implementation of the City’s economic development vision in the City’s adopted economic development strategy and community vision. In *A NewBERG Community Vision* and the *Newberg Economic Development Strategy Update*, Newberg assessed their community economic development potential and developed the community’s vision for economic development (consistent with OAR 660-009-0015[5]). These documents state Newberg’s economic development objectives, which include strong policies for the development of industrial employment (consistent with OAR 660-009-0020[1]).<sup>38</sup>

<sup>37</sup> Industrial employment includes employment in the following NAICS sectors: construction, natural resources, manufacturing, wholesale trade, transportation and warehousing, and utilities.

<sup>38</sup> The City adopted *A NewBERG Community Vision* in August 2019 and the *Newberg Economic Development Strategy Update* in November 2019.

The City's first economic development goal is enhancing industrial development capabilities and opportunities. The strategies to implement this goal are:

- building traded-sector industries (discussed later in the EOA as potential growth industries),
- retaining, expanding, and recruiting traded-sector industrial companies,
- participating in economic development partnerships,
- increasing the supply of industrial land,
- ensuring adequate infrastructure to support growth,
- and improving transportation access for industrial land.

The *Newberg Economic Development Strategy Update* provides details about the implementation of each of these strategies, including actions that the City will complete over the next three years, partners, funding, staff resources, and metrics to measure success. The City has started to implement several of these actions, including Urban Renewal and seeking redevelopment opportunities, such as the former WestRock Mill site. In addition, Newberg's Comprehensive Plan Economic Element includes policies about encouraging growth of jobs that allow people to live and work in Newberg, supporting industrial growth, encouraging a diversity of industrial businesses, and preserving large industrial sites for future industrial uses.

The forecast in Exhibit 9 assumes that Newberg will be successful in achieving its economic development aspirations. In 2008, 35% of employment in Newberg was industrial.<sup>39</sup> Newberg has been losing employment in manufacturing since 2008, in part because the city does not have sites that manufacturers can grow into, as documented in other parts of the EOA. This forecast assumes that the City successfully implements its economic development strategy and that industrial employment grows faster than other employment in Newberg.

- **Retail Commercial.**<sup>40</sup> Retail employment is expected to decrease from 11% of all employment in Newberg to 9% by 2041. The basis for this change is the national trend to purchasing retail goods online.
- **Office & Commercial Services.**<sup>41</sup> Office employment is expected to account for more than 1,000 new jobs or 53% of employment in Newberg by 2041. In 2008, office and commercial service employment accounted for 45% of employment. By 2041, the forecast shows office and commercial services accounting for 53% of employment, with

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<sup>39</sup> Oregon Employment Department Quarterly Census of Employment and Wages data for Newberg.

<sup>40</sup> Retail employment includes employment in the following NAICS sector: retail trade.

<sup>41</sup> Office and commercial services employment includes employment in the following NAICS sectors: information, finance, and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support and waste management and remediation services; private education; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services (except public administration).

industrial employment growing at a faster rate than office and commercial services. The types of industries in office and commercial services that are expected to grow in the next 20 years include health-care services and tourism-related industries such as accommodation and food services.

- **Government.**<sup>42</sup> Government employment is expected to grow by more than 100 jobs, with most new jobs in K–12 schools and public administration.

Exhibit 9. Forecast of Employment Growth by Land Use Type, Newberg UGB, 2021–2041

Land Use Type	2021		2041		Change 2021 to 2041
	Employment	% of Total	Employment	% of Total	
Industrial	3,509	25%	5,916	32%	2,407
Retail Commercial	1,544	11%	1,664	9%	120
Office & Commercial Services	7,999	57%	9,798	53%	1,799
Government	982	7%	1,108	6%	126
<b>Total</b>	<b>14,034</b>	<b>100%</b>	<b>18,486</b>	<b>100%</b>	<b>4,452</b>

Source: ECONorthwest.

Note: The shaded percentages denote an assumption about the future change in the share of employment (as a percent of total) by land use type.

## Estimate of Demand for Commercial Land

This section shows demand for vacant (including potential infill) commercial land in Newberg over the 20-year period. Need for new land for government uses, such as schools, new infrastructure (e.g., water facilities), and government offices will be addressed through a separate analysis of land needed for public and semipublic uses. Need for new land for industrial uses is addressed later in this chapter through a separate analysis.

The assumptions used in this analysis are:

- **Employment located in residential plan designations.** According to QCEW data, some employment in Newberg in 2018 was located on land designated for residential uses. The amount of commercial employment located in residential plan designations was 15.8%. This may include uses such as corner stores, other retail in neighborhoods, medical offices, or small personal-service businesses (e.g., banks or hair stylists).

Exhibit 10 shows that the percentage of new employment locating in residential land designations will remain the same over the 20-year period for commercial uses (15.8%).

- **Employment located in existing built space.** Some employment may locate in existing built space, through adding capacity in an existing business (e.g., adding a desk to an existing office) or occupancy of vacant built space. Exhibit 10 shows that 10% of commercial employment of new employment growth will occur in existing built space.

<sup>42</sup> Government employment includes any employment in any sector where the employer is local, state, or federal government.

Exhibit 10. Estimated Commercial Employment Growth Accommodated in Residential Plan Designations and Existing Built Space, Newberg UGB, 2021–2041

Land Use Type	New Employment Growth	Emp. In Res. Designations	Emp. In Existing Built Space	New Emp. on Vacant Land
Retail Commercial	120	19	12	89
Office & Commercial Services	1,799	284	180	1,335
<b>Total</b>	<b>1,919</b>	<b>303</b>	<b>192</b>	<b>1,424</b>

Source: ECONorthwest.

- Employment density.** Employees per acre is a measure of employment density based on the ratio of the number of employees per acre of employment land that is developed for employment uses. An empirical analysis of Newberg’s existing commercial employment conducted by ECONorthwest showed that retail commercial sites have an average of 16 employees per acre and office and commercial services sites have an average of 22 employees per acre.<sup>43</sup>

Using the existing employment densities as a baseline, while also considering Newberg’s future development goals and policies, Exhibit 11 assumes the net employees per acre: retail commercial will have an average of 16 employees per acre and office and commercial services will have an average of 22 employees per acre. These employment densities are consistent with employment densities in Oregon cities similar in size to Newberg. Some types of employment will have higher employment densities (e.g., a multistory office building), and some will have lower employment densities (e.g., a convenience store with a large parking lot).

- Conversion from net to gross acres.** The data about employment density is in net acres, which does not include land for public right-of-way. Future land need for employment should include land in tax lots needed for employment plus land needed for public right-of-way. One way to estimate the amount of land needed for employment, including public right-of-way, is to convert from net to gross acres based on assumptions about the amount of land needed for public right-of-way.<sup>44</sup> A net-to-gross conversion is expressed as a percentage of gross acres that are in public right-of-way.

Based on empirical evaluation of Newberg’s existing net-to-gross ratios, ECONorthwest uses a net-to-gross conversion factor of 16% for commercial uses.

<sup>43</sup> This analysis considered a sample of existing businesses in Newberg, accounting for 31% of existing commercial employment in Newberg. The results were generally consistent with ECONorthwest’s analysis of employment densities in other cities across Oregon.

<sup>44</sup> OAR 660-024-0010(6) defines “net buildable acre” as 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

Using these assumptions, the forecasted growth of 1,424 new commercial employees will result in the demand for vacant (and potential infill) employment land, including 7 acres of retail commercial land and 76 gross acres of office and commercial services land.

Exhibit 11. Demand for Vacant Land to Accommodate Employment Growth, Newberg UGB, 2021-2041

Land Use Type	New Emp. on Vacant Land	Employees per		Land Demand (Net Acres)	Land Demand (Gross Acres)
		Acre (Net Acres)			
Retail Commercial	89	16		6	7
Office & Commercial Services	1,335	22		62	76
<b>Total</b>	<b>1,424</b>			<b>68</b>	<b>83</b>

Source: ECONorthwest.

### Site Characteristics for Commercial Land

Commercial businesses have a variety of space needs and site characteristic needs, including the following:

- **Space in an existing building.** Businesses would be located as one of several or many firms within the building. The size of needs may be a few hundred square feet for a single office or many thousands of square feet for larger commercial uses.
- **Land for construction of a building designed for the firm.** The size of sites for commercial buildings typically range from sites smaller than 0.5 acres to sites of approximately 5 acres.
- **Land for construction of a commercial center.** Some businesses may prefer to locate in commercial centers ranging in size from 1 to 3 acres, or they may prefer larger community commercial centers ranging in size from 10 to 40 acres.
- **Visibility of location.** Retail, service, and hospitality commercial uses often require sites with highly visible locations, often near other businesses or residential neighborhoods.
- **Proximity/access to a major automotive route.** Commercial businesses seek sites that are located on neighborhood streets with access to arterial or major collector streets and easy access to a state highway (or equivalent). Large-scale commercial users would likely avoid sites that would force their traffic to be routed through residential neighborhoods.

## Estimate of Demand for Industrial Land

This section shows demand for vacant (or potential infill) industrial land in Newberg over the 20-year period. Building from the number of new industrial employees shown in Exhibit 9, the analysis for needed land for these 2,407 new employees includes considerations for Newberg's potential growth industries and the site needs for those industries. The analysis also uses average site sizes for comparable cities in the Willamette Valley to better align Newberg's potential growth industries with the types of sites needed. This section ends with an estimate (in terms of acreage) of the industrial land need.

### Potential Growth Industries

The characteristics of Newberg will affect the types of businesses most likely to locate in the city. Newberg's attributes that may attract firms are access to workforce, public infrastructure, and quality of life.

Newberg's existing businesses are concentrated in the industries defined in Exhibit 12. The industries in **green highlight** are industries with a high location quotient (i.e., highly specialized compared to industry employment in the United States), high employment (i.e., have more than 50 employees in Newberg), and higher-than-average city wages. These industries have the highest potential for growth, given existing businesses and the higher concentration of employment.

Newberg also has opportunities for employment growth in industries without a concentration of employment or a high location quotient.

Exhibit 12. Concentration of Industries and Employment, Newberg and U.S., 2018

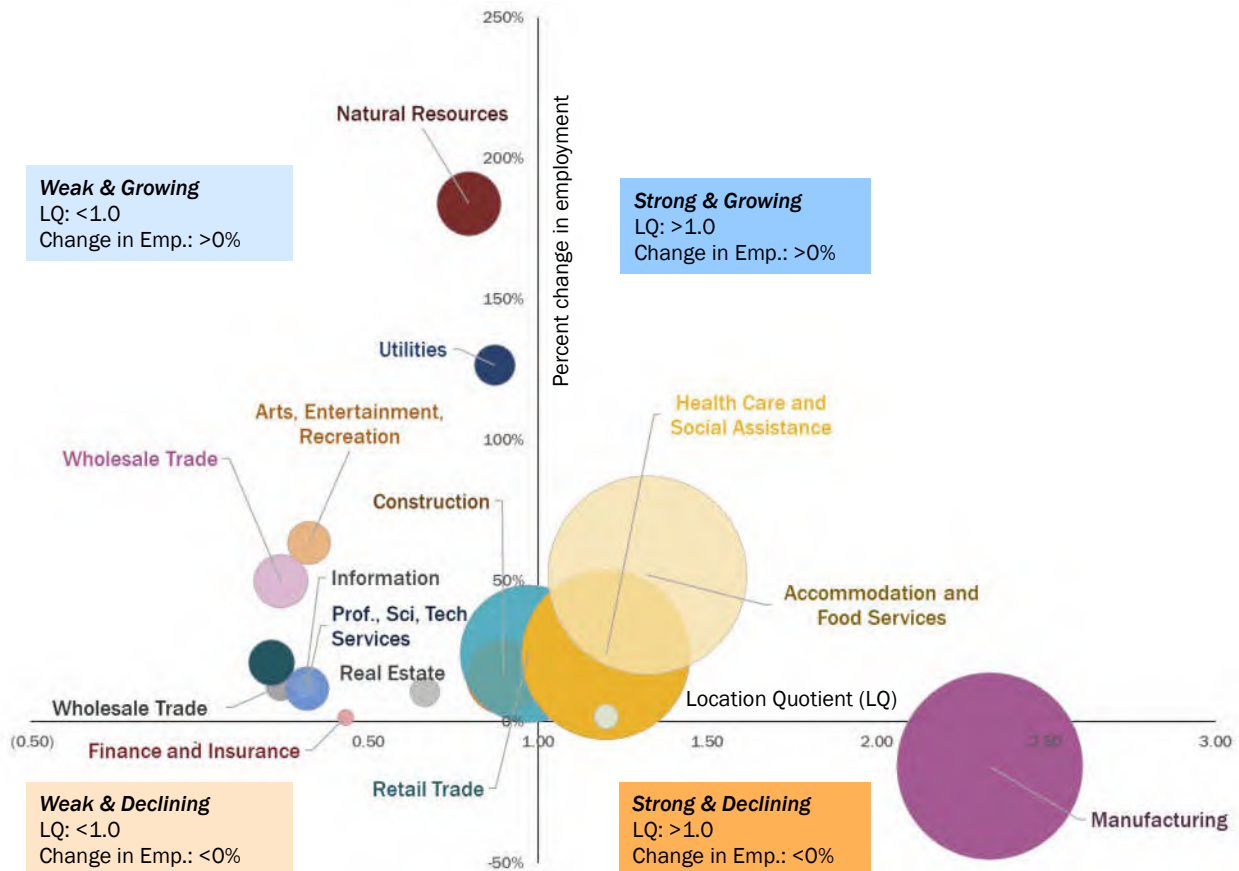
	<b>High Employment (more than 50 employees)</b>	<b>Low Employment (at least 10 employees)</b>
<b>High Location Quotient</b>	<ul style="list-style-type: none"> <li>▪ Construction of Buildings</li> <li>▪ Plastics and Rubber Products Manufacturing</li> <li style="background-color: #e0ffe0;">▪ Fabricated Metal Product Manufacturing</li> <li style="background-color: #e0ffe0;">▪ Machinery Manufacturing</li> <li>▪ Furniture and Related Product Manufacturing</li> <li style="background-color: #e0ffe0;">▪ Motor Vehicle and Parts Dealers</li> <li>▪ Miscellaneous Store Retailers</li> <li>▪ Transit and Ground Passenger Transportation</li> <li>▪ Nursing and Residential Care Facilities</li> <li>▪ Food Services and Drinking Places</li> <li>▪ Religious, Grantmaking, Civic, Professional, and Similar Organizations</li> <li>▪ Private Households</li> </ul>	<ul style="list-style-type: none"> <li>▪ Support Activities for Agriculture and Forestry</li> <li>▪ Beverage and Tobacco Product Manufacturing</li> <li>▪ Electronics and Appliance Stores</li> <li>▪ Motion Picture and Sound Recording Industries</li> </ul>
<b>Low Location Quotient</b>	<ul style="list-style-type: none"> <li>▪ Specialty Trade Contractors</li> <li>▪ Building Material and Garden Equipment and Supplies Dealers</li> <li>▪ Food and Beverage Stores</li> <li>▪ Gasoline Stations</li> <li>▪ Credit Intermediation and Related Activities</li> <li>▪ Insurance Carriers and Related Activities</li> <li>▪ Real Estate</li> <li>▪ Professional, Scientific, and Technical Services</li> <li>▪ Administrative and Support Services</li> <li>▪ Ambulatory Health-Care Services</li> <li>▪ Social Assistance</li> <li>▪ Amusement, Gambling, and Recreation Industries</li> <li>▪ Repair and Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Heavy and Civil Engineering Construction</li> <li>▪ Transportation Equipment Manufacturing</li> <li>▪ Merchant Wholesalers</li> <li>▪ Wholesale Electronic Markets and Agents and Brokers</li> <li>▪ Furniture and Home Furnishings Stores</li> <li>▪ Health and Personal Care Stores</li> <li>▪ Clothing and Clothing Accessories Stores</li> <li>▪ Sporting Goods, Hobby, Musical Instrument, and Bookstores</li> <li>▪ Truck Transportation</li> <li>▪ Support Activities for Transportation</li> <li>▪ Publishing Industries (except Internet)</li> <li>▪ Securities, Commodity Contracts, and Other Financial Investments and Related Activities</li> <li>▪ Personal and Laundry Services</li> <li>▪ National Security and International Affairs</li> </ul>

Source: National employment from the US Bureau of Labor Statistics and Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

Note: Green highlighting indicates higher than Newberg's average wage.

Exhibit 13 shows the change in employment in Newberg between 2008 and 2018 relative to the location quotients for sectors in 2018, compared to national employment. Manufacturing, health care, and accommodation and food services each have more than 300 employees and are more specialized sectors when compared to the nation (i.e., have higher location quotients).

Exhibit 13. Change in Employment and Concentration of Sectors Compared to the US Average, Newberg, 2008–2018



Source: US Bureau of Labor Statistics and Oregon Employment Department, Quarterly Census of Employment and Wages, 2008–2018.

An analysis of growth industries in Newberg should address two main questions: (1) Which industries are most likely to be attracted to Newberg? and (2) Which industries best meet Newberg’s economic development goals? The selection of potential growth industries is based on Newberg’s goals for economic development, economic conditions in Newberg and Yamhill County, and the city’s competitive advantages.

Given the current employment base, which is composed of small-sized businesses, it is reasonable to assume that much of the city’s business growth will come from small-sized businesses. This growth will either come from businesses already in Newberg or new businesses that start or relocate to Newberg from within the Willamette Valley region or from outside of the region.

The *Newberg Economic Development Strategy* identified key traded-sector industries to target for growth in Newberg. The industries below build from those potential growth industries, reorganizing them slightly and adding examples of each type of industry. These industries are the types of industries that Newberg’s *Economic Development Strategy* calls for growth of, with examples of the specific types of businesses that may locate in Newberg, though not intended to

be an all-inclusive list. While the EOA focuses on these potential target industries, the target industries are illustrative of the types of industries that may locate in Newberg and are not meant to exclude growth of businesses in other industries. Other traded-sector industries and local-serving industries may grow in Newberg over the planning period.

- **Advanced and General Manufacturing.** Examples of businesses in this industry may include dental and medical equipment; machine shops; and storage, logistics, and distribution.
- **Technology and High-Tech Manufacturing.** Examples of businesses in this industry may include electronics and software, semiconductors, and health or medical information.
- **Food/Beverage Processing and Agricultural Products.** Examples of businesses in this industry may include farming and value-add food manufacturing.
- **Forestry and Wood Products.** Examples of businesses in this industry may include forest management, lumber and logs, and mass plywood panel or cross-laminated timber production.
- **Aviation-Related Industries.** Examples of businesses in this industry may include specialty aircraft equipment, air travel and tourism, and parts machining and repair.

### Site Needs for Potential Growth Industries

OAR 660-009-0015(2) requires the EOA to “identify the number of sites by type reasonably expected to be needed to accommodate the expected [20-year] employment growth based on the site characteristics typical of expected uses.” The Goal 9 rule does not specify how jurisdictions conduct and organize this analysis.

The rule, OAR 660-009-0015(2), does state that “[i]ndustrial or other employment uses with compatible site characteristics may be grouped together into common site categories.” The rule suggests, but does not require, that the City “examine existing firms in the planning area to identify the types of sites that may be needed.” For example, site types can be described by (1) plan designation (e.g., heavy or light industrial), (2) general size categories that are defined locally (e.g., small, medium, or large sites), or (3) industry or use (e.g., manufacturing sites or distribution sites). For purposes of the EOA, Newberg groups its future industrial employment uses into categories based on potential growth industries defined in the previous section. These potential growth industries align with relevant industries identified in the Industrial Development Competitiveness Matrix developed by Business Oregon (Exhibit 14).<sup>45</sup> The relevant Business Oregon industries are listed in the columns of the table, and Newberg’s potential growth industries are listed in the rows of the table.

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<sup>45</sup> Note that the Business Oregon Industrial Development Competitiveness Matrix (2015) includes more industries than those listed in the columns in Exhibit 14.

Exhibit 14. Comparison of Newberg’s Potential Growth Industries (2019) and Industries Shown in the Business Oregon Industrial Development Competitiveness Matrix (2015)

Industry	High Tech	Food Proc.	Adv. Mfg.	Gen. Mfg.	Ind. Bus. Park	Reg. Warehouse	Local Warehouse	Specialized
Advanced + General Manufacturing	✓		✓	✓	✓			✓
Food/Beverage Processing + Agriculture Products		✓	✓				✓	
Forestry + Wood Products			✓	✓	✓		✓	
Tech + High Tech Manuf.	✓		✓		✓			✓
Aviation-Related Industries			✓	✓	✓			✓

Source: Business Oregon, Infrastructure Finance Authority, “Industrial Development Competitiveness Matrix” (2015); Newberg Economic Development Strategy (2019).

The primary purpose of Business Oregon’s Industrial Development Competitiveness Matrix is to define typical characteristics and general requirements of sites for traded-sector industries. Exhibit 14 aligns the industries described in the matrix with Newberg’s potential growth industries, and Exhibit 15 matches the characteristics of sites from the matrix with those potential growth industries. Site characteristics relevant to this analysis include site size, slope, railroad access, highway access, and special utility needs. The Business Oregon matrix defines competitive acreage as “acreage that would meet the site selection requirements of the majority of industries in this sector.”<sup>46</sup>

<sup>46</sup> Business Oregon, Infrastructure Finance Authority, “Industrial Development Competitiveness Matrix” (2015).

## Exhibit 15. Site Characteristics for Newberg’s Potential Growth Industries

Based on matching industries listed in the Business Oregon Industrial Development Competitiveness Matrix.

Site Characteristics	Advanced + General Manufacturing	Food/Beverage Processing + Agriculture Products	Forestry + Wood Products	Tech + High Tech Manuf.	Aviation-Related Industries
Site Size (competitive acres)	5-25+	5-25+	5-25+	5-100+	5-25+
Slope	0 to 7%	0 to 5%	0 to 7%	0 to 5%	0 to 7%
Railroad Access	Preferred	Preferred	Preferred	Preferred	<i>Depends on specific industry</i>
Highway Access (mi. to interstate)	within 20	within 30	within 5-20	within 60	within 20 (or n/a)
Special Utility Needs	Electricity redundancy dependency; Higher demand for electricity, gas, and telecom	High pressure water dependency	<i>Depends on specific industry</i>	High pressure water dependency; Very high utility demands	<i>Depends on specific industry</i>

Source: Business Oregon, Infrastructure Finance Authority, “Industrial Development Competitiveness Matrix” (2015); Newberg Economic Development Strategy (2019).

Note: Items identified as “preferred” are those that increase the feasibility of the subject property and its future reuse. Items identified as “required” are factors seen as mandatory in the vast majority of cases and have become industry standards.

### Demand for Industrial Land

The potential growth industries shown above are all traded-sector industries, most of which generally locate on industrial land. Newberg has a modest supply of vacant and potential infill industrial land, with only 51 unconstrained vacant or potential infill acres in the buildable lands inventory (Exhibit 25 and Exhibit 26). Newberg has one vacant industrial site larger than 10 acres, with the majority of vacant industrial land on sites smaller than 5 acres.

Exhibit 15 shows that Newberg’s potential growth industries generally need land on sites between 5 and 25 acres, with some potential demand for sites up to 100 acres. Given that Newberg does not currently have the land base to support the site needs required for growth of the potential growth industries, this analysis examines the developed land base for other cities within the mid-Willamette Valley to better understand the typical characteristics of sites with

industrial development.<sup>47</sup> This section concludes with a forecast of industrial land demand based on the average characteristics of developed sites in the sample cities.

## Characteristics of Developed Sites with Industrial Site Employment in the Mid-Willamette Valley

This analysis examined the site size and existing employment for the cities of Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.<sup>48</sup> We selected these cities for the following reasons:

- They are located within the Mid-Willamette Valley, between Corvallis and the southern part of the Portland area. Cities within the southern part of the Portland area were considered in this analysis but were excluded because their planning framework, within the Metro Urban Growth Boundary (UGB), is substantially different from Newberg’s planning framework. In addition, cities in the Portland Metro UGB are closely tied to the Portland region’s economy.
- They have populations greater than 20,000, which means that they are likely to have a substantial employment base.
- They have substantial industrial employment or policies to develop industrial employment of the type that Newberg aspires to. These types of industrial employment generally have at least average wages (and often higher than average wages) and provide opportunities for people to live and work in the same city, which is a concern for Newberg.<sup>49</sup>
- We determined that cities in the Portland Metro UGB should not be included in this analysis, as they are closely tied to the Portland region’s economy. These types of industrial employment generally have at least average wages (and often higher-than

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<sup>47</sup> SECOR provided an example of a project inquiry they regularly receive through Business Oregon’s recruitment and development team (about 1–2 inquiries per month):

CAPEX: \$100–200M

Jobs: 100–200

Site: 20–40 acres with potential for up to 75 acres (they are working to narrow this range as they evaluate configurations)

Power: 200–300MW constant pull

Water: 1,000,000 kg/day

Site selection timeline: Decision in Q2 2021

Operational timeline: Facility start in 2023 and minimum 20-year operational lifespan with likely extension of additional 10–30 years

<sup>48</sup> Information for Salem is for the portion of Salem city limits within the Salem-Keizer UGB.

<sup>49</sup> The one city of 20,000 or more people between Corvallis and the southern edge of the Portland area that was excluded from this analysis is Keizer. The reason for exclusion is that Keizer does not have substantial industrial employment (fewer than 570 employees or 7% of employment in Keizer), in part as a result of rezoning their industrial land to commercial uses. We conclude that Keizer’s land base, in terms of providing opportunities for industrial development, is significantly different from either other cities in this analysis or the type of development that Newberg aspires to.

average-wages) and provide opportunities for people to live and work in the same city, which is a concern for Newberg. While the size of these cities (in terms of population) varies substantially, the size of the city is less relevant than the city’s industrial land base and economic development aspirations.

The analysis in Exhibit 16 through Exhibit 19 is based on the following information and assumptions:

- **Site location.** We selected lots within each city’s UGB (or city limits for Salem) that are not located in rights-of-way and had industrial employment on the lot (Exhibit 16).
- **Industrial employment.** We selected sites with industrial employment based on 2018 covered employment data from the Oregon Employment Department’s Quarterly Census of Employment and Wages (Exhibit 17). Since some sites have a mix of types of employment on one parcel (e.g., industrial and commercial), we only included sites where the majority of employment was industrial (75% or more).
- **Site size.** We categorized sites for this analysis into the following site sizes: smaller than 5 acres, 5–25 acres, 25–50 acres, and 50+ acres and calculated the average site size within each category (Exhibit 18). These size categories align with those used in the Business Oregon Industrial Development Competitive Matrix (Exhibit 14).
- Exhibit 19 Provides a summary of the analysis for the selected cities. We used these characteristics to inform the number of needed sites for industrial land in Newberg.

Exhibit 16. Number of Sites with Industrial Employment by Site Size in Selected Cities within the Mid-Willamette Valley Region.

*Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.*

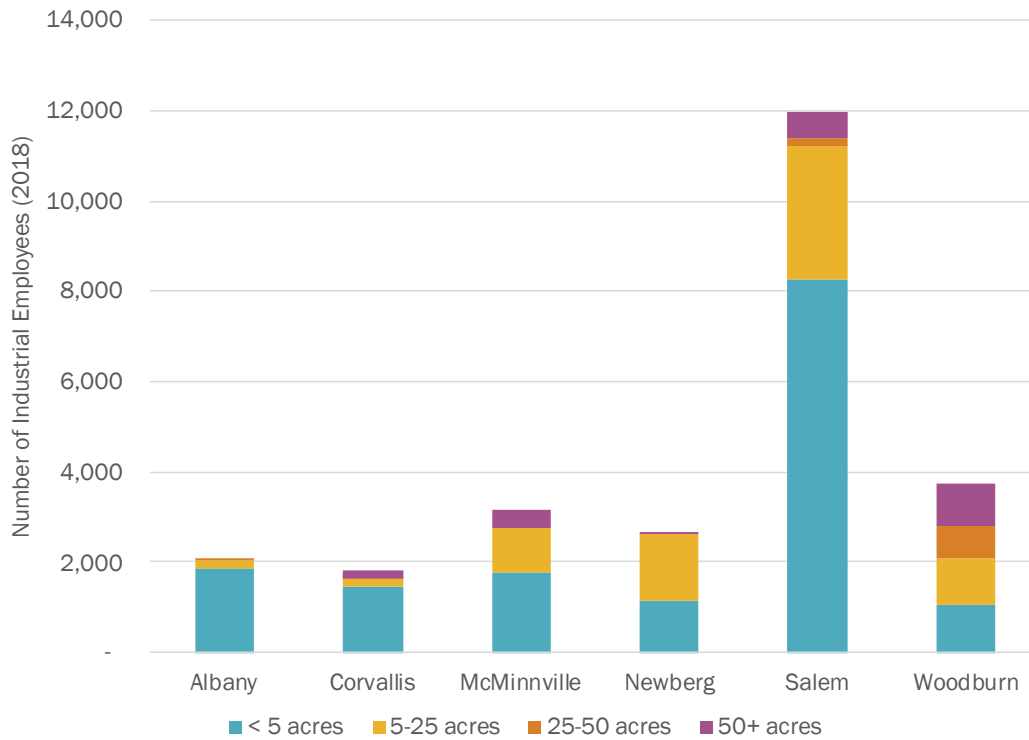
City	Site Size (acres)			
	< 5 acres	5-25 acres	25-50 acres	50+ acres
Albany	205	6	1	
Corvallis	131	6	2	3
McMinnville	147	13		1
Newberg	113	7		1
Salem*	628	33	4	2
Woodburn	106	11	3	2
<b>Total</b>	<b>1,330</b>	<b>76</b>	<b>10</b>	<b>9</b>

\*City limits only

Source: Oregon Employment Department’s Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

### Exhibit 17. Industrial Employees by Site Size in Selected Cities within the Mid-Willamette Valley Region

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.



Source: Oregon Employment Department’s Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

### Exhibit 18. Average Site Size (in Acres) by Site Size in Selected Cities within the Mid-Willamette Valley Region

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

City	Site Size (acres)			
	< 5 acres	5-25 acres	25-50 acres	50+ acres
Albany	0.7	7.5	29.9	
Corvallis	1.0	9.1	38.3	123.0
McMinnville	0.8	8.5		82.5
Newberg	0.6	7.9		145.2
Salem*	0.7	9.8	34.8	58.1
Woodburn	0.8	10.3	33.0	78.2
<b>Average</b>	<b>0.7</b>	<b>9.2</b>	<b>34.5</b>	<b>96.6</b>

\*City limits only

Source: Oregon Employment Department’s Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

## Exhibit 19. Characteristics of Industrial Sites and Employment by Site Size for Selected Cities within the Mid-Willamette Valley Region

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

Characteristic	Site Size (acres)			
	< 5 acres	5-25 acres	25-50 acres	50+ acres
<b>Land with industrial employment</b>				
Acres of land	979	703	345	869
Number of sites	1,330	76	10	9
Average site size (acres)	0.7	9.2	34.5	96.6
<b>Existing covered employment on industrial land</b>				
Employees	15,536	6,821	975	2,021
Percent of employment by site size	61%	27%	4%	8%
Average employees per site	12	90	98	225

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

## Forecast of Demand for Industrial Land in Newberg

Exhibit 9 shows that Newberg will have an increase of 2,407 employees on industrial land between 2021 and 2041. The potential growth industries defined above will generally need sites between 5 and 25 acres, and some will need larger or smaller sites. Our calculation of demand for industrial land accounts for specific site considerations for potential growth industries for industrial uses.

First, we reviewed the mix of industrial sites, and industrial employment<sup>50</sup> on these sites, in the Willamette Valley region in cities comparable to Newberg, summarized in Exhibit 19. Exhibit 20 shows the key assumption resulting from the analysis of regional averages for industrial employment and site size.

## Exhibit 20. Regional Industrial Employment and Site Size

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

	Site Size (acres)			
	Less than 5 acres	5-25 acres	25-50 acres	50 and more
Percent of Existing Employment	61%	27%	4%	8%
Number of Industrial Employees per Site	12	90	98	225
Average Site Size (Acres)	0.7	9.2	34.5	96.6

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

<sup>50</sup> Industrial employment includes employment in the following sectors: manufacturing; construction; utilities; wholesale trade, transportation and warehousing; and agricultural and forestry services.

Using the information presented in Exhibit 20, we estimate the industrial land need for Newberg industrial employment between 2021 and 2041. Exhibit 21 shows the results of this analysis.

- **Employment by site size.** This assumption starts with the forecast of 2,407 industrial employees on industrial land. It uses the “percent of existing employment” in Exhibit 20 to estimate how much employment will be in each site size category. For example, 27% of industrial employment in the regional analysis (Exhibit 19) was on sites of 5 to 25 acres. In Exhibit 21, we assume that 27% of the 2,407 new industrial employees (650 employees) will be located on sites of 5 to 25 acres.
- **New sites needed.** This assumption starts with the average number of employees per site in Exhibit 19 and divides the number of employees in Newberg by that site size. For example, on sites of 5 to 25 acres, the regional analysis in Exhibit 19 shows that there were 90 employees per site. This analysis divides the number of new industrial employees (650) by the average number of employees per site (90) to show a need for 7 new sites needed.
- **New land needed.** This assumption starts with the average size of sites in the regional analysis in Exhibit 19 and multiplies the number of needed sites by that size. For example, the average size of sites 5 to 25 acres was 9.2 acres in Exhibit 19. Newberg needs 7 sites in this size group, resulting in the need for 64 acres of land at an average site size of 9.2 acres.

The result of this analysis is a need for 131 sites on about 277 acres to accommodate the 2,407 new employees.

Exhibit 21. Industrial Land Need, Newberg UGB, 2021–2041

\*Analysis based on the averages of industrial employment.

	Site Size (acres)				Total
	Less than 5 acres	5-25 acres	25-50 acres	50 and more	
<b>New Employment by Site Size</b>					
Percent of New Employment*	61%	27%	4%	8%	100%
Number of New Industrial Employees	1,468	650	96	193	2,407
<b>New Sites Needed</b>					
Employees per Site*	12	90	98	225	
New Sites Needed in Newberg	122	7	1	1	131
<b>New Land Needed</b>					
Average Site Size*	0.7	9.2	34.5	96.6	
Acres of Land in Newberg (Acres)	85	64	35	97	281

Source: Oregon Employment Department’s Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

## Characteristics of Sites for Potential Growth Industries

This section builds on the discussion of site needs from Exhibit 15. Exhibit 21 shows that Newberg will need 9 sites larger than 5 acres for potential growth industries. The Goal 9 Administrative Rule (OAR 660-009) requires the City to identify the “site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies” (OAR 660-009-0020(1); -0025[1]). The administrative rule defines site characteristics as follows in OAR 660-009-0005(11):

(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

Newberg has identified the following types of manufacturing target and traded-sector industries: advanced and general manufacturing; technology and high-tech manufacturing; food/beverage processing and agricultural products; forestry and wood products; and aviation related industries.

The following summarizes a range of the site characteristics Newberg should seek when identifying the sites that will address its employment land deficit, in terms of the Oregon Court of Appeals’ opinion in *Friends of Yamhill County v. City of Newberg*, 62 Or LUBA 5 (2010), *aff’d* 240 Or App 738 (2011).

- **Site size/minimum acreage.** Sites for manufacturing and traded-sector firms range in size from 5 acres up to more than 100 acres for large-scale industrial firms. Business Oregon, the State of Oregon’s economic development agency, has studied the site needs of these industries and determined that competitive sites for most of Newberg’s potential growth industries are 5 to 25 acres in size (Exhibit 15). Competitive sites for technology and high-tech manufacturing require 5 to 100-acre sites.

For the operations of a manufacturing firm to be successful, its site needs to be large enough to accommodate the needed built space, as well as to accommodate storage. In addition, the site needs to be large enough to accommodate not only the general industrial uses, but also parking, on-site circulation, connections to public transportation, landscaping, rail connections, and other access to the transportation network.

There is ample evidence that businesses have relocated or expanded outside of Newberg because they were unable to find sites big enough to support the successful operation within Newberg. Examples of such firms include Polymax, NW Alpine, Halstead Cabinets, Advance Machinery, and Aviatrix. A number of these firms searched for expansion sites within Newberg and only moved or expanded to sites outside of Newberg after they were unable to find a suitable, big enough site within Newberg.

- **Land ownership.** Sites with two or fewer owners are necessary to reduce the cost and uncertainty of land assembly. Developing an industrial building on a site on two or more tax lots requires negotiating land assembly. Land assembly is difficult and often costly for a number of reasons. People own land for a variety of reasons, such as the desire to develop the land, keep the land undeveloped, or sell the land for a profit. Getting landowners to sell land can be difficult, especially if the ownership is legally disputed, as is the case with some inheritances. If a landowner is a willing seller, they may have an unrealistic expectation of their land's value, in the context of comparable land values. In addition, one parcel of land may have multiple owners, compounding the issues described above.

Developers attempting land assembly often have difficulty assembling a site at a cost that makes development economically viable. When assembling land, developers often find that owners of key sites are not willing sellers, have unrealistic expectations of the value of their land, or cannot get agreement among multiple owners to sell the land. As a result, developers of industrial buildings typically choose to develop sites with one or two owners.

- **Proximity/access to a major automotive route.** Manufacturers seek sites that are located on arterial or major collector streets with good access to a state highway (or equivalent). Manufacturers reject sites that would force their industrial traffic to be routed through residential neighborhoods.

Business Oregon has determined that manufacturing and industrial firms need to be located relatively close to an interstate highway or principle arterial road, with varying minimum proximity requirements depending upon the specific type of manufacturer, generally not exceeding 20 miles (Exhibit 15). Local experts indicate that close proximity to a freight route is typical for local manufacturers. Effective industrial operations rely on close proximity to an arterial or collector street to avoid conflicts with the community/residential areas by minimizing the amount of traffic on local streets and freight traffic in residential neighborhoods. More direct access to freight routes also improves the industry's mobility for efficient long-distance travel.

- **Topography/no or little slope.** Newberg considers a slope exceeding 7% to be a development constraint for purposes of identifying possible land for industrial employment. Business Oregon has determined all of the sectors on Newberg's list of potential growth industries select sites with a slope of 7% or less (Exhibit 15). Newberg has indicated that "no more than a 7% slope" would be an important site characteristic, if not treated as an actual development constraint, because the successful operation of industrial buildings requires level floor plates to reduce costs and offer maximum flexibility, as well as level areas to provide for freight access and pedestrian walkways that meet ADA standards. The real estate development literature describes the increases

in development costs and other difficulties associated with industrial development on a sloped site.<sup>51</sup>

- **Floodplains, geologic hazard areas, and stream corridors.** Newberg’s buildable land identifies areas in the floodway, in the floodplain, with geologic hazards, and areas within the Newberg Stream Corridor Overlay as unbuildable.<sup>52</sup> Sites for new businesses should also consider areas with these constraints as unbuildable.
- **Compatible surrounding land uses.** Manufacturers reject sites located in areas where a manufacturing operation will be incompatible with surrounding uses (established or planned). OAR 660-009-0025(6) recognizes that compatibility is an important factor when locating new employment land. It strongly encourages cities to manage the encroachment and intrusion of incompatible uses with employment uses. Industrial buildings used for manufacturing are generally compatible with other industrial uses, commercial uses, and some public uses. Industrial uses may be compatible with agricultural uses, provided that the industrial use does not encroach on the agricultural uses. Industrial uses are able to operate efficiently where they are not in conflicts with adjacent land uses that could disrupt industrial business activity. Noise or odors from the manufacturing process and traffic from employees and shipping can cause conflicts with nearby residential uses. This could require a manufacturer to make changes that negatively impact its operations. For this reason, manufacturing firms require a location that does not present incompatibility concerns.

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<sup>51</sup> Peiser, Richard B. “Professional Real Estate Development: The ULI Guide to the Business,” Urban Land Institute, 1992.

<sup>52</sup> Geologic hazards include data from Oregon DOGAMI on landslide susceptibility (“high” or “very high” classifications) and landslide hazards in the SLIDO database. Chapter 15.342 of the Newberg Development Code defines the Newberg Stream Corridor Overlay Subdistrict as a Goal 5 resource intended to “protect, conserve, enhance, and maintain the Willamette River Greenway.”

## 4. Buildable Lands Inventory

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The buildable lands inventory is intended to identify commercial and industrial lands that are available for development for employment uses within the Newberg UGB. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. Population and employment growth drive demand for land. The amount of land needed depends on the type of development and other factors.

This chapter presents results of the commercial and industrial buildable lands inventory for the Newberg UGB. The results are based on analyses of Yamhill County and State of Oregon GIS data by ECONorthwest and reviewed by City staff. The remainder of this chapter summarizes key findings of the buildable lands inventory.

The general steps in the buildable lands inventory are:

1. Generate UGB “land base”
2. Classify lands by development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results

The next section provides a summary of the definitions used to develop the BLI, followed by the results of the commercial and industrial buildable lands inventory for the Newberg UGB in both tabular and map formats. **Appendix B presents the detailed methodology used for developing the inventory.**

### Definitions

ECONorthwest developed the buildable lands inventory with a tax lot database from the Yamhill County Assessor/Tax Collector Department. Maps produced for the buildable lands inventory used a combination of GIS data, adopted maps, and visual verification to verify the accuracy of County data. The tax lot database was current as of July 2020. The inventory assigns only one land classification (e.g., vacant, potential infill, developed, public, or undevelopable) for each tax lot. The land classifications for consideration of buildable land result in identification of lands that are vacant or potential infill.

The inventory builds from the database to estimate buildable land per commercial and industrial plan designations. The following definitions were used to identify buildable land for inclusion in the inventory:

- *Vacant land.* Tax lots that have no structures or have buildings with very little value. For the purpose of this inventory, we reviewed all lands with no (\$0) improvement value as having potential to be considered vacant (not including lands that are identified as

having mobile homes).<sup>53</sup> Note that this definition is considerably more inclusive than what is required by OAR 660-009-0005(14). It includes all lots or parcels that are less than 0.5 acres and did not automatically classify lots between 0.5 and 5.0 acres as developed if they had preexisting development. Lots in that category were visually inspected to make a determination of whether they should be classified as developed or vacant.

- *Potential infill land.*<sup>54</sup> Tax lots where development has already occurred or has existing structures but could accommodate additional employment uses or more intensive uses during the planning period.<sup>55</sup>

Potential infill land is a subset of developed land that was identified using size thresholds, aerial imagery verification, and local context. The verification process also determined which portions of the tax lot are available for infill development. For the purpose of the BLI, “potential infill” land corresponds with the definition of “developed land” as stated in OAR 660-009-0005(1) as described in Exhibit 59 in Appendix B.

- *Developed land.* Tax lots that are developed at densities consistent with current zoning/plan designations and improvements that make it unlikely to redevelop during the analysis period. Tax lots not classified as vacant, potential infill, public, or undevelopable are considered developed.<sup>56</sup> Note that OAR 660-009-0005(1) defines “developed land” as nonvacant land that is likely to be redeveloped during the planning period. This study defines developed land as developed and defines land “likely to be redeveloped” as potentially redevelopable. Thus, the definition of developed land used for the BLI is different (e.g., more inclusive) than the definition in the administrative rule.

For purposes of the Newberg BLI, developed land is considered committed during the 20-year period and unavailable for redevelopment; however, redevelopment potential on some land classified as developed is discussed in more detail later in this chapter.

- *Public or exempt land.* Tax lots on commercial or industrial plan designations that are in public ownership are mostly considered unavailable for private employment uses. This includes lands in Federal, State, County, City, or other public ownership. Public lands

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<sup>53</sup> Note that this definition is more inclusive than what statewide planning policy requires. OAR 660-009-0005(14) provides the following definition: “Vacant Land” means a lot or parcel: (a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or (b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements. The implication of using a more inclusive definition are that more land was considered available in the inventory than would be if the state definitions were used.

<sup>54</sup> Previous materials used the term “partially vacant” for this land classification. While “partially vacant” is clearer for communication with the advisory committees and the public, the classification “infill” more accurately fits the definition of a subset of “developed land” described in OAR 660-009-0005.

<sup>55</sup> This definition is based on the definition in OAR 660-009-0005(1).

<sup>56</sup> Note that OAR 660-009-0005(1) defines “developed land” as nonvacant land that is likely to be redeveloped during the planning period. This study defines developed land as developed and defines land “likely to be redeveloped” as potentially redevelopable.

are identified using the Yamhill County Assessment property tax exemption codes and are verified by reviewing ownership.

- *Undevelopable land.* Tax lots that are too small to practically have an employment use (less than 3,000 square feet), buildable areas of tax lots (after removing constraints) that are less than 3,000 square feet, or inaccessible tax lots.

## Development Constraints

Consistent with state guidance on buildable lands inventories, ECONorthwest deducted portions of commercial and industrial tax lots that fall within certain constraints from the vacant and potential infill lands (e.g., wetlands and steep slopes). We used categories consistent with OAR 660-009-0005(2):

- *Lands within floodplains and floodways.* Flood Insurance Rate Maps from the Federal Emergency Management Agency (FEMA) were used to identify lands in floodways and 100-year floodplains.
- *Land within natural resource protection areas.* The National Wetlands Inventory was used to identify areas within wetlands, and stream data from the City of Newberg was used to identify areas within the stream corridor.
- *Land within landslide hazards.* The DOGAMI SLIDO database and landslide susceptibility data sets were used to identify lands with landside hazards. ECONorthwest included lands with “very high” or “high” susceptibility to landsides in the constrained area.
- *Land with slopes over 15%.* Lands with slopes over 15% are considered unsuitable for commercial or industrial development.

After deducting constraints, vacant and potential infill lands that have remaining development capacity are classified as “buildable lands.”

## Land Base

Exhibit 22 summarizes all land included in the employment land base (e.g., lands with plan designations that allow employment) in the Newberg UGB. ECONorthwest used this land base in the buildable lands analysis for Newberg. The land base includes the commercial and industrial plan designations within the Newberg UGB (as listed in Appendix B). Included in these areas are plan designations in Newberg’s master plan and specific plan districts—Springbrook Oaks, Springbrook District, and the Riverfront District. Of these areas, the Springbrook District provides specific information about the types of uses in each plan designation. The next section provides further discussion of this area.

According to 2020 data, within Newberg’s UGB there are about 917 acres in 767 tax lots in commercial, mixed-use, and industrial plan designations, and about 54 acres in 2 tax lots in employment plan designations in the airport.

Exhibit 22. Commercial and Industrial Acres in Newberg UGB, 2020

Plan Designation	Number of Taxlots	Total Taxlot Acreage	Percent (Total Acreage)
<b>Commercial</b>	<b>353</b>	<b>266</b>	<b>27%</b>
Commercial	338	163	17%
Riverfront District Commercial	5	7	1%
Specific Plan Commercial	5	9	1%
Public Quasi-Public (Hospital Site)	1	41	4%
Springbrook District - Hospitality	3	35	4%
Springbrook District - Neighborhood Commercial	1	11	1%
<b>Mixed Use</b>	<b>242</b>	<b>217</b>	<b>22%</b>
Mixed Use	63	83	9%
Riverfront District Mixed Use	12	22	2%
Specific Plan Mixed Use	161	78	8%
Springbrook District - Village	6	34	4%
<b>Industrial</b>	<b>172</b>	<b>434</b>	<b>45%</b>
Industrial	161	246	25%
Riverfront District Industrial	5	108	11%
Specific Plan Industrial	3	53	5%
Springbrook District - Employment	3	27	3%
<b>Other - Airpark</b>	<b>2</b>	<b>54</b>	<b>6%</b>
Industrial	1	12	1%
Public Quasi-Public	1	42	4%
<b>Total</b>	<b>769</b>	<b>971</b>	<b>100%</b>

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

## Development Status

Exhibit 23 shows commercial and industrial land in Newberg by development status.<sup>57</sup> Of the 917 commercial and industrial acres in the Newberg UGB, about 669 acres (73%) are in classifications with no development capacity (or “committed acres”). Of the remaining 248 acres, 97 acres (11%) are constrained and 130 acres (14%) are buildable land with development capacity.

The 34 total acres in the Springbrook District Village that is reported in Exhibit 23 includes all land in this plan designation. The Springbrook Master Plan divides this area into both residential and commercial uses. The HNA assumes capacity for 265 housing units, as defined in the master plan. The master plan states that “retail is also anticipated to occur in the Village and may represent up to 35% of that area” (pg. 37). This assumption results in about 12 acres of buildable land for commercial use, as shown in Exhibit 23.

Exhibit 23. Commercial and Industrial Acres by Classification and Plan Designation, Newberg UGB, 2020

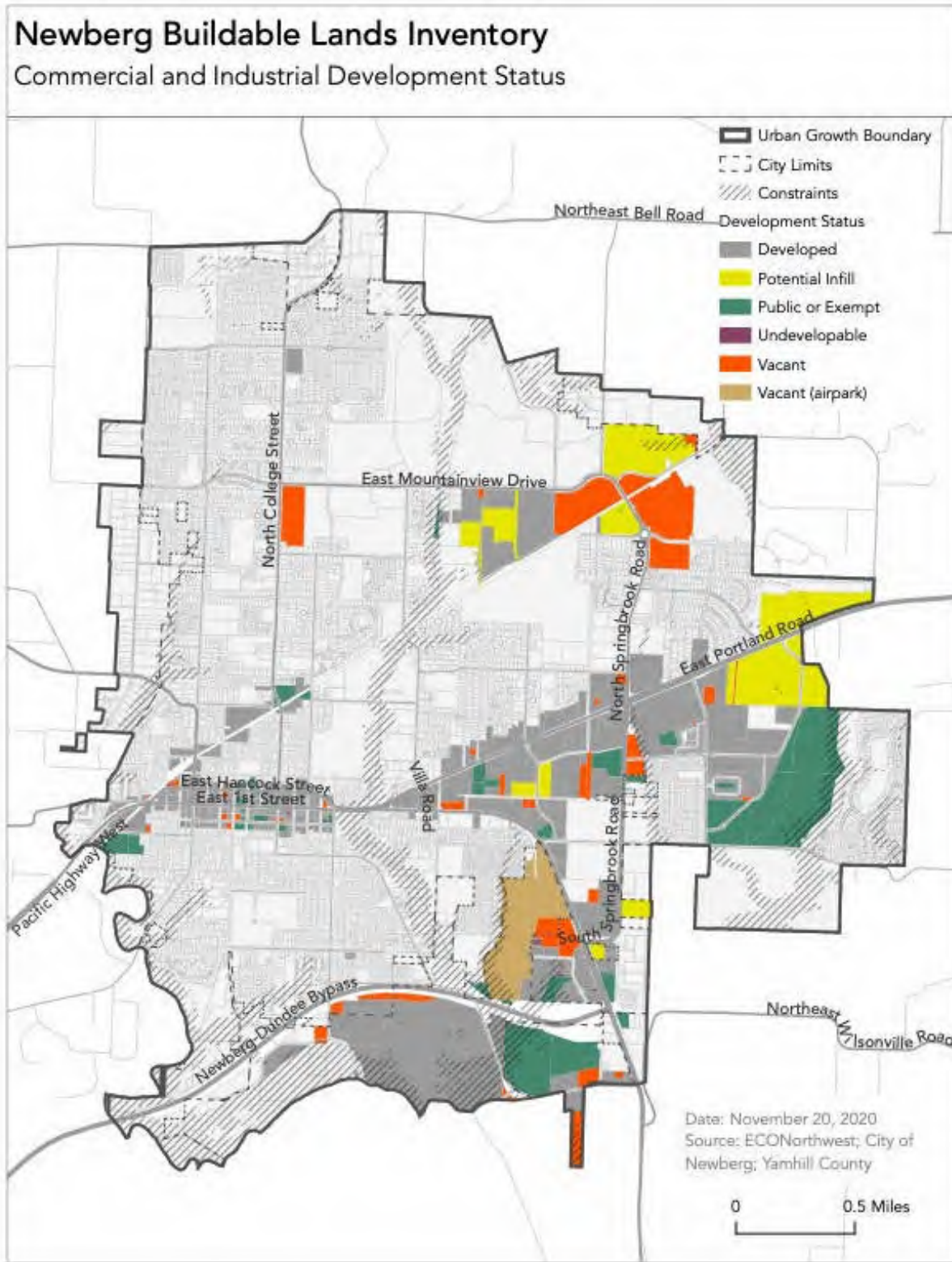
Plan Designation	Total Acres	Committed Acres	Constrained Acres	Buildable Acres
<b>Commercial</b>	<b>266</b>	<b>201</b>	<b>12</b>	<b>53</b>
Commercial	163	146	2	15
Riverfront District Commercial	7	4	2	1
Specific Plan Commercial	9	3	2	4
Public Quasi-Public (Hospital Site)	41	32	1	8
Springbrook District - Hospitality	35	16	5	14
Springbrook District - Neighborhood Commercial	11	-	-	11
<b>Mixed Use</b>	<b>217</b>	<b>169</b>	<b>1</b>	<b>25</b>
Mixed Use	83	73	-	10
Riverfront District Mixed Use	22	19	-	3
Specific Plan Mixed Use	78	77	1	-
Springbrook District - Village*	34	-	-	12
<b>Industrial</b>	<b>434</b>	<b>299</b>	<b>84</b>	<b>52</b>
Industrial	246	194	25	27
Riverfront District Industrial	108	64	41	3
Specific Plan Industrial	53	35	18	-
Springbrook District - Employment	27	6	-	22
<b>Total</b>	<b>917</b>	<b>669</b>	<b>97</b>	<b>130</b>

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

\*Note: Buildable acres in the Springbrook District Village plan designation reflect the assumptions for commercial land included in the Springbrook Master Plan (2008) on page 37.

<sup>57</sup> The tax lots that make up the airpark are discussed separately later in this chapter. The acres in this area are excluded from the remainder of the tables in the BLI results.

Exhibit 24. Commercial and Industrial Land by Classification with Development Constraints, Newberg UGB, 2020



## Vacant Buildable Land

The next step in the commercial and industrial buildable land inventory was to net out portions of vacant tax lots that are unsuitable for development. Areas unsuitable for development fall into three categories: (1) developed areas of potential infill<sup>58</sup> tax lots, (2) areas with service constraints, (3) areas with physical constraints (areas with wetlands, floodways, riparian setback areas and steep slopes, shown in Exhibit 61).

Exhibit 25 shows unconstrained buildable acres for vacant and potential infill land by plan designation. The results show that Newberg has about 130 net buildable acres in commercial and industrial plan designations. Of this, 60% (78 acres) is in commercial or mixed-use designations and 40% (52 acres) is in industrial designations.

Exhibit 25. Employment Land with Unconstrained Development Capacity (Vacant and Potential infill) by Plan Designation, Newberg UGB, 2020

Plan Designation	Total Buildable Acres	Buildable Acres on Vacant Lots	Buildable Acres on Potential Infill Lots
<b>Commercial</b>	<b>54</b>	<b>26</b>	<b>28</b>
Commercial	16	6	10
Riverfront District Commercial	1	1	-
Specific Plan Commercial	4	4	-
Public Quasi-Public (Hospital Site)	8	-	8
Springbrook District - Hospitality	14	4	10
Springbrook District - Neighborhood Commercial	11	11	-
<b>Mixed Use</b>	<b>24</b>	<b>20</b>	<b>4</b>
Mixed Use	10	6	4
Riverfront District Mixed Use	2	2	-
Specific Plan Mixed Use	-	-	-
Springbrook District - Village*	12	12	-
<b>Industrial</b>	<b>52</b>	<b>42</b>	<b>10</b>
Industrial	27	20	7
Riverfront District Industrial	3	3	-
Springbrook District - Employment	22	19	3
<b>Total</b>	<b>130</b>	<b>88</b>	<b>42</b>

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

\*Note: Buildable acres in the Springbrook District Village plan designation reflect the assumptions for commercial land included in the Springbrook Master Plan (2008) on page 37.

<sup>58</sup> Previous materials used the term “partially vacant” for this land classification. While “partially vacant” is clearer for communication with the advisory committees and the public, the classification “infill” more accurately fits the definition of a subset of “developed land” described in OAR 660-009-0005.

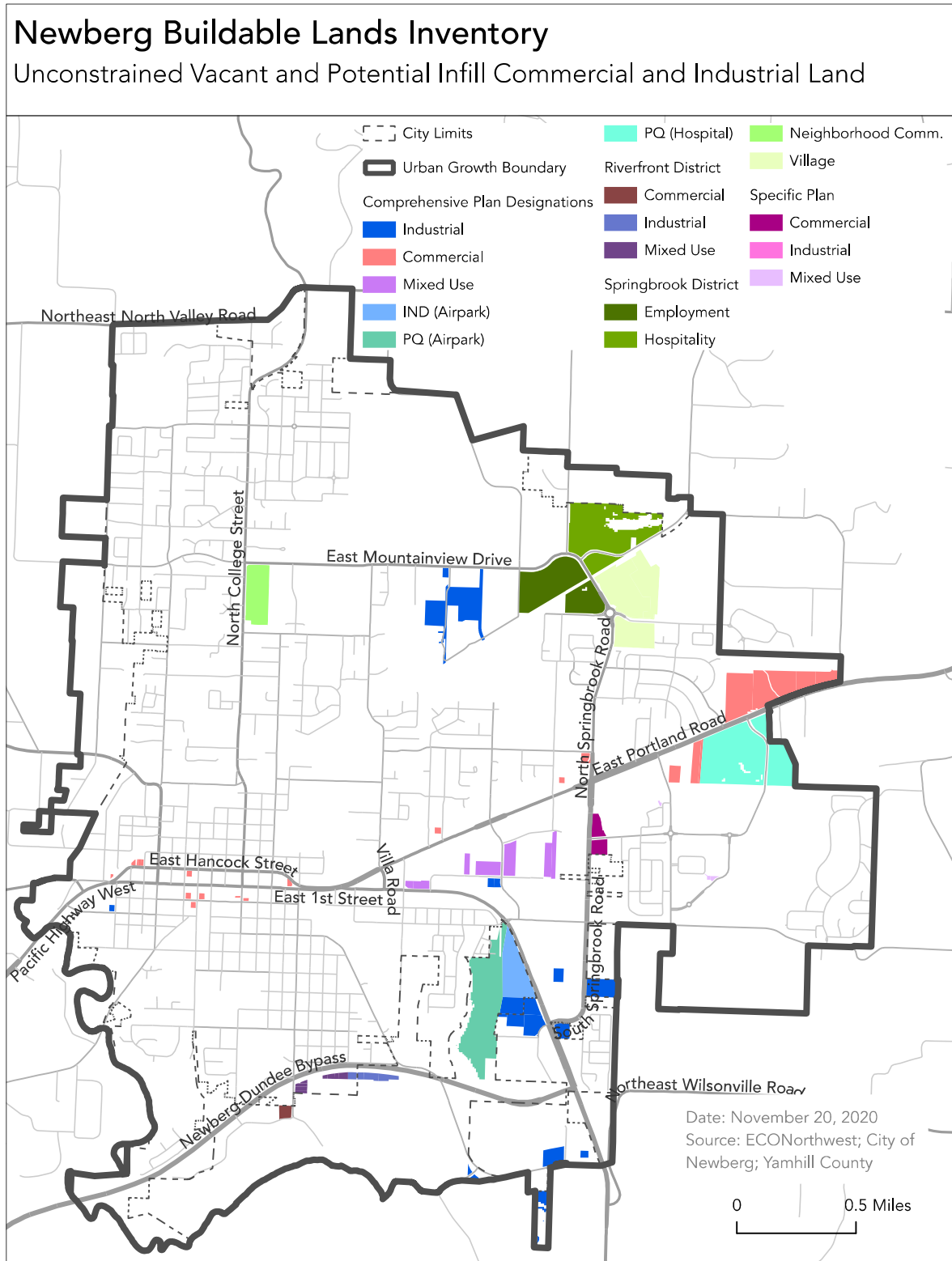
Exhibit 26 shows the size of lots by plan designations for buildable employment land. Newberg has 33 lots that are smaller than 0.5 acres (with 8 acres of land); 21 lots between 0.5 and 2 acres (24 acres of land); 14 lots between 2 and 5 acres in size (38 acres of land); 3 lots between 5 and 10 acres in size (8 acres of land); and 4 lots between 10 and 25 acres in size (52 acres of land).

Exhibit 26. Lot Size by Plan Designation, Buildable Acres, Newberg UGB, 2020

	Buildable Acre Category						Total
	less than 0.5 acre	0.5 - 1 acres	1 - 2 acres	2 - 5 acres	5 - 10 acres	10 - 25 acres	
<b><i>Buildable acres on taxlots</i></b>							
Commercial	2	3	7	13	8	21	54
Mixed Use	3	1	6	2	-	12	24
Industrial	3	4	3	23	-	19	52
<b>Subtotal</b>	<b>8</b>	<b>8</b>	<b>16</b>	<b>38</b>	<b>8</b>	<b>52</b>	<b>130</b>
<b><i>Number of taxlots with buildable acres</i></b>							
Commercial	14	4	4	5	1	2	30
Mixed Use	12	2	4	1	2	1	22
Industrial	7	5	2	8		1	23
<b>Subtotal</b>	<b>33</b>	<b>11</b>	<b>10</b>	<b>14</b>	<b>3</b>	<b>4</b>	<b>75</b>

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

Exhibit 27. Buildable Employment Land by Plan Designation with Development Constraints, Newberg UGB, 2020



## Potentially Redevelopable

For the purpose of this study, we define redevelopment in the context of the Goal 9 Administrative Rule. OAR 660-009-0005(1) defines developed land (redevelopment) as follows:

*(1) "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period.*

The key components of this definition are “non-vacant” and “likely to be redeveloped.” Thus, any nonvacant land could be considered redevelopable, but only land that is “likely to be redeveloped” is required to be considered. Statewide planning statutes and administrative rules do not provide any guidance on how to determine what land is “likely to be redeveloped.”

This study identifies land with redevelopment potential as land on which development has already occurred but on which, due to present or expected market forces, there exists the potential that existing development will be converted to more intensive uses (providing additional employment capacity) during the planning period.

Redevelopment potential can be thought of as a continuum—from more redevelopment potential to less redevelopment potential. The factors that affect redevelopment are complicated and include location, surrounding uses, current use, land and improvement values, and other factors. The estimate of redevelopment presented in Exhibit 28 considers redevelopment over the last several years, policies the City is implementing to support redevelopment, and an assessment of other redevelopment opportunities across the city.

In most cities, the amount and location of redevelopment is difficult to predict. In Newberg’s case, the City is currently in the process of implementing the Riverfront Master Plan, which requires an intensive planning effort, public process, and engagement of stakeholders. In the past six years, one commercial site has redeveloped in Newberg on about 1.9 acres. The identification of redevelopment potential is based on local knowledge of expected market forces and existing plans for redevelopment.

Exhibit 28 shows areas identified as having redevelopment potential in Newberg based on consideration of these factors. The redevelopment analysis summarized below provides an optimistic estimate of potential redevelopment, largely resulting from the City’s efforts to redevelop the WestRock Mill site, as evidenced by the ongoing implementation of the Riverfront Master Plan

Newberg has 92 unconstrained acres of potentially redevelopable land, of which 26 acres are in commercial plan designations and 66 are in industrial plan designations.<sup>59</sup>

The largest potentially redevelopable site is the WestRock Mill site. The site was recently acquired by Commercial Development Company’s affiliate Newberg OR LLC. The entire site is

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<sup>59</sup> This analysis only considers tax lots that are developed in the BLI.

about 130 total acres, of which 42 are constrained by floodplain, stream corridor, and steep slopes, and 5 acres are included in vacant buildable land. Of the remaining 83 acres classified as developed in the BLI, about 64 acres are in the industrial Riverfront District plan designation and about 19 acres are in the mixed-use Riverfront District plan designation.

Exhibit 28. Commercial and Industrial Areas with Redevelopment Potential, Newberg UGB, 2021–2041

Plan Designation/Area	Number of Taxlots	Total Unconstrained Acreage
<b>Commercial/Mixed Use</b>	<b>11</b>	<b>26</b>
Commercial	5	5
Mixed Use	2	2
WestRock Mill site (MIX/RD)	4	19
<b>Industrial</b>	<b>7</b>	<b>66</b>
Industrial	1	1
WestRock Mill site	1	64
West End Mill District	5	1
<b>Total</b>	<b>18</b>	<b>92</b>

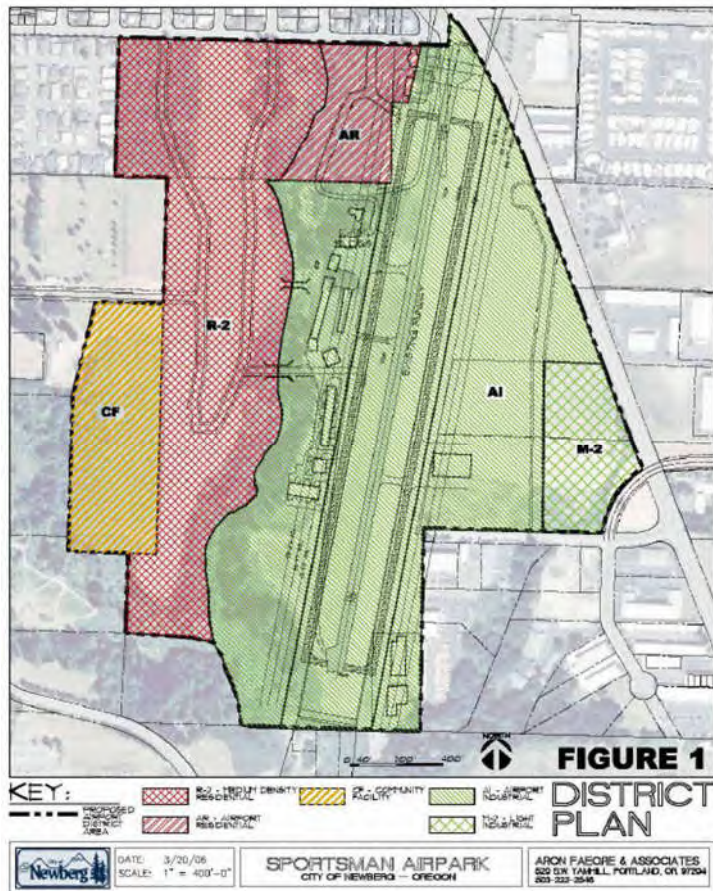
Source: City of Newberg; ECONorthwest analysis.

## Sportsman Airpark

Land at airports have more restrictions (from the FAA and the airport master plan) than typical commercial and industrial land in Newberg. These acres are not included in the calculation of unconstrained buildable land in the remainder of this chapter.

The Sportsman Airpark, located in southeast Newberg and north of the Highway 18 Bypass, includes about 12 acres of industrial-designated land and 42 acres of public/quasipublic-designated land. Exhibit 20 shows the airport property boundary and zoning designations as defined in the *Sportsman Airpark Land Use Master Plan*.

Exhibit 29. Sportsman Airpark Property, Newberg, 2006



Source: Sportsman Airpark Land Use Master Plan. 2006.

According to the Sportsman Airpark Land Use Master Plan (2006), the airpark's industrial land is about 17% developed, with about 29 estimated developable industrial acres remaining. Of this area in 2020, about 10.6 acres are vacant and for sale and 13.1 are vacant and for lease, not for sale to private developers or businesses. The expected uses on the lease-only land is development of airplane hangars.<sup>60</sup>

Development opportunities at the airpark are limited, especially on the land for lease. Permitted uses on the Sportsman Airpark property are limited and are not considered as part of the buildable lands inventory of industrial land available for most future employment uses. The permitted uses on the airpark property include aviation-related activities; emergency flight services (and necessary services); law enforcement, firefighting, search and rescue operations; flight instruction; aircraft service and maintenance; aircraft rental/sales; aerial mapping/surveying; air cargo and warehousing/distribution; and aviation and space technology development/research.

While the 10.6 acres of land that is for sale is considered part of the buildable lands inventory (Exhibit 30), the 13.1 acres of land for lease is not considered suitable because it is privately

<sup>60</sup> Based on information provided by the City of Newberg via email on October 23, 2020.

owned and available only for lease. Development on this land is expected to be airplane hangars, rather than businesses that create employment.

## Summary of Suitable Buildable Unconstrained Land

Exhibit 30 shows a summary of the buildable unconstrained commercial and industrial land in the Newberg UGB. It combines the buildable land identified in Exhibit 25, land identified as potentially redevelopable in Exhibit 28, and suitable land identified at Sportsman Airpark. Exhibit 32 shows the suitable buildable unconstrained land by site size.

Exhibit 30. Suitable Buildable Unconstrained Commercial and Industrial Land, Newberg UGB

Plan Designation/ Development Status	Acres
<b>Commercial/Mixed Use</b>	<b>104</b>
Vacant/Potential Infill	78
Potentially Redevelopable	26
<b>Industrial</b>	<b>129</b>
Vacant/Potential Infill	52
Potentially Redevelopable	66
Sportsman Airpark	11
<b>Total</b>	<b>233</b>

Exhibit 31. Suitable Buildable Unconstrained Commercial and Industrial Land by Lot Size, Newberg UGB

	Buildable Acre Category				Total
	Less than 5 acres	5-25 acres	25-50 acres	50 and more acres	
<b>Buildable acres on taxlots</b>					
<b>Commercial/Mixed Use</b>	<b>50</b>	<b>54</b>	-	-	<b>104</b>
Vacant/Potential Infill	37	41			78
Potentially Redevelopable	13	13			26
<b>Industrial</b>	<b>46</b>	<b>19</b>	-	<b>64</b>	<b>129</b>
Vacant/Potential Infill	33	19			52
Potentially Redevelopable	2			64	66
Sportsman Airpark	11				11
<b>Subtotal</b>	<b>96</b>	<b>73</b>	-	<b>64</b>	<b>233</b>
<b>Number of taxlots with buildable acres</b>					
<b>Commercial/Mixed Use</b>	<b>56</b>	<b>7</b>	-	-	<b>63</b>
Vacant/Potential Infill	46	6			52
Potentially Redevelopable	10	1			11
<b>Industrial</b>	<b>33</b>	<b>1</b>	-	<b>1</b>	<b>35</b>
Vacant/Potential Infill	22	1			23
Potentially Redevelopable	6			1	7
Sportsman Airpark	5				5
<b>Subtotal</b>	<b>89</b>	<b>8</b>	<b>0</b>	<b>1</b>	<b>98</b>

## Short-Term Supply of Land

This section evaluates the short-term supply of employment land in Newberg. It begins with an overview of the policy context for this analysis, and then it evaluates the short-term land supply.

### Policy Context

The Goal 9 Administrative Rule (OAR 660-009) includes provisions that require certain cities to ensure an adequate short-term supply of industrial and other employment lands. Newberg is not currently subject to this requirement. OAR 660-009-005(10) defines short term supply as

“...suitable land that is ready for construction within one year of an application for a building permit or request for service extension. Engineering feasibility is sufficient to qualify land for the short-term supply of land. Funding availability is not required. "Competitive Short-term Supply" means the short-term supply of land provides a range of site sizes and locations to accommodate the market needs of a variety of industrial and other employment uses.”

In summary, the rule recommends cities to assess the short-term supply of employment land based on the criteria that land can be ready for construction within one year. The determination is based on “engineering feasibility.”

### Analysis of Short-Term Supply of Land

ECONorthwest worked with the City of Newberg staff to identify commercial and industrial land that meet the definition of short-term supply of land, using the results of the buildable lands inventory as a basis. Exhibit 25 shows that Newberg has 130 acres of unconstrained buildable land on vacant and potential infill tax lots in commercial and industrial plan designations. On these lands, we considered access to water, sanitary sewer, and stormwater.

The results show that 58 acres of commercial and mixed-use land in Newberg is in the short-term supply of land and 44 acres of industrial land is in the short-term supply of land. In other words, 78% of all unconstrained buildable commercial and industrial land (130 acres) in Newberg is in the short-term supply.

# 5. Land Sufficiency and Conclusions

This chapter presents conclusions about Newberg’s employment land sufficiency for the 2021–2041 period. The chapter then concludes with a discussion about Newberg’s land base and its ability to accommodate growth over the next 20 years, as well as recommendations for the City to consider, ensuring it meets its economic growth needs throughout the planning period.

## Land Sufficiency

### Commercial Land Sufficiency

Exhibit 32 shows commercial land sufficiency within the Newberg UGB. It shows:

- **Suitable buildable unconstrained commercial land** from Exhibit 30 within the UGB. Exhibit 30 shows that Newberg has 104 gross acres of commercial land.
- **Demand for commercial land** from Exhibit 11. Exhibit 32 shows Newberg will need a total of 83 gross acres for commercial uses over the 2021–2041 period.

Exhibit 32 shows that Newberg has a 21-acre surplus of commercial land.

Exhibit 32. Comparison of the Capacity of Unconstrained Vacant Commercial Land with Commercial Land Demand, Newberg UGB, 2021–2041

Land Use Type	Land Supply (Suitable Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Deficit)
Commercial	104	83	21
<b>Total</b>	<b>104</b>	<b>83</b>	<b>21</b>

Source: ECONorthwest.

### Industrial Land Sufficiency

Exhibit 33 shows industrial site needs within the Newberg UGB by site size. It shows:

- **Suitable buildable unconstrained industrial sites** within the UGB from Exhibit 31. Newberg has 35 industrial sites on 129 acres of land. Exhibit 33 shows that 33 of the sites are 5 acres or smaller, one site is 5 to 25 acres in size, and one site is over 50 acres in size.
- **Demand for industrial land** from Exhibit 21. Exhibit 33 shows Newberg will need 131 new sites for industrial uses, 122 of which will be 5 acres or less.

Exhibit 33 shows that Newberg has a deficit of 96 sites or 152 acres of land in the following site sizes:

- **Less than 5 acres in size.** Newberg has a **deficit** of 89 sites or 62 acres for these smaller sites, which are expected to average about 0.7 acres in size.

- **5 to 25 acres in size.** Newberg has a **deficit** of 6 sites or 55 acres for these sites, which are expected to average about 9 acres in size. The majority of Newberg’s mid-sized potential growth industries will locate on these sites.
- **25 to 50 acres in size.** Newberg has a **deficit** of 1 site or 35 acres for this site, which is expected to average about 35 acres in size. This site will provide development opportunities for a mid-sized to large technology and high-tech manufacturing business.
- **50 or more acres in size.** Newberg has 1 site in this size class, which is the redevelopment opportunity at the WestRock Mill site.<sup>61</sup> Newberg has sufficient land in this site size.

Exhibit 33. Comparison of the Capacity of Unconstrained Vacant Industrial Land with Industrial Land Demand, Newberg UGB, 2021–2041

	Site Size (acres)				Total
	Less than 5 acres	5-25 acres	25-50 acres	50 and more	
Number of Vacant Sites: Newberg BLI	33	1	-	1	35
New Sites Needed	122	7	1	1	131
<b>Comparison of Land Supply and Need</b>					
(Land Surplus or Deficit)	(89)	(6)	(1)	-	(96)
<b>Acres of Land Needed</b>	<b>(62)</b>	<b>(55)</b>	<b>(35)</b>	-	<b>(152)</b>

Source: ECONorthwest.

## Conclusions and Recommendations

The conclusions about commercial and industrial land sufficiency are:

- **Newberg is forecast for growth in both the commercial and industrial employment sectors.** Newberg is planning for growth of 4,452 new jobs in the city over the 2021 to 2041 period. About 2,407 of the jobs will be industrial, 1,799 of the jobs will be in office and commercial services, and 120 in retail. Growth of these jobs will result in demand for about 83 gross acres of commercial land and 131 new sites for industrial uses.
- **Newberg has a surplus of commercially designated land of 21 acres.** Exhibit 32 shows that Newberg has enough land for commercial employment growth over the next 20 years, with a surplus of 21 acres. Commercial uses include services for residents and visitors (e.g., retail) as well as office services. This surplus includes commercial land in the Springbrook and Riverfront Districts, which are located in different parts of Newberg. This ensures that commercial development will be distributed throughout the city, providing reasonable access to services for residents and visitors.
- **Newberg has a deficit of land for industrial uses across all site sizes.** Newberg has a deficit of 96 sites or 152 acres of land for industrial uses. This need covers a range of site

<sup>61</sup> This assumption is based on current discussions with entities involved with ongoing redevelopment plans for the WestRock Mill site. It is possible that discussions of the WestRock Mill site redevelopment may result in different plans for redevelopment of the site, but this is the best available information as of this report.

sizes from less than 5 acres to 50 acres. The majority of sites are needed at the less-than-5-acre size, but the range of site sizes is key to diversifying Newberg's economy and aligning with the city's potential growth industries.

- **Newberg will need an additional 2.9 acres of commercial land and 12.3 acres of industrial land for public and semipublic uses.** The Newberg Public and Semi-Public Land Needs memorandum concludes that Newberg will need commercial and industrial land to accommodate public and semipublic uses over the 20-year period.
- **Newberg's wages are comparable to the regional average.** Newberg's average wage of \$43,480 is slightly higher than the average of \$43,299 for Yamhill County. Newberg's potential growth industries generally have above-average wages, except for some types of food or agricultural product industries, such as wineries or vineyards, which also tend to hire seasonally.
- **Newberg will need to address key infrastructure needs in the Riverfront District.** While water and wastewater connections will be relatively easy for eventual developers to access, the Riverfront Master Plan identifies potential challenges with connecting a road along the bluff area. This would require geotechnical studies that may present cost barriers for potential developers of the area.
- **Newberg's lack of industrial land presents barriers for business retention, expansion, and recruitment.** Since 2014, the City has documented recruitment and retention of businesses looking to stay or locate in Newberg. A key issue businesses have cited is the lack of available or suitable greenfield sites. This has led to the recent relocation of existing Newberg businesses, as well as a lack of new businesses choosing to locate in Newberg. Businesses are attracted to Newberg because of the access to a skilled workforce and quality of life, but the lack of suitable sites remains a key issue for many of these businesses.

Following are ECONorthwest's recommendations for measures to accommodate commercial and industrial land need within the Newberg UGB based on the analysis and conclusions in this report.

- The City has actively worked on implementing recent plans that in part address issues related to commercial and industrial land, including the *Newberg Economic Development Strategy*, *Newberg Downtown Improvement Plan*, *A NewBERG Community Vision*, and the *Riverfront Master Plan*. This EOA implements the *Newberg Economic Development Strategy* by supporting the goals in the *Strategy*. For example, the EOA identifies the need for land to support the retention and expansion of businesses (item 1.2 in the *Strategy*), coordinates recruitment of traded-sector companies with partners such as SEDCOR and Business Oregon (item 1.3 in the *Strategy*), and provides analyses that support commercial development opportunities (item 2.1 and 2.2 in the *Strategy*) and recommend *Strategy* implementation.

The redevelopment plans that are proceeding on the WestRock Mill site show that the

City's *Economic Development Strategy* and broader redevelopment plans are being implemented. In particular, implementation of the *Riverfront Master Plan*, use of Urban Renewal, use of the City's Enterprise Zone, and use of the Opportunity Zone at the WestRock Mill site have all resulted in plans for redevelopment and implementation of these plans.

- Newberg should develop a policy that supports the preservation of prime industrial land for sites over 10 acres in size. The City may consider identifying prime industrial sites using the following criteria: sites larger than 10 acres, sites with direct access to a highway or major arterial road, sites with existing investments in infrastructure needed by industrial uses, and sites surrounded by properties that are planned for industrial uses.
- The City should consider the use of incentives to support economic development. These incentives could include creating an economic or business district, developing a downtown partnership, developing a parking management plan in key commercial areas, supporting land assembly, regulating streamlining to reduce costs of development, using SDC "deferrals" or changing how SDCs are assessed, using New Market Tax Credits and EB-5 Investment programs to support business growth, and supporting the growth of particular industries (such as tourism and hospitality).
- The City should address the deficit of industrial land identified in the EOA for 152 acres of land on about 96 sites. Given the limited amount of vacant land within Newberg's existing UGB, the City has few opportunities to accommodate expected growth within the UGB. The best opportunity, the redevelopment of the WestRock Mill site, as well as the other sites shown in Exhibit 30, are the City's primary opportunities to increase land use efficiency within the existing UGB. The City should consider opportunities for expansion of the UGB to accommodate industrial land needs.

In short, the City should continue to implement the *Newberg Economic Development Strategy* to continue to support the type of industrial and commercial growth described in the EOA.

# Appendix A. National, State, and Regional and Local Trends

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The economic trends discussed in this appendix are based on long-term trends that are generally expected to continue on national, state, and regional scales. During the development of this document, the effects of the global COVID-19 pandemic began to emerge. However, the availability of data and the potential change in long-term effects remain unknown. Where available, this appendix provides data and discussion about the short-term economic effects of the pandemic.

## National Trends

Economic development in Newberg over the next 20 years will occur in the context of long-run national trends. The most important of these trends include:

- **Economic growth was forecasted to continue at a slow pace over the course of the next decade, but the effects of the COVID-19 pandemic have ended the nation's longest period of economic expansion.** The Congressional Budget Office (CBO) previously predicted that real GDP would grow by 2.2% in 2020, followed by stagnation in later years as growth in private investment and consumer spending lessened. From 2021 to 2030, CBO forecasted that output would increase at an average annual rate of 1.7 percent.<sup>62</sup> However, in March 2020, business closures related to the novel coronavirus forced the nation into a recession. According to CBO's preliminary estimates, unemployment is expected to surpass 10% during the second quarter of 2020 due to sharp increases in unemployment claims. Additionally, GDP will likely decline by more than 7% during the second quarter, leading to a fall in the annualized growth rate of at least 28%.<sup>63</sup> The fiscal stimulus, as well as the federal government's efforts to maintain operations for essential businesses, will likely mitigate the fallout of the virus. An estimated 70% of GDP is derived from businesses exempt from stay-at-home orders, and half of nonexempt businesses are able to continue their operations remotely.<sup>64</sup> Importantly, long-term projections are highly variable as the economic impact of the COVID-19 pandemic unfolds.

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<sup>62</sup> Congressional Budget Office. *The Budget and Economic Outlook: 2020 to 2030*. January 2020. <https://www.cbo.gov/publication/56020>.

<sup>63</sup> Swagel, P. (2020, April 2). Updating CBO's Economic Forecast to Account for the Pandemic. Congressional Budget Office. <https://www.cbo.gov/publication/56314>.

<sup>64</sup> Caldwell, P., and Andersen, K. (2020). Coronavirus Update: Long-Term Economic Impact Forecast to Be Less Than 2008 Recession. Morningstar, Inc. <https://www.morningstar.com/articles/976107/coronavirus-update-long-term-economic-impact-forecast-to-be-less-than-2008-recession>

- **The aging of the baby boomer generation accompanied by increases in life expectancy.** As the baby boomer generation continues to retire, the number of Social Security recipients is expected to increase from almost 65 million in 2020 to over 88 million in 2045, a 36.5% increase. But due to lower birth-rate replacement generations, the number of covered workers is only expected to increase 10.3% over the same time period, from over 178 million to almost 197 million in 2045. In 2020, there are 36 Social Security beneficiaries per 100 covered workers, but by 2045 there will be 45 beneficiaries per 100 covered workers. This will increase the percent of the federal budget dedicated to Social Security and Medicare.<sup>65</sup>

Baby boomers are expecting to work longer than previous generations. An increasing proportion of workers 55 and older expect to work after age 65.<sup>66</sup> This trend can be seen in Oregon, where the share of workers 65 years and older grew from 2.9% of the workforce in 2000 to 4.1% of the workforce in 2010. In 2018, this share increased to 5.6%, or a 94% increase over the 2000 to 2018 period. Over the same eighteen-year period, workers 45 to 64 years old decreased by about 2%.<sup>67</sup>

- **Need for replacement workers.** The need for workers to replace retiring baby boomers will outpace job growth. Between 2018 and 2028, the Bureau of Labor Statistics (BLS) estimates that total employment in the United States will grow by about 8.4 million jobs. Over this same period, BLS forecasts an annual average of 19.7 million occupational openings, indicating that the number of job openings per year exceeds expected employment growth. About 78% of annual job openings are in occupations that do not require postsecondary education.<sup>68</sup>
- **The importance of education as a determinant of wages and household income.** According to BLS, a majority of the fastest growing occupations will require an academic degree, and on average, they will yield higher incomes than occupations that do not require a degree. The fastest growing occupations requiring an academic degree will be occupational therapy assistants, information security analysts, physician assistants, statisticians, nurse practitioners, and speech language pathologists. Of the top ten fastest-growing occupations, the top four do not require an academic degree. From 2018 through 2028, the fastest-growing occupations will be solar photovoltaic installers, wind turbine service technicians, home health aides, and personal care aides. However,

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<sup>65</sup> The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2015, The 2018 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, June 5, 2018. <https://www.ssa.gov/oact/tr/2018/tr2018.pdf>.

<sup>66</sup> The Employee Benefit Research Institute. Retirement Confidence Survey, 2016 RCS Fact Sheet #4. [https://www.ebri.org/docs/default-source/rcs/4\\_rcs\\_16-fs-4\\_age.pdf?sfvrsn=56e8302f\\_2](https://www.ebri.org/docs/default-source/rcs/4_rcs_16-fs-4_age.pdf?sfvrsn=56e8302f_2).

<sup>67</sup> Analysis of 2000 Decennial Census data, 2010 US Census American Community Survey, 1-Year Estimates, and 2018 US Census American Community Survey, 1-Year Estimates, for the table Sex by Age by Employment Status for the Population 16 Years and Over.

<sup>68</sup> Bureau of Labor Statistics. (2019). Occupational Employment Projections to 2018–2028. <https://www.bls.gov/news.release/pdf/ecopro.pdf>.

these nondegree requiring occupations yield lower incomes than the other six occupations.

Five sectors are projected to decline from 2018 through 2028. These include manufacturing, federal government, utilities, wholesale trade, and retail trade. The BLS estimates that retail trade will decrease by 153,700 positions, possibly due to the rise of e-commerce. Conversely, this shift in shopper preference is increasing occupations in transportation and warehousing.<sup>69</sup> Retail positions occupations typically have lower pay than occupations requiring an academic degree.

The national median income for people over the age of 25 in 2019 was about \$48,464. Workers without a high school diploma earned \$19,708 less than the median income, while those with a high school diploma earned \$10,504 less than the median income. Workers with some college earned \$6,760 less than median income, and workers with a bachelor's degree earned \$13,832 more than median. Workers in Oregon experience the same patterns as the nation, but pay is generally lower in Oregon than the national average.<sup>70</sup>

- **Increases in labor productivity.** Productivity, as measured by output per hour of labor input, increased in most sectors between 2000 and 2010, peaking in 2007. However, productivity increases were interrupted by the recession. After productivity decreases from 2007 to 2009, many industries saw large productivity increases from 2009 to 2010. Industries with the fastest productivity growth were information technology-related industries. These include wireless telecommunications carriers, computer and peripheral equipment manufacturing, electronics and appliance stores, and commercial equipment manufacturing wholesalers.<sup>71</sup>

Since the end of the recession (or 2010), labor productivity has increased across a handful of large sectors but has also decreased in others. In wholesale trade, productivity—measured in output per hour—increased by 19% over 2009 to 2017. Retail trade gained even more productivity over this period at 25%. Food services, however, have remained stagnant since 2009, fluctuating over the nine-year period and shrinking by 0.01% over this time frame. Additionally, the Bureau of Labor Statistics reports multifactor productivity in manufacturing has been slowing down 0.3% per year over the 2004 to 2016 period. Much of this, they note, is due to slowdown in semiconductors,

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<sup>69</sup> Bureau of Labor Statistics. (2019). Occupational Employment Projections to 2018–2028. <https://www.bls.gov/news.release/pdf/ecopro.pdf>.

<sup>70</sup> Bureau of Labor Statistics. (2019). Occupational Employment Projections to 2018–2028. <https://www.bls.gov/news.release/pdf/ecopro.pdf>.

<sup>71</sup> Brill, M.R., & Rowe, S.T. (March 2013). Industry Labor Productivity Trends from 2000 to 2010. Bureau of Labor Statistics, *Spotlight on Statistics*.

other electrical component manufacturing, and computer and peripheral equipment manufacturing.<sup>72</sup>

- **The importance of entrepreneurship and growth in small businesses.** According to the 2019 Small Business Profile from the US Small Business Office of Advocacy, small businesses account for over 99 percent of total businesses in the United States, and their employees account for nearly 47% of American workers.<sup>73</sup> The National League of Cities suggests ways that local governments can attract entrepreneurs and increase the number of small businesses, including strong leadership from elected officials; better communication with entrepreneurs, especially about the regulatory environment for businesses in the community; and partnerships with colleges, universities, small business development centers, mentorship programs, community groups, businesses groups, and financial institutions.<sup>74</sup>
- **Increases in automation across sectors.** Automation is a long-running trend in employment, with increases in automation (and corresponding increases in productivity) over the last century and longer. The pace of automation is increasing, and the types of jobs likely to be automated over the next twenty years (or longer) are broadening. Lower-paying jobs are more likely to be automated, with the potential for automation of more than 80% of jobs paying less than \$20 per hour over the next twenty years. About 30% of jobs paying \$20 to \$40 per hour, and 4% of jobs paying \$40 or more per hour, are at risk of being automated over the next twenty years.<sup>75</sup>

Low to middle-skilled jobs that require interpersonal interaction, flexibility, adaptability, and problem solving will likely persist into the future as will occupations in technologically lagging sectors (e.g., production of restaurant meals, cleaning services, hair care, security/protective services, and personal fitness).<sup>76</sup> This includes occupations such as (1) recreational therapists, (2) first-line supervisors of mechanics, installers, and repairers, (3) emergency management directors, (4) mental health and substance abuse social workers, (5) audiologists, (6) occupational therapists, (7) orthotists and prosthetists, (8) health-care social workers, (9) oral and maxillofacial surgeons, and (10) first-line supervisors of firefighting and prevention workers.

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<sup>72</sup> Brill, M., Chanksy, B., & Kim, J. (July 2018). Multifactor productivity slowdown in US manufacturing. *Monthly Labor Review*, US Bureau of Labor Statistics. <https://www.bls.gov/opub/mlr/2018/article/multifactor-productivity-slowdown-in-us-manufacturing.htm>.

<sup>73</sup> US Small Business Office of Advocacy. (2019). 2019 Small Business Profile. <https://cdn.advocacy.sba.gov/wp-content/uploads/2019/04/23142719/2019-Small-Business-Profiles-US.pdf>.

<sup>74</sup> National League of Cities. (2012). Supporting Entrepreneurs and Small Businesses. <https://www.nlc.org/supporting-entrepreneurs-and-small-business>.

<sup>75</sup> Executive Office of the President. (2016). Artificial Intelligence, Automation, and the Economy.

<sup>76</sup> Autor, D.H. (2015). Why Are There Still So Many Jobs? The History and Future of Workplace Automation. *Journal of Economic Perspectives*, 29(3), 3–30.

Occupations in the service and agricultural or manufacturing industry are most at risk of automation because of the manual nature of the work.<sup>77,78,79</sup> This includes occupations such as (1) telemarketers, (2) title examiners, abstractors, and searchers, (3) hand sewers, (4) mathematical technicians, (5) insurance underwriters, (6) watch repairers, (7) cargo and freight agents, (8) tax preparers, (9) photographic process workers and processing machine operators, and (10) accounts clerks.<sup>80</sup>

- **Continued transformation of retail.**<sup>81</sup> In the last two decades, retail sales by e-commerce and warehouse clubs/supercenters (a lower-cost model to the traditional department store) have increased steadily, pulling the industry in two different directions. On the one hand, the trend toward warehouse/supercenters is increasing the average scale of retail operations, increasing market concentrations, reducing business dynamism, and shifting retail activity toward more populated areas. On the other hand, the trend toward e-commerce generates “smaller [retailers], less market concentration, more geographical dispersion, and higher productivity.”<sup>82</sup> Since 2000, e-commerce sales have grown from 0.9% of total retail sales to 9.7% (2018). Over this same period, e-commerce retail sales have grown at a rate of 18% per year.<sup>83</sup> It is reasonable to expect this trend to continue and that it will be accelerated by requirements to stay at home during the COVID-19 pandemic.

Ultimately, the growth in online shopping and the increasing dominance of large supercenters has made it difficult for small and medium-sized retail firms (offering a narrower selection of goods) to compete. Declining net profits and increased competitive pressures have led many well-known retailers (e.g., J.C. Penney, Macy’s, Sears) to declare bankruptcy or to scale back their operations.

In the future, the importance of e-commerce will likely continue to grow, and despite the highly publicized closures of brick-and-mortar stores, physical retail is likely to remain

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<sup>77</sup> Frey, C.B., & Osborne, M.A. (2013). *The Future of Employment: How Susceptible Are Jobs to Computerisation?* Oxford Martin School, University of Oxford.

<sup>78</sup> Otekhile, C.A., & Zeleny, M. (2016). Self Service Technologies: A Cause of Unemployment. *International Journal of Entrepreneurial Knowledge*, 4(1). DOI: 10.1515/ijek-2016-0005.

<sup>79</sup> PwC. (n.d.). Will robots really steal our jobs? An international analysis of the potential long-term impact of automation. [https://www.pwc.com/hu/hu/kiadvanyok/assets/pdf/impact\\_of\\_automation\\_on\\_jobs.pdf](https://www.pwc.com/hu/hu/kiadvanyok/assets/pdf/impact_of_automation_on_jobs.pdf).

<sup>80</sup> Frey, C.B., & Osborne, M.A. (2013). *The Future of Employment: How Susceptible Are Jobs to Computerisation?* Oxford Martin School, University of Oxford.

<sup>81</sup> Ali Hortaçsu and Chad Syverson. (2015). The Ongoing Evolution of US Retail: A Format Tug-of-War. *Journal of Economic Perspectives*, 29(4), 89–112.

<sup>82</sup> Ali Hortaçsu and Chad Syverson. (2015). The Ongoing Evolution of US Retail: A Format Tug-of-War. *Journal of Economic Perspectives*, 29(4), 89–112, p. 109.

<sup>83</sup> US Census Bureau, Monthly Retail Trade, Latest Quarterly E-Commerce Report. Retrieved from: <https://www.census.gov/retail/index.html#ecommerce>

an important part of the retail sector. In fact, retail sales at brick and mortar stores accounted for almost 90% of all retail sales in the Q3 of 2019.<sup>84</sup>

Modern consumers are increasingly price sensitive, less brand loyal, and (since the advent of internet) able to substitute between retailers easily. To compete, retailers must be nimble, adept in recognizing the changing needs of their consumers, and quick to differentiate themselves from their competitors.

- **Opportunities for local retail and service.** The types of retail and related services that remain will likely be sales of goods that people prefer to purchase in person or that are difficult to ship and return (e.g., large furniture), specialty goods, groceries and personal goods that maybe needed immediately, restaurants, and experiences (e.g., entertainment or social experiences). According to the Urban Land Institute, in the postdisruption era of retail, new trends in this sector are beginning to emerge. These changes include the convergence of technology and shopping, as businesses focus on brand awareness and customer engagement via digital channels in the physical retail space.<sup>85</sup>
- **Changes in manufacturing and demand for industrial land.** In recent years, US industries with global supply chains have shifted in response to geopolitical issues (e.g., trade policy) and increased demand for e-commerce (e.g., warehousing and distribution). These shifts have included reshoring some supply chain elements to the United States, leading to increased demand for industrial space. These dynamics accelerated during the COVID-19 pandemic and are expected to continue in the future.<sup>86</sup> Regionally, reports for markets on the West Coast, including the Portland region, confirm these trends with continued demand for industrial land and building space in 2020.<sup>87</sup> Business Oregon reported that agriculture and food and beverage industries are the most competitive traded-sector industries in the regions of Marion, Polk, and Yamhill Counties, followed by forestry and wood products, metals and machinery, and other manufacturing.<sup>88</sup>
- **The importance of high-quality natural resources.** The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. High-quality natural resources continue to be important in some states, especially in the western United States. Increases in the population and in households' incomes, plus changes in tastes and preferences, have dramatically increased demand for outdoor recreation, scenic vistas, clean water, and other resource-

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<sup>84</sup> Per data from the US Census Bureau, cited in Deloitte's 2020 Retail Industry Outlook.

<sup>85</sup> Diane Hoskins. "Three Trends Shaping Retail's Great Transformation." *Urban Land Institute*, September 3, 2019. <https://urbanland.uli.org/economy-markets-trends/three-trends-shaping-retails-great-transformation/>

<sup>86</sup> CBRE Research. "The Changing Flow of International Trade." 2020. <https://www.cbre.us/research-and-reports/US-Industrial---The-Changing-Flow-of-International-Trade-July-2020>

<sup>87</sup> CBRE Research. "Industrial continues to make positive strides despite pandemic." Q3 2020.

<sup>88</sup> Business Oregon. "Regional Competitive Industries: Marion, Polk, and Yamhill Counties." 2018.

related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.<sup>89</sup>

- **Continued increase in demand for energy.** While energy prices were unusually low in early 2020, energy prices are forecasted to increase over the planning period. While energy use per capita is expected to decrease through 2050, total energy consumption will increase with rising population (0.2%). Energy consumption is expected to grow primarily from industrial (0.7%) and, to a lesser extent, commercial users (0.2%). Residential and transportation consumption are forecasted to decrease (-0.2%). This decrease in energy consumption for transportation is primarily due to increased federal standards and increased technology for energy efficiency in vehicles. Going forward through the projection period, potential changes in federal laws (such as decreases in car emissions) leave energy demand somewhat uncertain.

Energy consumption by type of fuel is expected to change over the planning period. By 2050, the United States will continue shifting from crude oil toward natural gas and renewables. For example, from 2018 to 2050, the Energy Information Administration projects that overall energy consumption in the United States will average a 0.2% annual growth rate, while consumption of renewable sources grows at 1.6% per year. With increases in energy efficiency, strong domestic production of energy, and relatively flat demand for energy by some industries, the United States will be able to be a net exporter of energy over the 2018 to 2050 period. Demand for electricity is expected to increase (0.2%) from 2018 to 2050 as the population grows and economic activity increases.<sup>90</sup>

- **Impact of rising energy prices on commuting patterns.** As energy prices increase over the planning period, energy consumption for transportation will decrease. These increasing energy prices may decrease willingness to commute long distances, though with expected increases in fuel economy, it could be that people commute further while consuming less energy.<sup>91</sup> Over 2019 to 2035, the US Energy Information Administration estimates in its forecast that the decline in transportation energy consumption as a result of increasing fuel economy more than offsets the total growth in vehicle miles traveled (VMT). VMT for passenger vehicles is forecasted to increase through 2050.
- **Potential impacts of global climate change.** The consensus among the scientific community that global climate change is occurring expounds important ecological,

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<sup>89</sup> For a more thorough discussion of relevant research, *see*, for example, Power, T.M. and R.N. Barrett. 2001. *Post-Cowboy Economics: Pay and Prosperity in the New American West*. Island Press, and Kim, K.-K., D.W. Marcouiller, and S.C. Deller. 2005. "Natural Amenities and Rural Development: Understanding Spatial and Distributional Attributes." *Growth and Change* 36 (2): 273–297.

<sup>90</sup> Energy Information Administration, 2019, *Annual Energy Outlook 2019 with Projections to 2050*, US Department of Energy, January 2019. <https://www.eia.gov/outlooks/aeo/pdf/aeo2019.pdf>. Note, the cited growth rates are shown in the interactive tables and can be viewed here: <https://www.eia.gov/outlooks/aeo/data/browser/>.

<sup>91</sup> Energy Information Administration, 2019, *Annual Energy Outlook 2019 with Projections to 2050*, US Department of Energy, January 2019.

social, and economic consequences over the next decades and beyond.<sup>92</sup> Extensive research shows that Oregon and other western states have already experienced noticeable changes in climate and that more change will occur in the future.<sup>93</sup>

In the Pacific Northwest, climate change is likely to (1) increase average annual temperatures, (2) increase the number and duration of heat waves, (3) increase the amount of precipitation falling as rain during the year, (4) increase the intensity of rainfall events, (5) increase sea level, (6) increase wildfire frequency, and (7) increase forest vulnerability to tree disease.<sup>94</sup> These changes are also likely to reduce winter snowpack and shift the timing of spring runoff earlier in the year.<sup>95</sup>

The Oregon Climate Change Research Institute (OCCRI) evaluated potential scenarios for “Climate Change Influence on Natural Hazards in Oregon Counties” in 2018. OCCRI specifically focused on counties in the Gorge and Eastern Oregon and evaluated the potential increased or decreased risk for natural hazards, such as heat waves, cold waves, heavy rains, river flooding, drought, wildfire, poor air quality, windstorms, dust storms, increased invasive species, and loss of wetland ecosystems. Across the eight counties evaluated, the hazards most likely to increase with the effects of climate change are heat waves, heavy rains, river flooding, wildfires, increased invasive species, and loss of wetland ecosystems.<sup>96</sup>

These anticipated changes point toward some of the ways that climate change is likely to impact ecological systems and the goods and services they provide. There is considerable uncertainty about how long it would take for some of the impacts to materialize and the magnitude of the associated economic consequences. Assuming

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<sup>92</sup> US Global Change Research Program. *National Climate Assessment*. 2018. <https://nca2018.globalchange.gov/>

<sup>93</sup> Oregon Global Warming Commission. *2018 Biennial Report to the Legislature*. 2018. <https://www.keeporegoncool.org/reports/>

<sup>94</sup> US Global Change Research Program. *National Climate Assessment*. “Chapter 24: Northwest.” 2018. <https://nca2018.globalchange.gov/chapter/24/>

<sup>95</sup> Mote, P., Salathe, E., Duliere, V., & Jump, E. (2008). *Scenarios of Future Climate for the Pacific Northwest*. Climate Impacts Group, University of Washington. March. <http://ces.washington.edu/db/pdf/moteetal2008scenarios628.pdf>; Littell, J.S., McGuire Elsner, M., Whitely Binder, L.C., and Snover, A.K. (eds). (2009). “The Washington Climate Change Impacts Assessment: Evaluating Washington’s Future in a Changing Climate - Executive Summary.” *In The Washington Climate Change Impacts Assessment: Evaluating Washington’s Future in a Changing Climate*, Climate Impacts Group, University of Washington. [www.ces.washington.edu/db/pdf/wacciaexecsummary638.pdf](http://www.ces.washington.edu/db/pdf/wacciaexecsummary638.pdf); Madsen, T., & Figdor, E. (2007). *When it Rains, it Pours: Global Warming and the Rising Frequency of Extreme Precipitation in the United States*. Environment America Research & Policy Center and Frontier Group.; Mote, P.W. (2006). Climate-driven variability and trends in mountain snowpack in western North America. *Journal of Climate*, 19(23), 6209–6220.

<sup>96</sup> Mote, P.W., Abatzoglou, J., Dello, K.D., Hegewisch, K., & Rupp, D.E. (2019). Fourth Oregon Climate Assessment Report. Oregon Climate Change Research Institute. [ocri.net/ocar4/](http://ocri.net/ocar4/); Oregon Climate Change Research Institute. *Climate Change Influence on Natural Hazards in Eight Oregon Counties*. August 2018. [https://www.oregon.gov/lcd/CL/Documents/OCCRI\\_PDM16\\_AllCountyOverview2018.pdf](https://www.oregon.gov/lcd/CL/Documents/OCCRI_PDM16_AllCountyOverview2018.pdf)

climate change proceeds as today's models predict, the Pacific Northwest will experience potential economic impacts:<sup>97</sup>

- *Potential impact on agriculture and forestry.* Climate change may impact Oregon's agriculture through changes in growing season, temperature ranges, and water availability.<sup>98</sup> Climate change may impact Oregon's forestry through an increase in wildfires, a decrease in the rate of tree growth, a change in the mix of tree species, and increases in diseases and pests that damage trees.<sup>99</sup>
- *Potential impact on tourism and recreation.* Impacts on tourism and recreation may range from (1) decreases in snow-based recreation if snowpack in the Cascades decreases, (2) negative impacts to tourism along the Oregon Coast as a result of damage and beach erosion from rising sea levels,<sup>100</sup> (3) negative impacts on availability of summer river recreation (e.g., river rafting or sports fishing) as a result of lower summer river flows, and (4) negative impacts on the availability of water for domestic and business uses.

Short-term national trends will also affect economic growth in the region, but these trends are difficult to predict. At times, these trends may run counter to the long-term trends described above. A recent example is the recession following the global COVID-19 pandemic. Despite efforts to mitigate the economic fallout from the virus by lowering interest rates and implementing federal stimulus packages, unemployment rates have risen 10.3 percentage points to 14.7% as of April 2020.<sup>101</sup> While job losses have occurred in all major sectors, the sharpest declines have been in the airline, leisure and hospitality, casinos and gambling, automotive parts and equipment, and oil and gas drilling industries.<sup>102</sup> As these industries recover, they will continue to play a significant role in the national, state, and local economy over the long run. This report takes a long-run perspective on economic

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<sup>97</sup> The issue of global climate change is complex and there is a substantial amount of uncertainty about climate change. This discussion is not intended to describe all potential impacts of climate change but to present a few ways that climate change may impact the economy of cities in Oregon and the Pacific Northwest.

<sup>98</sup> Resource Innovations & Institute for a Sustainable Environment. (2005). *The Economic Impacts of Climate Change in Oregon: A Preliminary Assessment*.

[https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/2299/Consensus\\_report.pdf?sequence=1](https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/2299/Consensus_report.pdf?sequence=1)

<sup>99</sup> Climate Leadership Initiative & Institute for Sustainable Environment. (2007). *Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis*.

<sup>100</sup> Resource Innovations & Institute for a Sustainable Environment. (2005). *The Economic Impacts of Climate Change in Oregon: A Preliminary Assessment*.

[https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/2299/Consensus\\_report.pdf?sequence=1](https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/2299/Consensus_report.pdf?sequence=1)

<sup>101</sup> This is the highest unemployment rate and largest over-the-month increase in the history of the series with seasonally adjusted data reported since 1948. Bureau of Labor Statistics. (2020, May 8). *The Employment Situation – April 2020*. News Release, Bureau of Labor Statistics. Retrieved from:

<https://www.bls.gov/news.release/pdf/empst.pdf>.

<sup>102</sup> Kumar, N., and Haydon, D. (2020, April 7). *Industries Most and Least Impacted by COVID 19 from a Probability of Default Perspective March 2020 Update*. *S&P Global*.

conditions (as the Goal 9 requirements intend) and does not attempt to predict the impacts of short-run national business cycles on employment or economic activity.

## State Trends

### Short-Term Trends

According to the Oregon Office of Economic Analysis (OEA), the Oregon economy is in a recession due to the COVID-19 pandemic and the resulting statewide shutdowns.<sup>103</sup> Although OEA's June 2020 *Oregon Economic and Revenue Forecast* stated that the current recession would be shorter than the Great Recession, the severity would be the deepest on record since 1939. As the economy begins to reopen in phases through 2020, the agency expects the economy to return to near prerecession levels by the middle of the 2020 decade.<sup>104</sup>

Preliminary unemployment estimates in March and April 2020 indicate that approximately 267,000 jobs were lost statewide due to the pandemic.<sup>105</sup> This resulted in an unemployment rate increase from 3.8% in both January and February 2020 to 14.8% in April 2020, a difference of 11 percentage points.<sup>106</sup> As of May 2020, job losses were highest among workers with lower pay and lower among highly paid workers.

The OEA forecasts that there will be strong growth in the latter half of 2020, and though the agency anticipates a sizable rebound in economic activity, it expects a full recovery will take much longer, with jobs returning to early 2020 levels by mid-2024. To illustrate the impact of this rebound, OEA reported that it may take Oregon to depression levels similar to those seen in the state's early 1980s depression or the Great Recession.<sup>107</sup>

In 2019, Oregon's average wage was at its highest point since the 1980s. Though the OEA forecasts an annual average wage increase of 4.5% in 2020, the agency estimates wages will contract by 0.1% in 2021 before growing by 3.0% in 2022, 4.2% in 2023, and 4.4% in 2024.<sup>108</sup>

By the end of 2020, the OEA forecasts 225,100 jobs in Oregon's economy will be lost. This is an approximate 11.6% annual decrease in total nonfarm employment relative to 2019 levels.<sup>109</sup> Every employment sector, with the exception of government, is forecasted to decrease. The impacts on the leisure and hospitality sector are forecasted to be the most severe with a 29.7%

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<sup>103</sup> Office of Economic Analysis. (2020). Oregon Economic and Revenue Forecast, June 2020. Vol. XL, No. 2, p. 1. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

<sup>104</sup> *Ibid*, p. 1.

<sup>105</sup> *Ibid*, p. 3.

<sup>106</sup> Oregon Employment Department, Local Area Unemployment Statistics (LAUS), Unemployment Rate estimates for the State of Oregon. Data retrieved on May 28, 2020.

<sup>107</sup> Oregon Economic and Revenue Forecast, June 2020. Vol. XL, No. 2, p. 4.

<sup>108</sup> *Ibid*, p. 32.

<sup>109</sup> *Ibid*, p. 32.

contraction, or approximately 81,500 jobs lost. Construction and manufacturing are forecasted to lose 16,700 (15.3% decrease) and 30,900 (15.6% decrease) jobs, respectively. Furthermore, retail trade is forecasted to lose nearly 13,600 jobs in 2020 or decrease by 13.6%.<sup>110</sup>

Oregon's household formation rate will be weaker over the medium term due to income loss, economic uncertainty, and in-migration reduction.<sup>111</sup> Housing starts in 2019 reached approximately 21,000 units. Through the end of 2020, however, the OEA forecasts a 21.7% contraction in housing starts for a total of about 16,200 units. In the years following the recession, they anticipate a partial recovery of housing starts in 2021 (3.0% increase), with growth increasing in velocity in 2022 (13.3% increase) and 2023 (13.1% increase) before settling to about 2.3% in 2024.<sup>112</sup>

Oregon's economic health is dependent on the export market, which was also affected by the COVID-19 pandemic. The value of Oregon exports in 2017 was \$22.3 billion. In 2019, the countries that Oregon exports to the most are China (31% of total Oregon exports), Canada (14%), Japan (7%), South Korea (6%), Malaysia (6%), and Vietnam (5%).<sup>113</sup> Any strains on the relationship between the United States and China could impact Oregon's economy.<sup>114</sup> Additionally, China's public debt burden poses a threat not only to the state and region but also to the global economy.<sup>115</sup>

## Long-Term Trends

State, regional, and local trends will also affect economic development in Newberg over the next twenty years. The most important of these trends includes continued in-migration from other states, distribution of population and employment across the state, and change in the types of industries in Oregon.

- **Continued in-migration from other states.** Oregon will continue to experience in-migration (more people moving *to* Oregon than *from* Oregon) from other states, especially California and Washington, though to a lesser degree given the recession. From 1990 to 2017, Oregon's population increased by over 1.3 million, 66% of which was from people moving into Oregon (net migration). The average annual increase in population from net migration over the same time period was about 33,128. During the early to mid-1990s, Oregon's net migration was highest, reaching over 60,000 in 1991,

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<sup>110</sup> *Ibid*, p. 32.

<sup>111</sup> *Ibid*, p. 10.

<sup>112</sup> *Ibid*, p. 32.

<sup>113</sup> United States Census Bureau. State Exports from Oregon, 2015–2019. <https://www.census.gov/foreign-trade/statistics/state/data/or.html>.

<sup>114</sup> Office of Economic Analysis. Oregon Economic and Revenue Forecast, December 2019. Vol. XXXIX, No. 4, p. 3. <https://www.oregon.gov/das/OEA/Documents/forecast1219.pdf>.

<sup>115</sup> *Ibid*, p. 14.

with another smaller peak of almost 42,100 in 2006. In 2019, net migration reached just over 47,500 persons.

- **Increasing ethnic diversity.** Oregon’s population has continued to get more ethnically and racially diverse, with the Latino population growing from 8% of the population in 2000 to 12% of the population in 2014–2018. The nonwhite population grew from 13% of the population to 15% of the population over the same period. The share of Latino and people of color populations increased in Newberg since 2000 as well.
- **Forecast of job growth.** Total nonfarm employment was forecasted to increase from about 1.94 million in 2019 to just over 2 million in 2023, but the OEA’s June 2020 economic and revenue forecast revises the 2023 employment estimate down to nearly 1.90 million, or by about 7%. Of private industry, the OEA forecasts job losses across the board in 2020 with an expectation of growth in the years following as economic activity and consumer confidence increases.<sup>116</sup>
- **Manufacturing is an important part of Oregon’s economy.** The manufacturing sector has long been a crucial component of Oregon’s economy. In the last decade, growth in Oregon’s manufacturing sector has outpaced that of the nation, growing by 23% compared to the nation’s 12%.<sup>117</sup> The manufacturing sector also makes up a larger share of Oregon’s economy than it does in the nation with 10.2% of Oregon’s payroll employment in manufacturing compared to 8.5% for the nation in 2018.<sup>118</sup>

Manufacturing remains an important piece of Oregon’s economy and the sector is evolving. Only a few decades ago, Oregon’s manufacturing economy was predominantly dependent on forestry and wood products. But between 1990 and 2018, annual average employment in wood product manufacturing dropped by 22,600 jobs or 46%.<sup>119</sup>

Growth in Oregon’s electronic component manufacturing, however, has filled the gap left by the decline in wood manufacturing. In 2018, there were a total of 37,900 jobs in Oregon’s electronic component manufacturing (i.e., manufacturing of computer chips, computers and related equipment, and communications equipment), making it Oregon’s largest manufacturing industry. Employment in this industry is over six times more concentrated in Oregon than it is nationally and is driving much of the growth in Oregon manufacturing.<sup>120</sup>

Continued growth, spurred by electronic component manufacturing, is expected in the future for Oregon’s manufacturing sector. Although Oregon’s economy is shifting, the state’s roots in forestry and wood-product manufacturing remain important,

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<sup>116</sup> Oregon Employment Department, Oregon Economic and Revenue Forecast, June 2020. Vol. XL, No. 2, p. 32.

<sup>117</sup> Oregon Employment Department, Quarterly Census of Employment and Wages, 2018, qualityinfo.org.

<sup>118</sup> *Ibid.*

<sup>119</sup> *Ibid.*

<sup>120</sup> *Ibid.*

particularly for rural areas. Douglas County, for example, had 8.3% of its total employment and 10.7% of its total payroll in wood-product manufacturing in 2018.<sup>121</sup>

Exhibit 34 shows the change in Oregon’s employment between 2008 and 2018. Statewide, manufacturing employment remained relatively constant, decreasing by about 212 employees (or 0.01%) during the same time period. The largest decreases in manufacturing employment were in wood product, paper product, and transportation equipment manufacturing, while Oregon employment in industries such as food and beverage and machinery manufacturing increased (Exhibit 35). These growing industries in Oregon align with Newberg’s target industries defined in Chapter 3.

Exhibit 34. Change in Covered Employment by Industry, Oregon, 2008–2018

Sector	2008 Employment	2018 Employment	Change (Number)	Change (Percent)	AAGR
Natural resources and mining	50,707	53,550	2,843	6%	0.5%
Construction	92,816	104,573	11,757	13%	1.2%
Manufacturing	194,852	194,640	(212)	0%	-0.01%
Wholesale trade	80,269	75,286	(4,983)	-6%	-0.6%
Retail trade	196,066	211,081	15,015	8%	0.7%
Transportation, warehousing & utilities	55,927	63,299	7,372	13%	1.2%
Information	36,048	34,281	(1,767)	-5%	-0.5%
Finance and insurance	59,326	57,019	(2,307)	-4%	-0.4%
Real estate and rental and leasing	26,594	27,856	1,262	5%	0.5%
Professional and business services	195,413	248,698	53,285	27%	2.4%
Educational services	25,063	31,019	5,956	24%	2.2%
Health care and social assistance	187,779	257,934	70,155	37%	3.2%
Arts, entertainment, and recreation	23,164	27,480	4,316	19%	1.7%
Accommodation and food services	149,298	183,306	34,008	23%	2.1%
Other services	63,216	77,317	14,101	22%	2.0%
Unclassified	676	984	308	46%	3.8%
Government	277,655	272,481	(5,174)	-2%	-0.2%
<b>Total</b>	<b>1,714,869</b>	<b>1,920,804</b>	<b>205,935</b>	<b>12%</b>	<b>1.1%</b>

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2008–2018.

<sup>121</sup> *Ibid.*

Exhibit 35. Change in Covered Employment for Manufacturing Industries (3-Digit NAICS), Oregon, 2008–2018

Industry (3-Digit NAICS)	2008 Employment	2018 Employment	Change (Number)	Change (Percent)	AAGR
Food manufacturing	23,412	29,871	6,459	28%	2.47%
Beverage & tobacco product manufacturing	3,246	6,790	3,544	109%	7.66%
Wood product manufacturing	26,692	23,462	(3,230)	-12%	-1.28%
Paper manufacturing	6,015	3,967	(2,048)	-34%	-4.08%
Printing and related support activities	6,794	4,655	(2,139)	-31%	-3.71%
Primary metal manufacturing	9,715	8,554	(1,161)	-12%	-1.26%
Machinery manufacturing	11,840	14,154	2,314	20%	1.80%
Transportation equipment manufacturing	15,135	12,176	(2,959)	-20%	-2.15%
Other manufacturing	92,005	91,011	(994)	-1%	-0.11%
<b>Total (for Manufacturing Sector NAICS 31-33)</b>	<b>194,852</b>	<b>194,640</b>	<b>(212)</b>	<b>0%</b>	<b>-0.01%</b>

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2008–2018.

- Advancements in technology and increases in automation of jobs.**<sup>122</sup> In decades past, automation was focused on manufacturing. In the coming decades, jobs at risk for automation will tend to be those without “computerization bottlenecks” or jobs that do not require social intelligence, perception, creativity, or fine motor skills. Jobs in industries lacking a customer service component, such as those in transportation and material moving, are also at greater risk. Most researchers agree that “less-educated workers in low-skill, lower-wage jobs featuring routine tasks are those most likely to be displaced by automation.”<sup>123</sup> Oregon’s overall risk of automation is similar to the nation’s, with lower and middle-wage jobs at higher risk.

In 2017, 144,200 jobs in Oregon were found to be at risk of automation and 93% of jobs in food preparation and serving were found to be at risk.<sup>124</sup> However, automation risk does not imply automation certainty. For example, consumer preferences for personalized and genuine experiences/interactions will likely slow job automation, particularly in the food services and hospitality sectors. In addition, there is a notable difference between task automation and full automation of jobs. One research study speculates that only 5% of jobs are fully automated and that the “activities most susceptible to automation involve physical activities in highly structured and predictable environments, as well as the collection and processing of data.”<sup>125</sup>

- Income and wages continue to increase.** Despite Oregon’s income and wages falling below the average among states, Oregon wages are at their highest point relative to

<sup>122</sup> Portland Business Alliance. (2017). Automation and the Future of Work. <https://portlandalliance.com/assets/pdfs/2017-VOJ-Automation-summary.pdf>

<sup>123</sup> Marcus Casey and Sarah Nzau. (2019). Searching for clarity: How much will automation impact the middle class? Brookings.

<sup>124</sup> Portland Business Alliance. (2017). Automation and the Future of Work. <https://portlandalliance.com/assets/pdfs/2017-VOJ-Automation-summary.pdf>

<sup>125</sup> McKinsey & Company. (2017). A Future that Works: Automation, Employment, and Productivity.

other states since the recession in the early 1980s, mainly due to the wage growth over the last two to three years. In 2018, the average annual wage in Oregon was \$53,053 and the median household income was \$60,212 (compared to the national average wage of \$57,266 and the national household income of \$60,336).<sup>126</sup> Total personal income (all classes of income, minus Social Security contributions, adjusted for inflation) in Oregon is expected to increase by 22%, from \$214.3 billion in 2019 to \$312.4 billion in 2027.<sup>127</sup> Per capita income is expected to increase by 16% over the same time period, from \$50,200 in 2018 to \$64,400 in 2027 (in nominal dollars).<sup>128</sup> The economic fallout from the COVID-19 pandemic is likely to slow, or possibly eliminate, income growth at least through the resulting recession.

- **Small businesses continue to account for a large share of employment in Oregon.**

While small firms played a large part in Oregon’s expansion between 2003 and 2007, they also suffered disproportionately in the recession and its aftermath (64% of the net jobs lost between 2008 and 2010 was from small businesses).

In 2017 small businesses (those with 100 or fewer employees) accounted for 95% of all businesses and 66% of all private-sector employment in Oregon. Said differently, most businesses in Oregon are small (in fact, 78% of all businesses have fewer than 10 employees), but the largest share of Oregon’s employers work for large businesses (those with more than 100 employees).<sup>129</sup> The average annualized payroll per employee for small businesses was \$39,099 in 2017, which is considerably less than that for large businesses (\$56,466) and the statewide average for all businesses (\$49,548).<sup>130</sup>

Younger workers are important for the continued growth of small businesses across the nation. More than one-third of millennials (those born between 1980 and 1999) are self-employed, with approximately one-half to two-thirds interested in becoming an entrepreneur. According to the Kauffman Indicators of Entrepreneurship, in 2018, about 79% of start-ups nationwide were still active after one year. On average, start-ups nationwide created approximately 5.2 jobs in their first year (when normalized by population).<sup>131</sup> It is typically the case that start-ups are important for job creation on a

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<sup>126</sup> Average annual wages are for “total, all industries,” which includes private and public employers. Oregon Quarterly Census of Employment and Wages, 2018. Retrieved from: <https://www.qualityinfo.org>; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2017; Total, US Census American Community Survey 1-Year Estimates, 2017, Table B19013.

<sup>127</sup> Office of Economic Analysis. Oregon Economic and Revenue Forecast, September 2018. Vol. XXXVIII, No. 3, page 39.

<sup>128</sup> *Ibid*, page 39.

<sup>129</sup> US Census Bureau, 2017 Statistics of US Businesses, Annual Data, Enterprise Employment Size, US and States. <https://www.census.gov/data/tables/2017/econ/susb/2017-susb-annual.html>.

<sup>130</sup> *Ibid*.

<sup>131</sup> Kauffman Foundation. *Kauffman Indicators of Entrepreneurship*. Indicators: Startup Early Job Creation and Startup Early Survival Rate. Information retrieved on December 19, 2019. <https://indicators.kauffman.org/data-table>

longer-time horizon, well beyond their first year, as “fewer than half of all startups in America are still in business after five years.”<sup>132</sup>

- **Entrepreneurship in Oregon.** The creation of new businesses is vital to Oregon’s economy, as their formations generate new jobs and advance new ideas and innovations into markets. They also can produce more efficient products and services to better serve local communities. According to the Kauffman Index, Oregon ranked twenty-fifth in the country in 2018 for its start-up activity, a measurement comprised of four statistics: rate of new entrepreneurs, opportunity share of new entrepreneurs, start-up density, and start-up early survival rate.<sup>133</sup> This ranking is lower than its 2017 rank of thirteen. Oregon’s rate of new entrepreneurs (the percent of adults that became an entrepreneur in a given month) was in steady decline postrecession, but since 2013, has gradually recovered until 2018 where it dropped to 0.27%. This rate is below 2017’s rate of 0.32% and well below Oregon’s prerecession peak of 0.43% in 2000.

Moreover, in 2018, the Oregon Office of Economic Analysis reports new business applications in Oregon are increasing. They do, however, simultaneously note start-up businesses “are a smaller share of all firms than in the past.”<sup>134</sup> Though this measurement of economic activity does not constitute a full understanding of how well entrepreneurship is performing, it does provide an encouraging signal.

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<sup>132</sup> Nish Acharya. “Small Business Are Having A Bigger Impact on Job Creation Than Large Corporations.” *Forbes*, May 5, 2019. <https://www.forbes.com/sites/nishacharya/2019/05/05/who-is-creating-jobs-in-america/#5c74c156597d>

<sup>133</sup> Kauffman Foundation. The Kauffman Index, Oregon. <https://indicators.kauffman.org/data-table>

<sup>134</sup> Lehner, Josh. (August 2018). “Start-Ups, R&D, and Productivity.” Salem, OR: Oregon Office of Economic Analysis. Retrieved from: <https://oregoneconomicanalysis.com/2018/08/27/start-ups-rd-and-productivity/>.

# Regional and Local Trends

Throughout this section and the report, Newberg is compared to Yamhill County and the State of Oregon. These comparisons are to provide context for changes in Newberg’s socioeconomic characteristics.

## Availability of Labor

The availability of trained workers in Newberg will impact development of its economy over the planning period. A skilled and educated populace can attract well-paying businesses and employers and spur the benefits that follow from a growing economy. Key trends that will affect the workforce in Newberg over the next twenty years include its growth in its overall population, growth in the senior population, and commuting trends.

## Population Change

Population growth in Oregon tends to follow economic cycles. Oregon’s population grew from 2.8 million people in 1990 to 4.2 million people in 2019, an increase of about 1,394,000 people or 1.4% each year. In the most recent decade (i.e., 2010 to 2019), the state’s average annual growth rate fell slightly from 1.4% to 1.1%.

Between 1990 and 2019, Newberg’s population increased by 10,959 residents at an average annual rate of 2.1%, exceeding both Yamhill County and Oregon’s growth rates during the same time period (1.7% and 1.4%, respectively).

Exhibit 36. Population Growth, Newberg, Yamhill County, and Oregon, 1990–2018

Geography	1990	2000	2010	2019	Change, 1990 - 2019		
					Number	Percent	AAGR
Newberg	13,086	18,064	22,068	24,045	10,959	84%	2.1%
Yamhill County	65,551	84,992	99,193	108,060	42,509	65%	1.7%
Oregon	2,842,321	3,421,399	3,831,074	4,236,400	1,394,079	49%	1.4%

Source: US Census Bureau, 1990, 2000, and 2010. Portland State University Population Estimates, 2019.

## Age Distribution

By 2060, the population of people 65 years and older in the United States is projected to nearly double from 52 million in 2018 to 95 million.<sup>135</sup> The economic effects of this demographic change include a slowing in the growth of the labor force, a need for workers to replace retirees, an aging of the workforce for seniors that continue working after age 65, an increase in the demand for health-care services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare.<sup>136</sup>

Exhibit 37 through Exhibit 40 show the following trends:

- Newberg’s population is aging slower than the populations in Yamhill County and the state overall per their respective median ages. During the 2014–2018 period, 18% of Newberg residents were 60 years and older compared to 32% of residents between the ages of 20 and 39 (Exhibit 39). This suggests that Newberg is attracting more people in their early adult lives.
- Yamhill County’s population is expected to continue aging, with people 60 years and older increasing from 25% of the population in 2020 to 28% in 2045. This is consistent with statewide trends. Yamhill County may continue to attract those in their late adult years (i.e., 70 years and older) over the planning period. While the share of retirees in these respective areas may increase over the next twenty years, the share of people nearing retirement (i.e., 55 to 69 years old) or in their early adult lives (i.e., 20 to 39 years old) is likely to decrease.

**Newberg’s median age has increased by about 3.6 years since 2000, a change slightly smaller than Yamhill County’s change of 4 years, but larger than Oregon’s change of 2.9.**

Exhibit 37. Median Age, Newberg, Yamhill County, and Oregon, 2000 to 2014–2018

Source: US Census Bureau, 2000 Decennial Census, Table P013; American Community Survey 2014–2018 5-Year Estimates, Table B01002.

2000	<b>30.1</b> Newberg	<b>34.1</b> Yamhill County	<b>36.3</b> Oregon
2014-18	<b>33.7</b> Newberg	<b>38.1</b> Yamhill County	<b>39.2</b> Oregon

This increase suggests Newberg is attracting more workers in their later adult lives.

<sup>135</sup> Mather, M., Scommegna, P., & Kilduff, L. (2019). Fact Sheet: Aging in the United States. <https://www.prb.org/aging-unitedstates-fact-sheet/>

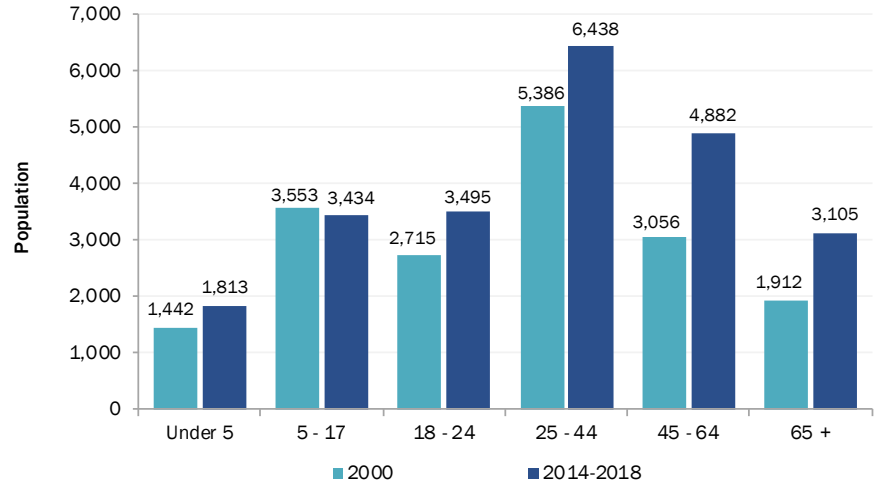
<sup>136</sup> The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2017, The 2017 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, July 13, 2017. The Budget and Economic Outlook: Fiscal Years 2018 to 2028, April 2018.

**Over 2000 to 2014–2018, Newberg’s largest population increases were for those aged 45–64 and 65 years and older.**

This is consistent with statewide trends.

**Exhibit 38. Newberg Population Change by Age Group, 2000 to 2014–2018**

Source: US Census Bureau, 2000 Summary File; American Community Survey 2014–2018 5-Year Estimates, Table B01001.



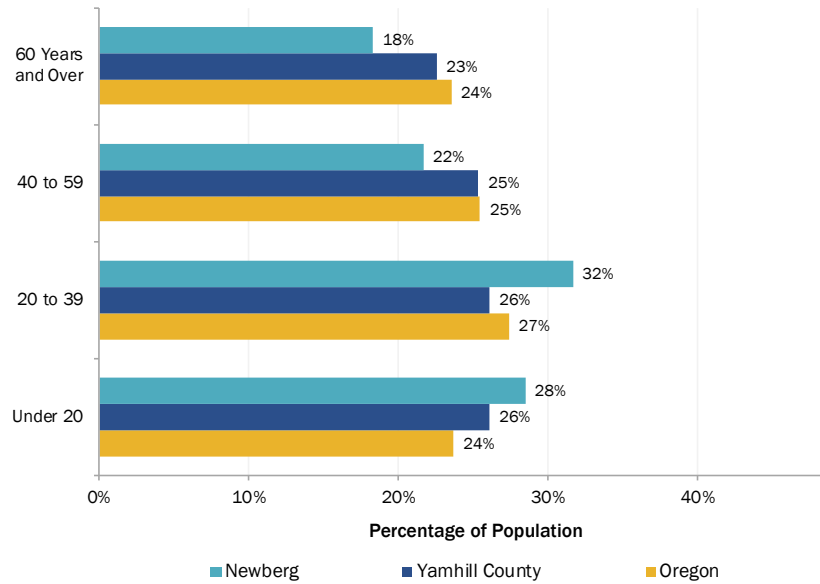
**During the 2014–2018 period, 18% of Newberg residents were over 60 years of age.**

The proportion of Newberg’s older residents was lower than that of both the state and Yamhill County.

Conversely, the proportion of Newberg residents 39 years of age and younger was larger relative to Yamhill County and Oregon.

**Exhibit 39. Population Distribution by Age, Newberg, Yamhill County, and Oregon, 2014-2018**

Source: US Census Bureau, American Community Survey, 2014–2018 5-Year Estimates, Table B01001.

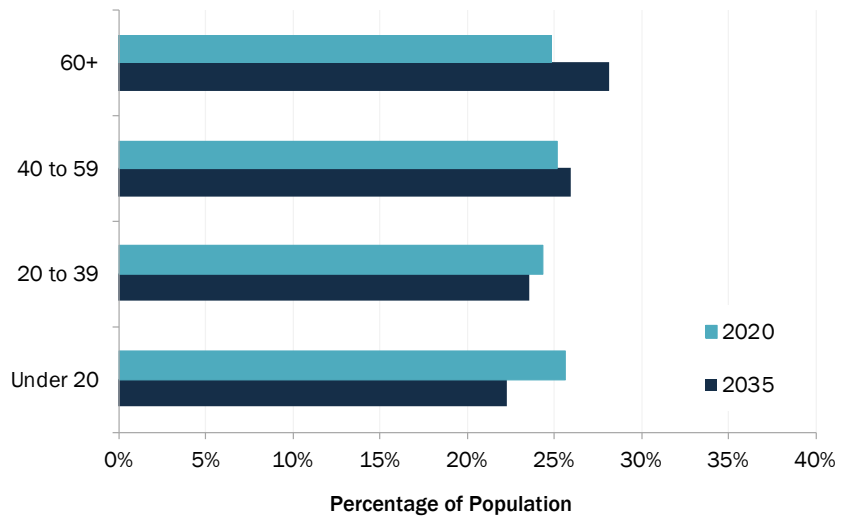


**By 2045, Yamhill County will have a larger share of residents 60 years and older than it does today.**

The share of residents 60 years and older will account for 28% of Yamhill County's population, compared to 25% in 2020.

**Exhibit 40. Population Growth by Age Group, Yamhill County, 2020-2045**

Source: Portland State University, College of Urban & Public Affairs: Population Research Center, Population Forecast, 2020.



## Race and Ethnicity

Newberg, like Oregon overall, is becoming more racially and ethnically diverse. Both the Hispanic and Latino population and the populations of people of color increased in Newberg between 2000 and 2014–2018. The Hispanic and Latino population increased from 11% to 14%, while the nonwhite population increased from 10% to 12%. Similar to the city, Yamhill County’s population of people of color increased slightly from 11% to 12%, and the Hispanic and Latino population grew from 11% to 16% during the same time period. Newberg is more ethnically diverse than the state, so providing culturally specific services to Spanish-speaking community members can help improve their participation in the workforce and economy.

The population of people of color is defined as the share of the population that identifies as another race other than “white alone” according to Census definitions. The small population in Newberg results in small sample sizes, and thus the margin of error is considerable for the estimate of these populations.

Exhibit 41 and Exhibit 42 show the change in the share of the Hispanic and Latino population and the populations of people of color in Newberg, compared to Yamhill County and Oregon between 2000 and 2014–2018. The group with the largest share of the population of people of color in 2014–2018 included those that identify as “some other race alone,” representing 6% of Newberg’s total population.<sup>137</sup>

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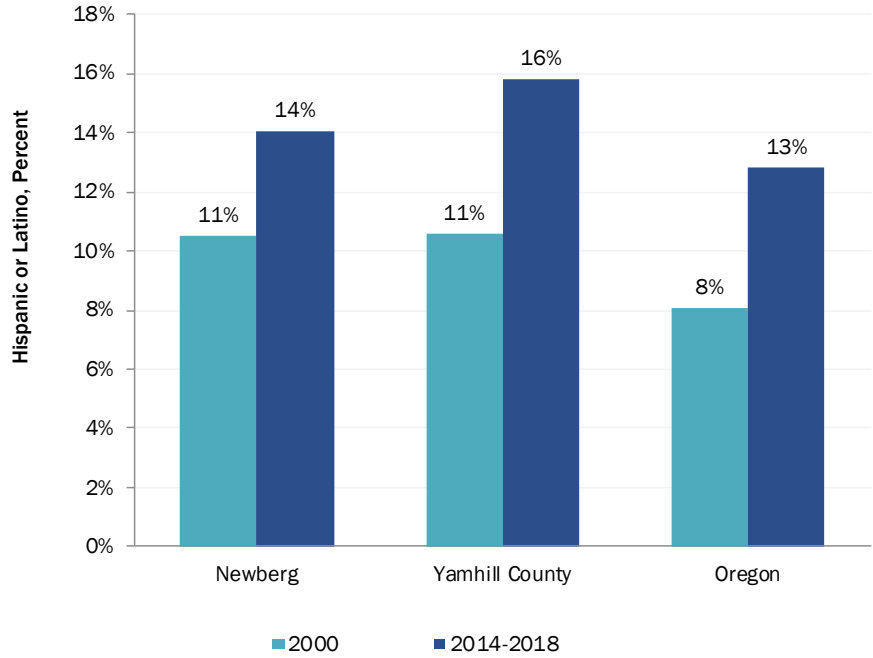
<sup>137</sup> “Some other race alone” also includes individuals who identify as American Indian or Alaska Native or Native Hawaiian and other Pacific Islander.

**Newberg’s Hispanic/Latino population increased between 2000 and 2014–2018 from 11% to 14%.**

Newberg is more ethnically diverse than the state but less so than Yamhill County.

**Exhibit 41. Hispanic and Latino Population as a Percent of the Total Population, Newberg, Yamhill County, and Oregon, 2000, 2014–2018**

Source: US Census Bureau, 2000 Decennial Census, Table P008; 2014–2018 American Community Survey, 2014-2018 5-Year Estimates, Table B03002.



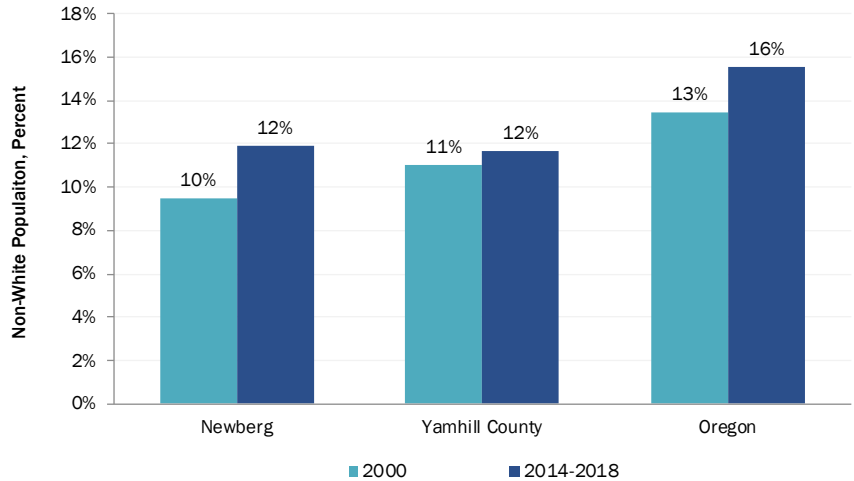
**The population of people of color in Newberg increased between 2000 and 2014–2018.**

Newberg and Yamhill County are less racially diverse than the state. In 2014–2018, the share of the population of people of color in both Newberg and Yamhill County was 12% compared to 16% statewide.

During this same time period, the group with the largest share of the population of people of color was “some other race alone,” representing 6% of Newberg’s residents.

**Exhibit 42. Population of People of Color as a Percent of the Total Population, Newberg, Yamhill County, and Oregon, 2000, 2014–2018**

Source: US Census Bureau, 2000 Decennial Census Table P007; 2014–2018 American Community Survey, 2014-2018 5-Year Estimates, Table B02001.



## Income

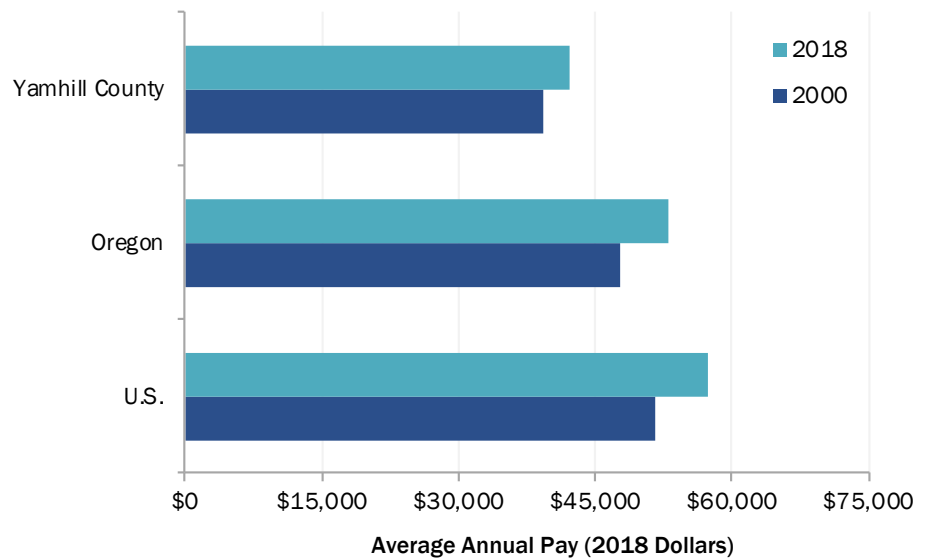
Income and wages affect business decisions for locating in a city. Areas with higher wages may be less attractive for industries that rely on low-wage workers. Newberg’s median household income (\$56,599) was below the county median (\$59,484). In 2018, average wages at private businesses in Newberg (\$43,480) were higher than the county average (\$42,302).

Between 2000 and 2018, Yamhill County’s average wages increased as did average wages across the state and the nation. When adjusted for inflation, average annual wages grew by 8% in Yamhill County and 11% in both Oregon and across the nation.

**From 2000 to 2018, average annual wages rose in Yamhill County, Oregon, and the nation.**

In 2018, average annual wages were \$42,302 in Yamhill County, \$53,053 in Oregon, and \$57,266 across the nation.

**Exhibit 43. Average Annual Wage, Covered Employment, Yamhill County, Oregon, and the U.S., 2000 to 2018, Inflation-Adjusted 2018 Dollars**  
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages; State of Oregon Employment Department, Employment and Wages by Industry (QCEW).



**Over the 2014–2018 period, the median household income in Newberg was 5% below Yamhill County’s and Oregon’s median household income.**

**Exhibit 44. Median Household Income (MHI),<sup>138</sup> 2014–2018**  
Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B19013.

<b>\$56,599</b> Newberg	<b>\$59,484</b> Yamhill County	<b>\$59,393</b> Oregon
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<sup>138</sup> The Census calculated household income based on the income of all individuals 15 years old and over in the household, whether they were related or not.

**Newberg median family income during the 2014–2018 period, similar to median household income, was below the median family income of both Yamhill County and Oregon by 8% and 11%, respectively.**

**Exhibit 45. Median Family Income,<sup>139</sup> 2014–2018**

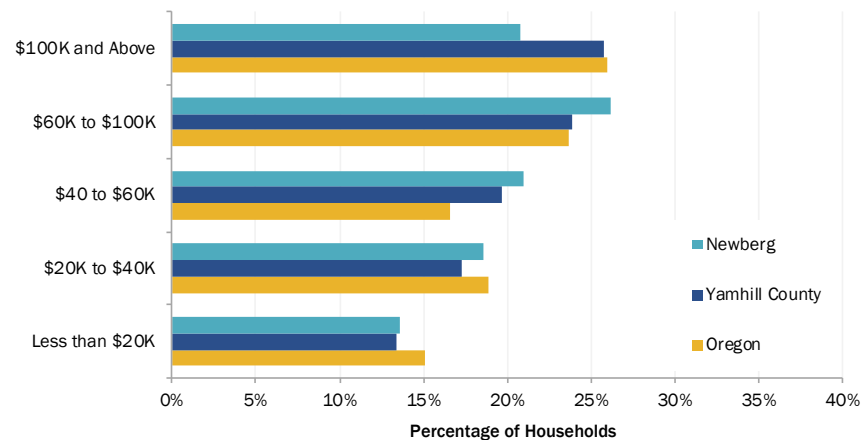
Source: US Census Bureau, American Community Survey 2012–2016 5-Year Estimates, Table B19113.

<b>\$65,557</b> Newberg	<b>\$70,813</b> Yamhill County	<b>\$72,823</b> Oregon
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**During the 2014–2018 period, 32% of Newberg households earned less than \$40,000 annually, compared to 31% of Yamhill County households and 34% of Oregon households.**

**Exhibit 46. Household Income by Income Group, Newberg, Yamhill County, and Oregon, 2014–2018, Inflation-Adjusted 2018 Dollars**

Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B19001.



Over the same period, 21% of Newberg households earned between \$40,000 and \$59,999, a proportion larger than both Yamhill County residents (20%) and residents statewide (17%).

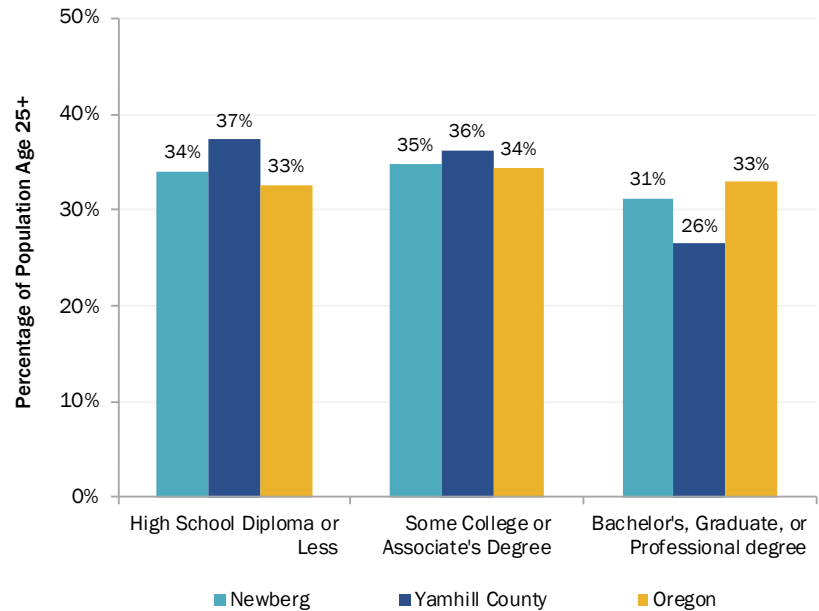
<sup>139</sup> The Census calculated family income based on the income of the head of household, as identified in the response to the Census forms, and income of all individuals 15 years old and over in the household who were related to the head of household by birth, marriage, or adoption.

## Educational Attainment

The availability of trained, educated workers affects the quality of labor in a community. Educational attainment is an important labor force factor because firms need to be able to find educated workers.

**Newberg's residents are consistent with residents statewide regarding their completion of some college or attainment of an associate degree. The proportion of Newberg residents who have a bachelor's degree or a professional degree falls slightly below the state but is higher relative to Yamhill County.**

Exhibit 47. Educational Attainment for the Population 25 Years and Over, Newberg, Yamhill County, and Oregon, 2014–2018  
Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B15003.



## Labor Force Participation and Unemployment

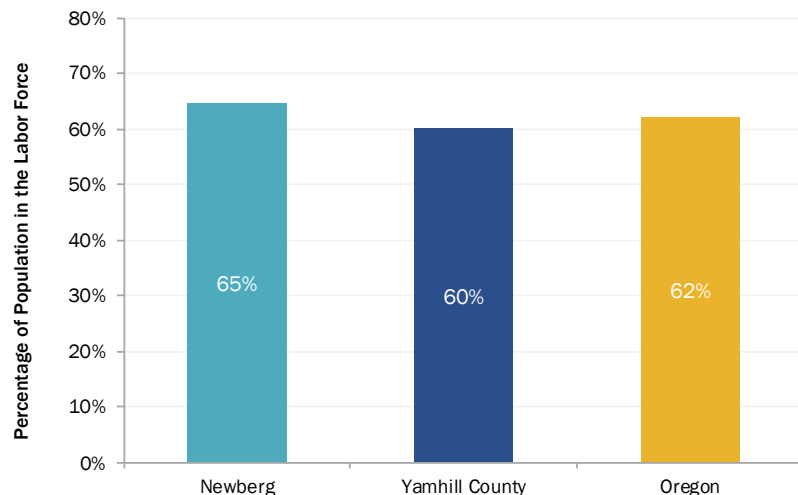
The current labor force participation rate is an important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2014–2018 American Community Survey, Yamhill County had 49,802 people in its labor force during that period and Newberg had 11,987 people in its labor force.

In 2019, the Oregon Office of Economic Analysis reported that 64% of job vacancies were difficult to fill. The most common reason for difficulty in filling jobs included a lack of applications (29% of employers' difficulties), unfavorable working conditions (23%), a lack of qualified candidates (16%), a lack of soft skills (8%), a lack of work experience (7%), and low wages (7%).<sup>140</sup> These statistics indicate a mismatch between the types of jobs that employers are demanding and the skills that potential employees can provide.

**Newberg has a higher labor force participation rate relative to both Yamhill County and Oregon.**

Exhibit 48. Labor Force Participation Rate, Newberg, Yamhill County, and Oregon, 2014–2018

Source: US Census Bureau, American Community Survey 2012–2016 5-Year Estimates, Table B23001.



<sup>140</sup> Oregon's Current Workforce Gaps: Hiring Challenges for Unfilled Job Vacancies, May 2019. Employer-Provided Reasons for Difficulty Filling Vacancies in Oregon, 2018. p. 20.

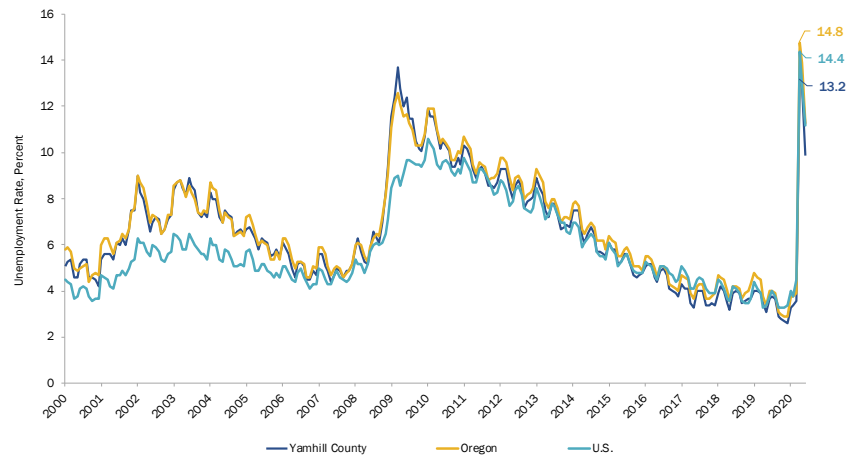
<https://www.qualityinfo.org/documents/10182/13336/Oregon%27s+Current+Workforce+Gaps>.

**The unemployment rates in Yamhill County, Oregon, and the nation have declined since the Great Recession. However, since the pandemic, unemployment rates for the month of April 2020 exceeded the peak rate experienced during the Great Recession.**

In April 2020, the unemployment rate for Yamhill County (13.2%) was lower than Oregon (14.8%) and the nation (14.4%).

Exhibit 49. Unemployment Rate, Yamhill County, Oregon, and the U.S., 2000–April 2020

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics and Labor Force Statistics.



## Commuting Patterns

Commuting plays an important role in Newberg’s economy because employers in the area are able to access workers from people living in cities across Yamhill County and from the broader Portland and Willamette Valley regions.

Exhibit 50 shows that 9% of people who live in Newberg commute to Portland while 19% remain in Newberg. Collectively, 24% of Newberg residents commute to Tigard, Beaverton, Tualatin, and Hillsboro (i.e., 6% to each location). The remaining workers commute from other cities located across the region.

### **Newberg is part of an interconnected regional economy.**

Fewer people both live and work in Newberg than commute into or out of the city for work. This commuting pattern is similar to Yamhill County in that more people commute to areas outside of the county for work than live and work within the county.

Exhibit 50. Commuting Flows, Newberg, 2017

Source: US Census Bureau, Census On the Map.



### **About 23% of all people who work in Newberg also live in Newberg.**

Exhibit 51. Places Where Newberg Workers Lived,<sup>141</sup> 2017

Source: US Census Bureau, Census On the Map.



<sup>141</sup> In 2017, 8,555 people worked at businesses in Newberg, with 23% (1,942) of people employed and working in Newberg.

**About 19% of residents who live in Newberg also work in Newberg.**

Nine percent of Newberg residents commute to Portland for work.

**Exhibit 52. Places Where Newberg Residents Were Employed,<sup>142</sup> 2017**

Source: US Census Bureau, Census On the Map.

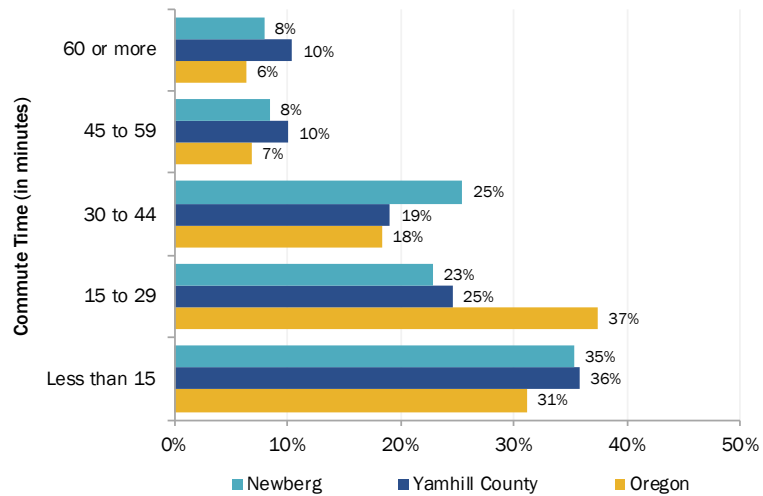


During the 2014–2018 period, about 35% of Newberg residents had a commute of less than 15 minutes, compared to 36% of Yamhill County’s residents and 31% of Oregon residents.

**The majority of Newberg residents (65%) have a commute time over 15 minutes. This is consistent with Yamhill County, where 64% of county residents have a commute time of this length.**

**Exhibit 53. Commute Time by Place of Residence, Newberg, Yamhill County, and Oregon, 2014–2018**

Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B08303.



<sup>142</sup> In 2018, 11,987 residents in Newberg worked, with 16% of Newberg residents (1,942) both living and employed in Newberg in 2017.

## Tourism in Willamette Valley and Yamhill County

Longwoods International provides regional statistics on travel. The following information is from Longwoods International’s 2017 Regional Visitor Report for the Willamette Valley region, which is comprised of Benton, Clackamas (South), Lane (East), Linn, Marion, Polk, and Yamhill Counties.<sup>143</sup> Broadly, travelers to the Willamette Valley accounted for:<sup>144</sup>

- 5.5 million overnight trips in 2017, or 16% of all Oregon overnight travel that year.
- The primary market areas for travelers over 2016 and 2017 were Oregon, Washington, and California: 48% of Willamette Valley visitors came from Oregon, 19% came from California, and 14% came from Washington.
- About 75% of visitors stayed 2 or fewer nights in the Willamette Valley in 2016 and 2017, 20% stayed 3–6 nights, and 5% stayed 7 or more nights. The average nights spent in the Willamette Valley region was 2.3.
- The average per-person expenditures on overnight trips in 2017 ranged from \$13 on transportation at destination to \$41 per night on lodging.
- About 75% of visits to the Willamette Valley region over 2016 and 2017 were via personally owned automobiles, 18% were by rental car, and 13% were via an online taxi service (e.g., Lyft or Uber).
- Over 2016 and 2017, visitors tended to be middle-aged adults, with the average age being about 48.7. The majority of overnight visitors were 65 and older (23%), followed by those between the ages of 55 and 64 (19%) and individuals between the ages of 35 and 44 (19%). About 56% of visitors graduated college or completed a postgraduate education. Additionally, 44% of visitor earned less than \$50,000 in household income, 37% earned between \$50,000 and \$99,999, and 19% earned more than \$100,000. The average household income for the Willamette Valley region visitors was about \$64,560.

**Yamhill County’s direct travel spending increased 49% from 2000 to 2018.**

The Willamette Valley region’s direct travel spending increased by 139% over the same period.

Exhibit 54. Direct Travel Spending (\$ millions), 2000 and 2018  
Source: Dean Runyan Associates, Oregon Travel Impacts, 1991–2018, and Dean Runyan Associates, Oregon Travel Impacts, 1992–2018.

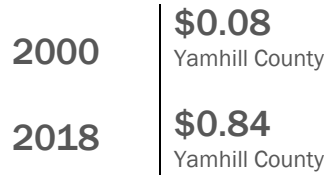
2000	<b>\$1,019.9</b>	<b>\$56.7</b>
	Willamette Valley Region	Yamhill County
2018	<b>\$1,984.4</b>	<b>\$135.7</b>
	Willamette Valley Region	Yamhill County

<sup>143</sup> Travel Oregon. “Oregon 2017 Regional Visitor Report Willamette Valley Region,” Longwoods International, October 2018. Retrieved from: <https://industry.traveloregon.com/resources/research/willamette-valley-oregon-overnight-travel-study-2017-longwoods-international/>.

<sup>144</sup> Longwoods International issues caution in interpreting these tourism estimates in Central Oregon, as the sample size for this region is low.

**Yamhill County's lodging tax receipts increased 967% over 2000 to 2018.**

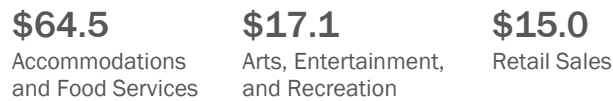
**Exhibit 55. Lodging Tax Receipts (\$ millions), 2000 and 2018**  
Source: Dean Runyan Associates, Oregon Travel Impacts, 1991-2017.



**Yamhill County's largest visitor spending for purchased commodities is accommodation and food services.**

**Exhibit 56. Largest Visitor Spending Categories (\$ millions), Yamhill County, 2018**

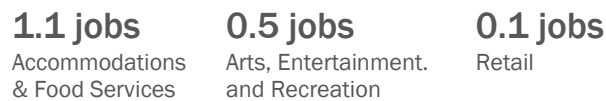
Source: Dean Runyan Associates, Oregon Travel Impacts.



**Yamhill County's largest employment generated by travel spending is in the accommodations and food services industry.**

**Exhibit 57. Largest Industry Employment Generated by Travel Spending (thousands), Yamhill County, 2018**

Source: Dean Runyan Associates, Oregon Travel Impacts.



The number of overnight visitors to Yamhill County has increased from 1,683,000 in 2016 to 1,773,000 in 2018, an increase of 90,000 overnight stays or 5.3%.

# Appendix B. Buildable Lands Inventory

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The buildable lands inventory is intended to identify commercial and industrial lands that are available for development for employment uses within the Newberg UGB. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. Population and employment growth drive *demand* for land. The amount of land needed depends on the type of development and other factors.

This appendix presents results of the commercial and industrial buildable lands inventory for the Newberg UGB. The results are based on analyses of Yamhill County and State of Oregon GIS data by ECONorthwest and reviewed by City staff. The remainder of this appendix summarizes key findings of the buildable lands inventory.

## Methods and Definitions

The BLI for Newberg includes all land that allows commercial and industrial uses within the UGB. From a practical perspective, land was included in the BLI if it met all of the following criteria: 1) it is inside the Newberg UGB, 2) it is inside a tax lot (as defined by Yamhill County), and 3) if its current zoning/comprehensive plan designation allows employment uses. Note that tax lots do not generally include road or railroad rights-of-way or water. The inventory then builds from the tax lot-level database to estimate buildable land by plan designation.

### Inventory Steps

The steps in the BLI are:

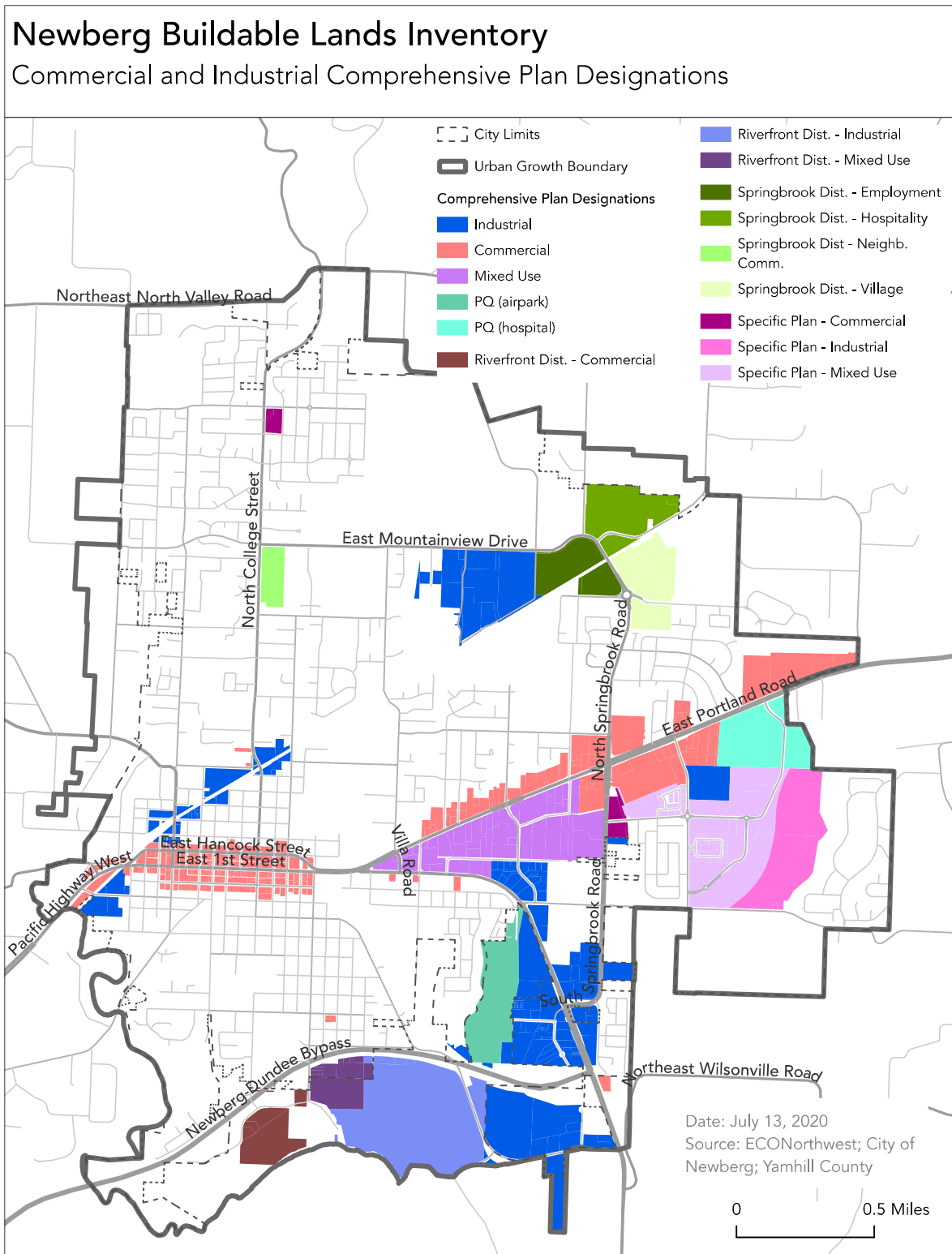
1. Generate UGB “land base”
2. Classify lands by development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results

## Step 1: Generate UGB “Land Base”

The commercial and industrial inventory will use all of the tax lots in the Newberg UGB with the appropriate plan designations. Specific designations that were used include:

- Commercial
  - COM - Commercial
  - SD/V - Springbrook District – Village
  - SD/NC - Springbrook District – Neighborhood Commercial
  - SD/H - Springbrook District – Hospitality
  - COM/RD - Commercial Riverfront
  - COM/SP - Specific Plan
- Industrial
  - IND - Industrial
  - IND/RD - Industrial Riverfront
  - IND/SP - Specific Plan
  - SD/E - Springbrook District – Employment
- Mixed Use
  - MIX - Mixed-Use
  - MIX/SP - Specific Plan
  - MIX/RD - Riverfront District
- PQ areas with employment uses

Exhibit 58. Commercial and Industrial Comprehensive Plan Designations Included in the BLI



## Step 2: Classify Lands

In this step, ECONorthwest classified each tax lot with an employment plan designation (based on definition above) into one of five mutually exclusive categories based on development status:

- Developed land
- Vacant land
- Potential infill land
- Undevelopable land
- Public or exempt land

ECONorthwest identified buildable land and classified development status using a rule-based methodology. The rules are described below in Exhibit 59.

Exhibit 59. Rules for Development Status Classification

Development Status	Definition	Statutory Authority
Vacant Land	<p>A tax lot:</p> <p>(a) Not currently containing permanent buildings or improvements; or</p> <p>(b) Equal to or larger than five acres where less than one-half acre is occupied by permanent buildings or improvements</p> <p>For the purpose of criteria (a) above, lands with improvement values of \$0 and without mobile homes (as identified by Yamhill Assessment property class codes) were considered vacant.</p>	<p>OAR 660-009-005(14)</p> <p>We included all tax lots in the land base in the inventory—a more inclusive approach than required by law. Tax lots smaller than the thresholds were evaluated based on existing improvements.</p>
Potential Infill Land	<p>Potential infill tax lots are those between one and five acres occupied by a use that could still be further developed based on the zoning. This determination was based on a visual assessment and City staff verification.</p>	<p>Based on definition of “developed land” in OAR 660-009-005(1).</p>
Undevelopable Land	<p>Vacant tax lots less than 3,000 square feet in size are considered undevelopable.</p>	<p>No statutory definition</p>
Public or Exempt Land	<p>Lands in public or semipublic ownership are considered unavailable for commercial or industrial development. This includes lands in Federal, State, County, or City ownership as well as lands owned by churches and other semipublic</p>	<p>No statutory definition</p>

	organizations and properties with conservation easements. Public lands and exempt land were identified using the Yamhill County Assessment property class codes. This category only includes public lands that are located in commercial or industrial plan designations.	
Developed Land	<p>OAR 660-009-005(1) defines developed land as “Non-vacant land that is likely to be redeveloped during the planning period.”</p> <p>Lands not classified as vacant, potential infill, undevelopable, or public or exempt are considered developed. Redevelopment potential is considered separately from the assignment of development status in Chapter 4.</p>	OAR 660-009-005(1)

### Step 3: Identify Constraints

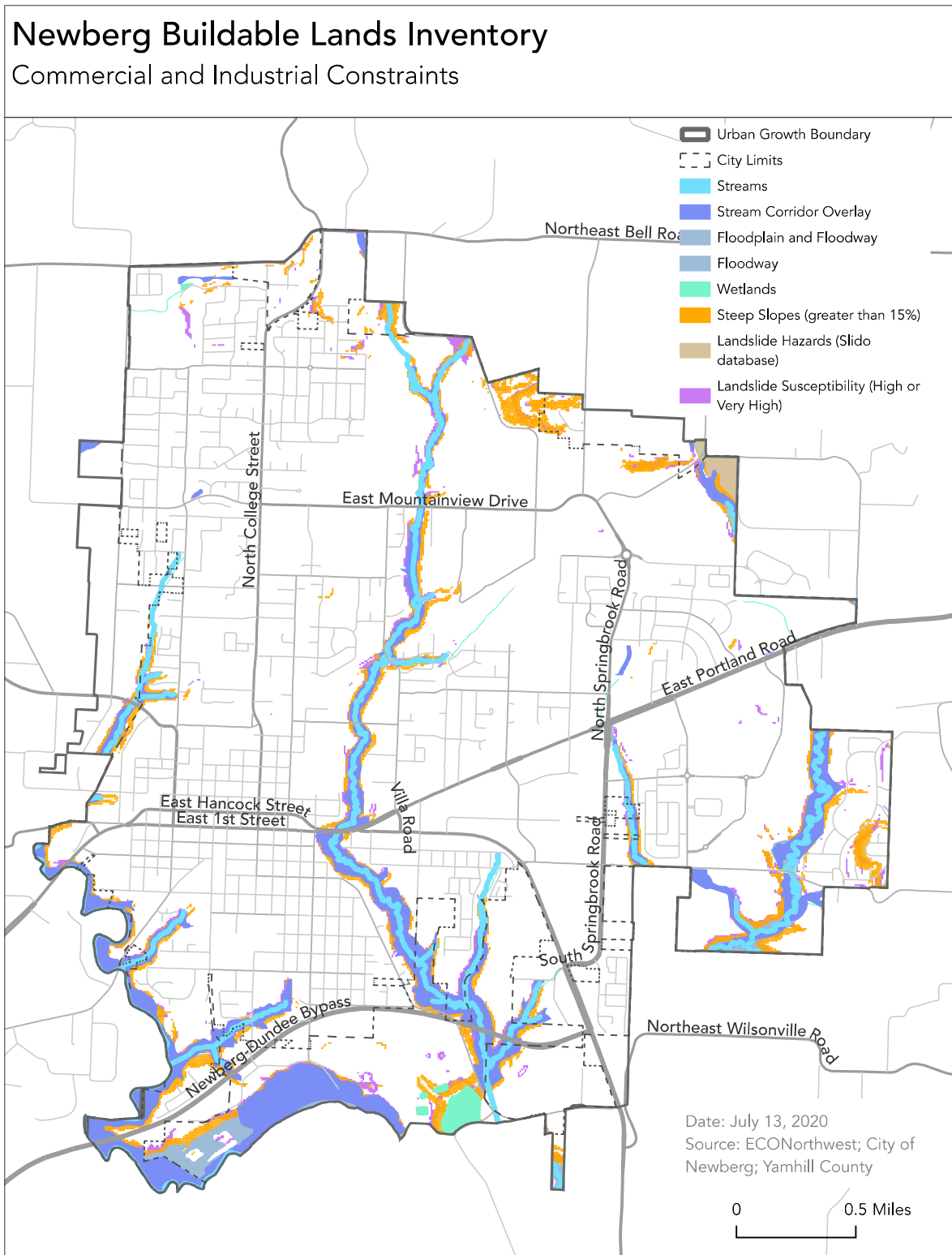
As shown in Exhibit 60 (and in the map in Exhibit 61), the BLI included development constraints consistent with guidance in OAR 660-008-0005(2).

Exhibit 60. Constraints Included in the BLI

Constraint	Statutory Authority	Threshold
<b>Goal 5 Natural Resource Constraints</b>		
Regulated Wetlands	OAR 660-009-0005(2)	Within National Wetlands Inventory
Stream Corridors	OAR 660-009-0005(2)	Lands within Newberg’s Stream Corridor Overlay
<b>Natural Hazard Constraints</b>		
Floodways	OAR 660-009-0005(2)	Lands within FEMA FIRM identified floodway
100-Year Floodplain	OAR 660-009-0005(2)	Lands within FEMA FIRM 100-year floodplain
Steep Slopes	OAR 660-009-0005(2)	Slopes greater than 15%
Landslide Hazards	OAR 660-009-0005(2)	Areas within DOGAMI’s Slido Database; Areas with high or very high landslide susceptibility (according to DOGAMI)

These areas were evaluated as prohibitive constraints (unbuildable). All constraints were merged into a single constraint file, which was then used to identify the area of each tax lot that is constrained. These areas were deducted from lands that are identified as vacant or potential infill.

Exhibit 61. Commercial and Industrial Constraints Included in the BLI



#### Step 4: Verify Inventory Results

ECONorthwest used a multistep verification process. The first verification step involved a “visual assessment” of land classifications using GIS and recent aerial photos. The visual assessment involves reviewing classifications overlaid on recent aerial photographs to verify uses on the ground. ECONorthwest reviewed all tax lots included in the inventory using the visual assessment methodology. The second round of verification involved City staff verifying the visual assessment output. ECONorthwest amended the BLI based on City staff review and a discussion of staff’s comments. The final verification is reviewed by stakeholders, most especially TAC and CAC members.

#### Step 5: Tabulate and Map Results

The results of the commercial BLI are presented in tabular and map format in the remainder of this appendix. This includes a zoning/comprehensive plan map, the land base by classification, vacant and potential infill lands by plan designation, and vacant and potential infill lands by plan designation with constraints showing.

**Exhibit “B” to Ordinance No. 2025-2936  
Comprehensive Plan Amendment – File CPTA22-0002**

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Note: Existing text is shown in regular font.  
 Added text is shown in double underline  
 Deleted text is shown in ~~strikethrough~~.

**The Newberg Comprehensive Plan shall be amended as follows:**

**Section 1. The Newberg Comprehensive Plan, V. Land Need and Supply, A. Buildable Land Inventory is amended to read:**

The Newberg Planning Division prepared an inventory of buildable land in the Newberg UGB in 2004. The buildable land inventory includes vacant and redevelopable land in the existing (2004) UGB. This land base is the starting point for determining how much future growth can be accommodated inside the existing UGB and the size of the unmet land need that must be accommodated through zone changes or UGB expansion. Physical constraints such as steep slopes (greater than 25%) and stream setbacks have been deducted from the parcel size, so the buildable land inventory is based on buildable acres, not total acres. In addition, lands that are under development are not considered buildable. This inventory also does not include land located within the future right-of-way of the proposed Newberg-Dundee Bypass.<sup>1</sup> In 2004, the Newberg UGB had approximately 778 acres of buildable land inside the UGB for residential purposes (Table V-1A).

**Table V- 1A. Newberg Residential UGB Buildable Land Inventory (2004)**

<b>Plan Designation</b>	<b>Buildable Land</b>
Low Density Residential	359 ac
Medium Density Residential	142 ac
High Density Residential	13 ac
<del>Commercial</del>	<del>105 ac</del>
<del>Industrial</del>	<del>159 ac</del>
<b>TOTAL</b>	<b>778 ac <u>514 ac</u></b>

Source: Ad Hoc Committee on Newberg’s Future (2005), Report to Newberg City Council

In addition, there ~~is~~are approximately 467 acres of buildable land within the Newberg Urban Reserve Area. This area does not have any comprehensive plan district designations assigned.

The City of Newberg prepared an updated inventory of buildable commercial and industrial land in the Newberg UGB in 2020. The buildable land inventory includes vacant and redevelopable land in the existing (2020) UGB. There are 483 acres of commercial and mixed use designations, 434 acres of industrial designations, and 54 acres in Airport designations. In 2020, the Newberg

<sup>1</sup> Based on the route configuration for Modified 3J alternative

UGB had approximately 141 acres of buildable land inside the UGB for commercial and industrial development (Table V-1B). Including potentially redevelopable land, 233 acres of suitable, buildable, unconstrained land were available.

**Table V-1B. Newberg UGB Buildable Land Inventory (2020)**

<b>Plan Designation</b>	<b>Tax Lots - Total Acres</b>	<b>Buildable Land Acres</b>
<b><u>Commercial</u></b>	<b><u>266</u></b>	<b><u>53</u></b>
<u>Commercial</u>	<u>163</u>	<u>15</u>
<u>Riverfront District Commercial</u>	<u>7</u>	<u>1</u>
<u>Specific Plan Commercial</u>	<u>9</u>	<u>4</u>
<u>Public Quasi-Public (Hospital Site)</u>	<u>41</u>	<u>8</u>
<u>Springbrook District - Hospitality</u>	<u>35</u>	<u>14</u>
<u>Springbrook District - Neighborhood Commercial</u>	<u>11</u>	<u>11</u>
<b><u>Mixed Use</u></b>	<b><u>217</u></b>	<b><u>25</u></b>
<u>Mixed Use</u>	<u>83</u>	<u>10</u>
<u>Riverfront District Mixed Use</u>	<u>22</u>	<u>3</u>
<u>Specific Plan Mixed Use</u>	<u>78</u>	<u>0</u>
<u>Springbrook District – Village*</u>	<u>34</u>	<u>12</u>
<b><u>Industrial</u></b>	<b><u>434</u></b>	<b><u>52</u></b>
<u>Industrial</u>	<u>246</u>	<u>27</u>
<u>Riverfront District Industrial</u>	<u>108</u>	<u>3</u>
<u>Specific Plan Industrial</u>	<u>53</u>	<u>0</u>
<u>Springbrook District - Employment</u>	<u>27</u>	<u>22</u>
<b><u>Other - Airpark</u></b>	<b><u>54</u></b>	<b><u>11</u></b>
<u>Industrial</u>	<u>12</u>	<u>11</u>
<u>Public Quasi-Public</u>	<u>42</u>	<u>0</u>
<b><u>TOTAL</u></b>	<b><u>971</u></b>	<b><u>141</u></b>

Source: Economic Opportunities Analysis Exhibits 22, 23 and 30 (March, 2021).

\*Note: Buildable acres in the Springbrook District Village plan designation reflect the assumptions for commercial land included in the Springbrook Master Plan (2008)

**Section 2. The Newberg Comprehensive Plan, V. Land Need and Supply, C. Commercial Land Need and Supply, 1. Commercial Land Need is amended to read:**

**1. Commercial Land Need**

~~As Newberg grows, so will its needs for commercial land. Additional population will bring additional retail, office, and other commercial opportunities. Johnson Gardner prepared a~~

forecasts the need for office and retail commercial land (Table V-8).<sup>2</sup> The office land need is a function of employment growth based on long range forecasts by the Oregon Employment Department. The retail land need is a function of household growth and typical household spending patterns.

**Table V-2. Commercial Land Need**

Type	2005-2025	2026-2040
Office	15 ae	27 ae
Retail	96 ae	82 ae
<b>Total</b>	<b>111 ae</b>	<b>109 ae</b>

Source: Johnson Gardner

In addition, Newberg will need to ensure that large parcels are available for shopping centers. The Urban Land Institute has identified three types of shopping centers that potentially could be developed in communities such as Newberg: neighborhood centers, community centers and regional centers. A large regional shopping center is not consistent with Newberg’s desire to maintain a small town feeling and have a complete community rather than a bedroom suburb; smaller neighborhood and community shopping centers are preferred. Therefore, in addition to the overall demand for commercial land based on population and employment growth, Newberg needs to ensure that there is an adequate supply of sites with appropriate characteristics for this type of commercial development in terms of size, access, and location. Under this approach, future land needs will include needs for 2-3 community centers (10-15 acres each) and 2-3 smaller neighborhood centers (3-5 acres) for 2025 and 2040. The smaller neighborhood commercial centers should be scattered throughout the community to provide goods and services near where people live and reduce the need to drive into the central area for basic needs.

**1. Commercial Land Need**

As Newberg grows, so will its needs for commercial land. Additional population will bring additional retail, office, and other commercial opportunities. ECONorthwest prepared forecasts as part of the Economic Opportunities Analysis (March 2021) for commercial and mixed-use land (Table V-8) factoring in vacant land, potential infill land, developed land, public or exempt land, and undeveloped land based on a tax lot database current as of July 2020. Development constraints (lands within floodplains and floodways, land within natural resource protection areas, land within landslide hazards, and land with slopes over 15%) were then deducted. After deducting constraints, vacant and potential infill lands that have remaining development capacity are classified as “buildable lands.”

There are 595 tax lots within Newberg’s UGB totaling 483 acres designated commercial and mixed use, of which 27% of the total acreage is designated commercial and 22% is in mixed use categories. There are 266 acres of commercial land with 201 acres committed, 12 acres constrained

<sup>2</sup> Johnson Gardner/The Benkendorf Associates Corporation. Industrial and office land need tables and methodology. June 30, 2004.

and 54 buildable acres. There are 217 acres of mixed use land with 169 acres committed, 1 acre constrained, and 24 acres buildable as shown in Table V-16.

**Table V-8. Commercial Acres in Newberg UGB, 2020**

<u>Plan Designation</u>	<u>Tax Lots</u>	<u>Tax Lot Acreage</u>	<u>Percentage Total Acreage</u>	<u>Committed Acres</u>	<u>Constrained Acres</u>	<u>Buildable Acres</u>
Commercial	353	266	27%	201	12	54
Mixed-use	242	217	22%	169	1	24

Source: Economic Opportunities Analysis, Exhibits 22 and 23 (March, 2021)

Of the 54 buildable commercial acres 26 acres are on vacant lots and 28 acres are on potential infill lots. Of the 24 buildable mixed-use acres 20 acres are on vacant lots and 4 acres are on potential infill lots as shown in Table V-9.

**Table V-9. Employment Land with Unconstrained Development Capacity (Vacant and Potential infill) by Plan Designation, Newberg UGB, 2020**

<u>Plan Type</u>	<u>Buildable Acres Vacant Lots</u>	<u>Buildable Acres Potential Infill</u>
Commercial	26	28
Mixed-use	24	20

Source: Economic Opportunities Analysis, Exhibit 25 (March, 2021)

**Section 3. The Newberg Comprehensive Plan, V. Land Need Supply, C. Commercial Land Need and Supply, 2. Commercial Land Supply is amended to read:**

**2. Commercial Land Supply**

The commercial buildable land inventory inside the current Newberg UGB has approximately 105 acres, but consists mostly of small, scattered sites, with only 3 parcels larger than 5 acres. Overall, Newberg has a deficit of commercial land through 2025. Appropriate land will need to be designated commercial to meet future needs, through some combination of changing the plan designation of lands within the UGB and/or adding additional land to the UGB. To meet the commercial land needs through 2040, additional land will need to be designated commercial.

**Table V-3. Commercial Land Need and Supply**

<b>Commercial Land Need 2005-2025 (acres)</b>	<b>Commercial Land in UGB (2004)</b>	<b>2025 Surplus (Deficit) (acres)</b>	<b>Commercial Land Need 2026-2040 (acres)</b>
111	105	(6)	109

**2. Commercial Land Supply and Need**

The commercial buildable land inventory inside the current Newberg UGB has approximately 78 acres, but consists mostly of small, scattered sites, with only 6 parcels larger than 5 acres. Table V-10 shows the size of lots by plan designations for buildable employment land. Newberg has 33

lots that are smaller than 0.5 acres (with 8 acres of land); 21 lots between 0.5 and 2 acres (24 acres of land); 14 lots between 2 and 5 acres in size (38 acres of land); 3 lots between 5 and 10 acres in size (8 acres of land); and 4 lots between 10 and 25 acres in size (52 acres of land).

**Table V-10. Commercial Land Need and Supply**

<u>Buildable acres on tax lots</u>	<u>Buildable Acre Category</u>						<u>Total</u>
	<u>less than 0.5 acre</u>	<u>0.5 - 1 acres</u>	<u>1 - 2 acres</u>	<u>2 - 5 acres</u>	<u>5 - 10 acres</u>	<u>10 - 25 acres</u>	
Commercial	<u>2</u>	<u>3</u>	<u>7</u>	<u>13</u>	<u>8</u>	<u>21</u>	<u>54</u>
Mixed Use	<u>3</u>	<u>1</u>	<u>6</u>	<u>2</u>	<u>0</u>	<u>12</u>	<u>24</u>
<u>Number of tax lots with buildable acres</u>	<u>less than 0.5 acre</u>	<u>0.5 - 1 acres</u>	<u>1 - 2 acres</u>	<u>2 - 5 acres</u>	<u>5 - 10 acres</u>	<u>10 - 25 acres</u>	<u>Total</u>
Commercial	<u>14</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>1</u>	<u>2</u>	<u>30</u>
Mixed Use	<u>12</u>	<u>2</u>	<u>4</u>	<u>1</u>	<u>2</u>	<u>1</u>	<u>22</u>

Source: Economic Opportunities Analysis, Exhibit 26 (March, 2021)

Overall, Newberg has a surplus of commercial land through 2041. To meet the commercial land needs through 2041, based on the Economic Opportunities Analysis (March 2021), no additional land will need to be designated commercial. This situation may change as development activities continue over the next 5 - 10 years.

Table V-11 shows areas identified as having redevelopment potential in Newberg based on consideration of these factors. The redevelopment analysis summarized below provides an optimistic estimate of potential redevelopment, largely resulting from the City's efforts to redevelop the WestRock Mill site, as evidenced by the ongoing implementation of the Riverfront Master Plan.

**Table V-11. Commercial Areas with Redevelopment Potential, Newberg UGB, 2021–2041**

<u>Plan Designation</u>	<u>Number of Tax Lots</u>	<u>Total Unconstrained Acreage</u>
<u>Commercial/Mixed Use</u>	<u>11</u>	<u>26</u>
<u>Commercial</u>	<u>5</u>	<u>5</u>
<u>Mixed Use</u>	<u>2</u>	<u>2</u>
<u>WestRock Mill site (MIX/RD)</u>	<u>4</u>	<u>19</u>

Source: Economic Opportunities Analysis, Exhibit 28 (March, 2021)

Table V-12. shows commercial land sufficiency within the Newberg UGB. It shows:

Suitable buildable unconstrained commercial land of 104 acres within the UGB. Demand for commercial land shows Newberg will need a total of 83 gross acres for commercial uses over the 2021–2041 period. Newberg has a 21-acre surplus of commercial land.

**Table V-12. Commercial Land Need and Supply**

<u>Commercial Land Supply 2021-2041 (gross acres)</u>	<u>Commercial Land Demand in UGB (2021 2041) (gross acres)</u>	<u>2041 Surplus (Deficit) (gross acres)</u>
104	83	21

Source: Economic Opportunities Analysis, Exhibit 32 (March, 2021)

**Section 4. The Newberg Comprehensive Plan, V. Land Need and Supply, D. Industrial Land Need and Supply, 1. Industrial Land Need is amended to read:**

**1. ~~Industrial Land Need~~**

~~Johnson Gardner prepared future industrial land forecasts based on long-range employment forecasts and converted the new jobs to space needs for each employment sector (Table V-10). This forecast is based on a high employment growth scenario consistent with Newberg’s economic development goals to bring more family wage jobs to the area and to avoid becoming a bedroom community.<sup>3</sup>~~

**Table V-4. Industrial Land Need**

	<b>2005-2025</b>	<b>2026-2040</b>
Industrial	87 acres	75 acres

Source: Johnson Gardner

~~In addition to an overall supply of buildable land, Newberg needs to have sites available the meet the specific needs of potential industrial users, so-called “target industries”. A variety of parcel sizes, building types, and land use designations are required to attract target industries and provide market choice. In 2005, there is a general lack of suitable large (20+ acre) industrial sites with access to a state highway and physical separation or transitional buffering from residential neighborhoods. Therefore, Newberg needs 4 large (20+ acre) industrial sites for the period 2005-2025 and an additional 6 sites for the period 2026-2040. The assumption is that approximately 50 percent of the future industrial employment will take place on large parcels.~~

**1. Industrial Land Need**

The Economic Opportunities Analysis (March 2021) prepared future industrial land forecasts based on population forecasts. ECONorthwest prepared forecasts as part of the Economic Opportunities Analysis (March 2021) for industrial land (Table V-13) factoring in vacant land,

<sup>3</sup> Johnson Gardner (2004), Industrial and office land need

potential infill land, developed land, public or exempt land, and undeveloped land. Development constraints (lands within floodplains and floodways, land within natural resource protection areas, land within landslide hazards, and land with slopes over 15%) were then deducted. After deducting constraints, vacant and potential infill lands that have remaining development capacity are classified as “buildable lands.”

There are 174 tax lots within Newberg’s UGB totaling 488 acres for industrial and the Airport. 45% of the total acreage is in Industrial and 6% is in Other-Airpark. There are 434 acres of industrial land with 299 acres committed, 84 acres constrained and 52 buildable acres. There are 56 acres of Other - Airport use with 36 acres committed, 9 acres constrained, and 11 acres buildable as shown in Table V-13.

**Table V-13. Industrial Acres in Newberg UGB, 2020**

<u>Plan Designation</u>	<u>Number Tax Lots</u>	<u>Total Tax Lot Acreage</u>	<u>Percentage</u>	<u>Committed Acres</u>	<u>Constrained Acres</u>	<u>Buildable Acres</u>
<u>Industrial</u>	<u>174</u>	<u>488</u>	<u>45%</u>	<u>299</u>	<u>84</u>	<u>52</u>
<u>Other - Airport</u>	<u>10</u>	<u>56</u>	<u>6%</u>	<u>36</u>	<u>9</u>	<u>11</u>

Source: Economic Opportunities Analysis, Exhibits 22 and 30 (March, 2021)

Of the 63 buildable industrial acres 53 acres are on vacant lots and 10 acres are on potential infill lots as shown in Table V-14.

**Table V-14. Employment Land with Unconstrained Development Capacity (Vacant and Potential infill) by Plan Designation, Newberg UGB, 2020**

<u>Plan Designation</u>	<u>Acres Vacant Lots</u>	<u>Acres Potential Infill</u>
<u>Industrial</u>	<u>42</u>	<u>10</u>
<u>Other - Airport</u>	<u>11</u>	<u>0</u>

Source: Economic Opportunities Analysis, Exhibit 25 (March, 2021)

Potentially redevelopable land includes 66 acres of industrial. Suitable Buildable Unconstrained Industrial Land totals 35 acres (Vacant/Potential Infill 23 acres and Potentially Redevelopable/Sportsman Airpark 12 acres).

**Section 5. The Newberg Comprehensive Plan, V. Land Need and Supply, D. Industrial Land Need and Supply, 2. 2025 Industrial Land Supply and Need is amended to read.**

**2. — 2025 Industrial Land Supply and Need**

~~The industrial buildable land inventory inside the current UGB has approximately 159 acres. While this may seem to be a large supply, it is disadvantaged by a number of elements. First, it consists mostly of small, scattered sites, with only 8 parcels larger than 5 acres and only 3 parcels that are 20 acres or larger. Second, several sites are hindered because of proximity to residential neighborhoods or other factors. Thus, some of the industrial should be rezoned for other uses.~~

Third, a significant part of the “buildable” land is in fact in industrial use, such as storage yards. Also, the land need is adjusted to account for existing industrial uses that are displaced by the Newberg Dundee Bypass.

**Table V- 5. 2025 Industrial Land Supply and Need**

<b>Industrial Site Size</b>	<b>2025 Need</b>	<b>Supply</b>	<b>Surplus/(Deficit)</b>
Small/Medium sites (< 20 ac)	50 ac	99 ac	49 ac
Large sites (20+ ac)	100 ac	60 ac	(40) ac

Inside the current UGB, the only one large site (20 acres) that is viable in the long term is at the Sportsman Airpark. Two other sites are better suited for other uses long term. Therefore, Newberg needs to look to add additional industrial land to its UGB.

**2. 2021-2041 Industrial Land Supply and Need**

The industrial buildable land inventory inside the current Newberg UGB has approximately 52 acres, but consists mostly of small, scattered sites, with only 1 parcel larger than 10 acres.

**Table V- 15. Industrial Land Supply**

<b>Buildable Acre Category</b>							
<b><u>Buildable acres on tax lots</u></b>	<b><u>less than 0.5 acre</u></b>	<b><u>0.5 – 1 acres</u></b>	<b><u>1 - 2 acres</u></b>	<b><u>2 - 5 acres</u></b>	<b><u>5 – 10 acres</u></b>	<b><u>10 – 25 acres</u></b>	<b><u>Total</u></b>
<b><u>Industrial</u></b>	3	4	3	23	0	19	
							<u>52</u>
<b><u>Number of tax lots with buildable acres</u></b>	<b><u>less than 0.5 acre</u></b>	<b><u>0.5 – 1 acres</u></b>	<b><u>1 - 2 acres</u></b>	<b><u>2 - 5 acres</u></b>	<b><u>5 – 10 acres</u></b>	<b><u>10 – 25 acres</u></b>	<b><u>Total</u></b>
<b><u>Industrial</u></b>	7	5	2	8	0	1	<u>23</u>

Source: Economic Opportunities Analysis, Exhibits 25 and 26 (March, 2021)

Overall, Newberg has a deficit of industrial land through 2041. To meet the industrial land needs through 2041, based on the Economic Opportunities Analysis (March 2021), additional land will need to be designated industrial.

Table V-16 indicates the largest potentially redevelopable site is the former WestRock Mill site. The site was recently acquired by Commercial Development Company’s affiliate Newberg OR LLC. The entire site is about 130 total acres, of which 42 are constrained by floodplain, stream corridor, and steep slopes, and 5 acres are included in vacant buildable land. Of the remaining 83 acres classified as developed in the BLI, about 64 acres are in the industrial Riverfront District plan designation and about 19 acres are in the mixed-use Riverfront District plan designation.

**Table V-16. Industrial Areas with Redevelopment Potential, Newberg UGB, 2021–2041**

<u>Plan Designation</u>	<u>Number of Tax Lots</u>	<u>Total Unconstrained Acreage</u>
<b>Industrial</b>	<u>7</u>	<u>66</u>
Industrial	<u>1</u>	<u>1</u>
WestRock Mil Site	<u>1</u>	<u>64</u>
West End Mill District	<u>5</u>	<u>1</u>

Source: Economic Opportunities Analysis, Exhibit 28 (March, 2021)

Table V-17 shows industrial land sufficiency within the Newberg UGB. Demand for industrial land shows Newberg will need a total of 152 acres for industrial uses over the 2021–2041 period.

**Table V-17. Industrial Land Supply and Need**

<u>Industrial Land Supply 2021-2041</u>	<u>Industrial Land Demand in UGB (2021-2041)</u>	<u>2041 Surplus (Deficit)</u>
<u>129</u>	<u>281</u>	<u>(152)</u>

Source: Economic Opportunities Analysis, Exhibits 30, 31 and 33 (March, 2021)

**Section 6. The Newberg Comprehensive Plan, V. Land Need and Supply, D. Industrial Land Need and Supply, 3. 2040 Industrial Land Supply and Need is deleted:**

**3. — 2040 Industrial Land Supply and Need**

The period 2025–2040 will have additional needs for industrial lands. There is projected to be a need for 37 acres of additional small/medium sites. In addition, there will be a need for six large industrial sites (20 acres each).

**Table V-6. 2026–2040 Industrial Land Supply and Need**

<u>Industrial Site Size</u>	<u>2026–2040 Need</u>
Small/Medium sites (<20 ac)	37 ac
Large sites (20+ ac)	120 ac

**Section 7. The Newberg Comprehensive Plan, V. Land Need and Supply, E. Institutional Land Supply and Need is amended to read:**

Newberg has estimated the land need for public and quasi-public institutional uses based on consultation with the Newberg School District, the Chehalem Park and Recreation District, and per capita needs based on the future population forecast (Table V-1318).<sup>c</sup>

**Table V-1318. Summary of Institutional Land Needs (acres)**

<u>Category</u>	<u>2025</u>	<u>2040</u>
Schools	85 acres	105 acres

Parks	85 acres	115 acres
Other	79 acres	128 acres
<b>Total</b>	<b>249 acres</b>	<b>348 acres</b>

Public and semi-public institutions (schools, parks, churches, etc.) are often located in or near residential neighborhoods. These facilities are often developed on residential land and are only zoned for public uses after they have been acquired by the institution for a specific purpose. Newberg has not designated specific parcels for future institutions without the consent of the property owner and/or the institution. At the same time, Newberg needs to ensure an adequate supply of land for future growth of the community as complete neighborhoods with housing, parks, schools and churches. In order to provide an adequate supply of land, some of the institutional uses may locate on infill sites within the UGB and would take away from the residential or other land supply.

**Section 8. The Newberg Comprehensive Plan, V. Land Need and Supply, F. Summary of Land Needs is amended to read:**

Table V-1419 summarizes the future residential and institutional land needs for the Newberg urban area.

**Table V- 719. Future Residential and Institutional Land Needs and Supply, Newberg Urban Area**

Plan Designation	Buildable Acres Needed 2005-2025	Buildable Acres in UGB (2004)	Surplus (Deficit) for 2005-2025	Buildable Acres Needed 2026-2040	Buildable Acres In URA <sup>4</sup> (2004)	Surplus (Deficit) 2026-2040
LDR	612	359	(253)	735		
MDR	173	142	(31)	191		
HDR	89	13	(76)	83		
COM	111	105	(6)	109		
IND	50	99	49	37		
IND (Large Site)	100	60	(40)	120		
P	85	0	(85)	115		
I, PQ, or other Inst.	164	0	(164)	233		
<b>Total</b>	<b><u>1,384</u><u>1,123</u></b>	<b><u>778</u><u>514</u></b>	<b><del>(606)</del><u>(609)</u></b>	<b><u>1,623</u><u>1,357</u></b>	<b>467</b>	<b><del>(1,156)</del><u>(890)</u></b>

<sup>4</sup> Land within the Urban Reserve Area is not currently assigned to specific comprehensive plan districts.

Table V-20 summarizes the future commercial and industrial land needs for the Newberg urban area.

**Table V- 20. Future Employment Land Needs and Supply, Newberg Urban Area**

<u>Plan Designation</u>	<u>Unconstrained Buildable Acres in UGB 2021</u>	<u>Buildable Acres Needed 2021-2041</u>	<u>Surplus (Deficit) for 2021-2041 (acres)</u>
<u>COM</u>	<u>104</u>	<u>83</u>	<u>21</u>
<u>IND</u>	<u>129</u>	<u>281</u>	<u>(152)</u>
<b><u>Total</u></b>	<b><u>233</u></b>	<b><u>364</u></b>	

Source: Economic Opportunities Analysis (March, 2021)

## Exhibit “C” to Ordinance No. 2025-2936 Comprehensive Plan Amendment Findings – File CPTA22-0002

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### APPROVAL CRITERIA

#### A. Statewide Planning Goals (the “Goals”)

##### **GOAL 1: CITIZEN INVOLVEMENT**

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

**Finding:** The City meets this requirement by having various citizen committees and/or commissions with opportunities for the public to testify on general or specific matters. A Citizens Advisory Committee was established to provide community oversight and feedback on the EOA. The proposal went before the Newberg Planning Commission on October 13, 2022, and Newberg City Council on August 4, 2025, which provided the opportunity for public comment. A Post-Acknowledgement Plan Amendment was filed with the Department of Land Conservation and Development on September 6, 2022. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places as required by the Newberg Municipal Code.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal 1 of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

##### **GOAL 2: LAND USE PLANNING**

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

**Finding:** This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

Newberg has an ongoing land use planning program, which includes using the adopted Comprehensive Plan, Development Code, and related plans to guide planning activities within the city. This proposed amendment to the Comprehensive Plan will help keep the Plan relevant and current. The proposed land use action has an adequate factual base and is based on the

Economic Opportunities Analysis (EOA) analysis. Alternatives were considered when the EOA was developed. There are no implementation measures associated with this proposal.

The alternatives to amending the Comprehensive Plan text would be to: 1) deny the application, 2) direct staff to redo the Economic Opportunities Analysis.

The Goal is met.

### **GOAL 3: AGRICULTURAL LANDS**

To preserve and maintain agricultural lands.

**Finding:** Not applicable because the proposal does not propose any comprehensive plan or land use regulation changes to agricultural lands outside of the Newberg Urban Growth Boundary.

### **GOAL 4: FOREST LANDS**

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

**Finding:** Not applicable because the proposal does not propose any comprehensive plan or land use regulation changes to forest lands inside or outside of the Newberg Urban Growth Boundary.

### **GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES**

To protect natural resources and conserve scenic and historic areas and open spaces.

**Finding:** The proposed amendment will not negatively impact inventoried Goal 5 resources because the comprehensive plan amendments do not change protections that already exist in the Comprehensive Plan or Newberg Municipal Code, Specific Plans and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with Goal 5.

This Goal is met.

### **GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY**

To maintain and improve the quality of the air, water and land resources of the state.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Amending the Comprehensive Plan does not negatively impact Goal 6.

This Goal is met.

### **GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS**

To protect people and property from natural hazards.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City’s natural hazards goals, policies, or requirements such as flood plain or landslide areas. Natural hazard areas have been taken into consideration in developing the unconstrained buildable lands inventory for land sufficiency for employment land needs as reflected in Exhibit “A” and incorporated by reference. This proposal does not modify the existing goals and policies.

This Goal is met.

### **GOAL 8: RECREATIONAL NEEDS**

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. The proposal does not modify the City’s recreational goals and policies for park acres per population based on the type of park designation.

This Goal is met.

### **GOAL 9: ECONOMIC DEVELOPMENT**

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

**Finding:** The proposed changes to the Comprehensive Plan, V. Land Need Supply are drawn from the June 2021 Newberg Economic Opportunities Analysis. As identified in the document the primary goals of the EOA are to (1) project the amount of land needed to accommodate the future employment growth within the Newberg Urban Growth Boundary (UGB) between 2021 and 2041, (2) evaluate the existing employment land supply within the city to determine if it is adequate to meet that need, and (3) to fulfill state planning requirements for a twenty-year supply of employment land.

Employment is projected to grow from 14,034 in 2021 to 18,486 in 2041. This is an increase of 4,452 jobs over the planning period. The EOA has identified redevelopment and infill opportunities to meet the employment growth. Even with these factors Newberg is deficient in employment land (industrial) by 152 acres, not including public and semi-public uses that will locate on employment lands. The industrial land deficiency is across a spectrum of site sizes from less than 5 acres to 50 acres. The majority of sites are needed at the less-than 5-acre size, but the range of site sizes is key to diversifying Newberg’s economy and aligning with the city’s

potential growth industries. The EOA identifies a surplus of 21 acres of commercial land. The details that address the Economy Goal are included in Exhibit “A” and are incorporated by reference into the findings.

The Goal is met.

### **GOAL 10: HOUSING**

To provide for the housing needs of citizens of the state.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. The Department of Land Conservation and Development has approved a schedule for the City to complete a Housing Capacity Analysis and Housing Production Strategy by 2027 and 2028 respectively, which will include an updated residential buildable lands inventory, overview of the City’s residential land supply and need over the 20-year planning period, and strategies to implement the housing goals and policies. This proposal does not modify the existing Housing goals and policies.

The Goal is met.

### **GOAL 11: PUBLIC FACILITIES AND SERVICES**

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

**Finding:** The proposed Comprehensive Plan amendment does not change the City’s Water Master Plan, Wastewater Master Plan or Stormwater Master Plan and are updated approximately every 10 years. These plans have been developed to accommodate the growth within the community. If an Urban Growth Boundary expansion is necessary to accommodate the employment needs in the future, public facility plans will be updated accordingly.

The proposal meets the Goal.

### **GOAL 12: TRANSPORTATION**

To provide and encourage a safe, convenient and economic transportation system.

**Finding:** The proposed Comprehensive Plan amendment does not change the City’s Transportation System Plan. This plan has been developed to accommodate the growth within the community. If an Urban Growth Boundary expansion is necessary to accommodate the projected employment needs in the future the Transportation System Plan will be updated accordingly.

The proposal meets the Goal.

### **GOAL 13: ENERGY CONSERVATION**

To conserve energy.

**Finding:** Newberg needs to have an updated land supply in order to effectively plan future needs for energy conservation. By updating the Comprehensive Plan, Newberg can more effectively plan on how to conserve energy brought about by new growth.

This Goal is met.

#### **GOAL 14: URBANIZATION**

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

**Finding:** The EOA analysis has identified that the land sufficiency for employment land needs are deficient.

Employment is projected to grow from 14,034 in 2021 to 18,486 in 2041. This is an increase of 4,452 jobs over the planning period. The EOA has identified redevelopment and infill opportunities. Even with these efforts Newberg is deficient in employment land (industrial) by 152 acres, not including public and semi-public uses that will locate on employment lands.

Exhibit “A” is incorporated by reference into these findings.

This Goal is met.

#### **GOAL 15: WILLAMETTE RIVER GREENWAY**

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

**Finding:** Not applicable as the proposed comprehensive plan amendment does not change the Willamette River Greenway goals, policies or implementing regulations. The City of Newberg is located along the Willamette River on its southern border.

This Goal is met.

## **B. Newberg Comprehensive Plan**

### **II. GOALS AND POLICIES**

#### **A. CITIZEN INVOLVEMENT**

**GOAL:** To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

**Finding:** The City meets this requirement by having various citizen committees and/or commissions with opportunities for the public to testify on general or specific matters. A Citizens Advisory Committee was established to provide community oversight and feedback on the EOA. The proposal went before the Newberg Planning Commission on October 13, 2022, and Newberg City Council on August 4, 2025, which provided the opportunity for public comment. A Post-Acknowledgement Plan Amendment was filed with the Department of Land Conservation and Development on September 9, 2022. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places as required by the Newberg Municipal Code.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal 1 of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

#### **B. LAND USE PLANNING**

**GOAL:** To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

**Finding:** This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

Newberg has an ongoing land use planning program, which includes using the adopted Comprehensive Plan, Development Code, and related plans to guide planning activities within the city. This proposed amendment to the Comprehensive Plan will help keep the Plan relevant and current. The proposed land use action has an adequate factual base and is based on the Economic Opportunities Analysis (EOA) analysis. Alternatives were considered when the EOA was developed. There are no implementation measures associated with this proposal.

The alternatives to amending the Comprehensive Plan text would be to: 1) deny the application,

2) direct staff to redo the Economic Opportunities Analysis.

The Goal is met.

### **C. AGRICULTURAL LANDS**

**GOAL:** To provide for the orderly and efficient transition from rural to urban land uses.

**Finding:** Not applicable because the proposal does not propose any comprehensive plan or land use regulation changes to agricultural lands outside of the Newberg Urban Growth Boundary.

### **D. WOODED AREAS**

**GOAL:** To retain and protect wooded areas.

**Finding:** Not applicable because the proposal does not propose any land use regulation changes to the Stream Corridor that protects wooded areas within the Newberg Urban Growth Boundary.

### **E. AIR, WATER, AND LAND RESOURCE QUALITY**

**GOAL:** To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

**POLICY:** 1. Development shall not exceed the carrying capacity of the air, water or land resource base.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Amending the Comprehensive Plan does not negatively impact Goal 6.

This Goal is met.

### **F. AREAS SUBJECT TO NATURAL HAZARDS**

**GOAL:** To protect life and property from flooding and other natural hazards.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards goals, policies, or requirements such as flood plain or landslide areas. Natural hazard areas have been taken into consideration in developing the unconstrained buildable lands inventory for land sufficiency for employment land needs as reflected in Exhibit "A" and incorporated by reference. This proposal does not modify the existing goals and policies.

This Goal is met.

### **G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES**

**GOALS:**

1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. The proposal does not modify the City’s recreational goals and policies for park acres per population based on the type of park designation.

This Goal is met.

## **H. THE ECONOMY**

**GOAL:** To develop a diverse and stable economic base.

**POLICY:** 1. General Policies. b. The City shall encourage economic expansion consistent with local needs.

**Finding:** The proposed changes to the Comprehensive Plan, V. Land Need Supply are drawn from the June 2021 Newberg Economic Opportunities Analysis. As identified in the document the primary goals of the EOA are to (1) project the amount of land needed to accommodate the future employment growth within the Newberg Urban Growth Boundary (UGB) between 2021 and 2041, (2) evaluate the existing employment land supply within the city to determine if it is adequate to meet that need, and (3) to fulfill state planning requirements for a twenty-year supply of employment land.

Employment is projected to grow from 14,034 in 2021 to 18,486 in 2041. This is an increase of 4,452 jobs over the planning period. The EOA has identified redevelopment and infill opportunities to meet the employment growth. Even with these factors Newberg is deficient in employment land (industrial) by 152 acres, not including public and semi-public uses that will locate on employment lands. The industrial land deficiency is across a spectrum of site sizes from less than 5 acres to 50 acres. The majority of sites are needed at the less-than 5-acre size, but the range of site sizes is key to diversifying Newberg’s economy and aligning with the city’s potential growth industries. The EOA identifies a surplus of 21 acres of commercial land. The details that address the Economy Goal are included in Exhibit “A” and are incorporated by reference into the findings.

The Goal is met.

## **I. HOUSING**

**GOAL:** To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels. (Ordinance 2006-2634)

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. The

Department of Land Conservation and Development has approved a schedule for the City to complete a Housing Capacity Analysis and Housing Production Strategy by 2027 and 2028 respectively, which will include an updated residential buildable lands inventory, overview of the City's residential land supply and need over the 20-year planning period, and strategies to implement the housing goals and policies. This proposal does not modify the existing Housing goals and policies.

The Goal is met.

### **J. URBAN DESIGN**

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

GOAL: 2 To develop and maintain the physical context needed to support the livability and unique character of Newberg.

**Finding:** Not applicable because the proposed Comprehensive Plan amendment is not addressing urban design features. The amendment is focused on updating the Land Need and Supply chapter.

### **K. TRANSPORTATION**

GOAL 1: Establish cooperative agreements to address transportation based planning, development, operation and maintenance.

GOAL 2: Establish consistent policies which require concurrent consideration of transportation/land use system impacts.

GOAL 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

GOAL 4: Minimize the impact of regional traffic on the local transportation system.

GOAL 5: Maximize pedestrian, bicycle and other non-motorized travel throughout the City.

GOAL 6: Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.).

GOAL 8: Maintain and enhance the City's image, character and quality of life.

GOAL 9: Create effective circulation and access for the local transportation system.

GOAL 10: Maintain the viability of existing rail, water and air transportation systems.

GOAL 11: Establish fair and equitable distribution of transportation improvement costs.

GOAL 12: Minimize the negative impact of a Highway 99 bypass on the Newberg community.

GOAL 13: Utilize the Yamhill County Transit Authority (YCTA) Transit Development Plan (TDP) as a Guidance Document.

GOAL 14: Coordinate with Yamhill County Transit Area.

GOAL 15: Implement Transit-Supportive Improvements.

**Finding:** The proposed Comprehensive Plan amendment does not change the City's Transportation System Plan. This plan has been developed to accommodate the growth within the community. If an Urban Growth Boundary expansion is necessary to accommodate the

projected employment needs in the future the Transportation System Plan will be updated accordingly.

The proposal meets the Goal.

#### **L. PUBLIC FACILITIES AND SERVICES**

**GOAL:** To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

**Finding:** The proposed Comprehensive Plan amendment does not change the City’s Water Master Plan, Wastewater Master Plan or Stormwater Master Plan and are updated approximately every 10 years. These plans have been developed to accommodate the growth within the community. If an Urban Growth Boundary expansion is necessary to accommodate the employment needs in the future, public facility plans will be updated accordingly.

The proposal meets the Goal.

#### **M. ENERGY**

**GOAL:** To conserve energy through efficient land use patterns and energy- related policies and ordinances.

**Finding:** Newberg needs to have an updated land supply in order to effectively plan future needs for energy conservation. By updating the Comprehensive Plan, Newberg can more effectively plan on how to conserve energy brought about by new growth.

#### **N. URBANIZATION**

**GOALS:**

1. To provide for the orderly and efficient transition from rural to urban land uses.
2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.
3. To create a quality living environment through a balanced growth of urban and cultural activities.

**Finding:** The EOA analysis has identified that the land sufficiency for employment land needs are deficient.

Employment is projected to grow from 14,034 in 2021 to 18,486 in 2041. This is an increase of 4,452 jobs over the planning period The EOA has identified redevelopment and infill opportunities. Even with this efforts Newberg is deficient in employment land (industrial) by 156 acres, not including public and semi-public uses that will locate on employment lands.

Exhibit “A” is incorporated by reference into these findings.

This Goal is met.

## D. Newberg Municipal Code

### Chapter 15.100 LAND USE PROCESSES AND PROCEDURES

15.100.060 Type IV procedure – Legislative.

A. Type IV Actions Are Legislative. The planning commission shall hold a public hearing and make a recommendation to the city council. The city council shall hold another public hearing and make a final decision.

B. Legislative actions include, but are not limited to:

1. Amendments to the Newberg comprehensive plan text;
2. Amendments to the Newberg development code;
3. The creation of any land use regulation.

C. The public hearing before the planning commission shall be held in accordance with the requirements of this code. Notice of a hearing on a legislative decision need not include a mailing to property owners or posting of property (refer to NMC 15.100.200 et seq.).

D. Interested persons may present evidence and testimony relevant to the proposal. If criteria are involved, the planning commission shall make findings for each of the applicable criteria.

E. The city council shall conduct a new hearing pursuant to this code. At the public hearing, the staff shall present the report of the planning commission and may provide other pertinent information. Interested persons shall be given the opportunity to present new testimony and information relevant to the proposal that was not heard before the planning commission.

F. To the extent that a finding of fact is required, the city council shall make a finding for each of the applicable criteria and in doing so may sustain or reverse a finding of the planning commission. In granting an approval, the city council may delete, add, or modify any of the provisions in the proposal or attach certain conditions beyond those warranted for the compliance with standards if the city council determines that the conditions are necessary to fulfill the approval criteria.

G. The city council's decision shall become final upon the effective date of the ordinance or resolution.

**Finding:** Public hearings with the Planning Commission and the City Council are required to finalize a decision regarding the application for the amendment to the Development Code. The proposal went before the Newberg Planning Commission on October 13, 2022, and Newberg City Council on August 4, 2025, which provided the opportunity for public comment. Notice was published in the Newberg Graphic newspaper and posted in four public places prior to the first public hearing as required by the Newberg Municipal Code.

This requirement is met.

**Exhibit “D” to Ordinance No. 2025-2936  
Planning Commission Resolution No. 2022-382**



## **PLANNING COMMISSION RESOLUTION 2022-382**

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**A RESOLUTION RECOMMENDING CITY COUNCIL ADOPT THE CITY OF NEWBERG HOUSING NEEDS ANALYSIS (JUNE 2021) AND NEWBERG HOUSING STRATEGY (JANUARY 2021), CITY OF NEWBERG ECONOMIC OPPORTUNITIES ANALYSIS (MARCH 2021), AND NEWBERG PUBLIC AND SEMI-PUBLIC LAND NEED ANALYSIS (FEBRUARY 2021); AMEND THE NEWBERG COMPREHENSIVE PLAN V. LAND NEED AND SUPPLY, AND INITIATE AN URBAN GROWTH BOUNDARY EXPANSION PROCESS**

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### **RECITALS**

1. The Newberg City Council initiated the Development Code Amendment by Resolution No. 2022-3858.
2. The Newberg City Council accepted the City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021) by Resolution No. 2021-3752.
3. The Newberg City Council accepted the City of Newberg Economic Opportunities Analysis (March 2021) by Resolution No. 2021-3728.
4. The Newberg City Council accepted the Newberg Public and Semi-Public Land Need 2021-2041 analysis (February 2021) by Resolution No. 2021-3720.
5. After proper notice, the Newberg Planning Commission opened the hearing on October 13, 2022, considered public testimony and deliberated. They found that the proposed Comprehensive Plan amendments were in the best interests of the City, and that initiating an Urban Growth Boundary Expansion was in the best interest of the City.

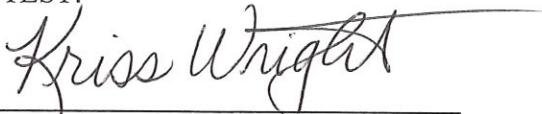
### **The Newberg Planning Commission resolves as follows:**

1. The Planning Commission of the City of Newberg recommends the City Council adopt the City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Exhibit "A".
2. The Planning Commission of the City of Newberg recommends the City Council adopt the City of Newberg Economic Opportunities Analysis (March 2021), Exhibit "B".
3. The Planning Commission of the City of Newberg recommends the City Council adopt the Newberg Public and Semi-Public Land Need 2021-2041 analysis (February 2021), Exhibit "C".

4. The Planning Commission of the City of Newberg recommends the City Council adopt the proposed Newberg Comprehensive Plan amendments, Exhibit "D".
5. The Planning Commission of the City of Newberg recommends that the City Council initiate an Urban Growth Boundary Expansion.
6. This recommendation is based on the staff report, Exhibits "A", "B", "C", "D" and Findings in "E". Exhibits "A", "B", "C", "D" and "E" are incorporated by reference.
- 7.

**Adopted by the Newberg Planning Commission this 13<sup>th</sup> day of October 2022.**

ATTEST:



\_\_\_\_\_  
Planning Commission Chair



\_\_\_\_\_  
Planning Commission Secretary

List of Exhibits:

- Exhibit "A": City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021)
- Exhibit "B": City of Newberg Economic Opportunities Analysis (March 2021),
- Exhibit "C": Newberg Public and Semi-Public Land Need 2021-2041
- Exhibit "D": Comprehensive Plan Amendments
- Exhibit "E": Findings

**Exhibit “E” to Ordinance No. 2025-2936  
City Council Resolution No. 2021-3728**



## RESOLUTION No. 2021-3728

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### A RESOLUTION ACCEPTING THE 2021 ECONOMIC OPPORTUNITIES ANALYSIS REPORT

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#### RECITALS:


1. The City of Newberg engaged in preparing and Economic Opportunities Analysis in compliance with Goal 9 and OAR 660-009.
2. The Economic Opportunities Analysis is being funded in part by a \$16,000 grant from the Oregon Department of Land Conservation and Development.
3. The City Council established an Ad Hoc Citizens Advisory Committee to review the Economic Opportunities Analysis.
4. The Ad Hoc Economic Opportunities Analysis Citizens Advisory Committee met six times to review the Economic Opportunities Analysis.
5. The Technical Advisory Committee met five times to review the Economic Opportunities Analysis.
6. The Newberg Planning Commission was briefed three times on the Economic Opportunities Analysis.
7. The Newberg City Council was briefed four times on the Economic Opportunities Analysis.
8. The Newberg Planning Commission reviewed and recommended accepting the City of Newberg Economic Opportunities Analysis report on March 11, 2021.

#### THE CITY OF NEWBERG RESOLVES AS FOLLOWS:


1. The Newberg City Council concludes it is in the best interests of the City of Newberg to accept the 2021 Newberg Economic Opportunities report.
2. This determination is based on the staff report and Exhibit "A" 2021 Newberg Economic Opportunities Analysis. Exhibit "A" is hereby accepted and by this reference incorporated.

///

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 6, 2021.  
**ADOPTED** by the City Council of the City of Newberg, Oregon, this 5<sup>th</sup> day of April, 2021.

  
\_\_\_\_\_  
Sue Ryan, City Recorder

**ATTEST** by the Mayor this 8<sup>th</sup> day of April, 2021.

  
\_\_\_\_\_  
Rick Rogers, Mayor

**Exhibit “F” to Ordinance No. 2025-2936  
City Council Resolution No. 2022-3858**

## RESOLUTION NO. 2022-3858



**A Resolution initiating an amendment to the Newberg Comprehensive Plan, V. Land Need and Supply chapter**

**Recitals:**


1. The City of Newberg through Resolution No. 2021-3720 accepted the Newberg Public and Semi-Public Land Need 2021-2041 Report.
2. The City of Newberg through Resolution No. 2021-3728 accepted the 2021 Economic Opportunities Analysis Report.
3. The City of Newberg through Resolution No. 2021-3752 accepted the Newberg Housing Needs Analysis.
4. The request is to consider initiating an amendment to incorporate relevant information from the three reports into the Newberg Comprehensive Plan, V Land Need and Supply chapter.

**The City of Newberg Resolves as Follows:**

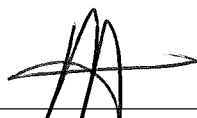
1. The City Council initiates an amendment to the Newberg Comprehensive Plan, V Land Need and Supply chapter. This starts the public process to study the proposed amendments.
2. By initiating this amendment, the City Council does not commit to taking any specific action on the proposal. It only wishes to give the amendment full consideration by the Planning Commission and City Council in public hearings.

**Effective Date** of this resolution is the day after the adoption date, which is: August 2, 2022.

**Adopted** by the City Council of Newberg, Oregon, this 1<sup>st</sup> day of August, 2022

  
 \_\_\_\_\_  
 Sue Ryan, City Recorder

**Attest** by the Mayor this 4<sup>th</sup> day of August 2022.

  
 \_\_\_\_\_  
 Rick Rogers, Mayor

**Exhibit "G": Staff/Agency Comments  
Ordinance No. 2025-2936**



## COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23, 2022  
Please refer questions and comments to: Doug Rux.

**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2044 analysis.

**FILE NO:** CPTA22-0002

**HEARING DATE:** N/A

**RECEIVED**

9/14/2022

batesf

Project Information can be viewed on line at:

<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

\_\_\_\_\_ Reviewed, no conflict.

\_\_\_\_\_ Reviewed; recommend denial for the following reasons:

\_\_\_\_\_ Require additional information to review. (Please list information required)

\_\_\_\_\_ Meeting requested.

\_\_\_\_\_ Comments. (Attach additional pages as needed)

\_\_\_\_\_  
Reviewed By:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Organization:



# COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23, 2022  
Please refer questions and comments to: Doug Rux.

**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2014 analysis.

**FILE NO:** CPTA22-0002

**HEARING DATE:** N/A



Project Information can be viewed on line at:  
<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

- Reviewed, no conflict.
- Reviewed; recommend denial for the following reasons:
- Require additional information to review. (Please list information required)
- Meeting requested.
- Comments. (Attach additional pages as needed)

\_\_\_\_\_  
Reviewed By:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Organization:



# COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23, 2022  
Please refer questions and comments to: Doug Rux.



**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2014 analysis.

**FILE NO:** CPTA22-0002

**HEARING DATE:** N/A

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Project Information can be viewed on line at:  
<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

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- Reviewed, no conflict.
- Reviewed; recommend denial for the following reasons:
- Require additional information to review. (Please list information required)
- Meeting requested.
- Comments. (Attach additional pages as needed)

Bret Musick  
Reviewed By:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Organization:



# COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23,2022  
Please refer questions and comments to: Doug Rux.

**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2014 analysis.

**FILE NO:** CPTA22-0002



**HEARING DATE:** N/A

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Project Information can be viewed on line at:  
<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

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\_\_\_\_\_ Reviewed, no conflict.

\_\_\_\_\_ Reviewed; recommend denial for the following reasons:

\_\_\_\_\_ Require additional information to review. (Please list information required)

\_\_\_\_\_ Meeting requested.

\_\_\_\_\_ Comments. (Attach additional pages as needed)

\_\_\_\_\_  
Reviewed By:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Organization:



# COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23, 2022  
Please refer questions and comments to: Doug Rux.

**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2014 analysis.

**FILE NO:** CPTA22-0002



**HEARING DATE:** N/A

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Project Information can be viewed on line at:  
<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

---

- Reviewed, no conflict.
- Reviewed; recommend denial for the following reasons:
- Require additional information to review. (Please list information required)
- Meeting requested.
- Comments. (Attach additional pages as needed)

\_\_\_\_\_  
Reviewed By:

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Organization:



# COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23, 2022  
Please refer questions and comments to: Doug Rux.

**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2014 analysis.

**FILE NO:** CPTA22-0002



**HEARING DATE:** N/A

---

Project Information can be viewed on line at:  
<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

---

- Reviewed, no conflict.
- Reviewed; recommend denial for the following reasons:
- Require additional information to review. (Please list information required)
- Meeting requested.
- Comments. (Attach additional pages as needed)

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

*City of Newberg Operations*

Organization: \_\_\_\_\_



## COMMUNITY DEVELOPMENT LAND USE APPLICATION REFERRAL

The enclosed material has been referred to you for your information and comment. Any comments you wish to make should be returned to the Community Development Department prior to: Sept 23, 2022  
Please refer questions and comments to: Doug Rux.

**NOTE: Full size plans are available at the Community Development Department Office.**

**APPLICANT:** City of Newberg

**REQUEST:** Amend Comprehensive Plan: V. Land Supply to incorporate new information from the Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2014 analysis.

**FILE NO:** CPTA22-0002



**HEARING DATE:** N/A

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Project Information can be viewed on line at:

<https://www.newbergoregon.gov/planning/page/cpta22-0002-comprehensive-plan-amendment>

---

Reviewed, no conflict.

Reviewed; recommend denial for the following reasons:

Require additional information to review. (Please list information required)

Meeting requested.

Comments. (Attach additional pages as needed)

Reviewed By:

9/9/22

Date:

Zipty Fiber Scott Albert - Network Engineer

Organization:

**Exhibit "H": Public Comments  
Ordinance No. 2025-2936**



October 12, 2022

City of Newberg Planning Commission  
414 E. First Street  
Newberg, OR 97132

**RE: Amend the Newberg Comprehensive Plan, V. Land Need and Supply chapter, adopt the City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), City of Newberg Economic Opportunities Analysis (March 2021), and Newberg Public and Semi-Public Land Need 2021-2041 analysis (February 2021) (CPTA22-0002)**

Dear Commission Members:

This letter is submitted jointly by Housing Land Advocates (HLA) and the Fair Housing Council of Oregon (FHCO). Both HLA and FHCO are non-profit organizations that advocate for land use policies and practices that ensure an adequate and appropriate supply of affordable housing for all Oregonians.

Both HLA and FHCO commend the City and support the adoption of CPTA22-0002. The planning staff created an inciteful and detailed staff report, including Goal 10 findings which summarize the City's housing need and justify its future strategy. This will be a great example for other jurisdictions. Good luck with the continuation of this project!

Thank you for your consideration of our comments.

**1221 SW Yamhill Street, Portland, Oregon 97205**



Sincerely,

A handwritten signature in black ink that reads "Allan Lazo".

Allan Lazo

Executive Director

Fair Housing Council of Oregon

Cc: Kevin Young, DLCD

**1221 SW Yamhill Street, Portland, Oregon 97205**



December 12, 2021

Newberg Planning Commission  
Doug Rux, Community Development Director  
City of Newberg  
PO Box 970  
414 E. First Street  
Newberg, Oregon, 97132

SENT VIA EMAIL

**RE:** Comments on the December 2020 draft Housing and Residential Land Needs Analyses

Friends of Yamhill County (FYC) works to protect natural resources through the implementation of land use planning goals, policies, and laws that maintain and improve the present and future quality of life in Yamhill County for both urban and rural residents. 1000 Friends of Oregon is a non-profit, charitable organization dedicated to working with Oregonians to support livable communities. Our organizations' memberships include Newberg residents who support the mission and values of the Oregon land use program.

We strongly support the city's efforts to pursue solutions to its housing needs through the draft Housing Needs Analysis (HNA), which also includes a buildable lands inventory (BLI) and a residential land needs calculation. As the city is severely rent-burdened, action on housing costs, which is influenced in part by availability, is needed. We are interested in ensuring that Newberg is in a position to optimize the number of dwelling units on its residential lands and increase opportunities for housing on existing residential land in the city and have some comments in that context.

Please accept our testimony and include it in the record of the project.

## Density of Needed-Housing Development

The forecast for the density of development during the planning period (exhibit 53, p. 74) is the same as the historic density (exhibit 48, p. 66). The analysis of housing capacity, of which the density forecast is a part, is guided by ORS 197.296(5).<sup>1</sup> The analysis of “needed density” is guided by ORS 197.296(7), which states:

(7) Using the housing need analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years....

The HNA addresses each subsection of ORS 197.296(5) but does not explain why it determined that future historic residential densities will meet housing needs over the next 20 years in light of the fact that historical densities have not met existing needs, as documented elsewhere in the HNA.

The HNA states:

(I)n the future, the need for new housing developed in Newberg will generally include housing that is more affordable... (p. 66)

To the extent that denser housing types are more affordable than larger housing types, continued increases in housing costs will increase demand for denser housing. (p. 68)

These and other findings in the HNA suggest that development during the planning period will need to be more dense than the city has experienced to this point. While ORS 197.296(5) requires that the analysis include *consideration* of historic densities, ORS 197.296(7) requires that the city determine whether historic densities will meet future needs. The analysis does not appear to take this next step.

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<sup>1</sup> It appears the HNA addresses the wrong version of the statute. The 2019 edition of ORS 197 currently online shows the statute as:

(5)(a) Except as provided in paragraphs (b) and (c) of this subsection, the determination of housing capacity pursuant to subsection (3)(a) of this section must be based on data relating to land within the urban growth boundary that has been collected since the last review under subsection (2)(a)(B) of this section. The data shall include:

- (A) The number, density and average mix of housing types of urban residential development that have actually occurred;
- (B) Trends in density and average mix of housing types of urban residential development;
- (C) Market factors that may substantially impact future urban residential development;
- and
- (D) The number, density and average mix of housing types that have occurred on the buildable lands described in subsection (4)(a) of this section.

Statutes are codified in a confusing manner, so it is possible we are reading the statute wrong, but we thought the discrepancy should be pointed out.

While Newberg is not currently subject to ORS 197.758 (House Bill 2001, 2019) – which requires cities over 25,000 population to permit “middle housing” in all residential zones – the city recognizes that the city will be subject to the law very soon (November 23, 2020 Housing Strategy memorandum, p. 12). With this knowledge, it is reasonable that the HNA would account for increased density in the low-density zones during the planning period.

### **Housing Mix**

The HNA includes a forecast of housing mix (pp. 69-71), showing that about 32 percent of units will be multi-family in 2041, up from 23 percent in 2014-2018. We commend Newberg for pursuing the analysis with the assumption that the proportion of housing developed during the planning period will increasingly be the more-affordable multi-family units.

We suggest that this increase is not as great as it appears because Newberg currently has a deficit of multi-family units.<sup>2</sup> We believe the city can do better in its planning for accommodation of housing that is affordable to its citizens. By further increasing the share of housing that is multi-family, and carrying through with policies that implement this assumption (see “Housing Strategies,” below), the city will more adequately address future housing-affordability problems. If the improved housing-density analysis we suggest above shows that future multi-family density will be higher, then the land need may not increase much or at all.

### **Public and Exempt Land**

The BLI seems to exclude all publicly owned land from the buildable lands total. On pages 9 and 10, the BLI states:

Exhibit 3 shows development status with constraints applied and resulting in buildable acres. Of the 2,474 total acres in the land base, 1,604 are committed acres (which includes developed, unbuildable, right-of-way, and public or exempt), 228 are constrained acres, and 631 are buildable acres.

We are not certain whether this means public *ownership* or public *use*. It appears to refer to public ownership, and if that is correct we point out that the administrative rule guiding Goal 10 compliance (OAR chapter 660, division 8) provides, at OAR 660-008-0005(2), that “publicly owned land is generally not considered available for residential uses.”

This is not an absolute exemption for publicly owned land. The BLI should include an analysis of publicly owned parcels that are vacant or partially vacant to determine whether they are “buildable.” For example, the school district could own a surplus parcel it was holding for district-related development and subsequently found it didn't need. If

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<sup>2</sup> See: “Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations,” Oregon Housing and Community Services, August 2020. <https://www.oregon.gov/ohcs/about-us/Documents/RHNA/2020-RHNA-Technical-Report-Final.pdf>

public land is likely to become available for residential use during the planning period, it should be included as buildable in the BLI. This may seem like it would have no significant effect on the BLI, but that cannot be known without the analysis.

In addition, the passage quoted above also seems to exclude land that is tax-exempt from the “buildable” category while the BLI also finds a need for 28 acres of land for churches (draft “Newberg Public and Semi-Public Land Need 2021–2041” memo, exhibit 3, p. 4). We also note that the residentially zoned land with a Public/Quasi-public plan designation is listed as part of the “Residential Land Base” (Appendix A, p. 89). Appendix A – the description of the BLI – also states that “each tax lot is classified into one of the following categories: Vacant land, Partially vacant land, Developed land, Public land, Unbuildable land” (p. 88). If tax-exempt land was, in fact, subject to this classification and vacant/partially vacant exempt land included as “buildable,” then we agree. If tax-exempt land was excluded from the analysis, then the BLI is deficient as some of the need may be met on existing vacant or partially vacant tax-exempt land.<sup>3</sup>

Finally, the city has excluded 55 acres of buildable land in the Springbrook Specific Plan that are planned for park uses, because they are privately owned. This residentially zoned land is available to meet urban land needs. We do not agree that it can be assumed not to satisfy any urban land need simply because of current ownership.

## **Housing Strategies**

We have reviewed the proposed housing strategies recommended by the city-appointed housing committees, and fully support Newberg moving forward with their implementation. While there are other effective strategies the city could pursue, those recommended by the committees are ambitious and should have an effect on the affordability of housing in Newberg.

The land-use related strategies – Strategies 1 and 2 – are effective for addressing the affordability of new housing units. This is needed and encouraged, but it only affects broader housing affordability over a long time-frame because the positive effect of increased housing supply on rents and prices is slow. This is where the action items in Strategy 3 can have a more immediate impact. These financial actions can lead to better affordability more quickly, but they have are harder for the city to enact because, unlike a zoning-code amendment, they have a negative impact on the city's budget. We commend the city for having already implemented action item 3.4 – “establish a construction excise tax” – and making progress on other items in Strategy 3.

---

<sup>3</sup> We note that some of the city’s existing churches seem to have adjacent vacant land on which to expand.

Thank you for the opportunity to submit this testimony.

Sincerely,

Kathryn Jernstedt, President  
Friends of Yamhill County  
[kljernstedt@comcast.net](mailto:kljernstedt@comcast.net)

Alexis Biddle, Great Communities Program Director  
1000 Friends of Oregon  
[alexis@friends.org](mailto:alexis@friends.org)

cc: Beth Goodman, ECONorthwest  
Sarah Marvin, DLCD



February 9, 2021

Newberg City Council  
City of Newberg  
414 E. First Street  
Newberg, Oregon, 97132

SENT VIA EMAIL

**RE:** Comments on the Newberg Housing and Residential Land Needs Analyses

Friends of Yamhill County (FYC) works to protect natural resources through the implementation of land use planning goals, policies, and laws that maintain and improve the present and future quality of life in Yamhill County for both urban and rural residents. 1000 Friends of Oregon is a non-profit, charitable organization dedicated to working with Oregonians to support livable communities. Our organizations' memberships include Newberg residents who support the mission and values of the Oregon land use program.

We strongly support the city's efforts to pursue solutions to its housing needs through the draft Housing Needs Analysis (HNA), which also includes a buildable lands inventory (BLI) and a residential land needs calculation. As the city is severely rent-burdened, action on housing costs, which is influenced in part by availability, is needed. We are interested in ensuring that Newberg is in a position to optimize the number of dwelling units on its residential lands and increase opportunities for housing on existing residential land in the city and have some comments in that context.

We commented to the planning commission on the proposal (letter attached). Our testimony here addresses the same issues. Please accept our testimony and include it in the record of the project.

### **Density of Needed-Housing Development**

Our written testimony to the planning commission pointed out that the HNA assumes the historic density of residential development will continue into the future (p. 2 of attached letter). When city staff addressed this topic during the planning commission meeting, all that

was stated was that the issue is already addressed in the HNA, implying that we had cited the wrong sections in our letter. We disagree. City staff pointed to pages 85 and 86 of the HNA as explaining the needed-density calculation. The *full explanation* for the assumed density is:

ORS 197.296(5) requires cities to analyze historical and needed densities. Exhibit 48 shows historical gross densities by plan designation. These densities were used to calculate capacity for new dwelling units, and this analysis concludes that the needed density is 7.4 (Exhibit 53). (HNA, p. 85)

Our previous testimony stated that this “does not explain why [the HNA] determined that future historic residential densities will meet housing needs over the next 20 years in light of the fact that historical densities have not met existing needs, as documented elsewhere in the HNA.” For the reasons stated in our original letter, we reiterate this testimony to the City Council unchanged.<sup>1</sup>

Also related to residential density, we suggested that it would be reasonable for the HNA to recognize that the city will be required to comply with ORS 197.758, also known as House Bill 2001 from 2019 (p. 3 of attached letter). When presenting this to the planning commission, city staff pointed out that the city is not required to comply with this new law yet (and we don't suggest otherwise) and that it is not known yet what effect the new law will have. What is known is that the city will be allowing multi-unit housing in all its residential zones very soon. Forecasts by their nature consider unknowns, and this would just be one more. Since the city needs to update the HNA's housing density calculation to comply with ORS 197.296(5) anyway, we merely suggest that this update could easily account for some predictable effect of the new law.

### **Housing Mix**

For the reasons stated on page 3 of the attached letter, we continue to encourage the city to consider changes to the HNA and implementing policies that would drive a greater share of the city's future housing to more-affordable multi-family units. The city has a current shortage of such units and it should do whatever it can to accommodate this critical need.

### **Public and Exempt Land**

We testified to the planning commission that the HNA may miscalculate land need because it excludes public and tax-exempt land (pp. 3-4 of attached letter). During the presentation to the planning commission, city staff indicated it used “accepted methods” for preparing the BLI and that nothing in administrative rule requires the city to “survey churches.” Since those statements do not substantively address our concerns, we reiterate them here.

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<sup>1</sup> The HNA recently completed for McMinnville provides an example of an analysis of “needed density” vs. “historical density” based on a correlation of income levels to housing-types. See [https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/final\\_mcminnville\\_hna\\_report\\_06\\_28\\_19.pdf](https://www.mcminnvilleoregon.gov/sites/default/files/fileattachments/planning/page/1675/final_mcminnville_hna_report_06_28_19.pdf)

Regarding public land, we believe that investigating whether there is such land in the city that will be available for residential use during the planning period would be “accepted.” Regarding exempt land, if a parcel of land satisfies the definition of vacant or partially vacant, it should be included in the BLI as such, especially since the city projects a need for uses that will use tax-exempt land (churches). The rule does not say the city is excused from “surveying churches” and other exempt land. We note that the city zoned about 25 acres of property owned by a church and private school for residential use in 2017 (file no. ANX-17-002). There appears to still be significant vacant acreage at that same church/school property.

### **Park Land Need**

We did not raise this issue to the planning commission. The draft HNA states that the public/semi-public land needs analysis finds there is a need for 60 acres of park land during the planning period (p. 78). The analysis does not appear to account for the nearly 50 acres of park land planned in the Springbrook Master Plan. We believe that this Springbrook land can provide some of the needed park acreage even though it is private land.

The master plan states the parks will be open to the public (p. 51 of the master plan<sup>2</sup>). The park area standards in the comprehensive plan, which the public/semi-public land needs analysis relies on, do not exclude privately owned parks from the standards (November 2020 Newberg Comprehensive Plan, pp. 15-16). Statewide Planning Goal 8, “Recreation,” provides:

The requirements for meeting [recreation] needs, now and in the future, shall be planned for by governmental agencies having responsibility for recreation areas, facilities and opportunities: (1) in coordination with private enterprise...

We do not contend that this provision of Goal 8 was intended for the scenario currently before the city council, but it, along with the our other points, suggests that the HNA should recognize that the Springbrook parks will accommodate a portion of the city's park land need. We are not advocating for the full 50 acres to be subtracted from the 60-acre need (although that would be defensible), but rather some portion based on data. For example, the HNA shows that Springbrook represents about 40 percent of Newberg's housing capacity (p. 85). It would therefore be reasonable for the HNA to calculate that the approximately 50 acres of parks in this district will meet about 40 percent (24 acres) of the projected park need. There are probably other reasonable ways to make the calculation.

---

<sup>2</sup> <https://www.newbergoregon.gov/sites/default/files/fileattachments/planning/page/3133/springbrook20master20plan.pdf>

Thank you for the opportunity to submit this testimony.

Sincerely,

Sid Friedman, Board Member  
Friends of Yamhill County  
[sidf@viclink.com](mailto:sidf@viclink.com)

Alexis Biddle, Great Communities Program Director  
1000 Friends of Oregon  
[alexis@friends.org](mailto:alexis@friends.org)

cc: Doug Rux, Community Development Director  
Beth Goodman, ECONorthwest  
Sarah Marvin, DLCD



P.O Box 1083  
McMinnville, OR 97128

Helping to shape the use of our natural resources to protect the quality of life in Yamhill County.

---

October 14, 2020



Doug Rux, Community Development Director  
City of Newberg  
PO Box 970  
414 E. First Street  
Newberg, Oregon, 97132

SENT VIA EMAIL

**RE:** Comments on the draft Economic Opportunities Analysis

Doug:

Thank you for allowing Friends of Yamhill County to participate in the Citizens Advisory Committee that is reviewing the city's proposed economic opportunities analysis (EOA). The Friends of Yamhill County is a non-profit community service organization working to enhance the quality of life in the urban and rural communities of Yamhill County. 1000 Friends of Oregon is a 501(c)(3) non-profit, charitable organization founded by Governor Tom McCall to work with Oregonians to support livable communities. Our membership includes Yamhill County residents who support the mission and values of the Oregon land use program. Among these Oregon values is the support of economic development and the preservation of farmland.

We strongly support the city's efforts to pursue solutions to its economic development needs. The materials provided to the committee convincingly portray a deficit of industrial opportunities to satisfy Newberg's employment needs. Our comments reflect concerns regarding certain sectors that may be getting too little attention and concerns regarding maintenance of the land supply for Yamhill County's primary industry – agriculture – and ensuring it does not lose its land base unnecessarily due to overestimation of urban land needs.

Please accept our comments and include them in the record of the project.

## **I. Review of National, State, Regional, County and Local Trends**

OAR 660-009-0015(1) provides:

The economic opportunities analysis must identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends. *This review of trends is the principal basis for estimating future industrial and other employment uses...* (italics added)

Appendix A of the draft EOA includes this review of trends. As the italicized phrase of the rule makes clear, the trends analysis is extremely important – the *principal basis* – for all the work that follows. As a general comment, we find that the trends analysis contains very good information that helps inform the city's decision-making process, but also misses some important data that makes later conclusions inadequately supported.

### ***A. National Trends***

The draft EOA contains no information regarding national trends in industry. Newberg, Yamhill County, and Oregon exist within a larger economic environment, and this national picture has a bearing on what Newberg can reasonably expect to attract. Which traded sectors are growing, and which are declining? Which commercial services have been robust and which are contracting? The analysis addresses retail, but no other individual sectors.

The EOA should contain data and analysis regarding these national trends and how they can be expected to influence regional and local economic development plans. Without it, the city cannot adequately determine what employers it can reasonably expect to locate here.

### ***B. State Trends***

Similarly, the state trends analysis provides no insight into what particular commercial and industrial sectors are experiencing. Appendix A states that manufacturing employment in Oregon is outpacing the nation (p. 70), but it does not reveal which sectors account for this growth. This section says nothing about trends in other traded sectors or commercial services. The data in the draft EOA show that these other sectors are important employers in Newberg, so it seems that a full discussion of state trends in all sectors and how they affect Newberg is needed.

### ***C. Regional and Local Trends***

This section of Appendix A includes very good information. Again, the issue is what's missing. While we do not discount the good work the city has done identifying target industries, how does the EOA demonstrate to decision-makers that these are, in fact, realistic targets? Are there other viable targets nobody thought of? A trends analysis would inform, and should be the principal basis for, these decisions.<sup>1</sup>

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<sup>1</sup> The second paragraph on page 21 of the draft EOA states: "Yamhill County accounts for about 80% of employment in these three counties, and Newberg accounts for about 27% of the County's

## II. Employment Projection

The draft EOA includes an employment projection that may not be reflective of information contained in the trends analysis.

### A. Office and Commercial Services

The draft EOA states, on p. 32:

Office employment is expected to account for more than 1,000 new jobs or 50% of employment in Newberg by 2041. In 2008, Office and Commercial Service employment accounted for 45% of employment. By 2041, the forecast shows Office and Commercial Services accounting for 50% of employment, with Industrial employment growing at a faster rate than Office and Commercial Services.

This section fails to mention that this category accounted for 57 percent of employment in Newberg in 2018 and the *trend* has been for this category to grow at a moderate to high rate relative to other categories (exhibits 9 and 3, respectively).<sup>2</sup> Nonetheless, the draft EOA projects only 1,074 new jobs in this category during the 20-year planning period, even though the city added nearly that many jobs just during the decade 2008 to 2018.<sup>3</sup> Nothing in the draft EOA justifies an assumption that the growth in this sector will decrease by nearly half.

While many of the sectors within the Office and Commercial Services category are low-wage and the city reasonably chose not to target these for its economic development strategy, they do provide needed jobs and, since they are major employers in the city, should not be an afterthought in the city's planning efforts.

We note that “Commercial Sector” and “Tourism and Hospitality” are two of the five pillars of the Newberg Economic Development Strategy (Strategy, p. 1). The uses that comprise these pillars are largely represented in the Office and Commercial Services category within the employment projection.

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employment.” This section analyzes *four* counties (Linn, Marion, Polk, and Yamhill), and the 80% figure appears to be a typo. The relevant region includes Salem and Albany, so it seems unlikely that Yamhill County contains such a high share of the jobs. We don't see that this error caused any later miscalculations, but we thought you would want to check the accuracy of the statement.

- 2 The draft EOA states, on p. 33, “For each land-use type, we assumed that the share of total employment will increase, except for Government, which will remain at about the same number of employees and decrease in overall share of employment in Newberg.” The forecast in exhibit 9 shows a decreased share for the Retail Commercial and Office and Commercial Services categories, as well.
- 3 Exhibit 3 shows an increase of 940 jobs from 2008 to 2018 for these sectors: Information; Finance and Insurance; Real Estate and Rental and Leasing; Professional Services; Management of Companies; Administrative and Waste Services; Health Care, Social Assistance and Private Education; Arts, Entertainment, and Recreation; Accommodation and Food Services; and Other Services (except Public Administration).

The draft EOA makes conclusions not supported by the data, and allocating more of the employment forecast to the Office and Commercial Services category could remedy this inconsistency. It would also ensure the city has an adequate supply of suitable sites for the professional offices, medical clinics, social services, and tourist facilities the city can reasonably expect to locate or expand in Newberg during the planning period.

### ***B. Government***

Exhibit 3 shows that government employment in Newberg declined by 10 percent from 2008 to 2018, and exhibit 1 shows an 11 percent decline in Yamhill County for that period. The employment forecast in exhibit 9 shows the Government category slowly growing in Newberg and constituting a smaller portion of total employment at the end of the planning period.

Since the draft EOA's trends analysis does not discuss government employment at the national, state, or regional level, it is difficult to ascertain whether positive or negative growth in this sector should be included in the employment forecast. It appears that some or all of the Government allocation could be transferred to Office and Commercial Services without conflicting with data contained in the EOA. The number would be small, however.

### ***C. Retail Commercial***

Retail Commercial was one of the faster-growing sectors in Newberg from 2008 to 2018 (24 percent growth in 10 years; exhibit 3), and the employment forecast shows the growth slowing to eight percent in 20 years (exhibit 9). The trends analysis discusses the “transformation of retail” (Appendix A, p. 64) so there is some basis in the draft EOA for this dramatic change. Again, calculating how much of a decline in retail to reasonably expect would require more analysis than the draft EOA contains.

### ***D. Industrial***

The employment forecast in exhibit 9 shows industrial employment growing from 3,030 in 2021 to 5,587 in 2041, and increase of 84 percent, or over three percent per year. The recent trend data for industrial employment in Newberg shows that employment in this category decreased by over seven percent during the 2008-2018 period.<sup>4</sup> All of the decrease was in manufacturing, and much of it was from two business closures.

The trends analysis in Appendix A of the draft EOA does not explain in detail what can be expected for industry, but it reports that industrial employment in Oregon has been more robust than the nation, with the number of jobs growing by 24 percent during the past decade (Appendix A, p. 70). The draft EOA employment forecast predicts that Newberg's industrial employment will increase by 84 percent in 20 years.

The rationale the draft EOA presents for this dramatic change in circumstances is summarized on pp. 31-32:

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<sup>4</sup> The seven-percent decline includes the change in employment in the Construction/Natural Resources, Manufacturing, Wholesale Trade, and Transportation/Warehousing/Utilities categories in exhibit 3.

Industrial employment is forecast to increase to 35% of employment by 2041, resulting in growth of 2,557 new jobs. This change is based on expected implementation of the City's economic development vision in the City's adopted economic development strategy and community vision. In the documents *A NewBERG Community Vision* and the *Newberg Economic Development Strategy Update*, Newberg assessed their community economic development potential and developed the community's vision for economic development (consistent with OAR 660-009-0015(5)). These documents state Newberg's economic development objectives, which include strong policies for development of industrial employment (consistent with OAR 660-009-0020(1)).

The community profile in *A NewBERG Community Vision* provides a basis for assuming that the industrial fortunes in Newberg will turn around, and Friends of Yamhill County shares the city's desires for this to happen. We do not, in any way, argue that the city's economic development future should be constrained by the recent past, especially because the data was so skewed by a couple of negative events. Newberg can and should take steps to grow its industrial base, and has taken impressive, pro-active actions through its community visioning, economic development strategy, and other measures.

We understand that the city has received counsel from economic development professionals that the assumed return of industrial to a 35-percent share of employment is reasonable. We do not wish for the city to replace this expert input with commentary from a land-use advocacy group, but it is likely that this input was not directed at compliance with a land-use rule and we do wish for the city to consider other reasonable options.

The draft EOA does not provide a basis for the magnitude of the assumed growth in industrial jobs. A general statement that expected implementation of the vision and strategy will lead to growth that far outpaces reported data does not satisfy the call to base these decisions "principally" on trends. The EOA should at least identify which action items in the vision and strategy will lead to growth and how much, based on evidence gained from places those measures have been successful. The EOA could also parse the industrial category into sectors and provide analysis of expected growth in each sector based on trends, and then sum them.

If these measures resulted in a lower forecast for industrial employment, the difference could be transferred to the Office and Commercial Services category to help reduce the deficit identified in subsection A, above.

### **III. Estimate of Demand for Land**

This and other sections of the EOA are presumably intended to address OAR 660-009-0015(4), “Assessment of Community Economic Development Potential,” although that is not stated in the document. The fundamental requirement in this rule provides:

The economic opportunities analysis must estimate the types and amounts of industrial and other employment uses likely to occur in the planning area.

This rule provision focuses on estimating “types and amounts” of *uses* and does not mention land, yet the analysis in the draft EOA almost exclusively addresses acreage needs for target industries. The draft EOA identifies site characteristics of targeted site types (pp. 37-39) but does not say how many of each type is expected.

The EOA also does not identify site characteristics for any uses other than target industries. OAR 660-009-0015(2) provides:

The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses.

The rule does not limit this inquiry to target industries. This focus on acreage and target industries is key to some of the concerns we have with the analysis detailed below.

#### ***A. Accommodating Employment Needs on Existing Sites***

The draft EOA states that the “Estimate of Demand” shows demand for “vacant (including partially vacant)” land in Newberg over the 20-year period (p. 33 for commercial land and p. 35 for industrial land). This is incorrect because the analyses in these sections of the draft EOA actually show demand for *land*, not just vacant and partially vacant land, to accommodate new jobs. These jobs may be created on sites that are vacant or partially vacant today, or they may go on currently developed sites resulting from intensification of the use (*i.e.*, more jobs in the same space) or redevelopment of property.

The draft EOA does not account for these possibilities and should. OAR 660-009-0015(3) requires that the inventory of industrial and other employment lands “include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use.” “Developed land” is defined at OAR 660-009-0005(1) as “non-vacant land that is likely to be redeveloped during the planning period.” This is not just “partially vacant land,” a term unused in the economic development rule.

In exhibit 50, p. 93, the draft EOA states, “(l)ands not classified as vacant, partially-vacant, undevelopable, or public or exempt are considered developed.” This is a

misreading of the rule. “Developed land” is expressly *land that is likely to redevelop*. It does not encompass all land that already has a building on it.

In addition, a rule regarding urban growth boundary (UGB) amendments provides:

When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040. ... For employment land, the inventory must include suitable vacant *and developed land* designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015. (OAR 660-024-0050(1); italics added)

Section (4) of that same rule provides:

If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197.296 where applicable. *Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB.* (italics added)

In summary, the economic development rule requires an inventory that includes built land that is likely to redevelop, and the UGB amendment rule requires this as well as a more general responsibility to accommodate as much land need as is reasonable inside the existing boundary – which would include intensification of existing uses.<sup>5</sup> We believe the economic development rule includes this responsibility to accommodate as much land need as is reasonable inside the existing boundary, but it is not explicit. There are reasonably easy ways to calculate redevelopment potential.<sup>6</sup>

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5 At the October Citizens Advisory Committee meeting, the consultant proffered that rezoning land inside the UGB from a designation that has a surplus (*e.g.*, commercial) to a designation in deficit (*e.g.*, industrial) is not reasonable because it would lead to Measure 49 claims. Please note that ORS 195.300 *et seq.*, “Just Compensation for Land Use Regulations” (Measure 49) only applies to “land use regulations that restrict the residential use of private real property or a farming or forest practice and that reduce the fair market value of the property.” Re-designation from a non-residential designation to a different non-residential designation is not subject to the statute. Re-designating residential land does not automatically result in compensation (*see* ORS 195.310). Rezoning land inside the UGB continues to be one way a city can reasonably accommodate needed land inside the UGB. This does not mean to suggest Newberg has a surplus in any particular designation.

6 *Industrial and Other Employment Lands Analysis Guidebook*, DLCD, p. 2-10.  
[https://www.oregon.gov/lcd/Publications/goal9guidebook\\_2005.pdf](https://www.oregon.gov/lcd/Publications/goal9guidebook_2005.pdf).

Finally, the base employment estimate used in the draft EOA is 10 percent lower than the latest estimated provided by an authoritative source – to account for increased unemployment caused by the COVID-19 pandemic (p. 30). That reduction in the base number is reasonable in order to align the work with the most recent reality. This suggests that up to 10 percent of jobs added during the planning period can be accommodated without adding *any* new sites or buildings. The EOA should address this.

### ***B. Site Characteristics for Other Employment Uses***

We do not find that the draft EOA addresses site characteristics for non-target-industrial or non-industrial uses. As discussed in the introduction to this section above, the economic development rule's instruction to base the estimate of need on uses is not limited to target industries. Since the draft EOA addresses only acreage needs, the city cannot know whether it has suitable sites for commercial and non-target industrial uses that are likely to locate or expand in Newberg during the planning period.

### ***C. Commercial Uses in Residential Zones***

The draft EOA includes an estimate of demand for commercial land that assumes “the percentage of new employment locating in residential land designations will remain the same over the 20-year period for commercial uses” (p.33). The “Factors Affecting Economic Growth” chapter of the draft EOA states that the “number of remote workers is expected to increase over time. Some of these workers will likely work from home...” (p. 23).

To be consistent, the EOA's commercial land demand estimate should account for this expected increase in home employment. Recent workplace changes caused by the pandemic make forecasting fraught, but the trend of increasing telecommuting began before the outbreak.

### ***D. Regional Analysis***

We are intrigued with the analysis of industrial site sizes in other cities in the Willamette Valley (p. 40). It is an innovative way to develop information to address OAR 660-009-0015(4). It appears to be a data-driven exercise, but, upon further inspection, its foundation rests on professional expertise, not data. That is, the cities included in the analysis are picked based on the consultant's knowledge of cities in the region, not on an objective and thorough evaluation of how “similar” a city is to Newberg. So the data it generates has value, but should not be the sole basis for determining site needs.

This is important because OAR 660-009-0015(4) provides: “(t)he economic opportunities analysis must estimate the *types and amounts of industrial and other employment uses likely to occur in the planning area.*” The city needs to determine what is likely for *Newberg*, not for an average city in the Willamette Valley. And the city needs to determine the types and amounts of uses, not just acres.

The draft EOA discusses site characteristics for target industries (pp. 43-45) and states, “(t)he following summarizes a range of the site characteristics Newberg should seek when identifying the sites that will address its employment land deficit.” This is correct, but it is not the first time that site characteristics should be examined.

The EOA should use the regional analysis as one input into its investigation of what is likely, not the only information employed.

### ***E. Large Industrial Site Needs***

Exhibit 17 in the draft EOA shows that the city calculates a need for one new site in the 25-50 acre range and one in the 50+ acre range. Note that the only target industry with site characteristics typically calling for a site larger than 25 acres is “Tech and High Tech Manufacturing” (exhibit 14). The site-size needed for this industry is 5-100 acres – a very wide range. Since the draft EOA does not estimate the types and amounts of *uses* as the rule provides, it is impossible to determine how many very large Tech and High Tech Manufacturing operations are likely to locate or expand in Newberg during the planning period.

Additionally, the Business Oregon Industrial Development Competitiveness Matrix, which is not included in full in the draft EOA but was provided to the committee, shows that the high-tech sector has the highest water needs of any of the target industries (criterion 11, Flow (Gallons per Day per Acre)) – by far more than any others except food processing. The draft EOA states, “the City may not have capacity to accommodate development of a new industry with significant water needs, such as water-intense food processing or electronics manufacturing” (p. 26).

While targeting tech and high-tech manufacturing firms makes sense for Newberg, the apparent limitation on the city's ability to serve a very large tech operation seems to make such a siting unlikely. Since no other industry needs such a large site, we question whether Newberg has a need for *any* new sites over 25 acres, notwithstanding the outcome of the regional analysis.

## **IV. Inventory of Industrial and Other Employment Lands**

The draft EOA states, at pp. 53-54:

According to the Sportsman Airpark Land Use Master Plan (2006), the airpark’s industrial land is about 17% developed, with about 29 estimated developable industrial acres remaining. Permitted uses on the Sportsman Airpark property are limited, and are not considered as part of the buildable lands inventory of industrial land available for most future employment uses.

The draft EOA does not cite a legal authority for excluding this vacant land from the “buildable lands inventory.” While limited permitted uses may provide some

justification, we note that “aviation-related industries” is one of Newberg's target industries. To target these industries as “most likely to be attracted to Newberg” and “best meet Newberg’s economic development goals” (draft EOA, p. 36) and then deem available land for these uses unlikely to develop is inconsistent at best.

These 29 acres should be added to the inventory as developable land or a more complete explanation of their absence is needed.

## V. Solutions

Friends of Yamhill County understands that Newberg has a budget and timeline for completing the EOA, and comprehensively addressing the alleged deficiencies in this letter would undoubtedly derail them both. We therefore offer an outline of possible ways to address the alleged deficiencies that may help. The solutions proposed below do not correct all the legal deficiencies we have identified, but rather illustrate a template for addressing our primary concerns that the EOA overestimates the need for industrial land and underestimates the need to accommodate other employment uses.

### *A. Forecast of Employment Growth by Land Use Type*

For the reasons stated above, we propose amending Exhibit 9 to something more closely agreeing with the data presented below.

Exhibit 9. Forecast of employment growth by land use type, Newberg UGB, 2021–2041

Land Use Type	2021		2041		Change 2021 to 2041
	Employment	% of Total	Employment	% of Total	
Industrial	3,030	25	4,579	29	1,549
Retail Commercial	1,333	11	1,437	9	104
Office & Commercial Services	6,908	57	9,099	57	2,191
Government	848	7	848	5	0
Total	12,119	100	15,963	100	3,844

#### Assumptions:

- Office and Commercial Services will maintain a 57-percent share of total employment, which is a growth rate during the planning period about two-thirds the rate the city experienced during 2008-2018 (1.38 percent versus 2.16 percent). The draft EOA establishes that short-term growth is highly affected by the pandemic, so any long-term growth will be delayed (pp. 12, 17, 21, and 30), explaining the deviation from the trend.
- The downward trend in Government employment will be moderated by population growth leading to more local government, service district, and public school jobs, raising the growth rate from negative to zero.
- Industry reverses its downward trend to grow at over two percent per year from 2021-2041. This deviation from the trend can be explained by policies and

implementation measures the city has put in place that will bear fruit during the planning period.

- The slowing of the growth trend in Retail Commercial is explained in the draft EOA, and is attributable to the pandemic, the rise of online shopping, and increased automation.

***B. Demand for Employment Land***

A portion of the predicted employment growth will go to existing sites through growth of businesses, more efficient use of underused buildings, and redevelopment of sites. Many of the jobs recently lost due to the pandemic will return to existing sites, if not for the same employee or to the same business entity. Since the draft EOA provides little data on which to base an estimate of how much of the employment projection will go to non-vacant sites, we propose to rely on a generalized estimate of efficiency gains.

The *Industrial and Other Employment Lands Analysis Guidebook*, published by the Oregon Department of Land Conservation and Development (DLCD, 2005) states that “a general rule-of-thumb” for estimating employment growth that can be accommodated in vacant or redeveloped buildings is 10 to 15 percent (p. 2-27). This does not include anticipated employment growth of firms that own sufficient built space or land to accommodate expansion. Nevertheless, the proposed table below utilizes a 15-percent reduction – the high end, to help account for other factors.

Exhibit 9a. Adjustment to employment forecast to address increased efficiency of land use, by land use type, Newberg UGB, 2021–2041

<b>Land Use Type</b>	<b>New Employment 2021-2041</b>	<b>Employment on Existing Sites (15%)</b>	<b>2041 Employment on Vacant and Partially-Vacant Sites</b>
Industrial	1,549	310	1,239
Retail Commercial	104	21	83
Office & Commercial Services	2,191	438	1,753
Government	0	0	0
<b>Total</b>	<b>3,844</b>	<b>769</b>	<b>3,075</b>

**C. Demand for Commercial Land**

We propose amending Exhibit 10 – employment growth in residential areas – to something more closely agreeing with the data presented below.

Exhibit 10. Estimated Commercial Employment Growth Accommodated on Residential Plan Designations, Newberg UGB, 2021–2041

Land Use Type	New Employment Growth	Empl. In Residential Designations	New Empl. on Vacant and PV Land
Retail Commercial	83	17	66
Office & Commercial Services	1,753	351	1,402
Total	1,836	368	1,468

Assumptions:

- The proportion of the workforce that works from home will increase, initially because of the pandemic, but a portion of the increase will become permanent.
- The percentage of new commercial employment locating in residential land designations will increase by 20 percent – from 15.8 to 19.0 percent – during the 20-year planning period.

**D. Demand for Industrial Land**

Since the draft EOA calculation of site needs is entirely based on the regional analysis, which does not demonstrate compliance with with the economic development rule, there is no information on which to base a proper inquiry under OAR 660-009-0015(4) of the types and amounts of uses expected for Newberg during the planning period. The “buildable lands inventory” does not provide data regarding the number of existing uses by site type. The following table is an estimate based on available data.

Exhibit 17. Industrial Land Need, Newberg UGB, 2021-2041.

	Site Size				Total
	<5 acres	5-25 acres	25-50 acres	50+ acres	
New Sites Needed	73	4	1	0	78
New Land Needed (acres)	55	36	33	0	124

Assumptions:

- The five target industries will each need one site over five acres during the planning period. One of these five sites needs to be larger than 25 acres to accommodate a tech/high-tech firm with a larger land need, but within the constraints of the city's water system.
- The average size of the four sites in the 5-25 acre range is 8.9 acres, the midpoint between the average size of such sites in Newberg (this data point is not in the draft EOA, but was provided to the advisory committee) and average size of such sites in the regional analysis.

- Newberg does not currently have any sites in the 25-50 acre range, so the regional average of 33 acres is employed.
- Assuming an employment density of 10 employees/acre (middle of the range reported for typical industrial uses in DLCD's *Industrial & Other Employment Lands Analysis Guidebook* (2005)), the large sites will employ 690 of the 1,239 new jobs.
- The remaining 549 jobs, at a 10 employees/acre density, require 55 acres. With an average size of 0.75 acres, the midpoint between the average size of such sites in Newberg (this data point is not in the draft EOA, but was provided to the advisory committee) and average size of such sites in the regional analysis, 73 sites are needed.

### ***E. Summary***

The data in this Solutions section are not meant to be “correct” or our position, but rather a illustration of how our comments could be addressed. Further refinement would certainly change the numbers.

### **Conclusion**

We again thank the city for allowing Friends of Yamhill County to participate in this important planning project. We have found the draft EOA to include much valuable information that should assist the Newberg's economic development efforts as well as a few areas where it can be improved to more adequately address demonstrated needs and regulatory requirements.

Sincerely,

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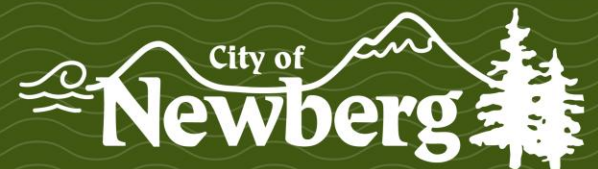
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Kevin Young, DLCD

Ordinance No. 2025-2936

# Adoption of Economic Opportunities Analysis

City Council Public Hearing  
August 4, 2025



## *City Council Goals*

Goal 2: Identify industrial land and attract employers to encourage family wage jobs.

Objective 2. Work to bring land into the urban growth boundary to zone for light manufacturing within 5 years.

## Staff Recommendation

- Move to adopt Ordinance No. 2025-2936 by title only.  
Consider waiving second reading.

# Background

- Between 2018-2021 the City conducted long-range residential, employment, and public land sufficiency analysis, preparing a HNA, EOA, and PSP, funded by grants from DLCD.
- A Citizens Advisory Committee was established, and Council was briefed on the EOA in 2020. The EOA was accepted by Council in 2021 and approved a resolution to initiate the adoption and amendment of the Comprehensive Plan.
- In 2022, the Newberg Planning Commission approved Planning Commission Resolution No. 2022-382 recommending the City Council adopt the HNA, EOA, and PSP, amend the Comprehensive Plan, and initiate a UGB amendment.

# Background

- In February 2024, City Council elected to use the Sequential UGB review process to adopt the analysis and consider a potential UGB amendment, approved by DLCD.
- In August 2024, City Council directed staff to modify the sequential UGB work program to only include the EOA and request the City's housing analysis deadlines be rescheduled to 2027/2028 to conduct updated analysis.
  - The EOA can be adopted through the existing PAPA, and the sequential UGB work program was dissolved.
  - This dissolution and schedule was approved by DLCD in December 2024.

# Process

- **4/5/2021** – The Newberg City Council adopted Resolution No. 2021-3827 accepting the EOA.
- **8/1/2022** – The Newberg City Council adopted Resolution No. 2022-3858 initiating the Comprehensive Plan amendment.
- **9/6/2022** – Post-Acknowledgement Plan Amendment filed with DLCD
- **9/28/2022** – Notice was published in the *Newberg Graphic* and four public places.
- **10/13/2022** – The Planning Commission held a quasi-judicial hearing to consider the application and adopted Resolution No. 2022-382 forwarding a recommendation of approval to the City Council.
- **8/4/2025** – The Newberg City Council will conduct a first reading at a public hearing to consider adopting Ordinance No. 2025-2936.

# Ordinance No. 2025-2936

- Adopt the City of Newberg Economic Opportunities Analysis
- Amend the Newberg Comprehensive Plan
  - V. Land Supply and Need
    - A. Buildable Land Inventory
    - C. Commercial Land Need and Supply
    - D. Industrial Land Need and Supply
    - E. Institutional Land Supply and Need
    - F. Summary of Land Needs

# Economic Opportunities Analysis

- Factors Affecting Future Economic Growth
- Employment Growth and Site Needs
- Buildable Lands Inventory
- Land Sufficiency

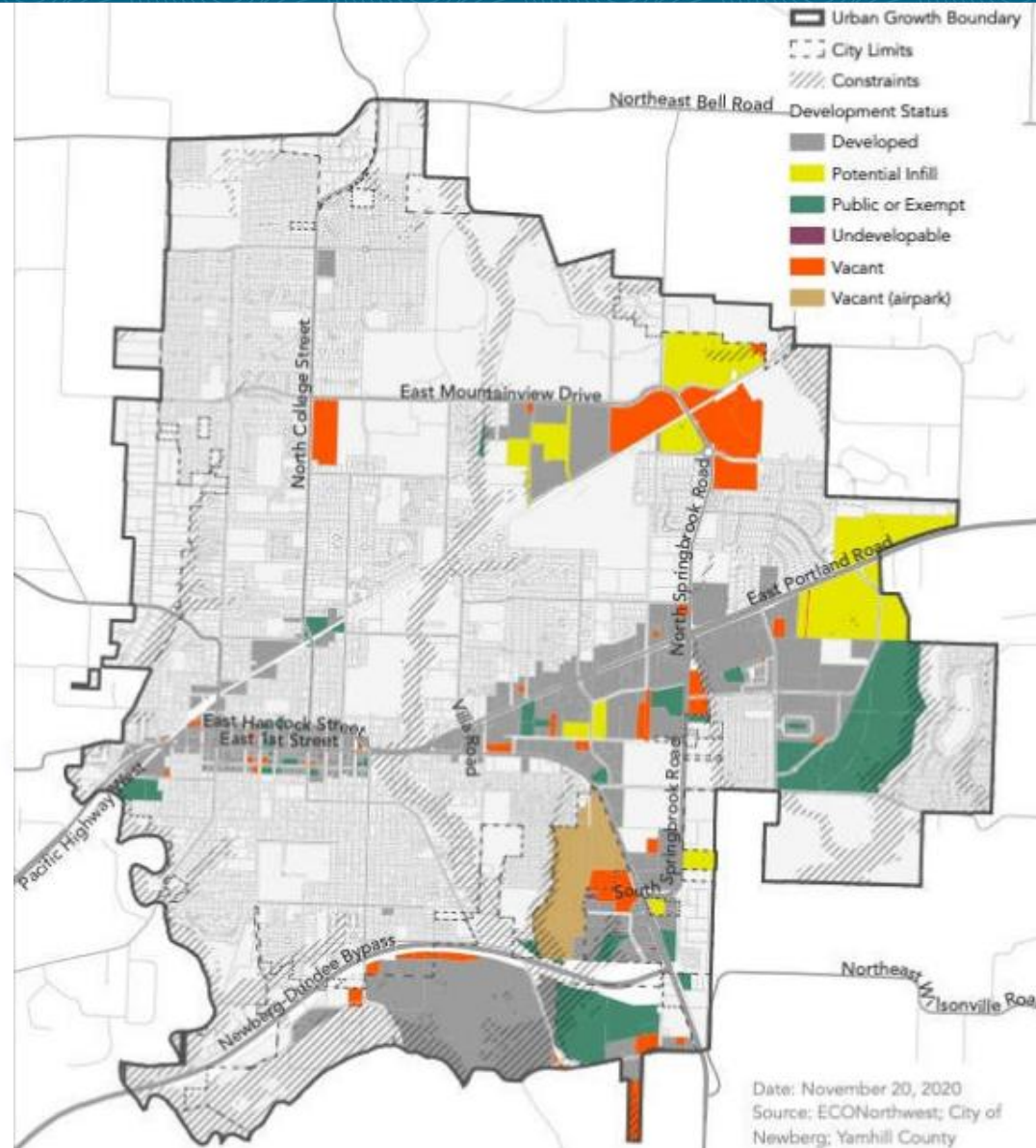
*Projected Employment Growth: 4,452 employees*

*2021: 14,034*

*2041: 18,486*

## Newberg Buildable Lands Inventory

### *Employment Land Development Status*



# Economic Opportunities Analysis

Land Use Type	Land Supply (Suitable Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Gross Acres)
<b>Commercial</b>	104	83	21
<b>Total</b>	104	83	21

<i>Industrial</i>	Site Size (acres)				Total
	< 5 acres	5-25 acres	25-50 acres	> 50 acres	
<b>Number of Vacant Sites (BLI)</b>	33	1	-	1	35
<b>New Sites Needed</b>	122	7	1	1	131
<b>Comparison of Land Supply and Need (Land Surplus or Deficit)</b>	(89)	(6)	(1)	-	(96)
<b>Acres of Land Needed</b>	(62)	(55)	(35)	-	(152)

# Findings – Statewide Land Use Planning Goals

- Goal 1: Citizen Participation
- Goal 2: Land Use Planning
- Goal 3: Agricultural Lands
- Goal 4: Forest Lands
- Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces
- Goal 6: Air, Water, and Land Resources Quality
- Goal 7: Areas Subject to Natural Hazards
- Goal 8: Recreational Needs
- Goal 9: Economic Development
- Goal 10: Housing
- Goal 11: Public Facilities and Services
- Goal 12: Transportation
- Goal 13: Energy Conservation
- Goal 14: Urbanization
- Goal 15: Willamette River Greenway

# Findings – Newberg Comprehensive Plan Goals

- Goal A: Citizen Involvement
- Goal B: Land Use Planning
- Goal C: Agricultural Lands
- Goal D: Wooded Areas
- Goal E: Air, Water, and Land Resource Quality
- Goal F: Areas Subject to Natural Hazards
- Goal G: Open Space, Natural, Historic, and Recreational Resources
- Goal H: The Economy
- Goal I: Housing
- Goal J: Urban Design
- Goal K: Transportation
- Goal L: Public Facilities and Services
- Goal M: Energy
- Goal N. Urbanization

# Findings – Newberg Municipal Code

- Chapter 15.100 LAND USE PROCESSES AND PROCEDURES
  - 15.100.060 Type IV Procedures - Legislative

# Staff Recommendation

- Move to adopt Ordinance No. 2025-2936 by title only. Consider waiving second reading.

Thank you!

Questions?

# REQUEST FOR COUNCIL ACTION



Order  Ordinance  Resolution  Motion  Information  Proclamation

No. 2025-2935

Subject: Hearing for Vacation Rental Home Regulations

Staff: James Dingwall, Scot Siegel  
Department: Community Development

Business Session

Order On Agenda: Public Hearing

Hearing Type: Legislative  Quasi-Judicial  Administrative  Not Applicable

**Date Action Requested: August 4, 2025**

Is this item state mandated? Yes  No

If yes, please cite the state house bill or order that necessitated this action: N/A

## Recommendation:

- Deliberate and provide direction on the “one-time burn” provision for existing Conditional Use Permits.
- Adopt Ordinance No. 2025-2935 amending the Newberg Municipal Code, Title 3 Revenue and Finance and Title 15 Development code with updates to the City’s vacation rental home policy.

**Executive Summary:** On May 8, 2025 the Newberg Planning Commission held a public hearing to make a recommendation to City Council on the proposed vacation rental home policy updates. After receiving public comments and deliberating, the Planning Commission approved Resolution No. 2025-399 recommending the Newberg City Council amend the Newberg Municipal Code to update vacation rental home policy. The Newberg City Council held a work session on June 2, 2025 to review the recommendation and proposed development code amendments. City Council opened the public hearing to consider adoption of Ordinance No. 2025-2935 on July 7, 2025. The Planning Commission recommendations include:

- Title 3 Revenue and Finance
  - o Require vacation rental agents (e.g., AirBnB) to collect and remit transient lodging tax where an agent is used to advertise, manage, or book the vacation rental home.
- Title 15 Development Code
  - o Amend the zoning use table to require a Type II Special Use Permit for vacation rental home land use approval.
  - o Update the parking requirement for vacation rental homes (1 off-street space for every two bedrooms, rounding up, with a minimum of two spaces). For example:
    - 1-4 bedroom = 2 parking spaces
    - 5-6 bedrooms = 3 parking spaces
    - 7-8 bedrooms = 4 parking spaces

- Create a cap of the total number of vacation rental homes permitted in Newberg at two percent of the number of households in the city. Provide for grandfathering of legal nonconforming rental homes and define amortization of illegal vacation rental homes.
- Require designation of a local manager within 40 miles of the vacation rental home.
- Require vacation rental home operator to provide annual “good neighbor” notice to surrounding property owners.
- Limit transferability of vacation rental home registration to ensure compliance with city standards.
- Increase penalty for unregistered vacation rental home operation.

Following the City Council work session on June 2, 2025, the following development code amendment was included:

- Conditional use permits for vacation rental home issued prior to the updated vacation rental home policy’s effective date are transferrable to one subsequent owner or contract purchaser, and thereafter subject to the updated ownership provisions.

At the July 7, 2025 public hearing, City Council requested staff provide updated code language and legal review of the provisions to include a “one-time” transfer for existing conditions use permit approval for vacation rental homes.

**Fiscal Impact:** The primary additional cost will be staff time to track amortized home rentals, though this will diminish over time and eventually end. The Rentalscape software for vacation rental home activity monitoring, included in the Planning Division budget, will assist with enforcement. The primary cost savings is the procedural change from the Conditional Use Permit (Type III) procedure to a Special Use Type II permit, which will save staff time and City resources.

**Council Goals:** This item is related to:

Goal 7. Preserve the balance between the needs of the tourism industry and preserving the character of our town.

Objective 1: Implement and codify the new STR rules within one year.

**Attachments:**

Ordinance No. 2025-2935

Exhibit A-1. Development Code Amendments

Exhibit A-2. Findings

Exhibit B. Planning Commission Resolution No. 2025-399

Exhibit C. May 8, 2025 Newberg Planning Commission Minutes

## STAFF REPORT

### AMENDING THE NEWBERG MUNICIPAL CODE, TITLE 3 REVENUE AND FINANCE AND TITLE 15 DEVELOPMENT CODE, FOR UPDATES TO VACATION RENTAL HOME POLICY

- A. SUMMARY:** Updates to the City’s vacation rental home policy are reflected in the attached code amendments. The proposed amendments include changes to the Zoning Use Table classifications (NMC 15.305), Special Use Standards (NMC 15.445), and Transient Lodging Tax (NMC 3.10).
- B. BACKGROUND:** In March 2022, The Community Development Department provided an update to the Newberg City Council on the status of vacation rental homes. During that update, City staff noted that the rate of applications for vacation rental home applications had slowed during the COVID-19 pandemic, but had subsequently increased, raising concerns about how to balance business and tourism opportunities for vacations rental homes with potential changes in the character of neighborhoods and reductions in potentially available housing stock. Newberg City Council made no policy changes at that time but requested that Community Development Department staff return in the following year for another update. In August and September 2023, the Planning Commission received the Draft *Vacation Rental Home and Short-Term Rental White Paper*. During the public meetings, the Planning Commission created a request for a temporary moratorium on new vacation rental home applications and a series of recommendations on future updates to Vacation Rental Home regulations which were both provided to City Council in later meetings.

The City Council did not impose a moratorium, but in September 2023, the Newberg City Council established the Short-Term Rental Ad Hoc Committee, comprised of City Councilors and members of the public. Community Development Department staff provided an overview of the *Vacation Rental Home and Short-Term Rental White Paper* and Planning Commission recommendations to the City Council in November. The Vacation Rental Home and Short-Term Rental White Paper included background on the City’s existing regulations, recent trends related to vacation rental home operations, an analysis of public comments on vacation rental homes permitted between 2016 and 2023, and an overview of regulatory approaches that jurisdictions in Oregon and other communities use to manage vacation rental activities.

The Short-Term Rental Ad Hoc Committee convened five times between September 2023 and February 2024 to receive information and develop recommendations to Newberg City Council for future updates to the vacation rental home regulations. On February 1, 2024, the committee unanimously voted on a suite of recommendations to be shared with the City Council. The meetings included discussion on the pros and cons of vacation rental homes; land use application procedures; improving operator compliance, including transient lodging tax remittances, business licenses, and land use permitting approvals; software options for short-term rental program management by City staff; and criteria enhancements related to Newberg Municipal Code requirements.

On March 4, 2024, the Newberg City Council received an update on the Short-Term Rental Ad Hoc Committee’s recommendations, and directed staff to update regulations and operations for

vacation rental homes. The Short-Term Rental Ad Hoc Committee was also decommissioned by the City Council during this meeting. The work assignment was added to the *2024 Planning Division Work Plan* as a Critical Project.

In August 2024, the Newberg City Council hosted a community listening session which introduced issues related to vacation rental homes and invited public comments related to the topic. The City Council and Planning Commission held a joint work session in October to review the development code amendment scope of work and provide an opportunity for the Planning Commission to communicate past interaction with the public and thoughts on the City's current vacation rental home regulation, implementation, and initial policy recommendations. Following the approval of the project's scope of work in November and December 2024, the Community Development Department held a series of community engagement events to provide information on current policy and receive input from the public on the proposed policy recommendations. The community engagement events included two in-person open houses, one focused on vacation rental home operators, one virtual open house, and an online survey.

Updating vacation rental home policy within one year was adopted as a Newberg City Council objective in January 2025 to support the goal of "Preserving the balance between the needs of the tourism industry and preserving the character of our town."

On March 17, 2025 the Newberg City Council received a summary of the project's community engagement efforts and provided direction on policy. The Planning Commission held a work session on the draft proposed development code amendments on April 10, 2025. The Planning Commission held a public hearing on the proposed development code amendments on May 8, 2025, approving Planning Commission Resolution No. 2025-399 recommending that the City Council amend the Newberg Municipal Code Title 3 Finance and Revenue and Title 15 Development Code to update vacation rental home policy. The City Council held a work session on June 2, 2025, to review the Planning Commission recommendation and proposed development code amendments.

- C. **PROCESS:** A Development Code Amendment initiated by the City is a legislative action which follows Type IV procedures pursuant to Newberg Municipal Code 15.100.060 and procedures for published notice on Type IV procedures pursuant to Newberg Municipal Code 15.100.270. The Planning Commission will hold a legislative public hearing on the application. The Commission will make a recommendation to the Newberg City Council. Following the Planning Commission's recommendation, the Newberg City Council will hold a legislative public hearing to consider the matter. Important dates related to this application are as follows:

- |           |   |
|-----------|---|
| 03/04/24: | The Newberg City Council initiated amendments to the Newberg Municipal Code updating vacation rental home policy by a motion. |
| 10/28/24: | The Newberg City Council and Planning Commission held a joint work session to approve the DCA24-0003 project scope of work.   |

4/3/25	Planning staff published a Post-Acknowledgement Plan Amendment (PAPA) notice with the Department of Land Conservation and Development.
4/10/25	Planning Commission conducted a workshop on the proposed development code amendment.
10/31/24:	Planning staff placed notice of public hearing on Newberg’s website and posted notice in four public buildings.
4/24/25:	The <i>Newberg Graphic</i> published notice of the hearing.
5/8/25:	The Planning Commission held a public hearing, took public testimony, and deliberated on the proposed amendments. The Planning Commission approved Planning Commission Resolution No. 2025-399 recommending that the City Council adopt the Development Code Amendments to update the City’s vacation rental home policy.
6/2/25:	The City Council held a work session to review the Planning Commission recommendation and conduct a workshop on the proposed development code amendments.
7/7/25:	The City Council opened a public hearing to consider Ordinance No. 2025-2935
8/4/25:	The City Council will continue consideration of Ordinance No. 2025-2935.

- D. STAFF/AGENCY COMMENTS:** Per NMC 15.100.120, on Type IV procedures, the director shall provide referrals to ODOT and other agencies in compliance with state law and as otherwise determined by the City. A referral request was sent to ODOT, and no comment was provided. A post-acknowledgement plan amendment was submitted to the Department of Land Conservation and Development on April 3, 2025.
- E. PUBLIC COMMENTS:** As of the writing of this report, the City has not received any public comments for the City Council public hearing.
- F. DISCUSSION:** The proposed development code amendment includes a range of policy updates designed to increase compliance with registration and transient lodging tax remittance, manage the number of vacation rental homes and approval process, require additional noticing and local management, and clarify permit duration. Policy changes include:
- Requiring agents to collect transient lodging tax and submit returns where used by an operator.
  - Applying the same Special Use standards to vacation rental rentals in all zones. (The amendment replaces the conditional use permit requirement for vacation rentals in the R-1 and R-2 zones with the special use permit requirement.)

- Creating a citywide cap on the number of vacation rental home permits issued limited to two percent of the number of households in Newberg.
- Establishing additional penalties for operating without registration.
- Requiring vacation rental home operators to complete annual “good neighbor” mailings to properties within 500 feet.
- Clarifying that permit approvals for vacation rental home operation are limited to the property owner-applicant. Vacation rental permits terminate with the sale or transfer of a property to a new owner.
- Requiring a vacation rental home operator to designate a local manager located within 40 miles of the site.
- Allowing existing conditional use permits for vacation rental homes to be transferred to subsequent owners or contract purchasers one time, after which they would be subject to the updated ownership provisions.

The proposed policy changes are recommended along with operational changes implemented by the Community Development Department including utilizing a software solution to track vacation rental home operations within the City and to support code compliance efforts. This software solution is being introduced in concert with the introduction of the City’s new online permitting system and updated website.



# ORDINANCE NO. 2025-2935

**An Ordinance amending the Newberg Municipal Code Title 3 Revenue and Finance and Title 15 Development Code to update vacation rental home policy.**

## Recitals:

1. On September 15, 2013, the Newberg City Council adopted Ordinance No. 2013-2763 containing multiple amendments to the Newberg Municipal Code zoning use table and definitions, approval criteria, and development standards for the operation of vacation rental homes.
2. On September 5, 2023, the Newberg City Council formed a Short-Term Rental Ad Hoc Committee.
3. On September 14, 2023, the Newberg Planning Commission approved recommendations for updates to the City's vacation rental home regulations.
4. On February 1, 2024, the Short-Term Rental Ad Hoc Committee unanimously approved recommendations for updates to the City's vacation rental home regulations.
5. On March 4, 2024, the Newberg City Council directed staff to updated regulations and operations for vacation rental homes.
6. On August 22, 2024, the Newberg City Council hosted a community listening session and on November 20, 2024, December 3, 2024, and December 4, 2024, staff held public engagement events to receive community feedback on recommended policy updates.
7. On April 3, 2025, staff submitted a Post-Acknowledgement Plan Amendment notice with the Department of Land Conservation and Development.
8. On April 10, 2025, the Newberg Planning Commission conducted a work session on the proposed development code amendments.
9. On May 8, 2025, after proper notice, the Newberg Planning Commission opened a public hearing, considered public testimony, deliberated, and approved Planning Commission Resolution No. 2025-399, recommending that the Newberg City Council amend the Newberg Municipal Code Title 3 Revenue and Finance and Title 15 Development Code to update vacation rental home policy.
10. On June 2, 2025, the Newberg City Council conducted a work session on the Planning Commission recommendation and proposed development code amendments.

11. On July 7, 2025, after proper notice, the Newberg City Council opened a public hearing, considered public testimony, and deliberated.

12. On August 4, 2025, the Newberg City Council continued a public hearing, considered public testimony, deliberated, and found that the proposed amendments were in the best interests of the City of Newberg. The City Council asked staff to provide a one-year update on vacation rental home registration.

**The City of Newberg Ordains as Follows:**

1. The Newberg Development Code is amended as shown in Exhibit “A-1”.
2. The adoption is based upon the findings in Exhibit “A-2”.
3. Exhibits “A-1” and “A-2” are hereby adopted and by this reference incorporated.

**Effective Date** of this ordinance is the 30 days after the adoption date, which is: September 3<sup>rd</sup>, 2025.

**Adopted** by the City Council of Newberg, Oregon, this 4<sup>th</sup> day of August, 2025, by the following votes:

**AYE:**        **NAY:**        **ABSTAIN:**

\_\_\_\_\_  
Rachel Thomas, City Recorder

**Attest** by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Bill Rosacker, Mayor

## Exhibit “A-1” to Ordinance No. 2025-2935 Development Code Amendments – File DCA24-0003

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Note: Formatting of amendments:

1. Code edits and revisions are indicated using double underline for text additions and ~~strike-out~~ for text deletions.
2. Backslashes “\” indicate text that is unchanged and has been omitted for brevity.

**The Newberg Municipal Code shall be amended as follows:**

**Section 1. Revenue and Finance, 3.10 is amended as follows:**

### **Chapter 3.10 TRANSIENT LODGING TAX**

Sections:

- 3.10.010 Definitions.
- 3.10.020 Levy.
- 3.10.030 Collection.
- 3.10.040 Operator’s duties.
- 3.10.050 Exemptions.
- 3.10.060 Returns.
- 3.10.070 Penalties and interest.
- 3.10.080 Deficiencies, fraud, evasion, and delay.
- 3.10.090 Redeterminations.
- 3.10.100 Security for collection.
- 3.10.110 Lien.
- 3.10.120 Refunds.
- 3.10.130 Expenditure of funds and collection fee.
- 3.10.140 Administration.
- 3.10.150 Appeal to city council.
- 3.10.160 Violations.
- 3.10.170 Penalty.

#### **3.10.010 Definitions**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“**Agent**” includes, but is not limited to, an on-line or Internet based booking service (Craigslist, AirBnB, VRBO, HomeAway, FlipKey, VactionHomeRentals, Roomorama, as examples), a travel intermediary, or a person licensed by the Oregon Real Estate Agency.

\

“Operator” means the person who is proprietor of a hotel and motel in any capacity and, where the operator performs their functions through a managing agent other than an employee, the managing agent who shall have the same duties and liabilities as their principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

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### **3.10.030 Collection.**

A. Every operator renting a room in this city, the occupancy of which is not exempted under the terms of NMC 3.10.050, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall collect the applicable transient lodging tax.

2. Where no agent is used for the advertisement, management, or booking of a vacation rental home, the operator shall collect the applicable transient lodging tax.

B. In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.

C. The tax administrator shall enforce this chapter and may adopt rules and regulations consistent with this chapter and necessary to aid in the enforcement. [Ord. 1835A, 12-6-76. Code 2001 § 36.17.]

### **3.10.040 Operator’s duties.**

Each operator or agent as applicable shall collect the tax imposed by NMC 3.10.020 on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator’s records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded. [Ord. 1835A, 12-6-76. Code 2001 § 36.18.]

**Penalty:** See NMC 3.10.170.

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### **3.10.060 Returns.**

A. The tax imposed by NMC 3.10.020 shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding quarter and are delinquent on the first day of the following month in which they are due.

B. On or before the fifteenth day of the month following each quarter of collection by an operator, the operator shall file a return for that quarter's tax collections with the tax administrator. The return shall be filed in such form as the tax administrator prescribes.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall file the applicable transient lodging tax return. The operator shall file a form confirming submission of transient lodging tax through the agent, or that no tax was collected to be remitted, in such form as the tax administrator provides.

C. A return shall show the amount of tax collected or otherwise due for the period for which the return is filed. The total rentals upon which the tax is collected or otherwise due, gross receipts of the operator for the period, and an explanation in detail of any discrepancy between such amounts, and the amount of rents exempt, if any.

D. The person required to file the return shall deliver the return, together with the remittance of the amount of the tax due, with the tax administrator's office either by personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery.

E. For good cause, the tax administrator may extend, not to exceed one month, the time for making any return or payment of tax. Any operator to whom an extension is granted shall pay interest at the rate of one-half of one percent per month or fraction thereof. If a return is not filed, the tax and interest shall become a part of the tax for computation of penalties prescribed in NMC 3.10.070.

F. The tax administrator, if the tax administrator deems it necessary in order to ensure payment or facilitate collection by the city of the amount of taxes in any individual case, may require returns and payment of the amount of taxes for other than monthly periods. [Ord. 1835A, 12-6-76.Code 2001 § 36.20.]

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## Section 2. Development Code, 15.305.020 is amended as follows:

### Chapter 15.305 ZONING USE TABLE

#### Sections:

- 15.305.010 Classification of uses.
- 15.305.020 Zoning use table – Use districts.
- 15.305.030 Zoning use table – Use subdistricts.

#### **15.305.010 Classification of uses.**

The zoning use table under NMC 15.305.020 identifies the land uses that are allowed in the various zoning districts. The specific land use categories are described in Chapter 15.303 NMC. The table identifies each use as one of the following:

- P Permitted Use. The use is a permitted use within the zone. Note that the use still may require design review, building permits, or other approval in order to operate.
- C Conditional Use. A conditional use permit is required for the use. See Chapter 15.225 NMC.
- S Special Use. The use is subject to specific standards as identified within this code. The applicable section is included in the last column of the table.
- (#) A note indicates specific limits on the use. These notes are listed at the bottom of the table.
- X Prohibited Use. The use is specifically prohibited.

If none of the codes above are indicated, then the use is not permitted within the zone. [Ord. 2763 § 1 (Exh. A § 6), 9-16-13.]

15.305.020 Zoning use table – Use districts.

Newberg Development Code – Zoning Use Table

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#	Use	R-1	R-2	R-3	R-4	RP	C-1	C-2	C-3	C-4	M-E	M-1	M-2	M-3	M-4-I	M-4-C	M-5	CF	I	AR	AI	Notes and Special Use Standards	
460	<b>COMMERCIAL LODGING</b>																						
Def.	Vacation rental home	CS	CS	S	S	S	S(13)	S(13)	S(13)	S(13)	X						S(13)						Chapter 15.445 NMC, Article VII
(13) Permitted in existing dwelling units only. New dwelling units may not be created for this use unless the dwelling unit would otherwise be allowed.																							

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**Section 3. Newberg Development Code, 15.440 is amended as follows:**

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**15.440.030 Parking spaced required.**

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Table 15.440.030(A) Minimum Parking Spaces Required and Maximum Parking Spaces Allowed by Use

Use	Minimum Parking Spaces Required	Maximum Parking Spaces Allowed		Rate and Units
		Uses fronting a street with abutting on-street parking	Uses fronting no street with abutting on-street parking	
\\				
<u>Vacation rental home</u>	<u>1</u>	<u>None</u>	<u>None</u>	For every two bedrooms  <u>See NMC 15.445.330(A)</u>
\\				

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**Section 4. Newberg Development Code, 15.445 is amended as follows:**

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**15.445.310 Where allowed.**

Vacation rental homes are permitted in areas shown on Chapter 15.305 NMC. The vacation rental home must be a structure approved for occupancy as a single-family dwelling unit. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

A. The total number of vacation rental homes permitted in the City of Newberg shall not exceed two percent of the total number of households existing in the City of Newberg based on data published annually by the Community Development Department. The Director shall annually publish the total number of vacation rental homes permitted within the City and the number of available licenses. Should the City reach the two percent limit, no new vacation rental home permit shall be issued until an equal number of vacation rental permits become inactive or are terminated.

B. A vacation rental home permit is considered inactive if a business license for the vacation rental is not renewed within one year of its expiration.

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section. Vacation rental homes approved between October 13, 2013 and September 3, 2025 may continue to operate as legal nonconforming uses with two off-street parking spaces while meeting other standards in Chapter 15.445.330 NMC. Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use. All vacation rental homes in operation prior to September 3, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than December 2, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than September 3, 2026, or shall be terminated.

### **15.445.320 Registration required.**

Prior to use or advertising for use of a dwelling as a vacation rental home, the owner or operator shall register the vacation rental home with the city on forms provided by the director to obtain a land use permit, business license, and Transient Lodging Tax registration. The registration shall include such information required by the director, including the name and contact information for the owner, operator and local contact.

Penalty. Upon being notified by the City that a vacation rental home is operating without registration in violation of this code, its owner shall apply to register the vacation rental within 45 days of the date of notice and cease operation until registration has been obtained. Violation of a provision of this section shall be subject to an administrative civil penalty not to exceed \$2,000 for the first offense and \$5,000 for each additional offense and shall be processed in accordance with the procedures set forth in this code. Each confirmed rental booking following the 45 day notice shall constitute a separate violation.

[Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

### **15.445.330 Standards.**

~~A. The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants. In no case may a vacation rental home provide less than two off-street parking spaces.~~

B. The applicant shall provide for regular refuse collection.

C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.

D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

E. The applicant shall provide annual good neighbor notices to properties within 500 feet. The notice shall include such information required by the director, including the name and contact information of the owner, local contact, and complaint procedures per Chapter 15.445.350 NMC. Compliance shall be documented at vacation rental home business license renewal.

F. Ownership. The land use approval issued for a dwelling unit as a vacation rental home shall be in the names of the property owners and the land use approval is not transferable. When any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease. For purposes of this chapter, “sells or transfers” means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners. “Sale or transfer” does not, however, include (1) a change in ownership where title is held in survivorship by a spouse, domestic partner, or child, (2) transfers on the owner’s death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of that spouse, domestic partner, or child, and (3) transfers of ownership to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity, but only while the transferor lives and remains the only owner of the entity to which ownership was transferred.

G. Conditional use permits for vacation rental home approvals issued prior to August 20, 2025 may transfer to one subsequent owner or contract purchaser, and thereafter are subject to NMC 15.445.330(F).

H. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

### **15.445.340 Registration posting.**

The applicant shall post the vacation rental home registration within the dwelling adjacent to the front door. At a minimum, the posting will contain the following information:

- A. The name of the operator and a telephone number where the operator may be reached.
- B. The telephone number for the police department.
- C. The maximum number of occupants permitted to stay in the dwelling.
- D. The standards for the rental occupancy.
- E. The solid waste collection day. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

### **15.445.350 Complaints and revocation of registration.**

If the city receives two or more written complaints within a one-year period regarding vacation rental home occupancy compliance, and the issues have not been resolved through the code enforcement officer, the city manager may schedule a hearing to consider revoking the vacation rental home registration. The hearing may be conducted by the city manager, or other such hearings officer as the city manager may appoint for this purpose. The city manager shall notify the owner and operator of the hearing, those submitting written complaints, and may invite others to submit testimony at the hearing. After hearing the facts, the city manager may do any of the following:

- A. Revoke the registration for noncompliance with the standards in this section. If this permit is revoked, the premises may not be used as a vacation rental home for a period of two years, or a period of lesser time as determined by the hearings officer.
- B. Impose additional conditions necessary to fulfill the purpose of this section.
- C. Establish a probationary period to monitor compliance.
- D. Dismiss the complaint.
- E. Refer the matter to the code enforcement officer for citation in municipal court or other appropriate jurisdiction.

The hearings officer's decision may be appealed to the planning commission by the applicant, owner, or person filing the written complaint within 14 calendar days of the date of the decision in the manner provided in NMC 15.100.170. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

## Exhibit “A-2” to Ordinance No. 2025-2935 Findings for Vacation Rental Home Policy Update Related to Comprehensive Plan and Statewide Planning Goals – File DCA24-0003

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### A. FINDINGS FOR Statewide Planning Goals (the “Goals”)

#### **GOAL 1: CITIZEN INVOLVEMENT**

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

**Finding:** The Newberg Planning Commission developed initial recommendations on vacation rental home policy updates at regularly noticed meetings on August 10 and September 12, 2023. The Short-Term Rental Ad Hoc Committee was formed by the Newberg City Council on September 5, 2023 and held 5 public meetings to discuss policy alternatives and receive feedback from the public. Following the initiation of the development code amendment at the City Council’s March 4, 2024 meeting, the City Council hosted a community listening session August 22, 2024 introducing issues related to vacation rental homes and inviting public comment. The City Council and Planning Commission held a public joint work session to approve the project’s scope of work, and the Community Development Department held three open house events to provide information on existing policy and prevalence of vacation rental homes and receive feedback on recommended policies. The open house events were targeted at the general public and vacation rental home operators, and were provided in in-person and online formats. The City Council provided policy direction at its March 17, 2025 meeting, and the Planning Commission held a work session on draft development code language on April 10, 2025. The Planning Commission will conduct a public hearing at its May 8, 2025 meeting to consider the staff report, public testimony, and findings, deliberate, and make a recommendation to the Newberg City Council. Public notice was published by the Newberg Graphic on April 24, 2025 and posted in four public places on May 1, 2025. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025 (DLCD File # 001-25) The Newberg City Council held a public work session on the proposed development code amendment on June 2, 2025 followed by a public hearing on adoption on July 7, 2025 and July 21, 2025.

The Goal is met.

#### **GOAL 2: LAND USE PLANNING**

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

**Finding:** This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed legislative amendment to the Newberg Comprehensive Plan follows the Type IV procedure outlined in Newberg Municipal Code Chapter 15.100.060 and notice procedures for Type IV legislative hearings in NMC Chapters 15.100.250 and 15.100.270. The recommendations of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council were informed by background information related to the City's existing adopted regulations, recent trends related to rental home operations, analysis of public comments, and an overview of regulatory approaches that jurisdictions in Oregon and other communities are using to manage vacation rental activities. The Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council considered policy and operational alternatives in making their recommendations at work sessions and public meetings. As discussed elsewhere in these findings, the proposed policy updates and implementation measures are consistent with the Newberg Comprehensive Plan goals and policies.

The Goal is met.

### **GOAL 3: AGRICULTURAL LANDS**

To preserve and maintain agricultural lands.

**Finding:** Not applicable because the proposal does not propose any land use regulation changes to agricultural lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

### **GOAL 4: FOREST LANDS**

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

**Finding:** Not applicable because the proposal does not propose any land use regulation changes to forest resource lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

### **GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES**

To protect natural resources and conserve scenic and historic areas and open spaces.

**Finding:** The proposed amendment will not negatively impact inventoried Goal 5 resources because the amendments do not change protections that already exist in the Newberg Municipal

Code, Specific Plans and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with Goal 5.

For the preservation of designated historic resources identified in Newberg's Historic Resources Inventory, procedures and applicable criteria for historic resources are reviewed pursuant to Chapter 15.344 Historic Landmarks (H) Subdistrict for landmark designation, exterior modifications, destruction and relocation, delisting, and general administration.

This Goal is met.

## **GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY**

To maintain and improve the quality of the air, water and land resources of the state.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies.

This Goal is met.

## **GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS**

To protect people and property from natural hazards.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

## **GOAL 8: RECREATIONAL NEEDS**

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

**Finding:** The proposed development code amendments provide for the regulation and facilitation of vacation rental homes within the City. Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's recreational goals and policies.

This Goal is met.

## **GOAL 9: ECONOMIC DEVELOPMENT**

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

**Finding:** The proposed development code amendments provide a consolidated land use review process for vacation rental homes and policies to preserve the balance between the needs of the tourism industry and preserve the character of the town. Newberg has an acknowledged Comprehensive Plan that complies with this goal, which includes general policies related to the economy encouraging tourist-related activities and services and promoting Newberg as a tourist destination location. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

## **GOAL 10: HOUSING**

To provide for the housing needs of citizens of the state.

**Finding:** Newberg has seen an increase in the number of vacation rental home applications since the current policies were established in 2013. The proposed development code amendments include a limit on the number of vacation rental homes permitted in the City. This cap, limited to two percent of the number of households within Newberg, will ensure that the City's housing stock is available for residents and continued growth in the City. The proposed development code amendments do not impact the adopted municipal code provisions intended to provide flexibility in development standards to affordable housing projects or to the incentive programs adopted by the Newberg City Council to promote a diversity of housing types and sizes. The proposal also does not modify the housing goals and policies identified within Newberg's Comprehensive Plan.

This Goal is met.

## **GOAL 11: PUBLIC FACILITIES AND SERVICES**

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's public facilities requirements such as infrastructure or utilities or the City's Capital Improvement Program.

This Goal is met.

## **GOAL 12: TRANSPORTATION**

To provide and encourage a safe, convenient and economic transportation system.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's transportation requirements or transportation capital

improvements or the City's adopted Transportation System Plan.

This Goal is met.

### **GOAL 13: ENERGY CONSERVATION**

To conserve energy.

**Finding:** The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

### **GOAL 14: URBANIZATION**

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

**Finding:** The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the existing Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal. The proposal will maintain Newberg's identity and enhance the quality living and employment environment by balancing growth and providing varying business activities.

This Goal is met.

### **GOAL 15: WILLAMETTE RIVER GREENWAY**

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

**Finding:**

The City of Newberg is located along the Willamette River on its southern border. The proposed amendment does not alter any area or protections otherwise established in the Newberg Comprehensive Plan or Newberg Municipal Code within the boundaries of the Willamette River Greenway.

This Goal is not applicable.

## B. FINDINGS FOR Newberg Comprehensive Plan Goals and Policies

### A. CITIZEN INVOLVEMENT

**GOAL:** To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

**Finding:** The City meets this goal through its Type IV legislative procedures subject to NMC 15.100.060 and 15.100.250 as well as through completion of public outreach, noticing, and public meetings that were conducted. There have been public meetings of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, Newberg City Council, and public engagement events. A webpage was prepared to inform the public of the pending proposal. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal I of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

### B. LAND USE PLANNING

**GOAL:** To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

**Finding:** The City meets this goal by having a comprehensive plan that follows state goals and implementing ordinances such as the Newberg Municipal Code. Policy B(2) requires that “The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as needed.” The proposed development code updates achieve this goal by providing an opportunity for review of the City’s vacation rental home policies.

The Goal is met.

### C. AGRICULTURAL LANDS

**GOAL:** To provide for the orderly and efficient transition from rural to urban land uses.

**Finding:** The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the development of areas of transition from rural to urban land uses or conversion of urbanizable land from agricultural to urban uses.

This Goal is not applicable.

## **D. WOODED AREAS**

**GOAL:** To retain and protect wooded areas.

**Finding:** The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the preservation of wooded areas or other implementing policies such as the Stream Corridor Overlay Subdistrict protections.

This Goal is not applicable.

## **E. AIR, WATER, AND LAND RESOURCE QUALITY**

**GOAL:** To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

### **POLICIES**

1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.
3. As public sanitary sewer systems become available, all development shall connect to the public system. To encourage economic development, the City may permit subsurface sewerage disposal where the system meets State and County requirements and where unique circumstances exist.
4. The Newberg airshed shall be protected from excessive pollution levels resulting from urbanization.
5. New industry should be located in area which minimize the impacts upon the air, water, and land resources base, as well as upon surrounding land uses.
6. The City will cooperate with State and Federal agencies which regulate environmental quality and shall adhere to the standards established by these agencies in the issuance of any permits or approvals given by the City. This policy is intended to cover discharges and emissions which may impair air, water or land quality or exceed the established standards for noise or other emissions.
7. The threat of excessive noise will be considered when reviewing land use requests. In addition, and new commercial and industrial developments shall conform to DEQ noise pollution standards.
8. The City will continue to support soil conservation measures designed to prevent unnecessary losses through excavation, stripping, erosion, and sedimentation.
9. The City will seek abatement of the aesthetic degradation of the environment resulting from blighted neighborhoods, indiscriminate waste disposal, offensive outdoor storage.
10. The City shall promote community cleanup programs.

11. The City will continue to encourage and support the three R's of recycling (re-use, reduction, and recycling)

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Any permit submittal will be required to meet state requirements regarding emissions and noise as well as local ordinances, as applicable.

This Goal is met.

## **F. AREAS SUBJECT TO NATURAL HAZARDS**

**GOAL:** To protect life and property from flooding and other natural hazards.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

## **G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES**

**GOALS:**

1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

[...]

**POLICY:** 3. Historic Resources Policies

- a. The continued preservation of Newberg's designated historic sites and structures shall be encouraged.

[...]

- d. The City will encourage the re-use of historic structures such as the establishment of bed and breakfast operations, specialty shops, restaurants and professional offices.

[...]

**Finding:** The proposed amendment will not negatively impact open space or historic resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans, and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with State Goal 5.

The proposed policy updates for vacation rental homes do not change the designated historic resources that already exist in the proposed zone or what it would take to modify them. The

proposed policies do not currently provide recreational resources or open space and is not located in the Willamette River Greenway. The proposed policies are designed to provide regulated use of vacation rental homes that grow as the City's population increases, facilitating access to adequate recreational resources and opportunities for visitors.

The Goal is met.

## H. THE ECONOMY

GOAL: To develop a diverse and stable economic base.

### 1. General Policies

- a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.
- b. The City shall encourage economic expansions consistent with local needs
- c. The City will encourage creation the creation of a diversified employment base, the strengthening of trade centers and the attraction of both capital and labor intensive enterprises.
- d. Newberg will encourage the development of industries which represent the most efficient use of existing resources including land, air, water, energy and labor
- e. Economic expansion shall not exceed the carrying capacity of the air, water or land resource quality of the planning area.
- f. The City shall participate with local and regional groups to coordinate economic planning.
- g. The City shall encourage business and industry to locate within the Newberg City limits.
- h. Yamhill County history, products and activities should be promoted.
- i. The City shall encourage tourist-related activities and services such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities.
- j. A mixed-use river-oriented commercial area should be encourage to be developed near the Willamette River.
- k. The City shall promote Newberg as a tourist destination location.
- l. The City shall promote the expansion of local viticulture and wine productions as a method for increasing tourism.

**Finding:** Tourism is a key part of Newberg's economy, and policies H(1)(i) and H(1)(k) highlight that "the City shall encourage tourist-related activities such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities" and that "the City shall promote Newberg as a tourist destination." The commercial use of vacation rental homes provides accommodation for tourists. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on

the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

## **I. HOUSING**

**GOAL:** To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels. (Ordinance 2006-2634).

**Finding:** The proposed development code amendment includes policies to limit the number of vacation rental home to grow as the City's population increases. This cap will allow additional residential development to be used by Newberg residents. The proposed policy updates do not change the Comprehensive Plan's density, location, or mix policies, and do not impact development code development standards for additional residential or middle housing development.

This Goal is met.

## **J. URBAN DESIGN**

**GOAL 1:** To maintain and improve the natural beauty and visual character of the City.  
**GOAL 2:** To develop and maintain the physical context needed to support the livability and unique character of Newberg.

**Finding:** Vacation rental homes require a special use permit and are subject to the special use standards in Newberg Municipal Code Chapter 15.445. The proposed development code amendments maintain the special use standards and apply new standards to increase the compatibility of vacation rental homes in residential areas. The vacation rental home use occurs in single-family dwellings and the setbacks, landscaping, sign regulations, building heights and design standards apply to new residential development.

This Goal is met.

## **K. TRANSPORTATION**

**GOAL 1:** Establish cooperative agreements to address transportation based planning, development, operation and maintenance.  
**GOAL 2:** Establish consistent policies which require concurrent consideration of transportation/land use system impacts.  
**GOAL 3:** Promote reliance on multiple modes of transportation and reduce reliance on the automobile.  
**GOAL 4:** Minimize the impact of regional traffic on the local transportation system.  
**GOAL 5:** Maximize pedestrian, bicycle and other non-motorized travel throughout the City.

- GOAL 6: Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.).
- GOAL 8: Maintain and enhance the City's image, character and quality of life.
- GOAL 9: Create effective circulation and access for the local transportation system.
- GOAL 10: Maintain the viability of existing rail, water and air transportation systems.
- GOAL 11: Establish fair and equitable distribution of transportation improvement costs.
- GOAL 12: Minimize the negative impact of a Highway 99 bypass on the Newberg community.
- GOAL 13: Utilize the Yamhill County Transit Authority (YCTA) Transit Development Plan (TDP) as a Guidance Document.
- GOAL 14: Coordinate with Yamhill County Transit Area.
- GOAL 15: Implement Transit-Supportive Improvements.

**Finding:** The City of Newberg has an adopted Transportation System Plan from 2016 which includes the Addendum Riverfront Master Plan 2021 which have gone through the Post Acknowledgment Amendment process. The transportation system is planned to accommodate the population growth of the community for a 20-year planning period. There are no proposed modifications to the transportation system.

This Goals are met.

## L. PUBLIC FACILITIES AND SERVICES

GOAL: To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban development.

**Finding:** Existing public facilities and services are already available and planned for the City. No new roads or infrastructure are planned for this amendment, and no changes are proposed to the City's Capital Improvement Program.

This Goal is not applicable.

## M. ENERGY

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

**Finding:** The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

## N. URBANIZATION

GOALS:

1. To provide for the orderly and efficient transition from rural to urban land uses.
2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.
3. To create a quality living environment through a balanced growth of urban and cultural activities.

**Finding:** The proposed amendment is within City Limits and will not create any new growth or transition from rural to urban land uses.

This Goal is met.

**Conclusion:** Based on the findings above, the proposed development code amendments for updates to the City's vacation rental home policies meets all statewide planning goals and goals of the Newberg Comprehensive Plan, or the goals are not applicable.



## ***PLANNING COMMISSION RESOLUTION 2025-399***

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### **A RESOLUTION RECOMMENDING CITY COUNCIL AMEND THE NEWBERG MUNICIPAL CODE, TITLES 3 AND 15 TO UPDATE VACATION RENTAL HOME POLICY**

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#### **RECITALS**

1. On September 15, 2013, the Newberg City Council adopted Ordinance No. 2013-2763 containing multiple amendments to the Newberg Municipal Code zoning use table and definitions, approval criteria, and development standards for the operation of vacation rental homes.
2. On September 5, 2023, the Newberg City Council formed a Short-Term Rental Ad Hoc Committee.
3. On September 14, 2023, the Newberg Planning Commission approved recommendations for updates to the City's vacation rental home regulation.
4. On February 1, 2024, the Short-Term Rental Ad Hoc Committee unanimously approved recommendations for updates to the City's vacation rental home regulations.
5. On March 4, 2024, the Newberg City Council directed staff to update regulations and operations for vacation rental homes.
6. On August 22, 2024, the Newberg City Council hosted a community listening session and on November 20, 2024, December 3, 2024, and December 4, 2024, staff held public engagement events to receive community feedback on recommended policy updates.
7. On April 3, 2025, staff submitted a Post-Acknowledgement Plan Amendment (PAPA) notice with the Department of Land Conservation and Development (DLCD)
8. On April 10, 2025, the Newberg Planning Commission conducted a work session on the proposed development code amendments.
9. On May 8, 2025, after proper notice, the Newberg Planning Commission opened a public hearing, considered public testimony, deliberated, found that the proposed amendments were in the best interests of the City of Newberg.

#### **The Newberg Planning Commission resolves as follows:**

1. The Planning Commission of the City of Newberg recommends the City Council adopt the proposed changes to the Newberg Municipal Code amendments for Title 3 Revenue and Finance and Title 15 Development Code to update vacation rental home policy.

2. This recommendation is based on the staff report, Exhibit "A" Development Code Amendment language and Findings in Exhibit "B".
3. Exhibits "A" and "B" are incorporated by reference.

**Adopted by the Newberg Planning Commission this 8<sup>th</sup> day of May 2025.**

ATTEST:

  
\_\_\_\_\_  
Planning Commission Chair

  
\_\_\_\_\_  
Planning Commission Secretary

List of Exhibits:

- Exhibit "A": Development Code Amendments
- Exhibit "B": Findings

## Exhibit “A” to Planning Commission Resolution No. 2025-399 Development Code Amendments – File DCA24-0003

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Note: Formatting of amendments:

1. Code edits and revisions are indicated using double underline for text additions and ~~strike-out~~ for text deletions.
2. Backslashes “\” indicate text that is unchanged and has been omitted for brevity.

**The Newberg Municipal Code shall be amended as follows:**

**Section 1. Revenue and Finance, 3.10 is amended as follows:**

### **Chapter 3.10 TRANSIENT LODGING TAX**

Sections:

- 3.10.010 Definitions.
- 3.10.020 Levy.
- 3.10.030 Collection.
- 3.10.040 Operator’s duties.
- 3.10.050 Exemptions.
- 3.10.060 Returns.
- 3.10.070 Penalties and interest.
- 3.10.080 Deficiencies, fraud, evasion, and delay.
- 3.10.090 Redeterminations.
- 3.10.100 Security for collection.
- 3.10.110 Lien.
- 3.10.120 Refunds.
- 3.10.130 Expenditure of funds and collection fee.
- 3.10.140 Administration.
- 3.10.150 Appeal to city council.
- 3.10.160 Violations.
- 3.10.170 Penalty.

#### **3.10.010 Definitions**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“**Agent**” includes, but is not limited to, an on-line or Internet based booking service (Craigslist, AirBnB, VRBO, HomeAway, FlipKey, VacationHomeRentals, Roomorama, as examples), a travel intermediary, or a person licensed by the Oregon Real Estate Agency.

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“Operator” means the person who is proprietor of a hotel and motel in any capacity and, where the operator performs their functions through a managing agent other than an employee, the managing agent who shall have the same duties and liabilities as their principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

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### **3.10.030 Collection.**

A. Every operator renting a room in this city, the occupancy of which is not exempted under the terms of NMC 3.10.050, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall collect the applicable transient lodging tax.

2. Where no agent is used for the advertisement, management, or booking of a vacation rental home, the operator shall collect the applicable transient lodging tax.

B. In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.

C. The tax administrator shall enforce this chapter and may adopt rules and regulations consistent with this chapter and necessary to aid in the enforcement. [Ord. 1835A, 12-6-76. Code 2001 § 36.17.]

### **3.10.040 Operator’s duties.**

Each operator or agent as applicable shall collect the tax imposed by NMC 3.10.020 on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator’s records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded. [Ord. 1835A, 12-6-76. Code 2001 § 36.18.]

**Penalty:** See NMC 3.10.170.

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### **3.10.060 Returns.**

A. The tax imposed by NMC 3.10.020 shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding quarter and are delinquent on the first day of the following month in which they are due.

B. On or before the fifteenth day of the month following each quarter of collection by an operator, the operator shall file a return for that quarter's tax collections with the tax administrator. The return shall be filed in such form as the tax administrator prescribes.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall file the applicable transient lodging tax return. The operator shall file a form confirming submission of transient lodging tax through the agent, or that no tax was collected to be remitted, in such form as the tax administrator provides.

C. A return shall show the amount of tax collected or otherwise due for the period for which the return is filed. The total rentals upon which the tax is collected or otherwise due, gross receipts of the operator for the period, and an explanation in detail of any discrepancy between such amounts, and the amount of rents exempt, if any.

D. The person required to file the return shall deliver the return, together with the remittance of the amount of the tax due, with the tax administrator's office either by personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery.

E. For good cause, the tax administrator may extend, not to exceed one month, the time for making any return or payment of tax. Any operator to whom an extension is granted shall pay interest at the rate of one-half of one percent per month or fraction thereof. If a return is not filed, the tax and interest shall become a part of the tax for computation of penalties prescribed in NMC 3.10.070.

F. The tax administrator, if the tax administrator deems it necessary in order to ensure payment or facilitate collection by the city of the amount of taxes in any individual case, may require returns and payment of the amount of taxes for other than monthly periods. [Ord. 1835A, 12-6-76.Code 2001 § 36.20.]

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**Section 2. Development Code, 15.305.020 is amended as follows:**

## **Chapter 15.305 ZONING USE TABLE**

Sections:

- 15.305.010 Classification of uses.
- 15.305.020 Zoning use table – Use districts.
- 15.305.030 Zoning use table – Use subdistricts.

### **15.305.010 Classification of uses.**

The zoning use table under NMC 15.305.020 identifies the land uses that are allowed in the

various zoning districts. The specific land use categories are described in Chapter 15.303 NMC. The table identifies each use as one of the following:

P Permitted Use. The use is a permitted use within the zone. Note that the use still may require design review, building permits, or other approval in order to operate.

C Conditional Use. A conditional use permit is required for the use. See Chapter 15.225 NMC.

S Special Use. The use is subject to specific standards as identified within this code. The applicable section is included in the last column of the table.

(#) A note indicates specific limits on the use. These notes are listed at the bottom of the table.

X Prohibited Use. The use is specifically prohibited.

If none of the codes above are indicated, then the use is not permitted within the zone. [Ord. 2763 § 1 (Exh. A § 6), 9-16-13.]

15.305.020 Zoning use table – Use districts.

Newberg Development Code – Zoning Use Table

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#	Use	R-1	R-2	R-3	R-4	RP	C-1	C-2	C-3	C-4	M-E	M-1	M-2	M-3	M-4-I	M-4-C	M-5	CF	I	AR	AI	Notes and Special Use Standards	
460	<b>COMMERCIAL LODGING</b>																						
Def.	Vacation rental home	CS	CS	S	S	S	S(13)	S(13)	S(13)	S(13)	X						S(13)						Chapter 15.445 NMC, Article VII
(13) Permitted in existing dwelling units only. New dwelling units may not be created for this use unless the dwelling unit would otherwise be allowed.																							

\\

**Section 3. Newberg Development Code, 15.440 is amended as follows:**

\\

**15.440.030 Parking spaced required.**

\\

Table 15.440.030(A) Minimum Parking Spaces Required and Maximum Parking Spaces Allowed by Use

Use	Minimum Parking Spaces Required	Maximum Parking Spaces Allowed		Rate and Units
		Uses fronting a street with abutting on-street parking	Uses fronting no street with abutting on-street parking	
\\				
<u>Vacation rental home</u>	<u>1</u>	<u>None</u>	<u>None</u>	For every two bedrooms  <u>See NMC 15.445.330(A)</u>
\\				

\\

**Section 4. Newberg Development Code, 15.445 is amended as follows:**

\\

**15.445.310 Where allowed.**

Vacation rental homes are permitted in areas shown on Chapter 15.305 NMC. The vacation rental home must be a structure approved for occupancy as a single-family dwelling unit. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

A. The total number of vacation rental homes permitted in the City of Newberg shall not exceed two percent of the total number of households existing in the City of Newberg based on data published annually by the Community Development Department. The Director shall annually publish the total number of vacation rental homes permitted within the City and the number of available licenses. Should the City reach the two percent limit, no new vacation rental home permit shall be issued until an equal number of vacation rental permits become inactive or are terminated.

B. A vacation rental home permit is considered inactive if a business license for the vacation rental is not renewed within one year of its expiration.

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section. Vacation rental homes approved between October 13, 2013 and August 6, 2025 may continue to operate as legal nonconforming uses with two off-street parking spaces while meeting other standards in Chapter 15.445.330 NMC. Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use. All vacation rental homes in operation prior to August 6, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than November 4, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than August 6, 2026, or shall be terminated.

### **15.445.320 Registration required.**

Prior to use or advertising for use of a dwelling as a vacation rental home, the owner or operator shall register the vacation rental home with the city on forms provided by the director to obtain a land use permit, business license, and Transient Lodging Tax registration. The registration shall include such information required by the director, including the name and contact information for the owner, operator and local contact.

Penalty. Upon being notified by the City that a vacation rental home is operating without registration in violation of this code, its owner shall apply to register the vacation rental within 45 days of the date of notice and cease operation until registration has been obtained. Violation of a provision of this section shall be subject to an administrative civil penalty not to exceed \$2,000 for the first offense and \$5,000 for each additional offense and shall be processed in accordance with the procedures set forth in this code. Each confirmed rental booking following the 45 day notice shall constitute a separate violation.

[Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

### **15.445.330 Standards.**

~~A. The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants.~~ In no case may a vacation rental home provide less than two off-street parking spaces.

B. The applicant shall provide for regular refuse collection.

C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.

D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

E. The applicant shall provide annual good neighbor notices to properties within 500 feet. The notice shall include such information required by the director, including the name and contact information of the owner, local contact, and complaint procedures per Chapter 15.445.350 NMC. Compliance shall be documented at vacation rental home business license renewal.

F. Ownership. The land use approval of the dwelling unit as a vacation rental home is in the names of the property owners and the land use approval is not transferable. Except as provided in subsection F(1), below, when any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease.

1. For purposes of this chapter, “sells or transfers” means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners, except a change in ownership where title is held in survivorship with a spouse, domestic partner, or child, or transfers on the owner’s death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of the spouse, domestic partner, or child. An owner may transfer ownership of the real property to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to loss of short-term rental land use approval so long as the transferor lives and remains the only owner of the entity to which ownership was transferred. Upon the transferor’s death or upon the sale or transfer of his or her interest in the entity to another person, the short-term rental land use approval shall terminate.

G. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

### **15.445.340 Registration posting.**

The applicant shall post the vacation rental home registration within the dwelling adjacent to the front door. At a minimum, the posting will contain the following information:

- A. The name of the operator and a telephone number where the operator may be reached.
- B. The telephone number for the police department.
- C. The maximum number of occupants permitted to stay in the dwelling.
- D. The standards for the rental occupancy.
- E. The solid waste collection day. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

### 15.445.350 Complaints and revocation of registration.

If the city receives two or more written complaints within a one-year period regarding vacation rental home occupancy compliance, and the issues have not been resolved through the code enforcement officer, the city manager may schedule a hearing to consider revoking the vacation rental home registration. The hearing may be conducted by the city manager, or other such hearings officer as the city manager may appoint for this purpose. The city manager shall notify the owner and operator of the hearing, those submitting written complaints, and may invite others to submit testimony at the hearing. After hearing the facts, the city manager may do any of the following:

- A. Revoke the registration for noncompliance with the standards in this section. If this permit is revoked, the premises may not be used as a vacation rental home for a period of two years, or a period of lesser time as determined by the hearings officer.
- B. Impose additional conditions necessary to fulfill the purpose of this section.
- C. Establish a probationary period to monitor compliance.
- D. Dismiss the complaint.
- E. Refer the matter to the code enforcement officer for citation in municipal court or other appropriate jurisdiction.

The hearings officer's decision may be appealed to the planning commission by the applicant, owner, or person filing the written complaint within 14 calendar days of the date of the decision in the manner provided in NMC 15.100.170. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

## **Exhibit “B” FINDINGS FOR SIGN CODE UPDATE RELATED COMPREHENSIVE PLAN AND STATEWIDE PLANNING GOALS**

### **A. FINDINGS FOR Statewide Planning Goals (the “Goals”)**

#### **GOAL 1: CITIZEN INVOLVEMENT**

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

**Finding:** The Newberg Planning Commission developed initial recommendations on vacation rental home policy updates at regularly noticed meetings on August 10 and September 12, 2023. The Short-Term Rental Ad Hoc Committee was formed by the Newberg City Council on September 5, 2023 and held 5 public meetings to discuss policy alternatives and receive feedback from the public. Following the initiation of the development code amendment at the City Council’s March 4, 2024 meeting, the City Council hosted a community listening session August 22, 2024 introducing issues related to vacation rental homes and inviting public comment. The City Council and Planning Commission held a public joint work session to approve the project’s scope of work, and the Community Development Department held three open house events to provide information on existing policy and prevalence of vacation rental homes and receive feedback on recommended policies. The open house events were targeted at the general public and vacation rental home operators, and were provided in in-person and online formats. The City Council provided policy direction at its March 17, 2025 meeting, and the Planning Commission held a work session on draft development code language on April 10, 2025. The Planning Commission will conduct a public hearing at its May 8, 2025 meeting to consider the staff report, public testimony, and findings, deliberate, and make a recommendation to the Newberg City Council. Public notice was published by the Newberg Graphic on April 24, 2025 and posted in four public places on May 1, 2025. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025 (DLCD File # 001-25) The Newberg City Council is scheduled to hold a public work session on the proposed development code amendment on June 2, 2025 followed by a public hearing on adoption on July 7, 2025.

The Goal is met.

#### **GOAL 2: LAND USE PLANNING**

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

**Finding:** This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed legislative amendment to the Newberg Comprehensive Plan follows the Type IV procedure outlined in Newberg Municipal Code Chapter 15.100.060 and notice procedures for Type IV legislative hearings in NMC Chapters 15.100.250 and 15.100.270. The recommendations of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council were informed by background information related to the City's existing adopted regulations, recent trends related to rental home operations, analysis of public comments, and an overview of regulatory approaches that jurisdictions in Oregon and other communities are using to manage vacation rental activities. The Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council considered policy and operational alternatives in making their recommendations at work sessions and public meetings. As discussed elsewhere in these findings, the proposed policy updates and implementation measures are consistent with the Newberg Comprehensive Plan goals and policies.

The Goal is met.

### **GOAL 3: AGRICULTURAL LANDS**

To preserve and maintain agricultural lands.

**Finding:** Not applicable because the proposal does not propose any land use regulation changes to agricultural lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

### **GOAL 4: FOREST LANDS**

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

**Finding:** Not applicable because the proposal does not propose any land use regulation changes to forest resource lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

### **GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES**

To protect natural resources and conserve scenic and historic areas and open spaces.

**Finding:** The proposed amendment will not negatively impact inventoried Goal 5 resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans and Master Plans to protect these resources. Newberg has an acknowledged

Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with Goal 5.

For the preservation of designated historic resources identified in Newberg's Historic Resources Inventory, procedures and applicable criteria for historic resources are reviewed pursuant to Chapter 15.344 Historic Landmarks (H) Subdistrict for landmark designation, exterior modifications, destruction and relocation, delisting, and general administration.

This Goal is met.

## **GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY**

To maintain and improve the quality of the air, water and land resources of the state.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies.

This Goal is met.

## **GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS**

To protect people and property from natural hazards.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

## **GOAL 8: RECREATIONAL NEEDS**

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

**Finding:** The proposed development code amendments provide for the regulation and facilitation of vacation rental homes within the City. Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's recreational goals and policies.

This Goal is met.

## **GOAL 9: ECONOMIC DEVELOPMENT**

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

**Finding:** The proposed development code amendments provide a consolidated land use review process for vacation rental homes and policies to preserve the balance between the needs of the tourism industry and preserve the character of the town. Newberg has an acknowledged Comprehensive Plan that complies with this goal, which includes general policies related to the economy encouraging tourist-related activities and services and promoting Newberg as a tourist destination location. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

## **GOAL 10: HOUSING**

To provide for the housing needs of citizens of the state.

**Finding:** Newberg has seen an increase in the number of vacation rental home applications since the current policies were established in 2013. The proposed development code amendments include a limit on the number of vacation rental homes permitted in the City. This cap, limited to two percent of the number of households within Newberg, will ensure that the City's housing stock is available for residents and continued growth in the City. The proposed development code amendments do not impact the adopted municipal code provisions intended to provide flexibility in development standards to affordable housing projects or to the incentive programs adopted by the Newberg City Council to promote a diversity of housing types and sizes. The proposal also does not modify the housing goals and policies identified within Newberg's Comprehensive Plan.

This Goal is met.

## **GOAL 11: PUBLIC FACILITIES AND SERVICES**

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's public facilities requirements such as infrastructure or utilities or the City's Capital Improvement Program.

This Goal is met.

## **GOAL 12: TRANSPORTATION**

To provide and encourage a safe, convenient and economic transportation system.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's transportation requirements or transportation capital improvements or the City's adopted Transportation System Plan.

This Goal is met.

## **GOAL 13: ENERGY CONSERVATION**

To conserve energy.

**Finding:** The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

## **GOAL 14: URBANIZATION**

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

**Finding:** The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the existing Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal. The proposal will maintain Newberg's identity and enhance the quality living and employment environment by balancing growth and providing varying business activities.

This Goal is met.

## **GOAL 15: WILLAMETTE RIVER GREENWAY**

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

### **Finding:**

The City of Newberg is located along the Willamette River on its southern border. The proposed amendment does not alter any area or protections otherwise established in the Newberg Comprehensive Plan or Newberg Municipal Code within the boundaries of the Willamette River Greenway.

This Goal is not applicable.

## B. FINDINGS FOR Newberg Comprehensive Plan Goals and Policies

### A. CITIZEN INVOLVEMENT

**GOAL:** To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

**Finding:** The City meets this goal through its Type IV legislative procedures subject to NMC 15.100.060 and 15.100.250 as well as through completion of public outreach, noticing, and public meetings that were conducted. There have been public meetings of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, Newberg City Council, and public engagement events. A webpage was prepared to inform the public of the pending proposal. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal I of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

### B. LAND USE PLANNING

**GOAL:** To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

**Finding:** The City meets this goal by having a comprehensive plan that follows state goals and implementing ordinances such as the Newberg Municipal Code. Policy B(2) requires that “The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as needed.” The proposed development code updates achieve this goal by providing an opportunity for review of the City’s vacation rental home policies.

The Goal is met.

### C. AGRICULTURAL LANDS

**GOAL:** To provide for the orderly and efficient transition from rural to urban land uses.

**Finding:** The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the development of areas of transition from rural to urban land uses or conversion of urbanizable land from agricultural to urban uses.

This Goal is not applicable.

## **D. WOODED AREAS**

**GOAL:** To retain and protect wooded areas.

**Finding:** The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the preservation of wooded areas or other implementing policies such as the Stream Corridor Overlay Subdistrict protections.

This Goal is not applicable.

## **E. AIR, WATER, AND LAND RESOURCE QUALITY**

**GOAL:** To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

### **POLICIES**

1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.
3. As public sanitary sewer systems become available, all development shall connect to the public system. To encourage economic development, the City may permit subsurface sewerage disposal where the system meets State and County requirements and where unique circumstances exist.
4. The Newberg airshed shall be protected from excessive pollution levels resulting from urbanization.
5. New industry should be located in area which minimize the impacts upon the air, water, and land resources base, as well as upon surrounding land uses.
6. The City will cooperate with State and Federal agencies which regulate environmental quality and shall adhere to the standards established by these agencies in the issuance of any permits or approvals given by the City. This policy is intended to cover discharges and emissions which may impair air, water or land quality or exceed the established standards for noise or other emissions.
7. The threat of excessive noise will be considered when reviewing land use requests. In addition, and new commercial and industrial developments shall conform to DEQ noise pollution standards.
8. The City will continue to support soil conservation measures designed to prevent unnecessary losses through excavation, stripping, erosion, and sedimentation.
9. The City will seek abatement of the aesthetic degradation of the environment resulting from blighted neighborhoods, indiscriminate waste disposal, offensive outdoor storage.
10. The City shall promote community cleanup programs.

11. The City will continue to encourage and support the three R's of recycling (re-use, reduction, and recycling)

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Any permit submittal will be required to meet state requirements regarding emissions and noise as well as local ordinances, as applicable.

This Goal is met.

## **F. AREAS SUBJECT TO NATURAL HAZARDS**

**GOAL:** To protect life and property from flooding and other natural hazards.

**Finding:** Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

## **G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES**

**GOALS:**

1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

[...]

**POLICY:** 3. Historic Resources Policies

- a. The continued preservation of Newberg's designated historic sites and structures shall be encouraged.

[...]

- d. The City will encourage the re-use of historic structures such as the establishment of bed and breakfast operations, specialty shops, restaurants and professional offices.

[...]

**Finding:** The proposed amendment will not negatively impact open space or historic resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans, and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with State Goal 5.

The proposed policy updates for vacation rental homes do not change the designated historic resources that already exist in the proposed zone or what it would take to modify them. The

proposed policies do not currently provide recreational resources or open space and is not located in the Willamette River Greenway. The proposed policies are designed to provide regulated use of vacation rental homes that grow as the City's population increases, facilitating access to adequate recreational resources and opportunities for visitors.

The Goal is met.

## H. THE ECONOMY

GOAL: To develop a diverse and stable economic base.

### 1. General Policies

- a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.
- b. The City shall encourage economic expansions consistent with local needs
- c. The City will encourage creation the creation of a diversified employment base, the strengthening of trade centers and the attraction of both capital and labor intensive enterprises.
- d. Newberg will encourage the development of industries which represent the most efficient use of existing resources including land, air, water, energy and labor
- e. Economic expansion shall not exceed the carrying capacity of the air, water or land resource quality of the planning area.
- f. The City shall participate with local and regional groups to coordinate economic planning.
- g. The City shall encourage business and industry to locate within the Newberg City limits.
- h. Yamhill County history, products and activities should be promoted.
- i. The City shall encourage tourist-related activities and services such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities.
- j. A mixed-use river-oriented commercial area should be encourage to be developed near the Willamette River.
- k. The City shall promote Newberg as a tourist destination location.
- l. The City shall promote the expansion of local viticulture and wine productions as a method for increasing tourism.

**Finding:** Tourism is a key part of Newberg's economy, and policies H(1)(i) and H(1)(k) highlight that "the City shall encourage tourist-related activities such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities" and that "the City shall promote Newberg as a tourist destination." The commercial use of vacation rental homes provides accommodation for tourists. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue

growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

## **I. HOUSING**

**GOAL:** To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels. (Ordinance 2006-2634).

**Finding:** The proposed development code amendment includes policies to limit the number of vacation rental home to grow as the City's population increases. This cap will allow additional residential development to be used by Newberg residents. The proposed policy updates do not change the Comprehensive Plan's density, location, or mix policies, and do not impact development code development standards for additional residential or middle housing development.

This Goal is met.

## **J. URBAN DESIGN**

**GOAL 1:** To maintain and improve the natural beauty and visual character of the City.  
**GOAL 2:** To develop and maintain the physical context needed to support the livability and unique character of Newberg.

**Finding:** Vacation rental homes require a special use permit and are subject to the special use standards in Newberg Municipal Code Chapter 15.445. The proposed development code amendments maintain the special use standards and apply new standards to increase the compatibility of vacation rental homes in residential areas. The vacation rental home use occurs in single-family dwellings and the setbacks, landscaping, sign regulations, building heights and design standards apply to new residential development.

This Goal is met.

## **K. TRANSPORTATION**

**GOAL 1:** Establish cooperative agreements to address transportation based planning, development, operation and maintenance.  
**GOAL 2:** Establish consistent policies which require concurrent consideration of transportation/land use system impacts.  
**GOAL 3:** Promote reliance on multiple modes of transportation and reduce reliance on the automobile.  
**GOAL 4:** Minimize the impact of regional traffic on the local transportation system.  
**GOAL 5:** Maximize pedestrian, bicycle and other non-motorized travel throughout the City.  
**GOAL 6:** Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.).  
**GOAL 8:** Maintain and enhance the City's image, character and quality of life.

- GOAL 9: Create effective circulation and access for the local transportation system.
- GOAL 10: Maintain the viability of existing rail, water and air transportation systems.
- GOAL 11: Establish fair and equitable distribution of transportation improvement costs.
- GOAL 12: Minimize the negative impact of a Highway 99 bypass on the Newberg community.
- GOAL 13: Utilize the Yamhill County Transit Authority (YCTA) Transit Development Plan (TDP) as a Guidance Document.
- GOAL 14: Coordinate with Yamhill County Transit Area.
- GOAL 15: Implement Transit-Supportive Improvements.

**Finding:** The City of Newberg has an adopted Transportation System Plan from 2016 which includes the Addendum Riverfront Master Plan 2021 which have gone through the Post Acknowledgment Amendment process. The transportation system is planned to accommodate the population growth of the community for a 20-year planning period. There are no proposed modifications to the transportation system.

This Goals are met.

## L. PUBLIC FACILITIES AND SERVICES

**GOAL:** To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban development.

**Finding:** Existing public facilities and services are already available and planned for the City. No new roads or infrastructure are planned for this amendment, and no changes are proposed to the City's Capital Improvement Program.

This Goal is not applicable.

## M. ENERGY

**GOAL:** To conserve energy through efficient land use patterns and energy- related policies and ordinances.

**Finding:** The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

## N. URBANIZATION

**GOALS:**

1. To provide for the orderly and efficient transition from rural to urban land uses.
2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.

3. To create a quality living environment through a balanced growth of urban and cultural activities.

**Finding:** The proposed amendment is within City Limits and will not create any new growth or transition from rural to urban land uses.

This Goal is met.

**Conclusion:** Based on the findings above, the proposed development code amendments for updates to the City's vacation rental home policies meets all statewide planning goals and goals of the Newberg Comprehensive Plan, or the goals are not applicable.



## Planning Commission Meeting

May 8, 2025

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### **CALL MEETING TO ORDER**

Vice Chair Layne Quinn called meeting to order at 7:00 p.m.

### **ROLL CALL**

Commissioners Present:

Layne Quinn (Vice Chair)  
Jason Dale  
Mathew Mansfield  
Randy Rickert  
Jose Villalpando  
Kriss Wright

Commissioners Absent: Elise Steffen (Student)  
Linda Newton-Curtis(Chair)

City Council Representative:

Jeri Turgesen (absent)

Staff Present:

Community Development Director: Scot Siegel  
Assistant Planner: James Dingwall  
Administrative Assistant: Rachel Thomas

### **PUBLIC COMMENTS**

There were no public comments.

### **CONSENT CALENDAR**

#### [4/10/2025 Planning Commission Meeting Minutes](#)

Commissioner Kriss Wright motioned to approve the April 10, 2025 Planning Commission meeting minutes with amendments to page 2, paragraph 4, second sentence. The amendments clarified that Commissioner Wright, not Chair Newton-Curtis, expressed concern about the limited public input process with special use permits and eliminating LUBA in the process. It also added that Chair Newton-Curtis felt the Planning Commission was making waves and facing retaliation from city council by being removed from the short-term rental or vacation rental hearings process.

*Motion: Commissioner Kriss Wright moved to approve the April 10, 2025 Planning Commission meeting minutes as amended. Commissioner Randy Rickert seconded the motion.*

The motion passed unanimously.

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## **LEGISLATIVE PUBLIC HEARINGS**

DCA24-0003: Updates to the City's vacation rental home policy that include changes to the Zoning Use Table classifications (NMC 15.305), Special Use Standards (NMC 15.445), and Transient Lodging Tax (NMC 3.10).

James Dingwall, Assistant Planner, presented the staff report on proposed updates to the city's vacation rental home policy. He outlined the process to date, including community engagement events and previous Planning Commission discussions. Dingwall explained the proposed amendments to Title 3 Revenue and Finance and Title 15 Development Code.

Key changes included:

- Requiring agents to collect transient lodging tax when used for vacation rentals
- Changing vacation rentals from conditional use to special use in the zoning table
- Implementing a 2% cap on total vacation rental permits based on households in the city
- Establishing grandfathering and compliance timelines for existing vacation rentals
- Requiring registration, including land use permit, business license, and transient lodging tax registration
- Proposing penalties for unregistered vacation rentals

Dingwall noted that no changes were currently proposed to development standards like parking requirements, but a memo was provided on potential parking standard options for the commission's consideration.

Public testimony was received from two residents:

- Robert Soppe expressed concerns about the lack of density caps in specific neighborhoods and urged keeping vacation rentals as a conditional use requiring Planning Commission approval. He worried about the potential for entire blocks to become dominated by vacation rentals without additional restrictions.
- Michael Pender, a vacation rental owner, supported automating tax collection to improve compliance. He noted bookings were down and suggested some owners may drop out with new rules. Pender questioned how downtown rentals without on-site parking would be affected by parking requirements.

The commissioners then deliberated on the proposed changes, focusing extensively on parking requirements. Commissioner Matthew Mansfield proposed adopting the bed and breakfast parking standard for vacation rentals. After discussion, the commission agreed to recommend a minimum of 2 parking spaces for rentals with 3 or fewer bedrooms, and for 4+ bedrooms, the number of spaces would be calculated as bedrooms divided by 2, rounded up with a minimum of 2 off street spaces.

There was also discussion about keeping vacation rentals as a conditional use permit in R1 and R2 zones to allow for more public input, rather than changing to a special use permit as staff recommended.

*Motion: Chair Layne Quinn moved to adopt resolution number 2025-399 which recommends that the city council adopt the development code amendments to update the city's vacation rental home policy with the corrections of the findings as recommended per the staff, with the contingency that staff create a table with regards to parking to create a base 2 spaces with additional spaces calculated based on the number of sleeping rooms (for 4+ bedrooms, number of spaces = bedrooms divided by 2, rounded up). Commissioner Jason Dale seconded the motion.*

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**ITEMS FROM STAFF**

Community Development Director Scot Siegel provided an update on upcoming Planning Commission activities:

- June 12th meeting will include a conditional use permit for an extension to an existing wireless facility
- July meeting will tentatively start work sessions on the next round of annual code maintenance amendments
- A housing development update is planned for later in the summer to align with state reporting requirements

**ITEMS FROM COMMISSIONERS**

Commissioner Kriss Wright reminded everyone about the upcoming special district election on May 20, 2025, and encouraged all to vote.

**ADJOURNMENT**

Vice Chair Layne Quinn adjourned the meeting at: 8:29 p.m.

Attest:



Linda Newton-Curtis, Planning Commission Chair



Fé Bates, Office Assistant

## Rachel Thomas

---

**From:** noreply@revize.com  
**Sent:** Friday, July 4, 2025 12:00 PM  
**To:** City Recorder  
**Subject:** New Public Comment  
**Attachments:** Newberg Commission Letter.pdf

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07  
Meeting-Body = Planning Commission  
Agenda-Item =  
Subject-Matter-to-Comment-On =  
Name = Stevie Curtis  
Representing =  
Email-Address = [REDACTED]  
Phone Number =  
Contact-Info-release[] = Yes  
Is-this-a-public-hearing[] = Yes  
Written-or-Spoken[] = Written  
Written-Comment =  
Client IP = 50.39.147.132

## Rachel Thomas

---

**From:** noreply@revize.com  
**Sent:** Tuesday, July 1, 2025 6:17 PM  
**To:** City Recorder  
**Subject:** New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07

Meeting-Body = City Council

Agenda-Item = Item 7. Short-Term Rental Ordinance

Subject-Matter-to-Comment-On =

Name = Jeremiah Cromie

Representing = Myself

Email-Address = [REDACTED]

Phone Number =

Contact-Info-release[] = Yes

Is-this-a-public-hearing[] = Yes

Written-or-Spoken[] = Written

Written-Comment = I would first like to say my comments are as a personal citizen of Newberg and not as a staff member of the City or representing the City in any form. As a citizen of Newberg, I am disappointed that the City Council is not considering distance restrictions on short-term rentals. While I appreciate the cap consideration and good neighbor notice, this means entire neighborhoods including those that our Council members live in could be turned into vacation rentals and you could be the only owner left in an entire subdivision (unless HOA bans STR's themselves). While I think the good neighbor notice is a good step, it is not enough.

If you need any further context, look at the concentration of short-term rentals near downtown here or look at McMinnville which had to update the buffer from 200 feet to 500 feet due to the concentration of short-term rentals clustering together. I ask that the Council seriously reconsider this matter before passing an updated short-term rental ordinance.

-Jeremiah Cromie

Client IP = 97.185.153.203

Friday, July 4th, 2025

Dear Members of the Newberg Town Commission,

I write to express my strong opposition to the proposed changes for short term rentals in Newberg. As someone who has called this area home for 30 years, since I was 10 years old, my concerns are grounded both in personal investment in our community and in our city's own Development Code and the fundamental principles that guide our community's growth and character.

I have lived in transient places like New York City and Phoenix, where anonymity is the norm. I know firsthand what it means to live without community connection, where no one knows your name or cares about your wellbeing.

What drew me back, and what I believe draws many of us here, is precisely what short term rental density threatens: the value of knowing your neighbors. Here, people still wave from their front porches, check on each other during illness, and share concerns about our shared spaces. Children play safely because multiple sets of caring eyes watch out for them. This isn't nostalgia, it's the lived reality that makes small town life worth preserving.

When I see short term rentals converting neighbor homes into a constant revolving door of strangers, I see the erosion of everything that makes Newberg special. We risk becoming just another place where people don't know who lives next door, where community connection is replaced by commercial transaction.

## **1. Direct Conflict with Newberg's Development Code Purpose**

Our Development Code explicitly states that it exists "to protect and promote the public health, safety, and general welfare, and to provide the economic and social advantages which result from an orderly, planned use of land resources." The expansion of short term rentals directly undermines these foundational objectives by:

- **Disrupting orderly land use:** Converting residential properties to commercial operations fundamentally alters the character of neighborhoods designed for residential living.
- **Reducing social advantages:** The Code specifically mentions social advantages from planned land use. Short term rentals fragment the social fabric that makes neighborhoods function as communities.

## **2. Violation of Residential Zone Intent**

Newberg's residential zones were established to provide stable, quiet neighborhoods where families can put down roots. Short term rentals transform these residential properties into quasi commercial enterprises that:

- Create noise and disturbance issues that residential zoning is meant to prevent. For example, just the other day I could hear music being blasted from a nearby vacation rental property as I walked my dogs.
- Introduce parking pressures that residential infrastructure wasn't designed to handle
- Undermine the predictable, stable environment that residential zoning promises to existing homeowners

### 3. Fiscal Inequity and Community Burden

The expansion of short term rentals creates a two tiered system where:

- **Permanent residents** bear the consistent tax burden supporting our schools, infrastructure, and services year round
- **Short term rental operators** generate commercial level profits while paying residential level taxes and fees
- **Public services** face increased demands (police calls, parking enforcement, noise complaints) without proportional revenue increases

This imbalance violates the principle of equitable contribution to our community's costs and benefits.

### 4. Housing Stock Depletion

Each home converted to short term rentals use represents:

- One less opportunity for a family to establish roots in Newberg
- Reduced housing availability for essential workers (teachers, healthcare workers, first responders)
- Artificial inflation of housing costs as investor demand competes with homebuyer demand
- Long term demographic shifts that could undermine the community workforce

### 5. Erosion of Neighborhood Stability

The Development Code's emphasis on "orderly, planned use of land resources" recognizes that stable neighborhoods require:

- **Predictable neighbors** who have long term investment in property maintenance and community relationships

- **Consistent traffic patterns** that don't surprise residents with unpredictable volumes
- **Informal social networks** that provide security, community connection, and mutual support

Short term rentals systematically undermine each of these stability factors.

## 6. Infrastructure Strain and Maintenance Costs

Short term rentals accelerate infrastructure wear through:

- **Increased utility demands** (water, sewer, garbage) with visitor heavy usage patterns exceeding residential design parameters
- **Parking infrastructure stress** from visitor turnover patterns that residential areas weren't designed to accommodate
- **Maintenance cost shifts** from property specific wear to city wide infrastructure, essentially subsidizing STR operations with taxpayer funds

## 7. Enforcement Challenges and Legal Accountability

The proposed expansion creates significant enforcement problems:

- **Absentee ownership** makes it difficult to serve legal notices or hold someone accountable for violations
- **Constantly changing occupants** mean violations often go unaddressed until after guests have left
- **Insufficient staffing** in current code enforcement to monitor compliance across expanded short term rental operations
- **Complaint resolution delays** that leave neighbors dealing with ongoing issues while bureaucratic processes play out

Who is ultimately responsible when STR guests violate city ordinances? Current residents shouldn't bear the burden of ongoing enforcement issues.

## 8. Transparency Concerns: Conditional Use vs. Special Use

The proposed shift from Conditional Use permits to Special Use permits represents a fundamental erosion of democratic process and community input:

- **Conditional Use requires public hearings** where neighbors can voice concerns, ask questions, and understand impacts on their streets
- **Special Use allows private approval** by the planning director without public notice or community input

- **Neighbors deserve to know** when properties on their street are being converted to commercial short term rental operations
- **Transparency builds trust** while closed door decisions breed suspicion and resentment
- **Community input often reveals problems** that planning staff might miss from desk reviews

The shift to Special Use permits essentially removes the community from decisions that directly impact neighborhood character and daily life. This is exactly backwards from what good governance requires.

## 9. Inadequate Density Protections

While the proposal includes citywide short term rentals limits, it fails to address neighborhood level density concerns:

- **Citywide caps don't prevent clustering** where entire blocks could convert from residential to short term rental use
- **Neighborhood character depends on distribution** not just total numbers
- **Livability suffers** when short term rentals concentrate in specific areas
- **Infrastructure impacts multiply** when multiple short term rentals operate on the same street
- **Community cohesion breaks down** when too many homes on a block become transient

Without density limits per neighborhood or street, the proposal could create short term rental dominated areas that lose all residential character while technically staying within citywide limits.

## Recommended Alternative Approach

I urge the Commission to:

1. **Conduct a comprehensive impact study** measuring current effects on housing availability, neighborhood character, municipal service demands, and infrastructure costs
2. **Implement strict density caps**
3. **Establish enforcement mechanisms** with dedicated staff, 24/7 local contact requirements, and meaningful penalties for violations
4. **Create mandatory review and sunset provisions** including:
  - Mandatory infrastructure impact assessments every two years
  - Automatic sunset clause requiring Commission reapproval of STR allowances after three years
  - Performance metrics tied to livability indicators, not just revenue generation
  - Clear triggers for policy rollback if negative impacts exceed projections

## Conclusion

I can say with certainty that Newberg's greatest asset isn't its potential as a tourist destination. It's the community bonds that make it a place where people choose to stay, raise families, and grow old among friends.

Newberg's Development Code provides clear guidance: our land use decisions must prioritize public health, safety, and general welfare while ensuring orderly, planned development. The proposed STR expansion fails this test by:

- Converting residential properties to commercial uses without proper zoning considerations
- Undermining the social cohesion that makes neighborhoods livable
- Creating fiscal inequities that burden permanent residents while straining municipal services
- Depleting housing stock needed for workforce stability
- Imposing enforcement challenges that current city resources cannot adequately address
- Accelerating infrastructure wear without proportional cost responsibility
- Removing community input through the shift to Special Use permits
- Failing to protect neighborhoods from short term rental clustering and density impacts

The proposed changes represent a fundamental shift away from transparent, community centered governance toward closed door decision making that prioritizes convenience over community input. The Commission must honestly assess whether our city has the resources, staff, and systems in place to manage the increased demands. The responsible approach is to establish mandatory review periods, sunset clauses, and clear performance metrics that prioritize community livability over short term revenue.

I urge you to focus on policies that strengthen our residential neighborhoods, support our permanent residents, and ensure that any short term rental activity truly serves the broader community interest rather than just individual profit motives.

Very best,

Stevie Curtis

## Rachel Thomas

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**From:** noreply@revize.com  
**Sent:** Wednesday, July 2, 2025 5:28 PM  
**To:** City Recorder  
**Subject:** New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07  
Meeting-Body = Written Testimony Attached  
Agenda-Item = Written testimony regarding the proposed new rules for short term vacation rentals.  
Subject-Matter-to-Comment-On =  
Name = Ramona Mangelsdorf  
Representing =  
Email-Address = [REDACTED]  
Phone Number =  
Contact-Info-release[] = Yes  
Is-this-a-public-hearing[] = Yes  
Written-or-Spoken[] = Written  
Written-Comment =  
Wednesday, July 2, 2025

Newberg City Council  
414 E First Street  
Newberg, OR 97132

Dear Members of the Newberg City Council,

I am writing to express my deep concern regarding the proposed change in the approval type for short-term vacation rentals (STRs) in Newberg—from a conditional use to a special use permit—as well as the lack of any density limits within residential neighborhoods.

As a resident who cares deeply about the character and livability of our community, I urge you to reconsider these changes. Allowing STRs to proliferate without density restrictions poses a serious threat to the fabric of our neighborhoods and the well-being of long-term residents.

While I understand that short-term rentals can provide economic benefits to individual homeowners and local businesses, the broader impacts must not be ignored. Not regulating density limits and easing permitting requirements will likely accelerate the conversion of long-term housing into vacation rentals, leading to:

Reduced housing availability and affordability – This change may encourage investors to buy up homes for short-term rental income, displacing local residents and driving up housing costs, which is already a very serious issue.

Increased noise and disruption – Visitors unfamiliar with neighborhood norms often bring excessive noise, late-night gatherings, and parking issues, especially in quiet residential areas.


Erosion of community character – A high turnover of temporary guests undermines neighborly relationships and diminishes the sense of safety and community we’ve worked hard to build.

Strain on local infrastructure – Transient use of homes can increase wear on city services, including trash collection, street parking (another very big issue in my neighborhood, near the Cultural Center, and public safety resources.

The conditional use process currently in place provides a necessary opportunity for public input and thoughtful review of each STR application, helping to ensure compatibility with surrounding homes. Replacing it with a special use designation—and forgoing density caps—effectively removes this safeguard and opens the door to unchecked expansion of STRs.

I respectfully urge the Council to maintain the conditional use requirement for short-term rentals and to establish or retain reasonable density limits that preserve the residential nature of our neighborhoods. Thoughtful regulation is not about opposing tourism—it is about balancing the needs of visitors with the rights and quality of life of permanent residents.

Thank you for your attention to this important issue and for your ongoing service to our community.

Sincerely,  
Ramona Mangelsdorf  
  
Newberg, OR

Client IP = 73.11.50.163

## Rachel Thomas

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**From:** noreply@revize.com  
**Sent:** Friday, July 4, 2025 10:32 AM  
**To:** City Recorder  
**Subject:** New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07  
Meeting-Body = The Short-Term Rental Ad Hoc Committee  
Agenda-Item = Conditional Use vs Special Use  
Subject-Matter-to-Comment-On =  
Name = Jacob Morris  
Representing =  
Email-Address = [REDACTED]  
Phone Number =  
Contact-Info-release[] = Yes  
Is-this-a-public-hearing[] = Yes  
Written-or-Spoken[] = Written  
Written-Comment = Hello,

My wife and I have been residents in Newberg for 4 years so far. We live next to a house that has been converted into some sort of Short Term Rental on Sherman Street. While the guests themselves have been overall pleasant, the increased traffic and demand for parking on our small street has caused a lot of inconvenience for us, to the point where we are considering moving to a new town.

We only have on-street parking available, so during Vacation Rental season, we often have to find other streets to park our vehicles which decreases our safety and the safety of our toddler. There have also been times we've been unable to put our garbage can on the road due to the large amount of vehicles parked in front of our house, which caused our garbage to not be picked up.

While these inconveniences don't sound like the end of the world on their own, they have been going on for a couple of years now and at the end of a long day at work, it's the last thing we want to deal with when we just want to get home. We're not against the idea of vacation rentals, but having them in neighborhoods that already struggle for road space is causing a lot of undue headache for us and our neighbors.

Client IP = 50.109.234.239

## James Dingwall

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**From:** roger currier <rcurrier@hevanet.com>  
**Sent:** Wednesday, July 9, 2025 5:20 PM  
**To:** Newberg City Council; PLANNING  
**Subject:** Short Term rentals Letter to submit

**Categories:** James

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

In talking with Mr. Soppe about the short term rental and changes to what “could be allowed “ –It seems that he and I agree on this subject and he has covered it in a short and very concise letter already Which he allowed me to use below:

Rather than I writing a whole new one and maybe mixing things up that I already wrote about when you allowed one just around the corner last year.

Please re think this whole thing out better! It would be nice to have our City be a City of knowing the neighbors –NOT A VACATION DESTINATION located in our local neighbor hoods.

**I have some concerns about the proposed changes in this Ordinance. I’m opposed to changing the approval process from Conditional Use to Special Use and I would like to see density caps added.**

**I think that approvals of Vacation Rentals should continue to be a public process with greater public input. I’m opposed to not having public meetings (Planning Commission), no oral public testimony, and dropping the requirement for consideration of the impact on livability to the surrounding neighborhood. I don’t think that a single individual approving the application provides the diverse views that we can get through the Planning Commission.**

**I think that it is critical to have density caps to prevent this fine neighborhood having its character lost. Vacation Rentals need not be a problem unless there are too many of them in an area. A vacant house, which is the case with a Vacation Rental more often than not, doesn’t contribute to a neighborhood.**

**We have a wonderful old neighborhood and I would hate to see that character be lost. I fear that will happen if too many of the existing houses become Vacation Rentals.**

**Please keep the approval process as a Conditional Use and impose a reasonable density cap. Don’t let our neighborhood go away!**

**Thank You for your time and consideration of this !**

**Roger Currier**  
**504 Pinehurst Dr.**  
**Newberg , Or.**

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# Vacation Rental Home Regulations Public Hearing

*File No. DCA24-0003*

Newberg City Council  
Monday, August 4 , 2025



# Staff Recommendation

Deliberate and provide direction on the “one-time burn” provision for existing Conditional Use Permits.

Adopt Ordinance No. 2025-2935 amending the Newberg Municipal Code, Title 3 Revenue and Finance and Title 15 Development code with updates to the City’s vacation rental home policy.

# Proposed Development Code Amendments

- Title 3 Revenue and Finance
  - NMC 3.10 Transient Lodging Tax
- Title 15 Development Code
  - NMC 15.305 Zoning Use Table
  - NMC 15.440 Off-Street Parking, Bicycle Parking, and Private Walkways
  - NMC 15.445 Special Use Standards
    - Article VII. Vacation Rental Homes

## 15.445.310 Where allowed

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section.

Vacation rental homes approved between October 13, 2013 and September 3, 2025 may continue to operate as legal nonconforming uses with two off-street parking spaces while meeting other standards in Chapter 15.445.330 NMC.

Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use.

All vacation rental homes in operation prior to September 3, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than December 2, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than September 3, 2026, or shall be terminated.

## 15.445.330 Standards

F. Ownership. The land use approval issued for a dwelling unit as a vacation rental home shall be in the names of the property owners and the land use approval is not transferable. When any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease. For purposes of this chapter, “sells or transfers” means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners. “Sale or transfer” does not, however, include (1) a change in ownership where title is held in survivorship by a spouse, domestic partner, or child, (2) transfers on the owner’s death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of that spouse, domestic partner, or child, and (3) transfers of ownership to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity, but only while the transferor lives and remains the only owner of the entity to which ownership was transferred.

## 15.445.330 Standards

G. Conditional use permits for vacation rental home approvals issued prior to August 20, 2025 may transfer to one subsequent owner or contract purchaser, and thereafter are subject to NMC 15.334.330(F).

## 15.445.330 Standards

H. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

# Staff Recommendation

Deliberate and provide direction on the “one-time burn” provision for existing Conditional Use Permits.

Adopt Ordinance No. 2025-2935 amending the Newberg Municipal Code, Title 3 Revenue and Finance and Title 15 Development code with updates to the City’s vacation rental home policy.

# Thank you!

Questions?

# REQUEST FOR COUNCIL ACTION



Order  Ordinance  Resolution  Motion  Information  Proclamation

Subject: Update and Direction on SB 1537 (UGB)

Staff: James Dingwall  
Department: Community Development

Business Session

Order On Agenda: New Business

Hearing Type: Legislative  Quasi-Judicial  Administrative  Not Applicable

**Date Action Requested: August 4, 2025**

**Is this item state mandated?** Yes  No

**If yes, please cite the state house bill or order that necessitated this action:** N/A

**Recommendation:** Move to direct staff to conduct a formal solicitation for SB 1537 “one-time” UGB expansion sites.

**Executive Summary:** On October 21, 2024, City Council directed staff to gauge property owner interest in using the SB 1537 “one-time” urban growth boundary (UGB) expansion option for affordable housing development. Staff sent a request for letters of interest to property owners adjacent to the urban growth boundary and in the urban reserve areas or whose land is designated as non-resource land.

Staff has received responses from multiple property owners indicating they may be interested in submitting a proposal if the City issues a formal solicitation for SB 1537 projects. See Attachment 1 for written letters of interest, staff also received verbal interest through contact to the Planning Department. The discussions with property owners and letters of interest received include a range of site sizes, from 5-10 acres – which also could be eligible for the “alternative for small additions” option provided in SB 1537 – to 60-80 acre sites.

Staff is requesting Council direction to proceed with a formal solicitation for SB 1537 UGB Expansion Sites, which would include application submissions with more detail on proposed sites such as development feasibility, affordable housing potential, and any other criteria identified by staff or Council. Public notice of the solicitation would be provided to the public, Yamhill County, each special district providing urban services within the City’s UGB, and the Department of Land Conservation and Development (DLCD). The City of Bend recently conducted a similar solicitation under SB 1537. Background on that process is found here: <https://www.bendoregon.gov/government/departments/growth-management/one-time-urban-growth-boundary-expansion-senate-bill-1537>.

SB 1537 requires that cities provide opportunities for public participation in selecting a site, including a public comment period, a meeting of the Planning Commission or City Council where public testimony is

considered, or a public open house, and published notice on the City’s website or newspaper. The City is not obligated to select a site but must follow a public process that is open to all eligible property owners, transparent, and provides for public input.

If the site selected is greater than 15 net acres, a Conceptual Plan will be required. The bill specifies the following Conceptual Plan elements:

- Diverse housing types and sizes, including middle housing, accessible housing (housing that complies with federal accessibility guidelines), and other needed housing as defined by statute;
- Development on lands zoned for residential or mixed-use uses;
- Net residential densities not less than six units per net residential acre (density standard is for cities with a population between 2,500 and 30,000);
- Recreation and open space lands;
- Lands for commercial uses that primarily serve the surrounding housing, are at a smaller scale, and are provided at the minimum amount necessary to support viable commercial and residential uses;
- Transportation network that provides a variety of transportation options;
- Protective measures for natural resources; and
- Housing affordability requirements.

A UGB amendment pursued under SB 1537 would be subject to the procedures of the Newberg Urban Area Management Agreement and referred to Yamhill County and the City Council for determinations based on the NUAMC decision. The adopted amendment expanding the UGB will be submitted to DLCD for approval. If a site addition is approved, the City will be required to submit reporting to DLCD every two years until the City determines that the development consistent with the conceptual plan is complete. The UGB expansion provisions of BN 1537 sunset on January 2, 2033. The City’s eligibility under the demonstration of need requirements would require a project to be vested by 2026 (based on the timing of previous UGB expansions for residential uses in the last 20 years).

**UGB Land Exchange Alternative:** On July 21, 2025, City Council deliberated on a proposed de-annexation that may seek to utilize the land swap alternative in SB 1537. The alternative is in lieu of other UGB expansions through SB 1537, so City Council’s decision to pursue a “one-time” expansion or the land swap would preclude the other. The City may simultaneously explore a One-Time UGB Expansion and the UGB Exchange Alternative, but Council must choose one or the other before deciding to approve any UGB addition under SB 1537.

**Fiscal Impact:** Staff time will be required to facilitate the solicitation of site applications. If a site is selected, staff time will be required to review a concept plan, if required, and process the UGB expansion application. These costs will be mitigated by requiring the successful proposer to bear the full cost of preparing and implementing their concept plan and any land use applications that may be required.

**Council Goals:** This item is related to:

Goal 2. Implement a careful and prudent fiscal policy.

Objective 3. Ensure that the city has a long-term financial plan that supports its goals and objectives.

Continuous Goal E. Further strategic planning and growth with local taxing districts.

**Attachments:**

1. Attachment 1. Letters of Interest

## James Dingwall

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**From:** Brian Bellairs <Brian@Bellairs-Gorman.com>  
**Sent:** Monday, July 21, 2025 8:30 PM  
**To:** James Dingwall  
**Subject:** Urban Growth Boundary Inclusion

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Mr. Dingwall,

This officially provides notice that we would like our land located at 31544 NE Corral Creek considered for inclusion in the Urban Growth Boundary via the "One-Time UGB Expansion" opportunity under SB 1537.

Our land is immediately adjacent to the current UGB and is easily served. We are amenable to the affordable housing deed restrictions that would apply if our land is included as part of this one time expansion.

For more than 20 years dating back to the Newberg's 2005 Ad Hoc Study the City of Newberg has consistently noted that our land should be included in the urban growth boundary. It is easily planned and serviceable, is located close to the newest employment sector, and the inclusion of our land can address issues with lack of traffic connectivity and public safety in The Greens that have been long-noted in the transportation plans.

Please contact us with any questions at 503 704-9872.

Our best regards,

Brian and Kathy Bellairs

Sent from my iPhone



HATHAWAY LARSON

Koback · Connors · Heth

July 23, 2025

**VIA EMAIL**

James Dingwall, Associate Planner  
City of Newberg  
Community Development Department  
414 E First Street  
Newberg, OR 97132  
[james.dingwall@newbergoregon.gov](mailto:james.dingwall@newbergoregon.gov)

Re: Letter of Interest - Senate Bill 1537 UGB Expansion

Dear James:

Thanks again for taking time last week to discuss my clients' interest in pursuing a Senate Bill ("SB") 1537 UGB expansion to incorporate their properties into the City of Newberg. We are sending you this letter to formally advise the City of my clients' interest in pursuing a SB 1537 UGB expansion and request that you forward this letter to the City Council for its consideration at their August 4, 2025 meeting.

I represent a group of property owners that own six (6) parcels located along the eastern edge of the City near the Providence Newberg Medical Center and adjacent to the City's UGB. The properties are located at 4900 NE Portland Rd., 30365 NE Trails End Lane (Tax lots R3216 01908 and R3215 01102), 30475 NE Trails End Lane, 30595 NE Trails End Lane and 31152 NE Corral Creek Rd, Newberg, Oregon. The total size of these properties is approximately 80 acres. Two of the parcels are zoned EF-20 and the remaining parcels are zoned AF-10.

My clients are long-standing members of the community who started working together months ago on a plan to pursue a SB 1537 UGB expansion to incorporate their properties into the City prior to the City's issuance of the request for letters of interest, dated July 1, 2025. My clients reached out to the City a few months ago to discuss this idea informally, retained me as a land use attorney to assist them with this project and met with Yamhill County earlier this month to discuss its input/support for this project. They desire to pursue a UGB expansion to facilitate the construction of diverse and higher density residential houses on their properties, with an emphasis on entry level and/or affordable housing. We believe this vision aligns with the City's desire and need for more housing, in particular more affordable housing options.

My clients hope the City will seriously consider supporting the use of the one-time SB 1537 UGB expansion process to incorporate their properties into the City's UGB. The combined properties are

**E. Michael Connors**  
1331 NW Lovejoy Street, Suite 950  
Portland, OR 97209  
[mike@hathawaylarson.com](mailto:mike@hathawaylarson.com)  
(503) 303-3111 direct  
(503) 303-3101 main

July 23, 2025  
Page 2

large (approximately 80 acres), adjacent to the City's UGB and surrounded by urban uses to the north, east and south of this area. The immediate area has very little, if any, farming activity and ODOT's planned Newberg-Dundee Bypass Project interchange project (Phase 2B) will run right through this area and cement its character as an urban area. My clients are organized, highly motivated and committed to pursuing this opportunity to the end. We have already vetted many of the SB 1537 requirements and are confident we can obtain approval of the UGB expansion with the City's support. My clients are in the early stages of determining the specific design and development for this area and are willing to work collaboratively with the City to achieve our mutual goals. My clients are also willing to partner with other surrounding property owners to increase the overall acreage up to the maximum 100 acres allowed under SB 1537, such as the adjacent properties owned by Providence Health Systems.

We really appreciate the opportunity to convey our interest in pursuing a SB 1537 UGB expansion to incorporate my clients' properties into the City of Newberg. Please let us know if you have any questions or need additional information.

Very truly yours,

HATHAWAY LARSON LLP

A handwritten signature in black ink, appearing to read "E. Michael Connors". The signature is written in a cursive, flowing style.

E. Michael Connors

EMC/ep

cc: Clients

## Rachel Thomas

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**From:** noreply@revize.com  
**Sent:** Thursday, July 31, 2025 10:46 AM  
**To:** City Recorder  
**Subject:** New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-08-04  
Meeting-Body = City Council  
Agenda-Item = 6.2  
Subject-Matter-to-Comment-On =  
Name = Danny Ehlers  
Representing =  
Email-Address = [REDACTED]  
Phone Number =  
Contact-Info-release[] = Yes  
Is-this-a-public-hearing[] = Yes  
Written-or-Spoken[] = Written  
Written-Comment =  
Client IP = 50.45.234.194

## Rachel Thomas

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**From:** Daniel Ehlers [REDACTED]  
**Sent:** Wednesday, July 30, 2025 5:35 PM  
**To:** City Recorder  
**Subject:** Written testimony, council meeting 8/4/2025

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Newberg City Council, my name is Danny Ehlers, I am a 40 year resident of Newberg and I have objections regarding item 6.2 of the August 4th meeting that I would like to have recorded as part of written public testimony.

1. Change from Conditional use to Special Use process.
  - I am opposed to this change to a single person approving vacation rentals and that approval should remain a public process with the planning commission where livability of the surrounding neighborhood remains a required consideration
2. Proposed changes do not include a limit on number of properties by density, block, street, square mile etc... that can be vacation rentals
  - Under these proposed changes every house in my neighborhood could become a vacation rental
  - My block, your block, the block up the street could quickly be reduced to homes that would be vacant for much of the year
  - I urge you to consider some logical limit on number of vacation rentals by density and not just a city wide cap

Thank you,  
Danny Ehlers

## Rachel Thomas

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**From:** noreply@revize.com  
**Sent:** Friday, August 1, 2025 12:48 PM  
**To:** City Recorder  
**Subject:** [QUESTIONABLE] New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-08-04  
Meeting-Body = City Council  
Agenda-Item = Item 6.2 (Vacation Rentals)  
Subject-Matter-to-Comment-On =  
Name = Jessica Abbott  
Representing =  
Email-Address = [REDACTED]  
Phone Number =  
Contact-Info-release[] = Yes  
Is-this-a-public-hearing[] = Yes  
Written-or-Spoken[] = Written  
Written-Comment =  
Client IP = 50.109.233.239

## Rachel Thomas

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**From:** Jessica Abbott [REDACTED]  
**Sent:** Friday, August 1, 2025 11:33 AM  
**To:** City Recorder  
**Subject:** Written Testimony for Item 6.2 for 8/4/2025

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Please accept the following as written testimony for item 6.2 (Vacation Rentals) at the 08/04/2025 City Council Meeting. Thank you.

I have lived in Newberg for five years, and in my current neighborhood for three. In that time, I have seen many vacation rentals pop up. Whenever a home goes on the market, I anticipate yet another rental (and this is usually the case). In the past three months, I've watched two homes go on the market, get sold, and undergo cosmetic changes and renovations to "modernize" them, stripping these homes of all color and character. I expect to see these homes as vacation rentals within the next year, also stripping them of community.

I worry that the lack of a density cap will continue this cycle in my downtown neighborhood. I also worry that the council will put this conversation off for a year, only to continue to delay it further or to brush it off because of lack of public comment. I would like to emphasize that this conversation needs to be a priority in a year, if not now. A density cap needs to be thoroughly explored to protect the community and affordability of our neighborhoods--especially the more walkable and accessible ones, that are already dense with vacation rentals.

I also worry that the switch to Special Use Permits will harm our communities. This switch limits transparency and accountability, while limiting community members' opportunity to express concerns about a rental going up in their neighborhood. Even if no one takes advantage of the opportunity, Newberg neighbors deserve to have the opportunity. Under Special Use, individuals who would like to run a vacation rental do not have to face their neighbors; they do not have to recognize the broader impact of their choices. Homeowners who would like to run vacation rentals should have to examine the impact of their decision in a transparent and public way. If we are a community, we have to be held accountable for the way our actions and decisions affect our community--even if they don't directly impact us.

A density cap and Conditional Use permits would make this process more sustainable for the community as a whole, not just to individuals seeking an entrepreneurial endeavor. I urge the council to prioritize a density cap conversation in one year--if not sooner-- and to consider an amendment to use Conditional Use permits over Special Use permits.

Thank you,  
Jessica Abbott

## Rachel Thomas

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**From:** noreply@revize.com  
**Sent:** Friday, August 1, 2025 12:38 PM  
**To:** City Recorder  
**Subject:** New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-08-04  
Meeting-Body = City Council  
Agenda-Item = Vacation Rentals  
Subject-Matter-to-Comment-On =  
Name = Cody McCracken  
Representing =  
Email-Address = [REDACTED]  
Phone Number =  
Contact-Info-release[] = Yes  
Is-this-a-public-hearing[] = Yes  
Written-or-Spoken[] = Written  
Written-Comment =  
Client IP = 173.164.104.2

## Rachel Thomas

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**From:** Cody McCracken [REDACTED]  
**Sent:** Friday, August 1, 2025 11:56 AM  
**To:** City Recorder  
**Subject:** Written Testimony for 8/4/25 City Council Meeting

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

This is intended as written testimony for the Newberg city council meeting on 8/4/25, pertaining to item 6.2 (Vacation Rentals).

Dear Council,

I recently bought a home in Newberg, and I'm concerned about the possibility of an increase in vacation rentals in town. I live in a part of town that already contains the vast majority of local vacation rentals, and I'm worried about the impact of more rentals on our neighborhood and community. I think certain preventative restrictions are in order to ensure the neighborhood is first and foremost for the people who live here, not for out of town investors who have no connection to the community beyond it being an opportunity for extra revenue.

Namely, these restrictions should include a density cap (to keep rentals from clustering in certain spots of town) and the easy enough restriction of NOT switching from conditional use permits to special use. The conditional use permit allows for greater transparency and opportunity for community input.

Thank you,

Cody

## Rachel Thomas

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**From:** noreply@revize.com  
**Sent:** Friday, August 1, 2025 8:00 AM  
**To:** City Recorder  
**Subject:** [QUESTIONABLE] New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-08-04

Meeting-Body = City Council

Agenda-Item = 6.2 Vacation Rentals

Subject-Matter-to-Comment-On =

Name = Stephanie Caneday

Representing =

Email-Address = [REDACTED]

Phone Number = [REDACTED]

Contact-Info-release[] = Yes

Is-this-a-public-hearing[] = Yes

Written-or-Spoken[] = Written

Written-Comment = When you hear the word neighborhood, you think not just of the houses and streets that serve as a backdrop, but of the people who love there, the people you can count on- to share scrumptious goodies from each other's gardens, to pick up your packages when you're out of town, to stop by and chat for a while.

I am lucky to live on a block like this, but am concerned with the increasing number of vacation rentals within a two block radius of my home. For this reason, it is important to keep the policies surrounding vacation rental approvals as public as possible, maintaining the current conditional use format.

I would also like the council to consider a density cap because our neighborhood already contains many vacation rentals, as evidenced by the city staff's heat map of short term rentals. One thing that I didn't hear mentioned at the previous meeting that should also be considered about our Zone 1 North Newberg neighborhood is the number of houses that are already owned by the university or rented by university students throughout the school year. They fall into a different category of rentals, but are impactful because they still don't house families long term and decrease the total number of houses available for families to purchase.

Thank you for your consideration.

Sincerely,  
Stephanie Caneday

Client IP = 73.240.133.80

# Update and Direction on SB 1537 UGB Expansion Options

City Council Briefing

August 4, 2025



## *City Council Goals*

- *Goal 2. Implement a careful and prudent fiscal policy.*
  - *Objective 3. Ensure that the city has a long-term financial plan that supports its goals and objectives.*
- *Continuous Goal E. Further strategic planning and growth with local taxing districts.*

## Staff Recommendation

- Move to direct staff to conduct a formal solicitation for SB 1537 “one-time” UGB expansion sites.

# Background

- In October 2024, City Council directed staff to gauge property owner interest in using the SB 1537 “one-time” UGB expansion option for affordable housing development.
- Staff sent a request for letters of interest to property owners adjacent to the UGB and in the urban reserve or designated as non-resource land.
- Staff received responses from multiple property owners, including written letters of interest and verbal conversations expressing interest if the city issued a formal solicitation.
  - Interest was received regarding a range of site sizes, from 5-10 acres to 70-80 acres.

# Process

- If the City issued a formal solicitation, property owners would submit additional detail on proposed sites and development feasibility, affordable housing potential, and other criteria identified by staff or City Council.
- Notice would be provided to the public, Yamhill County, each special district providing urban services within the UGB, and DLCD.
  - *The City of Bend is currently conducting the “one-time” UGB expansion process.*

# Process

- For large sites (15+ net acres), a conceptual plan is required, including:
  - Diverse housing types and sizes on residential or mixed-use land, at densities not less than six units per acre (maximum 7,260 sf lot size);
  - Recreation and open space land;
  - Commercial lands at a smaller scale to serve the residential uses;
  - Transportation network;
  - Protective measures for natural resources; and
  - Housing affordability requirements.
- Smaller sites (less than 15 net acres) do not require a concept plan.

# Process

- A “one-time” UGB amendment would be reviewed by NUAMC, the City Council, and Yamhill County, and receive final approval by DLCD.
- The City is eligible for the “one-time” expansion through 2026, based on Newberg’s prior residential UGB expansion history.
- DLCD Land Exchange Alternative
  - On July 21, 2025, City Council discussed a potential de-annexation and UGB land swap alternative provided in SB 1537. The land swap would be in lieu of the “one-time” UGB expansion. The City may explore both simultaneously, but City Council must choose one pathway.

Thank you!

Questions?

# REQUEST FOR COUNCIL ACTION



**Date Action Requested: (August 4, 2025)**

Order <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Information <input type="checkbox"/> Proclamation <input type="checkbox"/>	
Subject:  Seeking council approval to start the next I & I (Inflow and Infiltration) study in line with the budget.	Staff: Will Worthey & Brian Kershaw Department: Capital Engineering
Business Session – Continuing Business	Order On Agenda:

**Is this item state mandated?** Yes  No

**If yes, please cite the state house bill or order that necessitated this action:**

**Recommendation:**

Staff recommends the approval of this authorization to initiate the next I & I study.

A motion could be delivered like this:

“I move that Keller Engineering be authorized to initiate the next I & I research and study for a cost of \$167,355 dollars”

**Executive Summary:**

In early 2025 the city council enjoyed a presentation on the upcoming CIP projects needed to keep the city running in great condition. One of these was the next I & I study. The I & I study will allow several significant sub-tasks to be accomplished:

- Targets for future I & I repairs will be developed.
- Updates to CCTV for sections of sanitary lines in some of the older parts of the system.
- Estimates for reductions in I & I flows will be developed.
- Recommendations for lateral replacements and a new lateral program will be generated.
- A briefing will be generated for council from our findings.

See Keller work order attachment #1 for the full list of tasks that will be undertaken.

**Fiscal Impact:**

\$167,355 that was conventionally budgeted via the normal CIP process. Other follow on I & I repairs will flow from this study also already in the budget.

**Council Goals:**

Continuous goal A: Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply.

- Review the capital improvement projects annually.
- Focus on road and sidewalk improvements in Districts 1 & 3.

The I & I study will develop targets for repair ahead of future TUF work and other pipe repairs. This is a prudent use of money that will pay dividends in the future.

# 2025 INFILTRATION AND INFLOW STUDY

Owner Project No.: \_\_\_\_\_  
Consultant Project No.: 224060-012

This Task Order, entered between **City of Newberg** ("Owner"), and **Keller Associates, Inc.** ("Consultant"), is subject to the provisions of the Agreement for Professional Services ("Agreement"), dated July 16, 2024 and is effective as of the date of the last signature to the Agreement (Effective Date).

The Owner intends to complete an infiltration and inflow study as described in **Attachment A**, hereinafter referred to as the "Project".

Owner and Consultant agree to the following scope of services, schedule, and compensation.

**SCOPE:** Consultant's services under this Task Order are generally identified as follows: Infiltration and Inflow Study, as further outlined in **Attachment A**.

**SCHEDULE:** The Task Order shall commence on the above written date. Consultant shall complete its services within the schedule outlined in **Attachment A**.

**COMPENSATION:**

*Basic Services.* As compensation for services to be performed by Consultant, the Owner will pay Consultant the amount of **\$167,355** (One-hundred sixty-seven thousand three hundred fifty-five dollars) as described in **Attachment A**.

*Additional Services.* Compensation for performing Additional Services will be pursuant to a mutually agreed upon Addendum to this Task Order.

In Witness Whereof, the parties hereto have executed this Task Order Agreement by their signatures below.

**OWNER: CITY OF NEWBERG**

**CONSULTANT: KELLER ASSOCIATES, INC.**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Name: Peter Olsen

Title: \_\_\_\_\_

Title: Principal

Address: \_\_\_\_\_

Address: 245 Commercial St SE, Suite 210  
Salem, OR 97301

Telephone: \_\_\_\_\_

Telephone: (503) 364-2002

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Attachment A**  
**CITY OF NEWBERG**  
**2025 INFILTRATION AND INFLOW STUDY**  
**SCOPE OF WORK**

**PROJECT DESCRIPTION**

The **City of Newberg** (“City”) has contracted with **Keller Associates, Inc.** (“Consultant”) to provide an Infiltration and Inflow Study. The Consultant’s scope of work has been developed based on the following project description. As the project moves forward, some of the information may change or be refined, and additional information will become known, resulting in the possible need to change, refine, or supplement the scope of work.

The City of Newberg (City) owns and maintains the wastewater collection system that consists of over 73 miles of gravity pipelines, about 3 miles of wastewater force mains, seven lift stations, and over 1,700 manholes and cleanouts. The collection system spreads over four drainage basins, with the highest amount of infiltration and inflow (I/I) in the Dayton and Wynooski basins.

The 2013 Infiltration and Inflow (I/I) Study and 2018 wastewater master plan recommended a prioritized list of projects to reduce I/I within the sanitary sewer collection system. The City has since completed several sanitary sewer projects within the sanitary sewer service area. The City wishes to continue to reduce the amount of I/I that enters the collection system, and to address structural and operational defects that may impact pipe structural integrity and the performance of the collection system.

This study will build upon previous efforts and update the available information to better characterize the magnitude and distribution of the I/I. This study will also provide direction for continuing to reduce I/I. The study’s purpose is to help prioritize collection system rehab work, reduce flows to the treatment plant, and potentially delay (or eliminate) some capital improvements.

Consultant’s services are limited to those services outlined in the following scope of work.

**SCOPE OF WORK**

**TASK 1: PROJECT MANAGEMENT**

*Consultant Responsibilities*

- 1.1. Project Management. Provide general project administration services including contract administration, project accounting, monthly progress reports, scheduling, and internal project administration.

Kickoff Meeting. Prepare for and attend a project kickoff meeting with the City’s staff. The purpose of this meeting will be to establish communication channels, review the overall project schedule including major milestones and meetings, review objectives of the study, discuss available data and published materials that will be made available by the City, and review process for deliverables including process for City review and approval.

*City Responsibilities*

- Provide meeting space for project meetings. Provide advertising where required.

*Assumptions*

- Project management budget assumes a planning schedule of up to 12 months.
- Should City request additional meetings or require an extended schedule, project management budget will be increased accordingly.
- Unless otherwise noted, meetings/workshops may be held in person or via on-line meeting tools. This assumption applies to this task as well as subsequent tasks.

### *Deliverables*

- Monthly progress reports.
- Project meeting agendas and minutes.

## **TASK 2: DATA ACQUISITION**

### *Consultant Responsibilities*

- 2.1. Request for Information. A request for information will be prepared by the Consultant describing the information needed including, but not limited to, the following items:
  - a. 24-hour SCADA data pump run time and flow metering data for all lift stations, provided as a spreadsheet (previous 5 years). List of any known sanitary sewer overflows (SSOs).
  - b. Base mapping, including roadways, parcel lines, political boundaries, land use, topographic contours, current aerial imagery, manholes, and pipelines (along with material, age, and size attributes) to be provided in GIS format. GIS to include survey grade pipe invert data for modeled lines, incorporating recent survey information of collection system as applicable.
  - c. Precipitation data (15-minute intervals) for flow monitoring period.
  - d. WWTP discharge monitoring reports (DMRs) for the previous 5 years.
  - e. Collection system maintenance records (previous 12 years).
  - f. I/I reduction projects completed over the previous 12 years.
  - g. CCTV inspection footage collected over the previous 12 years, if available. Summary of pipeline condition reports from CCTV video files of sewer mains, if any.
  - h. List of known problems/issues.
- 2.2. Data Collection and Review. Collection and processing of furnished data, mapping, and reports. Provide a follow-up Request for Information for supplemental data, if necessary.
- 2.3. Pump Run Time Analysis. Analyze daily pump run time and flow meter data collected for each lift station and compare results to historical data.

### *City Responsibilities*

- Provide requested data within two weeks of request.
- Provide access to facilities and records.

### *Assumptions*

- Consultant shall be entitled to rely on the accuracy and completeness of the information provided by City, City's consultants and Contractors, information from public records, and information ordinarily or customarily furnished by others, including, but not limited to specialty Contractors, manufacturers, suppliers, and publishers of technical standards. This assumption applies to this task and subsequent tasks.

### *Deliverables*

- Requests for Information.

## **TASK 3: FLOW METER DATA ANALYSIS**

### *Consultant Responsibilities*

- 3.1. Historical Review. Review flow monitoring from the previous I/I studies.
- 3.2. Flow Monitoring Plan. Prepare a flow monitoring plan and a map with recommended monitoring sites.

- 3.3. Flow Monitoring Equipment Support. Utilize experience with Hach flow monitoring equipment and software to support City staff on use of the City-owned equipment and software. Consultant will procure one additional Flowlink license to use for the study. Consultant will support the City's staff as needed with setup of flow meters, data extraction, and removal of flow meters. For budgeting purposes, Consultant has planned a single day for setup, a second day to collect data, and a third day for take down.
- 3.4. Flow Monitoring Equipment Data Collection and Upkeep. Support City staff in using the cellular connection with flow meters to collect data regularly, determine whether data collected aligns with expectations, and support the maintenance of the units, if needed during the monitoring period. Provide up to two site visits for recalibration of equipment if there should be a blockage or some other malfunction related to the flow monitoring data.
- 3.5. Flow Monitoring Equipment Installation. Support City staff in the installation of City-provided flow meters.
- 3.6. Flow Monitoring Equipment Removal. Support City staff in the removal of City-provided flow meters.
- 3.7. Data Analysis. Convert and analyze data collected from flow meters.

#### *City Responsibilities*

- Provide flow monitoring equipment and any equipment maintenance materials and City staff for maintenance activities.
- Provide staff and equipment to complete all work required in confined spaces, including the installation and removal of flow meters.
- Provide traffic support and safety precautions as needed for flow monitor equipment installation, maintenance, and removal.
- Provide software associated with flow monitoring equipment and access privileges, if cloud based.

#### *Assumptions*

- The flow monitoring equipment provided by the City includes ten (10) Teledyne ISCO Duratracker flow meters and appurtenances. Data can be collected from all units via a cellular connection.
- Consultant will not enter manholes or any other designated confined space.
- For budgeting purposes, Consultant anticipates 270 hours of technical support associated with the flow meter data collection and analysis.
- It is anticipated that flow monitoring will take place at ten (10) locations.
- It is anticipated that continuous flow monitoring will only occur in the Dayton and Wyooski basins.
- Flow monitoring data will be observed and collected over a one-month period.
- Consultant anticipates this task will be completed sometime during the months of December to February.
- Flow monitoring software used for data collection, equipment programming, calibration, and data download to spreadsheet format is Flowlink.

#### *Deliverables*

- Flow Monitoring Plan.
- Summary tables and figures for flow monitoring will be incorporated into the report.

### **TASK 4: NIGHT-TIME MONITORING**

#### *Consultant Responsibilities*

- 4.1. Night-Time Monitoring Plan. Prepare plan for night-time flow monitoring including a map of prioritized areas of the sanitary sewer system. Determine priority areas considering available flow data and input from City staff.
- 4.2. Night-Time Flow Monitoring. Perform and document night-time monitoring of the areas identified as priority areas in the Night-Time Monitoring Plan. Photograph manholes with significant flows and infiltration.

- 4.3. Night-Time Monitoring Data Analysis. Prepare handwritten records of monitoring results, including flow depth, approximate velocity, pipe size, and manhole identifier, and transcribe to a spreadsheet format. Analyze collected data.

*City Responsibilities*

- Provide input and approval of Night-Time Monitoring Plan.
- Provide daily rainfall data (15-minute intervals) for the time period of continuous flow monitoring.

*Assumptions*

- If possible, consultant will provide a 48-hour notice to the City that they will be performing night-time flow monitoring using available weather data.
- Night-time monitoring will occur over two evenings for a crew of two (2).
- City staff will not be present for night-time monitoring.
- Night-time monitoring will be scheduled and completed during the wet season (schedule assumes December 2025 through March 2026) when there is a higher likelihood of heavy rainfall for an extended period.

*Deliverables*

- Night-Time Monitoring Plan.
- Summary tables and figures for night-time flow monitoring will be incorporated into the report.

**TASK 5: VIDEO INSPECTION**

*Consultant Responsibilities*

- 5.1. Historic Video Review. Review portions of the videos collected by the City for areas not inspected and rated during this project. For budgeting purposes, Consultant assumes forty (40) hours of CCTV video review during the analysis portion of this task.
- 5.2. Video Inspection Map. Prepare a map of the priority pipelines, considering City feedback and the flow monitoring results, lift station pump runtimes, and other available information.
- 5.3. Weekly Coordination Meetings. Participate in weekly coordination meetings. Consultant expects to meet weekly for the expected duration of the video inspection, three (3) months.
- 5.4. Video Inspection Analysis. Review and summarize inspection logs and ratings for all pipelines and manholes inspected for this project.

*City Responsibilities*

- Participate in weekly coordination meetings for the duration of the CCTV video inspection activities, expected to occur over three (3) months.
- Provide a venue for the coordination meetings, if needed.
- Identify CCTV segments the City desires Consultant to review and provide these to Consultant in a DVD format.
- Complete video inspection activities within Area 2, as planned, and prepare NASSCO PACP condition assessments for areas inspected.
- Contract directly with a cleaning and video inspection service provider to complete the remainder of the video inspections in the area identified in the Video Inspection Map. For budgeting purposes, it is assumed that the City will contract directly with Pacific Int-R-Tek.
- Provide inspection reports, including NASSCO PACP condition assessments, from video inspection activities for Consultant.

### *Assumptions*

- Consultant assumes that approximately fifty to eighty thousand (50,000 - 80,000) linear feet of pipeline and approximately 200 to three hundred (200 - 300) manholes will be included in the scope of the video inspection work. The scope will be partially completed by the City-contracted Contractor and partially completed by City efforts.
- Consultant is not responsible for preparation of NASSCO PACP condition assessments from CCTV footage gathered by the City or the Contractor.

### *Deliverables*

- Video Inspection Map.
- Summary tables and figures for condition assessments and CCTV reports will be incorporated into the report.

## **TASK 6: I/I Evaluation**

### *Consultant Responsibilities*

- 6.1. Develop prioritization criteria to utilize the data collected and analyzed in Tasks 2 through 6 to produce a list of sewer pipeline replacement/rehabilitation projects.
- 6.2. Estimate potential reductions in flow resulting from I/I activities. Compare this information with the estimated operating cost to convey and treat the water.
- 6.3. Prepare planning level cost estimates for replacement/rehabilitation projects assuming a unit cost per foot based on open cut technologies.
- 6.4. Provide recommendations/updates to the ongoing I/I reduction program as well as recommendations/updates for the lateral replacement program.
- 6.5. Develop map showing prioritized projects recommended for I/I reduction.

### *City Responsibilities*

- Provide financial records for estimating cost to convey and treat infiltration.

### *Assumptions*

- Assumes fewer than 30 locations are identified where stormwater directly discharges to the sanitary sewer system.
- No fieldwork (including surveying) is included.
- I/I investigations are anticipated to follow a process that includes evaluations of data which then facilitates prioritization of subsequent and more detailed field investigations. More specifically, the pump station and flow analysis can assist in targeting additional flow monitoring, night-time observations, and smoke testing with the objective of identifying specific projects that may reduce risks of pipe failure and excessive I/I.
- Consultant's opinions of probable cost represent Consultant's judgment as an experienced and qualified design professional. Since Consultant has no control over the cost of labor, materials, equipment, or services furnished by others, or over the City's and other contractor's methods of determining prices, or over competitive bidding or market conditions, the Consultant cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable cost prepared by the Consultant.

### *Deliverables*

- Draft write-up with a prioritized list of sewer pipeline replacement/rehabilitation projects. Final report to have City's comments incorporated.
- Figure showing prioritized areas for pipeline and manhole rehab.
- Planning level cost estimate for replacement/rehabilitation projects.

## **TASK 7: SUMMARY OF FINDINGS AND RECOMMENDATIONS**

### *Consultant Responsibilities*

- 7.1. Summary Report. Summarize findings from Tasks 2-7 in a summary report. Include the Smoke Testing Map, Night-Time Monitoring Map, Flow Monitoring Map, and map of recommended areas for I/I reduction.

### *City Responsibilities*

- Provide feedback on the draft Summary Report.

### *Assumptions*

- An evaluation of operation and maintenance budgets (including staffing levels) is not included as part of this study but can be provided as an additional service.

### *Deliverables*

- Draft and final Summary Report.
- Electronic copy of the final Summary Report.

## **TASK 8: CITY COUNCIL WORKSHOP**

### *Consultant Responsibilities*

- 8.1. City Council Workshop. Organize, prepare materials for, and participate in one (1) City Council Workshop. It is anticipated that this meeting will occur just prior to finalization of the report.

### *City Responsibilities*

- Assist in addressing public comments, if applicable.

### *Deliverables*

- City Council Workshop materials.

## **OPTIONAL SERVICES (Not Included)**

- Field work, including survey check, material testing, etc.
- Additional Meetings, Public Outreach, or Stakeholder Support
- Staffing, operations and maintenance evaluation and recommendations beyond what is listed in the scope of work
- Environmental information documents, studies, field investigations, and permitting support

## **MANAGEMENT RESERVE**

From time to time the City may have additional tasks related to the project, or additional tasks may be encountered that are not identified in this scope of work or that may be dependent on decisions not yet made ("Additional Services"). This task establishes a management reserve for Additional Services. Consultant shall not perform any Additional Services unless authorized in writing by City staff (Public Works Director or City's Project Manager). Compensation for Additional Services may be based on Consultant's time and material or a lump sum amount as agreed by City and Consultant.

## **SCHEDULE**

Consultant intends to provide a draft master plan document for City review within 12 months of receiving the requested information from the City. The schedule assumes that requested information is provided by the City within the timeframes indicated in the scope of work, and that City reviews are generally completed within one week. The schedule is also contingent on completion of smoke testing in August or September of 2025.

## **COMPENSATION**

As compensation for services to be performed by Consultant, the City will pay Consultant as described in the following table. The total authorized budget amount shall not be exceeded without written authorization from the City.

<b>Task</b>	<b>Type</b>	<b>Amount</b>
Task 1 – Project Management	LS	\$16,390
Task 2 – Data Acquisition	LS	\$10,555
Task 3 – Continuous Flow Monitoring	T&M	\$38,620
Task 4 – Night Time Monitoring	LS	\$12,480
Task 5 – Video Inspection	LS	\$26,550
Task 6 – I/I Evaluation	LS	\$41,580
Task 7 – Summary of Findings and Recommendations	LS	\$6,850
Task 8 – City Council Workshop	LS	\$4,330
Management Reserve	T&M	\$10,000
<b>TOTAL COST</b>		<b>\$167,355</b>

LS = Lump Sum      T&M = Time and Materials

# REQUEST FOR COUNCIL ACTION



**Date Action Requested: April 7, 2025**

Order <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Information <input type="checkbox"/> Proclamation <input type="checkbox"/>	
Subject: Discussion of Draft Updates to Council Rules	Staff: Rachel Thomas Department: Administration
Business Session	Order On Agenda: Continued Business

**Is this item state mandated?** Yes  No

**If yes, please cite the state house bill or order that necessitated this action:**

**Recommendation:** Review and discuss the 2025 Council Rules draft. Advise staff of any changes requested. Councilors may choose to make amendments by motion or motion to approve this section as written.

Motion to instruct staff to proceed with legal review of the 2025 Council Rules draft (with or without amendments).

**Executive Summary:** In October of 2024, the council directed staff to begin updates to the Council Rules to encompass council preferences, update outdated practices, simplify, and clarify hearing procedures. This was also added to the Council Goals for 2025.

The City Recorder has drafted a new version of the council rules, based on the LOC Model Rules of Procedure. It has been adapted to meet the needs of the city of Newberg, reviewed by the City Manager and employee leadership team, and is now coming before the council for feedback.

This will be a multi-step process as we bring portions of the rules before the council for review and input over the course of several meetings. Once council input has been adopted, the rules will undergo legal review by our legal team and then come back to council for final approval.

Attachment A: 2025 Draft Council Rules

Attachment B: Current Council Rules

**Fiscal Impact:** N/A

## **Council Goals:**

Goal 4: Create and maintain a high level of transparency with our residents in order to build trust.

O2: Develop new streamlined council rules to institutionalize our administrative

enhancements. This will include the following enhancements from the last round of council goals:

- Work sessions prior to each decision item
- Seven-day publication schedule for council packets
- Executive summaries on all council packet items of 100 pages or more
- A more streamlined parliamentary procedure

# Newberg City Council, Board, Committee & Commission Guidelines (Draft)

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## CHAPTER 1 – General Governance

### **I. Rules of Procedure**

- A. These rules are intended to govern City Council and all boards, committees, and commissions (hereafter referred to as standing committees) of the city.
- B. Council meetings, and the meetings of any board, commission, or committee of city council, shall be guided by Robert's Rules of Order for Small Boards.<sup>1</sup> These rules are adopted according to NMC, Charter, Ch III, Section 11.
- C. Members of the council or governing body are encouraged to avoid invoking the finer points of parliamentary procedure found within Robert's Rules of Order when such points will obscure the issues before the council and confuse members of the public.
- D. Whenever these rules and Robert's Rules of Order conflict, these rules shall govern.

### **II. Quorum**

- A. A quorum is required to conduct official city business.<sup>2</sup>
- B. The members of the council are the city councilors and mayor. The members of a standing committee are as defined at their creation. Fifty percent plus one of the members of the council or a standing committee shall constitute a quorum. Vacancies in office do not count towards determining a quorum.
- C. In the event a quorum is not present, the members of the governing body present shall adjourn the meeting, or a smaller number may meet and compel attendance of absent members as outlined in Rule II D.
- D. When a quorum is not present at the time set for a meeting or when a quorum has been present and a meeting has commenced, but a quorum is no longer present, any member may move for a call of the house.
  - 1. The motion will be put in the following form: "I move for a call of the house." That motion will take precedence over all other business. The motion need not be seconded, but it is subject to discussion. At least two members present must concur for the call of the house motion to pass. If the motion is passed, then all unexcused absent members will be requested to attend or return to the meeting. The city manager will provide the administrative staff assistance necessary to compel the attendance of the unexcused absent members at the meeting. The presiding officer is authorized to recess the meeting to a certain time while attendance is being compelled.

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<sup>1</sup> Robert's Rules of Order Newly Revised, 12th edition, section 49:21.

<sup>2</sup> NMC Charter, CH 3, Section 13.

### III. Presiding Officer

#### A. City Council:

1. The mayor shall preside over all meetings. The mayor shall retain all rights and privileges of the office of the mayor as set out in the city charter when acting in this capacity.<sup>3</sup>
2. If the mayor is absent or otherwise unable to preside, the president of the council shall preside over the meeting. The president of the council shall retain all rights and privileges of the office of the mayor as set out in the city charter when acting in this capacity.<sup>4</sup>
3. If both the mayor and the president of the council are absent from the meeting or otherwise unable to preside, the following procedure shall be utilized to determine who is the presiding officer:
  - a. The city recorder shall call the council to order and call the roll of the members.
  - b. Those members of council present shall elect, by majority vote, a temporary presiding officer for the meeting.
  - c. Should either the mayor or the president of the council arrive, the temporary presiding officer shall relinquish control of the meeting immediately upon the conclusion of the item presently being discussed.
  - d. The presiding officer shall retain all rights and privileges of a member of council when acting in this capacity.
  - e. This process may be used to elect a presiding officer for a portion of a meeting if the mayor or council president is unable to preside over a single item.

#### B. Standing and Ad-Hoc Committees:

1. The chair shall preside over all meetings.
2. In the chair's absence the vice chair shall preside over the meeting.
3. If both the chair and vice chair are absent from the meeting or otherwise unable to preside, the following procedure shall be utilized to determine who is the presiding officer:
  - a. The staff liaison shall call the meeting to order and call the roll of the members.
  - b. Those members present shall elect, by majority vote, a temporary

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<sup>3</sup> (NMC, Charter, Ch III, Section 9)

<sup>4</sup> (NMC, Charter, Ch III, Section 10).

presiding officer for the meeting.

- c. Should either the chair or vice chair arrive, the temporary presiding officer shall relinquish control of the meeting immediately upon the conclusion of the item presently being discussed.
- d. The presiding officer shall retain all rights and privileges of a member when acting in this capacity.
- e. This process may be used to elect a presiding officer for a portion of a meeting if the chair or vice chair is unable to preside over a single item.

#### **IV. Other Elected and Appointed Officers**

- A. City Manager. The city manager is required to attend all meetings of the council, unless excused by council, and is permitted to participate in any discussion; however, the city manager has no authority to cast a vote on any decision rendered by the council.<sup>5</sup>
- B. City Attorney. The city attorney may attend any meeting of the council, and will, upon request, give an opinion on legal questions, either written or oral.
- C. City Recorder. The city recorder or designee shall be the parliamentarian and shall advise the presiding officer on any questions of order. Additionally, the city recorder shall keep the official minutes of the council.

#### **V. Agendas**

- A. The city recorder or designee shall prepare an agenda for every regular meeting, and for every special meeting. Staff liaisons serve as the designee for all standing committee meetings.
- B. Agendas and informational material for meetings shall be distributed to the council at least 7 days preceding the meeting. Supplemental items will be distributed at least 2 days prior to the meeting. Agendas and informational materials for standing committees should be distributed at least 7 days prior to the meeting and are required to be distributed more than 48 hours in advance of the meeting.<sup>6</sup>
- C. The mayor's approval shall be required for the publication of an agenda of any council meeting.
- D. With the consent of the mayor, the city manager may remove any items on the council agenda at any time prior to a meeting convening. The presiding officer shall announce such removal under announcements/proclamations.

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<sup>5</sup> (NMC, Charter, Ch VIII, Section 34, e, 1.)

<sup>6</sup> Note: Some actions taken by council and or standing committees may require even more notice. All legal requirements for notice shall be followed.

- E. A member of the council who wishes to have an item placed on the agenda shall advise the city manager and get the approval of the mayor at least 10 days prior to the meeting. A member of a standing committee who wishes to have an item placed on the agenda shall advise their staff liaison and get the approval of the chair at least 10 days prior to the meeting.
- F. Written Communications to Council
  - 1. Unsolicited communications to the mayor and/or council concerning matters that are not on an agenda shall be forwarded to the mayor and/or council but shall not be included in the agenda packet.
  - 2. The city manager may, under their discretion, bring any matter raised by unsolicited communication to the attention of the council as an agenda item, provided that such communication is accompanied by a staff report which sets forth the reason the matter should be considered by the council, and making a recommendation for council action.
- G. All items submitted to the council packet will require an executive summary of the decision before the council, and items over 100 pages in length will require an index, or hyperlinks, to the specific sections and attachments.
- H. Items that are legislative in nature, or that are deemed complex, will have a work session before the hearing, resolution, or main decision point is brought before the council. This may be waived by a majority of council.

## VI. Order of Business

The order of business for all regular meetings of City Council shall be as follows. However, when it appears to be in the best interest of the public, the order of business may be changed for any single meeting with the approval of the mayor. Agendas for special meetings may follow this order or be adjusted according to the purpose of the meeting. Committees may follow this order or set their own agenda order as desired.

- A. **Call to order**
- B. **Roll call**
- C. **Pledge of Allegiance**
- D. **Announcements**
- E. **Proclamations and Awards**
- F. **City Manager's Report**
- G. **Public comment on items not on the agenda**
- H. **Consent Agenda**
- I. **Continued Business**
- J. **New Business**

K. **Council Business**

L. **Adjournment**

- A. **Call to Order.** The presiding officer shall call all meetings of the council to order.
- B. **Roll Call.** The city recorder or staff liaison shall conduct a roll call to determine which members of the body are present and which are absent.
1. The attendance shall be properly reflected in the minutes.
  2. If roll call determines that a quorum is not present, this shall be addressed by Rule II.
- C. **Pledge of Allegiance** This will be led by the presiding officer.
- D. **Announcements.** Announcements are intended to be procedural in nature, such as an item being removed from the agenda, motions to reorder, insert or change agenda items. This also includes motions to remove items from the consent calendar.
- E. **Proclamations and Awards.** Proclamations are awards or recognition of individuals by the council.
- F. **City Manager's Report.** The City Manager will give a report at each regular council meeting with updates from all departments of the city. The first report of each month will include narrative information, the second report of each month will include statistical information. The council may ask questions of the city manager upon conclusion of the report being given. The city manager may call upon his staff to assist in answering questions.
- G. **Public Comment - See Chapter 5, Section III.**
- H. **Consent Agenda.** To expedite the council's business, routine agenda items shall be placed on the consent agenda.
1. All items on the consent agenda shall be approved by a single motion, unless an item is pulled for further consideration.
  2. Any item on the consent agenda may be removed for separate consideration by any member.
  3. For the purposes of this rule, separate consideration means any proposal to adopt a different course of action than that recommended in the request for council action, a determination that debate on a proposed course of action is deemed desirable, any questions to staff on an item, and any item where a member must declare a conflict of interest.
- I. **Continued Business.** This section of the agenda will include items that are being returned to council after previous introduction, work session, or consideration at a

recent meeting.

- J. New Business. This section of the agenda will include items that are being considered for the first time. This may include topics freshly presented to council after a period of more than six months.
  - K. Council Business. To include appointments, reports from councilors on standing committees, nominations and similar council business.
  - L. Adjournment. Meetings will be adjourned by the presiding officer.
-

## CHAPTER 2 – Meeting Time, Location and Frequency

### **I. City Council**

#### **A. Regular meetings**

1. The council shall meet every first and third Monday evening of each month, except for meetings falling on designated holidays, which will be held on the next business day. Regular meetings shall begin at 6 p.m. Should there be a lack of business, lack of quorum, or other conflict, the meeting may be cancelled, with consent of the mayor, providing at least one meeting occurs in the given month.<sup>7</sup>

#### **B. Special meetings**

1. Special meetings may be called by the presiding officer or by request of three members.
2. Notice of a special meeting of council shall be given to all members of the council and the city manager via email. Should the meeting occur within 72 hours of the notice, all attempts will be made to reach the council and city manager by telephone.
3. Special meetings shall be noticed in accordance with Oregon's public meetings law, and, at a minimum, shall be noticed at least 24 hours prior to the meeting taking place. Notice of the special meeting shall be given to each member, the city manager or staff liaison, and each local newspaper, radio, and television station which has requested notice of special meetings.

#### **C. Emergency meetings**

1. Emergency meetings are those meetings called with less than 24 hours' notice and the council shall identify why the meeting could not be delayed 24 hours immediately after calling the meeting to order.
2. Emergency meetings may be called by the mayor by the request of three members of council, or by the city manager.
3. Emergency meetings may only be held by City Council.
4. Notice of the emergency meeting shall be given to each member of the council, the city manager, and all reasonable attempts will be made to inform each local newspaper, radio, and television station which has requested notice of meetings.
5. Notice of the emergency meeting shall be given to all members of council and the city manager via telephone and email.

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<sup>7</sup> NMC, Charter, Chapter 3, Section 12

6. The minutes for any emergency meeting shall specifically identify why the meeting constituted an emergency and was necessary.

D. Executive Sessions.

1. Executive sessions may only be held by City Council. Executive sessions may be called by the presiding officer, at the request of three members of council, by the city manager, or by the city attorney.
2. Only members of the council, the city manager and persons specifically invited by the city manager or the council shall be allowed to attend executive sessions. Generally, the city recorder will be present to take minutes, if excused, another minute taker will be identified.
3. Representatives of recognized news media may attend executive sessions, other than those sessions during which the council conducts deliberations with persons designated to carry on labor negotiations, or where the matter involves litigation, and the news media is a party to the litigation.

E. Work Sessions

1. Work sessions are permitted to present information in preparation for regular or special meetings.
2. All work sessions are subject to Oregon's public meetings law and must be noticed accordingly.
3. Work sessions are intended to allow for preliminary discussions, and the council or committee is not permitted to take formal or final action on any matter at a work session.
4. Work sessions are to be scheduled by the mayor.
5. The city manager is to invite any relevant staff to work sessions so that the sessions are as productive as possible.

## **II. Board, Commission, and Committee Meetings**

- A. Shall meet according to the schedule produced by the city recorders office each year. This will be developed in accordance with the code, resolution, law, and necessity. Committees may add additional meetings if necessary.
- B. Must be properly noticed in accordance with Oregon Public Meetings Law.
- C. Meetings may be canceled due to lack of quorum or lack of business by the presiding officer.

### **III. Location**

- A. Council meetings shall be held in the Denise Bacon Room in the Public Safety Building and simultaneously through Zoom or other virtual meeting platforms. Board, commission, and committee meetings will be held in various locations as appropriate, as noticed on the meeting agenda, and simultaneously through Zoom or another virtual meeting platform.
- B. In the event the regular meeting room is not available for a meeting, the meeting shall occur at a venue open to the public which is located within the jurisdictional limits of the city. All meeting locations shall meet the requirements of Oregon's Public Meeting Law.
- C. At the direction of the presiding officer, the meeting may also move to a fully virtual format. (For example: In the case of inclement weather.)
- D. Training sessions may be held outside of the city's jurisdictional limits, provided no deliberations toward a decision are made.
- E. Interjurisdictional meetings may be held outside of the city's jurisdictional limits but should be held as close as practical to the city, and such meetings shall be located within the jurisdictional boundaries of the other government entity.

### **IV. Notice**

- A. The city recorder or designee shall provide notice of all meetings in accordance with Oregon's public meeting law.

### **V. Attendance**

- A. Members of council or committees shall advise the presiding officer and city manager/city recorder/staff liaison if they will be unable to attend any meetings.
  - B. Under section 32 of the charter, a council position becomes vacant if the member of council is absent from the city for more than 30 days without council permission or absent from all meetings of the council within a 60-day period. The council will make the final decision on whether an absence is excused or unexcused.
  - C. Committee members may be excused from their position if they have more than two unexcused absences in a year.
  - D. Members may attend meetings in person or virtually by phone or video conferencing.
-

## **CHAPTER 3 – Ordinances and Resolutions**

### **I. Ordinances**

- A. All ordinances considered by and voted upon by the council shall adhere to the rules outlined herein. Sections 16 and 17 of city charter provide that the council exercises its legislative authority by adoption of ordinances.
- B. Except as authorized by subsection (C), adoption of an ordinance shall, before being put upon its final passage, be fully and distinctly read in open council meeting.
- C. The reading may be by title only if no council member present at the meeting requests to have the ordinance read in full, provided the proposed ordinance is available in writing to the public at least one week before the meeting.
- D. Any substantive amendment to a proposed ordinance must be read aloud or made available in writing to the public before the council adopts that ordinance.
- E. Upon the final vote on an ordinance, the ayes and nays of the members shall be taken and entered in the record of proceedings. The concurrence of a majority of the entire membership of the council shall be required for the passage of an ordinance.
- F. After adoption of an ordinance, the city recorder must endorse it with the date of adoption and their name and title.
- G. A script for the adoption of an ordinance will be followed to ensure compliance with these rules. See attachments.
- H. Effective Date: An ordinance shall take effect 30 days after adoption or at a later date to be specified in the ordinance.
  - 1. The following shall take effect immediately upon its passage:
    - a. Ordinances making appropriations and the annual tax levy; and
    - b. Emergency ordinances.

### **II. Resolutions**

- A. Resolutions considered by and voted upon by the council or committee shall adhere to the rules outlined here.
- B. An affirmative vote of a majority of the council or committee present shall be necessary to pass a resolution.
- C. When a resolution is rejected, and is not reconsidered as provided by these rules, neither the resolution, nor any other resolution which contains substantially the same provisions, shall be considered for a period of not less than three months, unless at least three members petition for early consideration. Resolutions containing substantial amendments may return for consideration within the 3 month

window.

- A. Effective date. A resolution shall become effective upon adoption unless otherwise stated in the resolution.
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## **CHAPTER 4 – Land Use Hearings**

### **I. General Conduct of Hearings**

- A. Any party may speak in person or through their attorney.
- B. A copy of any written testimony or physical evidence which a party desires to have introduced into the record at the time of hearing shall be submitted to the city recorder at the time the party makes his or her presentation. They must also bring 10 copies of the written testimony for the council/commission and staff.
- C. If a party desires to make its testimony or evidence available as part of the meeting's agenda packet, it must be submitted to the city recorder or designated staff by noon the Friday before the meeting for council meetings, 2 days ahead for all other meetings.<sup>8</sup> If the testimony or evidence is not submitted to the city recorder or designated staff by this deadline, it still may be submitted into the record at the time of the hearing, but it shall not be included in the meeting's agenda packet.
- D. No person may speak more than once without obtaining permission from the presiding officer.
- E. Upon being recognized by the presiding officer, any member may question any person who testifies.
- F. As directed by the presiding officer, staff may question any person who testifies.
- G. Testimony shall be directed towards the applicable standards and criteria which apply to the proposal before the council.
- H. To expedite hearings, the presiding officer may call for those in favor and those in opposition to rise, and the city recorder or staff liaison shall note the numbers of such persons for the record in the minutes. Persons testifying are asked to avoid repeating testimony already entered into the record and instead indicate support if they are in agreement with such testimony.
- I. The presiding officer may reduce time limits for testimony equally based on the number of people signed up to speak, respectively, "in favor" or "opposed", to ensure all parties have an opportunity to speak and to ensure compliance with statutory shot clocks for land use decision making.<sup>9</sup>

### **II. Quasi-Judicial Land Use Matters**

#### **A. Scope of Review**

1. All appeals of quasi-judicial land use proceedings shall be conducted pursuant

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<sup>8</sup> (see Chapter 5, Section 3

<sup>9</sup> (See also, Part II, Quasi-Judicial Land Use Matters - Hearing Procedures)

to NMC 15.100.160 through 5.100.190, Appeals.

B. Conflicts of Interest, Abstention, Recusal, Ex Parte Communications

1. A member of the council or commission shall not participate in a discussion or vote in a quasi-judicial land use proceeding if:
  - a. The member has an actual conflict of interest, as defined by the Oregon Revised Statutes or the city charter/rules and must recuse from participation. The disclosure and recusal must be noted in the minutes.
  - b. The member was not present during the public hearing and must abstain from participation. However, the member may participate if they reviewed. The evidence, including recordings of the hearing, and declared such fact for the record.
  - c. The member has a bias, as defined by the Oregon Revised Statutes, that prevents them from considering evidence and applying applicable criteria in making an impartial decision on the application.
2. Members shall disclose all ex parte contacts regarding the proceeding at the commencement of any quasi-judicial land use proceeding. If the disclosed ex parte communication results in bias and/or a conflict of interest, the member shall recuse from participation as stated in (II)(B)(1)(a) above.
  1. "Ex parte contact" means contact from one side of an issue affecting a land use proceeding without the benefit of hearing the other point of view.

C. Burden of Proof

1. The proponent has the burden of proof on all elements of the proposal, and the proposal must be supported by proof that it conforms to all applicable standards and criteria.
2. The decision shall be based on the applicable standards and criteria as set forth in the city's municipal code, including if applicable the city's comprehensive plan and any other land use standards imposed by state law or administrative rule.
3. Proponents, any opponents, and those who are neutral on the proposal may submit written findings or statements of factual information which are intended to demonstrate the proposal complies or fails to comply with any or all applicable standards and criteria.
4. City staff may submit supplemental written findings in response to testimony and as requested by the hearing body to address questions raised during the hearing.

D. Hearing Procedures

The order of hearings in quasi-judicial land use matters shall be:

1. *Land Use Hearing Disclosure Statement*

The city attorney, presiding officer, or their designee, shall read the land use hearing disclosure statement, which shall include:

- a. A list of the applicable criteria;
- b. A statement that testimony, arguments and evidence must be directed toward the applicable criteria or other criteria in the plan or land use regulation which the person believes to apply to the decision;
- c. A statement that failure to raise an issue accompanied by statements or evidence sufficient to afford the council or other hearing body and the parties an opportunity to respond to the issue precludes appeal to the Land Use Board of Appeals based on that issue; and
- d. If applicable, a statement that a failure to raise constitutional issues relating to proposed conditions of approval precludes an action for damages in circuit court.

2. *Call for ex-parte contacts*

- a. The presiding officer shall inquire whether any member has had ex-parte contacts. Any member announcing an ex parte contact shall state for the record the nature and content of the contact.
- b. "Ex parte contact" means contact from one side of an issue affecting a land use proceeding without the benefit of hearing the other point of view. Ex parte contact can also be access to evidence or information that is not available to the public or the hearing body, which may include visiting the site of a land use application.

2. *Call for recusals*

- a. The presiding officer shall inquire whether any member must recuse from participating in the hearing due to a conflict of interest.
- b. Actual Conflict of Interest: If a member announces an actual conflict of interest, as outlined by Oregon Revised Statutes or the city charter/rules, that member must recuse themselves and leave the hearing. The recusal is recorded in the minutes.
- c. Potential Conflict of Interest: If a member has a potential conflict of interest, they can declare the potential conflict and continue participation in the matter. The declared potential conflict is recorded in the minutes.
- d. Any member announcing a conflict of interest shall state the nature of the conflict, and if the conflict requires recusal, shall not participate in the proceeding unless the person's vote is necessary to meet a requirement of a minimum number of votes necessary to take official action; provided,

however, that the member shall not participate in any discussion or debate on the issue of which the conflict arises.

3. *Staff summary*

- a. Planning staff shall present a summary and recommendation concerning the proposal.

4. *Presentation of the Case*

- a. Proponent's case. Twenty minutes total.
- b. Persons in favor. Five minutes per person.
- c. Persons opposed. Five minutes per person.
- d. Other interested persons. Five minutes per person.
- e. Rebuttal. Ten minutes total. Rebuttal may be presented by the proponent. The scope of rebuttal is limited to matters which were introduced during the hearing.

5. *Close of hearing*

- a. No further information shall be received after the close of the hearing, except for specific questions directed to staff. If the response to any such questions requires the introduction of additional factual evidence, all parties shall be afforded an opportunity for simultaneous written rebuttal.

6. *Deliberations*

- a. Deliberations shall immediately follow the hearing. The body may delay deliberations to a subsequent time to be specified.

7. *Findings and Order*

- a. The body may approve or reject the proposal.
- b. The body shall adopt findings to support its decision.
- c. The body may incorporate findings proposed by the proponent, the opponent or staff in its decision.

B. Continuances

- 1. A party can request either a hearing continuance or an open record period as provided by Oregon Revised Statutes. However, nothing in this section shall restrict the council, in its discretion, from granting additional continuances.
  - d. There is a 120-day time limitation for the city to make a final land use decision, imposed by the Oregon Revised Statutes, and this 120-day period is not extended unless the applicant requested the continuance or if the applicant otherwise agrees to the extension of the time limitation.<sup>10</sup>

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<sup>10</sup> See ORS 227.178.

### III. Legislative Land Use Matters

#### A. Hearings Procedures

1. The order of procedures for hearings on legislative land use matters shall be:
2. *Call for abstentions*
  - a. Inquire whether any member wishes to abstain from participation in the hearing. Any member announcing an abstention shall identify the reason therefore and shall not participate in the proceedings. The City Recorder or designated staff shall record the abstention in the minutes.
3. *Staff summary*
  - a. Staff shall present a summary of the proposal, statement of the applicable criteria, and recommendations concerning the proposal.
4. *Presentation of the Case*
  - a. Staff Presentation or Proponent's case. As approved by the presiding officer.
  - b. Persons in favor. Five minutes per person.
  - c. Persons opposed. Five minutes per person.
  - d. Other interested persons. Five minutes per person.
5. *Close of hearing*
  - a. No further information shall be received after the close of the hearing, except for responses to specific questions directed to staff.
6. *Deliberations*
  - a. Deliberations shall immediately follow the hearing. The body may delay deliberations to a subsequent time to be specified. Reopening hearing. Prior to second reading of an ordinance relating to a legislative land use matter, and upon majority vote of the body, a hearing may be reopened to receive additional testimony, evidence or argument. The same notice requirements shall be met for the reopened hearing as were required for the original hearing.

## CHAPTER 5 – Motions, Debate, Public Comment and Voting

### **I. Motions**

- A. The following rules shall apply to motions:
1. All motions shall be distinctly worded using plain language.
  2. If a motion does not receive a second, it dies.
  3. The body will discuss a motion only after the motion has been moved and seconded. Nothing in this section prevents general discussion or expression of opinions before a motion is made.
  4. Any motion shall be reduced to writing if requested by a member.
  5. A motion to amend can be made to a motion that is on the floor and has been seconded.
  6. Amendments are voted on first, then the main motion if voted on as amended.
  7. No motion shall be received when a question is under debate except for the following:
    - a. To lay the matter on the table; (Put the issue on indefinite hold.)
    - b. To call for the previous question; (End debate and immediately vote.)
    - c. To postpone; (Delay until a specified time.)
    - d. To refer; or (Send the matter to another committee or person for more information or a recommendation.)
    - e. To amend. (To change the motion on the table.)
  8. A motion may be withdrawn by the mover at any time without the consent of the body.
  9. A member may have a motion which contains several elements divided, but the mover shall have the right to designate which element will be voted on first.
  10. A call for the question is intended to close the debate on the main motion; does not require a second and is not debatable.
    - a. A call for the question fails without a majority vote.
    - b. Debate on the main subject resumes if the motion fails.
  11. A motion that receives a tie vote fails.
  12. The presiding officer shall cause the motion to be stated before the vote.
  13. A motion to adjourn cannot be amended.

B. Motion to Reconsider

1. A motion to reconsider may only be made by a member of the prevailing side. Any member may second the motion.
2. No motion shall be made more than once.
3. The motion shall be made before the final adjournment of the meeting when the item goes out of possession of the body.

**II. Debate**

A. The following rules shall govern the debate of any item being discussed by the council or committee:

1. Every member desiring to speak shall address the presiding officer, and, upon recognition by the presiding officer, shall confine him/herself to the question under debate, at all times acting and speaking in a respectful manner.
2. A member, once recognized, shall not be interrupted when speaking unless it is to be called to order, or as herein otherwise provided.

**III. Public Comment**

A. Public Comment

1. Public comment may be received at regular council meetings and standing committee meetings. Ad-hoc committees shall only receive public comment when it is specifically included in their directive. Public comment at standing committee meetings must be related to the subject of the committee or topics at that meeting. General comments unrelated to agenda items are only accepted at City Council meetings. The public shall have the right to comment on all items that require a vote.
2. When an interested person addresses the council or gives oral comments, that person should state their name and indicate if they are a resident of the city.
3. Public comment is a time for comment; it is not a time for debate, nor is it a time for members of the public to ask questions of and receive answers from the council or city staff.

B. Public Comment Registration

1. Those giving public comment are required to register at the council meeting before making comments and/or providing input at the meeting.
2. Registration is due before the meeting is called to order, except in the case of public hearings. An interested person shall register separately for each subject under which they wish to provide comment.

- a. For public hearings, public comment registration will close when the public testimony portion of the hearing is closed.
  - b. The public comment registration forms will be made part of the meeting records in accordance with OPML. The registration forms will contain a provision by which a person may indicate that they do not wish for their address, phone number, and email address to be released in any public records request.
  - c. A form complying with this rule will be available at all meetings. The city recorder is delegated the authority to draft, revise, and produce the necessary form that complies with this rule.
3. Those desiring to give public comment over the phone or through the virtual meeting option (Zoom or other virtual meeting platforms) are required to register by noon the day of the meeting.
    - a. Should the meeting take place before 3pm, registration will be required by noon the day before the meeting, should this registration deadline fall on a weekend, registration will be due the Friday prior to the meeting. No Zoom or other virtual meeting platforms or phone comments will be received without prior registration.

C. Non-Agenda Items and Consent Calendar

1. Persons speaking to the council from the floor concerning items not on the agenda or items that are on the consent calendar will speak under general public comments. Those people will be given the opportunity to speak for no more than five 5 minutes. Speakers may share their time at the discretion of the mayor.
2. The maximum time allowed for public comments, including all speakers, is thirty 30 minutes. The mayor has the discretion to extend these time limits. Speakers may address the council for less than their allotted time.

D. Agenda Item other than Consent Calendar

1. Except as required by state statute, the following procedure will apply to comments on agenda items, other than those on the consent calendar. People will be given the opportunity to speak no more than five (5) minutes following the introduction of the item. Speakers may share their time at the discretion of the mayor. The mayor has the discretion to extend these time limits. Speakers may address the council for less than their allotted time.

E. Written Materials

1. Comments including any attachments (written comment, images, etc.), can be emailed to the City Recorder or dropped off at City Hall by 12:00 p.m. (noon) the Friday before the meeting. Materials more than 10 pages long should be submitted as early as possible to ensure sufficient time for council review. Written comment must be accompanied by a public comment registration form.
2. If written comment cannot be provided prior to the deadline, members of the public are to bring 10 printed copies of the item to the meeting and provide one copy to the City Recorder or staff member taking public comment registrations.
3. Written comments will not be read into the record unless specifically requested by the individual submitting the comment, those read into the record will be read through digital means. The reading of written comment will be limited to the 5 minute public comment period.

F. Electronic Materials

1. Speakers may submit electronic audio or visual material to be played during the time permitted for their comment.
2. Speakers must provide the materials in a format compatible with city software to the City Recorder on the Friday prior to the council meeting by 12:00 p.m. so that it may be installed on the city's equipment to avoid delays or disruption of the meeting. All items will be virus screened and will not be used should a threat be detected.

G. Multiple Speakers

1. Should there be more speakers than can be heard during the 30 minutes allowed for public comment, the presiding officer may reduce the time allotted to each speaker or may extend the comment period.

H. Council or Member Inquiries

1. Councilors or committee members may, upon recognition by the presiding officer, ask questions of speakers during public comment. Members shall use restraint when exercising this option and shall attempt to limit questions to no more than three minutes. The presiding officer, may intervene if a member is violating the spirit of this guideline.

## IV. Voting

The following rules shall apply to voting on matters before the council. The express approval of a majority of a quorum of the council is necessary for any council decision, except when the charter requires approval by a majority of the council. For standing committees, the express approval of a majority of the quorum is necessary for any decision.

B. Consent Agenda

The unanimous vote of all members present is required to approve the matters on a consent agenda.

C. Resolutions

A majority of quorum present shall be required to pass a resolution.

D. An Ordinance

A majority of all council members is required to pass an ordinance.

E. Emergency Ordinance

An emergency ordinance shall require the unanimous vote of all members present.

F. Budget

The budget shall require a concurrence of a majority to pass.

G. Suspension of Rules

A unanimous vote of all members present shall be required to suspend or rescind a rule contained in these rules of procedure, however, rules which also appear in the city's charter shall not be suspended or rescinded.

H. All votes shall be recorded in the minutes and may not be by secret ballot.

I. Ties

Tie votes shall indicate a denial of the proposal. If the tie is a matter that has been appealed from a lower city body or commission, a tie shall render the lower body's decision approved.

## CHAPTER 6 – Minutes

### **I. Generally**

- A. All minutes shall be in written form, in addition, an electronic copy of the meeting recording will be maintained by the city recorder in accordance with the appropriate record retention schedule.
  - B. The minutes shall be action minutes and contain the following information:
    - 1. The date, time and place of the meeting;
    - 2. The members present and absent;
    - 3. The motions, proposals, resolutions, orders, ordinances, and measures proposed and their disposition;
    - 4. The results of all votes and the vote of each member by name; and
    - 5. The substance of any discussion.
-

## CHAPTER 7 – Appointments

### **I. Appointments of City Staff**

A. The council appoints and can remove those positions identified in the city's charter. This includes City Attorney and Municipal Judge.<sup>11</sup>

B. Appointments and Removals

All appointments and removals require a majority vote of the entire council.

C. Interference

If the council appoints a municipal judge, the council may meet with the judge, but in no instance shall the council be permitted to interfere with the judge's exercise of judicial authority or discretion.

### **II. Appointments of Members to Boards, Commissions and Committees**

A. Unless otherwise mandated by state law, the mayor shall appoint the members of any standing board, commission, or committee with the consent of the council in accordance with the code, resolution, or law that governs them.

1. Standing boards, commissions or committees are those established by the municipal code, resolution, or state law, intended to be permanent or long-term, to fulfil an ongoing need of the city. (ex. Budget Committee, Historic Preservation Commission, Planning Commission)

B. Ad-Hoc Committees

1. The mayor may form ad-hoc committees to deal with specific tasks within specific timeframes and make recommendations to the council. Ad-hoc committees are intended to be temporary.
2. The mayor will establish the membership criteria for the ad-hoc committees. Residency does not have to be a required criterion. The mayor will appoint members of the ad-hoc committees, subject to council ratification.
3. The mayor may remove any member of the ad-hoc committee at any time. Members of the committee will be removed if the member fails to attend two 2 consecutive meetings of the committee without being excused prior to the meeting.
4. The mayor has the authority to grant an excused absence, and in the mayor's absence, the committee chair has the authority.
5. The mayor will designate the chairperson and the vice chair. Members will

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A. <sup>11</sup>(NMC, Chapter VIII)

continue to serve until their mission is accomplished, replacement or reappointment.

6. Each member of the ad-hoc committee will have an equal vote on the committee. The reports of the ad-hoc committee will have only the authority of recommendations to the council.
7. The meeting time and place of the committee will be decided by the chair with the consent of the committee. The meeting time and place may be changed provided there is adequate notice. The chair will have the authority to cancel any meeting of the committee for lack of business or necessity to meet.
8. A majority of the committee may request a meeting. All meetings are public meetings and will be conducted in accordance with the OPML.
9. The city manager will have the responsibility to furnish the necessary staff support for each ad-hoc committee.
10. The committee will not have the authority to assign specific tasks to any staff person of the city but will work through the city manager.

C. Removals

All appointed board, committee, or commission persons may be removed by the mayor with the consent of council.

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## **CHAPTER 8 – Ethics, Decorum, Outside Statements**

### **I. Ethics**

- A. All members of the council and committees shall review and observe the requirements of state ethics law. In addition to complying with state ethics law, all members of the council shall refrain from:
  - 1. Disclosing confidential information.
  - 2. Taking action which benefits special interest groups or persons at the expense of the city as a whole.
  - 3. Expressing an opinion contrary to the official position of the council or committee without so saying.
  - 4. Conducting themselves in a manner so as to bring discredit upon the government of the city.

### **II. Decorum**

- A. The presiding officer shall preserve decorum during meetings and shall decide all points of order, subject to appeal of the council or committee.
- B. Members shall preserve decorum during meetings, and shall not, by conversation or action, delay or interrupt the proceedings or refuse to obey the orders of the presiding officer or these rules.
- C. Members of the city staff and all other persons attending meetings shall observe the council's rules of proceedings and adhere to the same standards of decorum as members.

### **III. Statements to the Media and Other Organizations**

#### **A. Representing the City**

If a member of the council or committee, including the mayor, appears as a representative of the city before another governmental agency, the media (including social media) or an organization to give a statement on an issue, the member may only state the official position of the city, as approved by a majority of the council or committee.

#### **B. Personal Opinions**

If a member of the council or committee, including the mayor, appears in their personal capacity before another governmental agency, the media (including social media) or an organization to give a statement on an issue, the member must state they are expressing their own opinion and not that of the city before giving their statement.

C. Suggested Language

Councilors and committee members are encouraged to use statements such as “This is my personal opinion and not the official opinion of the Newberg City Council (or relevant body).”

## **CHAPTER 9 – Interactions with Staff & City Attorney**

### **I. Staff**

- A. All members of the council and committees shall respect the separation between their role and the city’s manager’s responsibility by:
1. Not interfering with the day-to-day administration of city business, which is the responsibility of the city manager.
  2. Refraining from actions that would undermine the authority of the city manager or a department head.
  3. Refraining from contacting the City Manager or Department Heads from 6pm Friday- 6am Monday, except in the case of an emergency.
  4. Limiting individual inquiries and requests for information from staff to those questions that may be answered readily as part of staff’s day-to-day responsibilities. Questions of a more complex nature shall be directed to the city manager.
    - a. Questions from individual members of the council requiring significant time or resources (2 hours or more) shall require the approval of the council.
    - b. Members of the council shall share any information obtained from staff with the entire council.
    - c. This section is not intended to apply to questions by members of the council acting in their individual capacity. Inquiries of a personal nature (i.e. utility billing issues, personal permits) shall be handled through the avenues available to all citizens.
    - d. This section is not intended to apply to questions regarding conflict of interest or similar issues particular to a member of the council.

### **II. City Attorney**

- A. Council members may make requests to the City Attorney for information and advice in relation to council business.
1. Council members should understand that the City Attorney must prioritize the city’s legal issues and may not be able to respond immediately to Council requests.

2. Requests for legal advice that require greater than two hours of attorney time will require the concurrence of the majority of the Council.
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## **CHAPTER 10 – Censure**

### **I. Rules Violations**

- A. The council may enforce these rules and ensure compliance with city ordinances, charter, and state laws applicable to governing bodies.
- B. If a member of council violates these rules, city ordinances, the city charter, or state laws applicable to governing bodies, the council may take action to protect the integrity of the council and discipline the member via:
  - 1. Public reprimand;
  - 2. Removal from committee assignments; and/or
  - 3. The removal from the position of council president.

### **II. Investigating Violations**

- A. The council may investigate the actions of any member of council and meet in executive session under ORS 192.660(2)(b) in order to discuss any finding that reasonable grounds exist that a violation of these rules, local ordinance, the city charter, or state laws applicable to governing bodies has occurred.
- B. Sufficient notice must be given to the affected member to afford them the opportunity to request an open hearing under ORS 192.660(2)(b).

## **CHAPTER 11 – Amendment and Repeal**

### **I. Amendment**

- A. These rules of procedure are subject to amendment by the council in accordance with the rules noted herein.
- B. Any proposed amendment to these rules shall be noted on an agenda for a regular meeting, wherein the same shall be discussed and open for comment by the public.
- C. All amendments to these rules require a majority vote.
- D. Amended rules shall not go into effect until the meeting after the rule is approved.

## **II. Repeal**

- A. These rules of procedure are subject to repeal and replacement by the council in accordance with the rules noted herein.
- B. Any proposed repeal of these rules shall be accompanied by a proposed replacement.
- C. Any proposed repeal and replacement of these rules shall be done by resolution, noted on an agenda for a regular meeting, wherein the same shall be discussed, and open for comment by the public.
- D. Any repeal and replacement of these rules requires a majority of the full council vote.
- E. Any repeal and replacement of these rules shall not go into effect until 30 days after the replacement rule was approved unless otherwise noted in the resolution.

# OUTLINE FOR PUBLIC HEARINGS

## Newberg City Council

### ► LEGISLATIVE HEARING ◀◀

#### 1. CALL TO ORDER

<b>Open the public hearing, announce the purpose, discuss testimony, procedure, and time allotments</b>	<b>Script</b>
	<b>Presiding Officer:</b> This hearing is to consider [topic of hearing]. At this time, I will open the public hearing. Citizens will be able to testify on this issue by first submitting a public comment registration at the back table should they wish to speak.

#### 2. DECLARATION OF CONFLICTS OF INTEREST OR ABSTENTIONS

	<b>Script</b>
	<b>Presiding Officer:</b> Do any members of this [council, board, committee, or commission] need to declare a conflict of interest, abstention, or ex-parte contact?  (If yes, a member should be acknowledged by the presiding officer and state their declaration.)

#### 3. STAFF REPORTS

	<b>Script</b>
	<b>Presiding Officer:</b> Now we will hear a report from our staff on this item.

#### 4. PUBLIC TESTIMONY

<b>The presiding officer announces time limits</b>  <b>Generally, five minutes is allowed for each individual. The presiding officer can make changes to this should there be a large number of testimonies.</b>	<b>Script</b>
	<b>Presiding Officer:</b> I will now open public testimony. Written testimony has been entered into the record and provided to members of the council and staff. We will hear from those in favor first, then opponents, and finally those who are undecided.  Each person will be given 5 minutes to speak. I will call you to the table to speak. Please first turn on the microphone and state your name.

**5. CLOSE OF PUBLIC TESTIMONY**

	<b>Script</b>
	<b>Presiding Officer:</b> Public testimony is called to a close.

**6. RECOMMENDATIONS FROM STAFF**

	<b>Script</b>
	<b>Presiding Officer:</b> Could we please hear the recommendation from staff on this issue?

**7. COUNCIL DELIBERATION**

<b>Councilors should seek acknowledgement and then speak on the issue</b>	<b>Script</b>
	<b>Presiding Officer:</b> Now I'll open the floor for council deliberation. Would anyone like to speak on this matter?

**8. ORDINANCE DECISIONS**

**Ordinances - Action usually requires passage of an ordinance; the relevant motions are listed in the Ordinance Action Guide.**

## ORDINANCE ACTION GUIDE

### First action: Waive the second reading.

If this is the first meeting in which this ordinance is considered, council should waive the second reading through the following motion.

#### Script

**Presiding Officer:** I move to waive the second reading of Ordinance [#####].

### Second action can be one of 4 steps:

#### 1. Motion for Approval

#### Script

**Presiding Officer:** I move to approve Ordinance [#####], [Title]

#### 2. Motion to Read in Full

#### Script

**Presiding Officer:** I move to approve Ordinance [#####], [Title] and ask that it be read in full.

#### 3. Motion to Approve Amended Ordinance

Amended ordinance must be read in full if approved in the same meeting as amendments are made.

#### Script

**Presiding Officer:** I move to approve Ordinance [#####], [Title] with amendments and ask that amendments be read in full.

#### 4. Motion to Table the Ordinance Motion:

#### Script

**Presiding Officer:** I move to table this ordinance to be considered at our next meeting.

### Third Action: Roll Call Vote

#### Script

**Presiding Officer:** A motion has been made to (repeat the motion).

**Presiding Officer to the city recorder or meeting clerk:** Please take a roll call vote. (The city recorder or meeting clerk calls the roll and announces the number of ayes and nos.)

**Presiding officer:** The motion [passes or passes unanimously or fails]

### Majority of Entire Membership

**Ordinances require majority of the entire membership for passage, this means a majority of all of the councilors, not of the quorum present.**

**7 members**

4 votes required for passage

**6 members**

4 votes required for passage

**5 members**

3 votes required for passage

**4 members**

3 votes required for passage

# OUTLINE FOR PUBLIC HEARINGS

## Newberg City Council

### ▶ ADMINISTRATIVE HEARING ◀

#### 1. CALL TO ORDER

<b>Open the public hearing, announce the purpose, discuss testimony, procedure, and time allotments</b>	<b>Script</b>
	<b>Presiding Officer:</b> This hearing is to consider [topic of hearing]. At this time, I will open the public hearing. Citizens will be able to testify on this issue by first submitting a public comment registration at the back table should they wish to speak.

#### 2. DECLARATION OF CONFLICTS OF INTEREST OR ABSTENTIONS

	<b>Script</b>
	<b>Presiding Officer:</b> Do any members of this [council, board, committee, or commission] need to declare a conflict of interest, abstention, or ex-parte contact?  (If yes, a member should be acknowledged by the presiding officer and state their declaration.)

#### 3. STAFF REPORTS

	<b>Script</b>
	<b>Presiding Officer:</b> Now we will hear a report from our staff on this item.

#### 4. PUBLIC TESTIMONY

<b>The presiding officer announces time limits</b>  <b>Generally, five minutes is allowed for each individual. The presiding officer can make changes to this should there be a large number of testimonies.</b>	<b>Script</b>
	<b>Presiding Officer:</b> I will now open public testimony. Written testimony has been entered into the record and provided to members of the council and staff. We will hear from those in favor first, then opponents, and finally those who are undecided.  Each person will be given 5 minutes to speak. I will call you to the table to speak. Please first turn on the microphone and state your name.

## 5. CLOSE OF PUBLIC TESTIMONY

	<b>Script</b>
	<b>Presiding Officer:</b> Public testimony is called to a close.

## 6. RECOMMENDATIONS FROM STAFF

	<b>Script</b>
	<b>Presiding Officer:</b> Could we please hear the recommendation from staff on this issue?

## 7. COUNCIL DELIBERATION

<b>Councilors should seek acknowledgement and then speak on the issue.</b>	<b>Script</b>
	<b>Presiding Officer:</b> Now I'll open the floor for council deliberation. Would anyone like to speak on this matter?

## 8. DECISIONS

**Resolutions - Action usually requires passage of a resolution; the relevant motion should be:**

	<b>Script</b>
<b>Vote: voice vote is permitted</b>	<p><b>Motion:</b> I make a motion to approve Resolution [####], [Title].</p> <p><b>Presiding Officer:</b> A motion has been made to (repeat motion). Is there any further discussion? (Pause for discussion.) I'll now take a vote on the motion to (repeat motion). All those in favor please say aye. (Pause) Those opposed please say no. (Pause) The motion [passes unanimously or passes or fails.]</p>
<b>Majority of Quorum</b>	
<b>Resolutions require majority of the quorum for passage.</b>	
<b>7 members present</b>	4 votes required for passage
<b>6 members present</b>	4 votes required for passage
<b>5 members present</b>	3 votes required for passage
<b>4 members present</b>	3 votes required for passage

# OUTLINE FOR PUBLIC HEARINGS

## Newberg City Council

### ► QUASI-JUDICIAL LAND-USE & NON-LAND-USE ◀

#### 1. CALL TO ORDER

<b>Open the public hearing, announce the purpose, discuss testimony, procedure, and time allotments</b>	<b>Script</b>
	<b>Presiding Officer:</b> This hearing is to consider (topic of hearing). At this time, I will open the public hearing. Citizens will be able to testify on this issue and should submit a public comment registration at the back table should they wish to speak.

#### 2. CALL FOR ABSTENTIONS, BIAS, EX-PARTE CONTACT, AND OBJECTIONS TO JURISDICTION

<b>City Attorney Legal Announcements: Read “quasi-judicial announcements” sheet</b>	<b>Script</b>
	<b>Presiding Officer:</b> Do any members of this [council board, committee or commission] need to declare a conflict of interest, abstention, or ex-parte contact or an objection to the jurisdiction?  (If yes, a member should be acknowledged by the presiding officer and state their declaration.)

#### 3. STAFF REPORTS

	<b>Script</b>
	<b>Presiding Officer:</b> Now we will hear a report from our staff on this item.

#### 4. PUBLIC TESTIMONY

<b>The presiding officer announces time limits</b>  <b>Generally, five minutes is allowed for each individual. The presiding officer can make changes to this should there be a large number of testimonies.</b>	<b>Script</b>
	<b>Presiding Officer:</b> I will now open public testimony. Written testimony has been entered into the record and provided to members of the council and staff. We will hear from those in favor first, then opponents, and finally those who are undecided. At the end the principal proponent will have a chance to offer a rebuttal.  Each person will be given 5 minutes to speak. I will call you to the table to speak. Please first turn on the microphone and state your name.

**5. QUESTIONS OF PROPONENTS AND OPPONENTS FROM THE FLOOR OR THE CITY COUNCIL DIRECTED THROUGH THE CHAIR**

	<b>Script</b>
	<b>Presiding Officer:</b> Do any members of the council have questions for those who have given testimony?

**6. PUBLIC AGENCY LETTERS OR COMMENTS**

	<b>Script</b>
	<b>Presiding Officer:</b> Now we will receive testimony from any public agencies. Written testimony has been entered into the record and provided to members of the Council and staff.

**7. CLOSE OF PUBLIC TESTIMONY**

	<b>Script</b>
	<b>Presiding Officer:</b> Public testimony is called to a close.  <b>City Attorney Legal Announcements</b>

**8. FINAL COMMENTS FROM STAFF AND RECOMMENDATION**

	<b>Script</b>
	<b>Presiding Officer:</b> Could we please hear the recommendation from staff on this issue?

**9. DELIBERATION OF COMMISSION INCLUDING DISCUSSION OF CRITERIA WITH FINDINGS OF FACT**

<b>Councilors should seek acknowledgement and then speak on the issue.</b>	<b>Script</b>
	<b>Presiding Officer:</b> Now I'll open the floor for council deliberation. Would anyone like to speak on this matter?

## 10. ACTION BY THE COUNCIL

Orders - Action usually requires passage of an order; the relevant motion should be:

<b>Vote: voice vote is permitted</b>	<b>Script</b>
	<p><b>Motion:</b> I make a motion to approve Order [#####], [Title].</p> <p><b>Presiding officer:</b> A motion has been made to (repeat motion). Is there any further discussion? (Pause for discussion.) I'll now take a vote on the motion to (repeat motion). All those in favor please say aye. (Pause) Those opposed please say no</p> <p><b>Presiding officer:</b> The motions [passes <b>or</b> passes unanimously <b>or</b> fails]</p>
<b>Majority of Quorum</b>	
<b>Orders require majority of the quorum for passage.</b>	
<b>7 members present</b>	4 votes required for passage
<b>6 members present</b>	4 votes required for passage
<b>5 members present</b>	3 votes required for passage
<b>4 members present</b>	3 votes required for passage



# CITY OF NEWBERG COUNCIL GUIDELINES

## **Council Rules Legislative History**

Adopted October 15, 2018 by  
Resolution 2018-3485

Amended December 9, 2019 by  
Resolution 2019-3625  
*{Rule 5.6 Public Comment}*

Amended August 1, 2022 by  
Resolution 2022-3804  
*{Rule 3.7 Council Compensation}*

# CITY OF NEWBERG COUNCIL GUIDELINES

As a member of the Newberg City Council, council members will strive to do the following:

- 1) Trust and respect the opinions of fellow council members and participate in the decisions of the council.
- 2) Accept responsibility to attend all council meetings and council sub-committees assigned.
- 3) Fulfill obligations to share with other council members the membership on the committees as required.
- 4) Provide appropriate notification to the mayor, council president or city manager of an absence as soon as practical prior to the meeting time.
- 5) Not disclose information which is confidential and, when asked by the public for information that is confidential, will state that the information is confidential.
- 6) Make every attempt to resolve any conflict with a fellow council member prior to bringing the conflict to the attention of the council.
- 7) Make an effort to study material presented in a timely manner and be informed on all issues.

# NEWBERG CITY COUNCIL MEETING EXPECTATIONS

As a Newberg City Council member, council members will strive to do the following:

- 1) Make the citizens and visitors feel welcomed at the meetings by involving them in the process, being courteous to them, and respecting their opinions.
- 2) Do their best to communicate in clear, concise and audible language and written communications.
- 3) Make sure that their tone of voice is friendly and sincere.
- 4) Honor and act on all requests for action and/or information in a timely and courteous manner.
- 5) Discuss issues, but not personalities with non-council members.
- 6) After an issue has been voted on, council members will speak for themselves carefully, in a manner that does not undermine the integrity or motives of the council, even if their personal opinion differs from the council's decision.
- 7) In quasi-judicial matters, members will explain at the meeting the reasons for their vote.

# **CITY OF NEWBERG COUNCIL RULES**

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# Newberg City Council Rules

## SECTION 1 – AUTHORITY

### **Rule 1.1 Authority of Rules**

Section 11 of city charter provides that the council will adopt council rules by resolution to govern its meetings and proceedings. These rules will decide questions and give direction on debating, voting, membership, attendance, agendas, and other matters. The rules are intended to serve as a guide for the council. One of the goals of the council is to work with the residents of Newberg and provide a positive atmosphere at council meetings. These rules provide the basic outline required to work together. The council may need to vary from these rules from time to time to best serve the public interest.

### **Rule 1.2 Council Authority**

All questions regarding these rules will be resolved by majority vote of the council.

### **Rule 1.3 Limited Public Forum**

The meetings of the council, including regular meetings, special meetings, work sessions and emergency meetings are open to the public in accordance with the Oregon Public Meetings Law (OPML). The meetings are considered a limited public forum at which council business is conducted in accordance with the agenda and rules of the council. The mayor, as the presiding officer, along with the council has the authority to require discussion at the meetings be addressed to the matters that are appropriate to be considered, to limit the time for discussion, and to restrict input concerning the matters to be discussed. The council has the right to require persons attending the meeting, addressing the council or participating in the meeting to conform to the rules of the council and directions of the mayor or the presiding officer.

### **Rule 1.4 Presentation to Council Members**

These council rules will be presented to all council members at or before the time they take the oath of office. Each appointed or elected council member will acknowledge in writing that the member has received and reviewed a copy of these council rules within 30 days of receiving the rules. The city recorder will furnish a form of acknowledgement to the member and retain the signed copy.

## SECTION 2 – GENERAL RULES

### **Rule 2.1 Open Meetings**

All council meetings will be held in accordance with the OPML. All final action by the council will take place at council meetings that are open to the public.

### **Rule 2.2 Quorum**

Section 13 of city charter provides that a majority of the council members is a quorum to conduct business, but a smaller number may meet and compel attendance of the absent members.

### **Rule 2.3 Compelling Attendance**

When a quorum is not present at the time set for a meeting or when a quorum has been present and a meeting has commenced, but a quorum is no longer present, any council member may move for a call of the house. The motion will be put in the following form: "I move for a call of the house." That motion will

take precedence over all other business. The motion need not be seconded, but it is subject to discussion. At least two council members present must concur for the call of the house motion to pass. If the motion is passed, then all unexcused absent council members will be requested to attend or return to the meeting.

The city manager will provide the administrative staff assistance necessary to compel the attendance of the unexcused absent council members at the meeting. The mayor is authorized to recess the meeting to a time certain while attendance is being compelled.

**Rule 2.4 Vacant Positions as Relates to Quorum**

If a council position is vacant, that vacant office will not be counted in determining the majority of the council members that is necessary for a quorum to conduct business.

**Rule 2.5 Vote Required**

Section 14 of the city charter provides that expressed approval of a majority of the quorum of the council is necessary for any council decision except when the charter or council rules requires approval by a concurrence of a majority of the entire membership of the council.

**Rule 2.6 Entire Membership**

Section 17 of city charter provides that a concurrence of the entire membership of the council is required for the passage of an ordinance. The entire membership of the council is comprised of six (6) councilors and the mayor who is elected at large. The concurrence of the entire membership of the council requires the concurrence of four (4) councilors. The absence from a particular meeting does not affect the required number of councilors to constitute the majority of the entire membership. However, if an office of position of councilor is vacant, that office will not be considered when determining the entire membership of the council. This interpretation is applicable to any time the concurrence of the majority of the entire membership of the council is required for any council decision.

**Rule 2.7 Rules of Order**

- A. "Robert's Rules of Order, the most recent published addition, will guide all council proceedings.
- B. Members of the council are encouraged to avoid invoking the finer points of parliamentary procedure found within Robert's Rules of Order when such points will obscure the issues before the council and confuse members of the public.
- C. Whenever these rules and Robert's Rules of Order conflict, these rules shall govern.

**Rule 2.8 Suspension of Rules**

The vote to suspend council rules including Robert's Rules of Order, requires a majority vote of those members of the council who are present. If the motion is carried, the rules will be suspended for that item only.

**Rule 2.9 Records of Proceedings**

The city recorder will be the ex-officio clerk of the council, attend all the meetings unless excused and keep an accurate record of the proceedings of the council meetings. The city manager will appoint and supervise the city recorder. The city manager may appoint such deputy city recorders as needed. The records of the proceedings are to be known as "minutes." The minutes will be kept in accordance with the

Oregon Public Records and Meetings Law and in a manner prescribed by these rules pursuant to Section 15 of the city charter.

## SECTION 3 – CITY COUNCIL MEMBERS

### **Rule 3.1 Council Defined**

Section 8 of city charter states that the council consists of a mayor nominated and elected from the city at large and six (6) councilors nominated from districts and elected from the city at large.

### **Rule 3.2 Qualifications to Hold Office**

Section 28 of the city charter provides for complete qualifications for eligibility of elective office of mayor and city council members of the city. The city charter provides that no person will be eligible to fill the elective office of mayor or city council member unless at the time of the election that person is a qualified voter and has resided in the city for at least one year immediately preceding the election. In addition, in order for a person to be eligible for a council position, that person must live in the district from which the person is nominated to run for the council position. Furthermore, it is a requirement that the person once elected to the office of mayor or council member they must continue to meet the qualifications for that office throughout their term. The council is the final judge of the qualifications in election of its members.

### **Rule 3.3 Attendance**

It is the duty of each councilor and the mayor to attend all meetings of the council. Section 32 of the city charter provides that an office will be deemed vacant upon the absence from meetings of the council for sixty (60) days or the absence from the city for thirty (30) days without council consent. The consent of the council for such absence must be in writing and obtained prior to such absence, if possible. Consent will be given for good cause. The council has the authority to make the final decision concerning good cause.

### **Rule 3.4 Excused Absence**

When a councilor cannot attend a meeting, the member will notify the mayor, presiding officer, or city manager prior to the meeting. The mayor or presiding officer will determine if the absence is considered “excused” or “unexcused.” If the absence is for good cause and there are no objections from other councilors who are present, the city recorder will record the absence in the minutes as excused. If the councilors, upon an affirmative vote of the majority of the councilors present, determine the absence is not for good cause, the city recorder will record the absence in the minutes as unexcused. There will be a presumption that the absence is unexcused if there is no notification of the absence prior to the meeting. The council will make the final decision on whether or not an absence is excused or unexcused.

If any member has two (2) consecutive unexcused absences from meetings or subcommittee meetings of the council, the council may request an explanation at a regular meeting of the council.

### **Rule 3.5 Explanation of Unexcused**

If any member has two (2) consecutive unexcused absences from meetings or subcommittee meetings of the council, the council may request an explanation at a regular meeting of the council.

**Rule 3.6 Filling Vacancies**

Section 33 of city charter provides that vacancies of elected offices of the city will be filled by appointment by a majority of the remaining councilors. The appointee's term of office runs from appointment until expiration of the term of office of the last person elected to that office. When such vacancies occur, the council will follow the procedure set out for filling that specific vacancy as adopted by the council or as set out in these rules. In the event that all elected offices become vacant, the city manager requests the Secretary of State to call a special election to fill the vacancies of the council.

**Rule 3.7 Compensation for Attendance at Meetings**

A. Section 2.05.010 of the city code provides that “The duly elected and qualified members of the city council shall be compensated a monthly stipend as established by the annual budget process of the City.”

B. Procedures: City Council members will enroll in Payroll upon orientation to the Council. The finance department will process the payments as part of the payroll function of the City.

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### **Rule 3.8 Ethics**

All members of the council shall review and observe the requirements of state ethics law. In addition to complying with state ethics law, all members of the council shall refrain from:

- A. Disclosing confidential information.
- B. Taking action which benefits special interest groups or persons at the expense of the city as a whole.
- C. Expressing an opinion contrary to the official position of the council without so saying.
- D. Conducting themselves in a manner so as to bring discredit upon the government of the city.

### **Rule 3.9 Etiquette**

- 1. Honor the expertise in the room.
- 2. Avoid blame, speculation, and inflammatory language.
- 3. Ensure that all are heard and encourage participation.
- 4. Acknowledge and respect differences.
- 5. Agree to disagree.
- 6. Look for common ground.
- 7. Come to meetings prepared.
- 8. Ask questions to staff in advance whenever possible.
- 9. Active listening – Listen to understand not to respond.
- 10. WAIT – Why Am I Talking?
- 11. Stay on topic.
- 12. Provide actual direction.
- 13. Respectful to all.
- 14. Functional procedural rules.

### **Rule 3.10 Statements to Other Organizations**

A. Representing City

If a member of the council, to include the mayor, appears as a representative of the city before another governmental agency, or an organization to give a statement on an issue, the member may only state the official position of the city, as approved by a majority of the council.

B. Personal Opinions

If a member of the council, to include the mayor, appears in their personal capacity before another governmental agency or an organization to give a statement on an issue, the member must state they are expressing their own opinion and not that of the city before giving their statement.

**Rule 3.11 Interactions with City Manager and Management**

All members of the council shall respect the separation between the council's role and the City Manager's responsibilities by:

- A. Not interfering with the day-to-day administration of city business, which is the responsibility of the City Manager.
- B. Refraining from action that would undermine the authority of the City Manager or management staff.
- C. Limiting individual inquiries and requests for information from management to those questions that may be answered readily as part of management's day-to-day responsibilities. The City Manager should be informed regarding questions of a more complex nature.
- D. Council members should normally share any significant information obtained from management staff with the entire Council. This does not apply to questions by council members acting in their individual capacities rather than as a member of the council, nor to question regarding conflict of interest or similar issues particular to a member of the Council.

**Rule 3.12 Interaction with City Attorney and Legal Staff**

The City Attorney is the chief legal officer of the city and represents the municipal corporation not individual council members. Advice is given to the council as a whole, not to individual council members.

- A. Council members may make requests to the City Attorney for information and advice that would take less than two hours of attorney time. Council members should understand that the City Attorney must prioritize the city's legal issues and may not be able to respond immediately to Council requests.
- B. Requests for legal advice that require greater than two hours will require the concurrence of the majority of the Council.
- C. Any special requests of legal staff should be addressed through the City Attorney.

**Rule 3.13 The Mayor** is not "the gatekeeper" and does not screen Councilor interaction(s) with city personnel. However, the Mayor should be advised of significant issues that have been forwarded to city personnel.

## SECTION 4 – COUNCIL MEETINGS

### **Rule 4.1 Regular Meetings**

Section 12 of the city charter provides that the council must meet at least once a month at a time and place designated by the council. It further provides that the council may designate other regular council meetings besides the once a month meeting mandated by the city charter. The council designates through these rules two regular meetings of the council, which will be held on the first and third Monday of each month, except on holidays in which event the council will meet on the next ensuing business day as provided by city code Section 2.05.150.

### **Rule 4.2 Notice of Meeting**

The notice of the regular meeting of the council, including the agenda which lists items to be considered by the council, will be given in accordance with the OPML. However, the notice does not limit the matters that can be considered by the council nor prevent the council from taking up any matter brought before the council in accordance with the OPML.

### **Rule 4.3 Meeting Times and Places**

The regular meetings of the council will normally begin with a work session at 6:00 p.m. followed by a regular business session at 7:00 p.m. Regular council meetings will take place in the Public Safety Building in the training room, unless specifically designated to occur at another location. Any other such location will be noted in the notice of the meeting, but may not be outside of the City limits.

### **Rule 4.4 Special Meetings**

Special meetings may be called at any time upon the mayor's request or the request of three (3) members of the council. All meetings of the council will be called, noticed, and held in accordance with the city charter, city code, rules of the council, and the OPML.

### **Rule 4.5 Special Meetings Limited Purpose**

Notice of a special meeting will designate the time and place, as well as the business to be considered in accordance with Section 2.05.160 of the city code. Only business as set forth in the notice will be considered by the council, unless an actual emergency occurs in which case notice will be given in accordance with the OPML. In accordance with Section 2.05.170 of the city code, the rules of procedure for special meetings will be the same as those provided for general meetings of the council insofar as such rules are applicable. The agenda to be followed at the special meeting will generally be the agenda format for the study session set out in Rule 5.11.

### **Rule 4.6 Emergency Meetings**

The mayor upon the mayor's own motion, may, by giving notice to all members of the council, call an emergency meeting. An emergency meeting of the council may be called on less than 24 hours' notice provided an actual emergency exists. The meeting will be called and notice will be given pursuant to OPML. Attempts will be made to contact the media to provide notice of the emergency meeting.

### **Rule 4.7 Executive Session Meetings**

Executive sessions may be called by the presiding officer, by the request of three members of council, by the city manager or by the city attorney. Council may meet in executive session in accordance with the OPML. Matters discussed in executive session will be exempt from public disclosure pursuant to OPML. Council members will not disclose matters discussed in executive session. The city manager and city attorney will attend all executive sessions, unless they are excluded by the council or have requested to be

excused. City staff persons, as allowed by the council, may attend. Other persons authorized by OPML may attend. All final action or decisions must be made in public session.

**Rule 4.8 Adjourned and Recessed Meeting**

The council may adjourn or recess any meeting to a later date and time by a majority vote of the council members present. At least 24 hours' notice will be given announcing the date and time of the adjourned or recessed meeting if possible.

**Rule 4.9 Cancellation of Meeting**

Upon a majority vote of the council members present, a meeting may be canceled when deemed appropriate. If there is no business to transact or a quorum of the council cannot attend and there is no urgent necessity to have the meeting, the mayor with advice and consent of the city manager may cancel the meeting. Council members will be notified of the cancellation prior to notice being given to the public. Notice of cancellation will be given as soon as possible to the public in a manner aimed at giving adequate notice.

**SECTION 5 – AGENDAS AND ADDITIONAL ITEMS FOR CONSIDERATION**

**Rule 5.1 Preparation of Agenda**

The city manager with the advice and consent of the mayor will prepare the agenda along with appropriate documentation for council meetings. Any member of the council may request, through the city manager, for a matter to be placed upon the agenda. Such request is subject to the advice and consent of the mayor. Each meeting agendas format will be prepared as prescribed in the rules. If there is no item to be considered under a section of the agenda, that section will be omitted from the agenda and the agenda will be renumbered accordingly. The final authority on the agenda matters is the city council.

**Rule 5.2 Non-Agendized Items**

Prior to the meeting, the city manager may send out additions to the agenda with the appropriate documentation. The council may consider the items which are not listed on the published agenda. The council by majority may place the item on the agenda. Action may then be taken on the item.

**Rule 5.3 Time for Submission of Items**

Items for the council agenda will be submitted in time to allow for sufficient research by staff and recommendations from council advisory bodies.

**Rule 5.4 Reports by the Staff**

Normally the councilors will receive a report from the staff on each item to be considered by the council at least one (1) week prior to the council meeting.

**Rule 5.5 Additional Items**

After consulting with the mayor, the city manager may, not later than forty-eight (48) hours prior to the meeting, send out additions to the agenda with appropriate documentation and information. With prior notice to the council and under circumstances that cannot be avoided, the city manager may submit additional documentation at the council meeting. Any councilor may request and will be granted adequate time to review the documentation or delay deliberation concerning the matter.

**Rule 5.6 Public Comments**

A. Non-Agenda Items and Consent Calendar

Persons speaking to the council from the floor concerning items not on the agenda or items that are on the consent calendar would speak under public comments. Those people will be given the opportunity to speak no more than five (5) minutes. Speakers may share their time at the discretion of the mayor. The maximum time allowed for public comments, including all speakers is thirty (30) minutes. The mayor has the discretion to extend these time limits. Speakers may address the council for less than their allotted time. Comments including any attachments, can be emailed to the City Recorder by 12:00 p.m. (noon) the Friday before the meeting or dropped off at City Hall.

B. Agenda Item other than Consent Calendar

Except as required by state statute, the following procedure will apply to comments on agenda items, other than those on the consent calendar. People will be given the opportunity to speak no more than five (5) minutes. Speakers may share their time at the discretion of the mayor. The mayor has the discretion to extend these time limits. Speakers may address the council for less than their allotted time. Comments including any attachments can be emailed to the City Recorder by 12:00 p.m. (noon) the Friday before the meeting or dropped off by City Hall. Materials more than 10 pages long should be submitted prior to the deadline to ensure sufficient time for council review.

C. Written Materials Received after Deadline

Written material received later than the deadlines set forth in A or B will be accepted only by affirmative vote of the majority of the council except in the case of land use hearings.

D. Electronic Materials

Speakers may play electronic audio or visual material during the time permitted for their comment. Speakers may utilize city-provided audio or visual equipment located in the council chambers as a part of their comment, but must provide the materials in a readable format to city staff **Friday by 12:00 p.m.** prior to the council meeting so that it may be installed on the city's equipment to avoid a delay or disruption of the meeting.

E. Multiple Speakers

Should there be more speakers than can be heard during the 30 minutes allowed for public comment, the presiding officer may sort the requests to speak in order to afford the greatest opportunity for each topic to be heard or may extend the comment period.

F. Council Inquiries

Councilors may, upon recognition by Mayor or presiding officer, ask questions of speakers during public comment. Councilors shall use restraint when exercising this option, and shall attempt to limit questions to no more than three minutes. The Mayor, or presiding officer, may intervene if a councilor is violating the spirit of this guideline.

**Rule 5.7 Consent Calendar**

The city manager will place items which have been previously reviewed by the council or items which are routine in nature on the consent calendar. Items may be removed from the consent calendar by the mayor or by request of a council member. Ordinances and orders will not be placed on the consent calendar. Public comments, as described in 5.6.A, will be held prior to the approval of the consent calendar

to allow the public to address items under consent calendar.

**Rule 5.8      Agenda Availability**

Council agendas and the accompanying documents are available at the city recorder’s office and are posted on the city website normally one (1) week prior to the council meeting. Proposed ordinances will be available to the public on the City website one week prior to the meeting, as required by the Charter. Interested persons are encouraged to read the agenda along with supporting material, and address questions to the mayor, council or city staff prior to the meeting. The mayor and council value public input. In order to efficiently conduct city business, those who have concerns are encouraged to address these issues prior to the council meeting.

**Rule 5.9      Work Session Meeting Agenda**

The council may hold a work session prior to the council business meeting and as needed. The work session will be attended by the city manager, the city attorney, the mayor and the council. Other department heads will be expected to attend work sessions if requested by the city manager. The work session is intended for discussion and no decisions or actions will be taken on the items. The work session agenda will be as follows:

- I.        Call Meeting to Order
- II.       Roll call
- III.      Review of the council agenda and meeting
- IV.      Council housekeeping items (schedules, requests, announcements, limited to items of clarification, organization, calendar and questions of a general nature.)
- V.       Reports & Presentations
- VI.      Executive session
- VII.     Recess

These work sessions are open to the public and the public is welcome to attend. Public input will not be taken except with specific permission of the council. Minutes of the work session will be kept by the city recorder. The agenda may be altered at the convenience of the council.

**Rule 5.10     Business Meeting Agenda**

The council may hold its regular business meetings at the time and place as specified in these rules. The business meeting agenda will be as follows:

- I.        Call Meeting to Order
- II.       Administration of Oath of Office
- III.      Roll Call
- IV.      Pledge of Allegiance
- V.       Reports, Special Presentations, or Recognitions
- VI.      City Manager’s Report
- VII.     Council Appointments
- VIII.    Public Comments (30 minutes maximum which may be extended at the mayor’s discretion; an opportunity to speak for not more than five (5) minutes per speaker allowed)
- IX.      Consent Calendar
- X.       Public Hearings
- XI.     Continued Business

- XI. New Business
- XII. Council Business
- XIII. Executive Session
- XIV. Adjournment

At the mayor's discretion, the mayor may change the order of the agenda and allow communications concerning items on the agenda or other council business. Minutes of the business meeting will be kept by the city recorder.

**Rule 5.11 Study Session Meeting Agenda**

The council, from time to time, may hold a study session at a location to be determined based on facility availability. The purpose of the study session is to explore and analyze issues, as well as to confer with staff or other experts. The study session is intended for discussion and no decisions or actions will be taken on the items. The study session agenda will be as follows:

- I. Call Meeting to Order
- II. Roll Call
- III. Presentation of Information
- IV. Discussion and Questions
- V. Executive Session
- VI. Specific Items for Presentations
- VII. Reports or Presentations from Boards, Commission, Committees, or Groups Invited by the Council
- VIII. Adjournment

These study sessions are open to the public and the public is welcome to attend. Public input will not be taken except with specific permission of the council. Minutes of the study session will be kept by the city recorder.

**Rule 5.12 Joint Meeting or Community Forum Meeting Agendas**

The council may hold joint meetings or community forums with other governmental entities or with the city's boards, commissions, or committees or other governmental entities or an open forum to conduct business and to discuss issues, relationships, strategic plans, or controversial issues. The agenda for these meetings or forums will be as follows:

- I. Call Meeting to Order
- II. Roll Call
- III. Purpose of Joint Meeting or Community Forum
- IV. Discussion or Deliberation
- V. Summary and Closing Comments
- VI. Adjournment

The purpose of the community forum would be to listen and communicate. These meetings are open to the public and the public is welcome to attend. Public input will not be taken except with specific permission of the council. Minutes of the joint meeting or community forum meeting will be kept by the city recorder.

## SECTION 6 – PRESIDING OFFICER

### **Rule 6.1 Mayor**

Section 9 of city charter provides that the mayor will preside over and facilitate all council meetings, preserve order, enforce council rules, and determine the order of business pursuant to council rules. The mayor is a voting member of the council and has no veto authority. The mayor, with the consent of the council, will appoint members of boards, commissions, and committees established by ordinance or resolution. The mayor will sign all records of council decisions. The mayor serves as the political head of the city.

### **Rule 6.2 Council President**

In the absence of the mayor, the council president will act as mayor and serve as the presiding officer. Pursuant to section 10 of city charter at the first meeting each year, the council will elect a council president from its membership. Whenever in these rules, the mayor is mentioned and the mayor is absent, the council president can exercise the authority as the mayor. The council president presides in the absence of the mayor and acts as mayor when the mayor is unable to perform the mayor's duties.

### **Rule 6.3 Presiding Officer Pro-Tem**

In the absence of the mayor and council president at any meeting of the council where a quorum is present, the council members present may appoint a presiding officer pro-tem who will preside at the meeting. The presiding officer pro tem will exercise all the authority of the mayor during the proceedings.

- A. If both the mayor and the president of the council are absent from the meeting, the following procedure shall be utilized to determine who is the presiding officer:
1. The city recorder shall call the council to order and call the roll of the members.
  2. Those members of council present shall elect, by majority vote, a temporary presiding officer for the meeting.
  3. Should either the mayor or the president of the council arrive, the temporary presiding officer shall relinquish control of the meeting immediately upon the conclusion of the item presently being discussed.
  4. The presiding officer shall retain all rights and privileges of a member of council when acting in this capacity.

### **Rule 6.4 Presiding Officer Pro-Tem for Specific Items (Roving Gavel)**

The mayor, with the consent of the appointed council member and the concurrence of the members present, may appoint a council member to serve as the presiding officer pro-tem for specific items to come before the council meeting for consideration. If any councilor objects to the appointment, the consent of the quorum will be obtained. The rulings and decisions of the presiding officer pro-tem will have the same force and effect as those of the mayor. The mayor will be allowed to participate as any other council member.

## SECTION 7 – PROCEDURES AT MEETINGS

### **Rule 7.1 Mayor's Duty**

The mayor will call the council members to order at the hour designated for the meeting. The mayor may

compel attendance in accordance with council rule 2.3. Should there not be a quorum within fifteen (15) minutes the members present will adjourn until a quorum can be gathered or until the next scheduled meeting time established by the council or to the next regular meeting time.

**Rule 7.2 Mayor's Role**

The mayor will preserve order and decorum, may speak to the points of order in preference to other members and will decide all questions of order subject to an appeal to a majority of council members. No member may speak more than once on an item concerning an appeal of the mayor's decision without permission of the council. If two or more members request the floor at once, the mayor will name who is to speak first.

**Rule 7.3 Council**

Members of the council shall observe decorum during meetings, and shall not, by conversation or action, delay or interrupt the proceedings or refuse to obey the orders of the presiding officer or these rules.

**Rule 7.4 Staff**

Members of the city staff and all other persons attending meetings shall observe the council's rules of proceedings and adhere to the same standards of decorum as members of council.

**Rule 7.5 Address the Mayor**

When any councilor is about to speak in debate or deliver any matter to the council, that councilor should respectfully address the mayor or presiding officer. The councilor should confine the remarks to the question under consideration and avoid addressing personalities.

**Rule 7.6 Voting Required**

Every councilor who is present will vote for or against the question before the council unless the council excuses that councilor from voting. Every councilor may refrain for just legal cause without being excused by the council. A Councilor will announce the legal reason or justification for abstaining from voting.

**Rule 7.7 Discussion on Agenda Items**

Agenda items may be considered at any time during the meeting. The mayor will control and determine the order items will be discussed.

**Rule 7.8 Debate**

The following rules shall govern the deliberation of any item being discussed by the council:

- A. Upon recognition by the presiding officer, every member desiring to speak shall address the presiding officer.
- B. Shall be a five-minute time limit, Only after all members have had the opportunity to debate, a member may be given additional time to speak.
- C. Shall confine him/herself to the question under debate.
- D. Shall at all times act and speak in a respectful manner.
- E. The member of the council moving the adoption of any ordinance or resolution shall have the privilege of opening or closing the debate.

### **Rule 7.9 Verbal and Electronic Crosstalk**

Councilors should refrain from crosstalk during meetings, including exchanges between councilor in verbal, electronic, or written form. To further the purpose of the Oregon Public Meeting Law, discussion should be open and available to the public. Any exchange electronic or written occurring during a council meeting and related to City business, is a public record and should be provided to the City Recorder to be entered into the record.

### **Rule 7.10 Procedures on Motion**

Generally, no motion will be considered unless it has been seconded. When a motion is seconded, the mover may withdraw the motion with the consent of the second at any time before discussion and before any amendment is proposed. Motions not requiring a second include division, point of order, parliamentary inquiry, response to hygiene issues, and other such procedural inquiries.

### **Rule 7.11 Reconsideration**

When a question has been decided, it will be in order for a member who voted on the prevailing side to move for reconsideration at the same meeting or next following meeting only.

### **Rule 7.12 Failure to Follow Rules**

Failure to follow the rules of the council in conducting business or to abide by the rules of procedure does not invalidate the decisions of the council nor will it be grounds to later challenge the validity of the decision.

### **Rule 7.13 First Reading of Ordinances**

Section 17 of city charter provides that the council exercises its legislative authority by adoption of ordinances. Ordinances require the concurrence of a majority of the entire membership of the council. This section of the charter provides that an ordinance may be read by title only without having to read the ordinance fully in open council meeting if no council member present requests such reading and the ordinance is available in writing at least one (1) week before the meeting. By this rule, the council establishes the policy that an ordinance will be presented to the council for consideration and discussion at one (1) meeting prior to the passage of the ordinance. The ordinance may be finally acted upon at the first meeting that the ordinance is presented if a majority of the entire membership concurs. In that case the ordinance can be read by title only as provided in the city charter. In order to comply with the requirement that an ordinance be read in full, the exhibits or attachments to the ordinance will not have to be read as long as they are available in writing to the public at least one (1) week before the meeting.

### **Rule 7.14 Public Legislative Hearing**

The council exercises legislative authority pursuant to Chapter IV of the city charter. The legislative authority is usually exercised by adoption of an ordinance. When the council conducts a public hearing concerning the exercise of its legislative authority, the council will follow the legislative hearing format. That format is hereby attached as Exhibit "1" to these rules and by this reference incorporated.

### **Rule 7.15 Public Administrative Hearing**

The council exercises administrative authority pursuant to Chapter V of the city charter. Certain administrative actions require a public hearing be held. Examples include: sale of real property (ORS 221.725); imposing or raising a fee (ORS 294.160). When the council conducts an administrative public hearing, council will follow the administrative hearing format. That format is hereby attached as Exhibit "2" to these rules and by this reference incorporated.

### **Rule 7.16 Public Quasi-judicial Hearing**

The quasi-judicial authority is usually exercised by adoption of an order pursuant to Chapter VI of the city charter. When the council conducts a public hearing concerning the exercise of its quasi-judicial authority, the council will follow the quasi-judicial hearing format. There are two (2) separate and distinct types of quasi-judicial public hearing procedures that will be used by the council, and they are as follows.

#### **A. Quasi-judicial Land Use Public Hearing Procedure**

Whenever the council is considering a land use matter, which requires a quasi-judicial land use hearing procedure, the council will use the procedure that is hereby attached as Exhibit “3” and by this reference is incorporated.

#### **B. Quasi-judicial Non-Land Use Public Hearing Procedure**

Whenever the council is considering a non-land use matter, which requires a quasi-judicial land use public hearing procedure, the council will use the procedure that is hereby attached as Exhibit “4” and by this reference is incorporated.

### **Rule 7.17 Ex-parte Contact**

Whenever the council conducts a quasi-judicial public hearing, the council should declare any ex-parte contact. When the hearing conducted is a quasi-judicial land use public hearing, the ex-parte contact is governed by the appropriate state law concerning ex-parte contacts in quasi-judicial land use matters. Whenever the ex-parte contact concerns quasi-judicial non-land use public hearings, the councilor should attempt to clearly state any ex-parte contact. However, failure to state ex-parte contact will not be grounds to question, appeal, or overturn the decision of the council unless it can be shown that failure to declare the ex-parte contact constituted substantial prejudice to a party raising the objection.

### **Rule 7.18 Public Comment Registration**

In order to properly notify citizens who participate in the hearing and to be able to send them information, it is necessary for the interested person to register at the council meeting before making oral comments and/or providing input at the meeting. The interested person shall register for each subject under which they wish to provide comment. The public comment registration forms will be made part of the meeting records in accordance with OPML. The registration forms will contain a provision by which a person may indicate that they do not wish for their address, phone number, and email address to be released in any public records request. When the interested person addresses the council or gives oral comments, that person should state their name, but does not need to state their mailing address, phone number, or email address. A form complying with this rule will be available at all meetings of the council. The city manager is delegated the authority to draft, revise, and produce the necessary form that complies with this rule.

### **Rule 7.19 How Interested Person Should Testify**

Each interested person addressing the council should do so in a courteous and considerate manner. The person needs to register and follow other rules as provided in the council rules. The public will be furnished guidelines and should comply with these guidelines for testifying before the council. The document setting out the guidelines and helpful information to assist the public in testifying will be entitled, “How to Testify” that is hereby attached as Exhibit “5”. The city manager is delegated the authority to draft, revise, and produce the necessary form that complies with this rule.

- A. If a member of the public wishes to speak on an item that is scheduled for a public hearing at

that same meeting, the speaker shall wait until the public hearing. Public comment shall not be used to testify about a quasi-judicial land use matter, to testify on an item that is not a public matter, to testify on a matter which has been or is scheduled to be heard by a hearings official, or to provide or gather additional testimony or information on any matter after the official record has been closed on any matter which has been the subject of a public hearing.

- B. Each person shall, prior to giving testimony, give his or her name, and shall indicate whether they are a resident of the city. All remarks shall be addressed to the council as a body and not to any member thereof.
- C. Councilors may, after recognition of the Mayor or presiding officer, ask clarifying or follow up questions of individuals providing testimony after that individual has completed his or her testimony. Questions posed by councilors should be to provide clarification or additional information on testimony provided. Questions should not be used as an attempt to lengthen or expand the testimony of the individual. Councilors shall be expected to use restraint and be considerate of the meeting time of the council when exercising this option. The presiding officer may intervene if a councilor is violating the spirit of this guideline. **This is not a time for councilor deliberation.**
- D. Councilors may, after the presentation of testimony of all interested persons, ask clarifying or follow-up questions of staff. Questions posed by city councilors should be to provide clarification or additional information on testimony provided.

## **SECTION 8 – ENFORCEMENT OF COUNCIL RULES**

### **Rule 8.1 Presiding Officer**

The mayor or presiding officer, as described in Section 6, will enforce the council rules. In addition, the mayor or presiding officer has the authority to preserve decorum and will determine all points of order, subject to the right of any councilor to appeal to the council. The mayor or presiding officer will enforce order, prevent attacks on personalities or the impugning of members’ motives, and keep those in debate to the question under discussion.

### **Rule 8.2 Councilors**

Councilors will when addressing staff or councilors confine themselves to questions or issues that are under discussion; will not engage in personal attacks; will not impugn the motives of any speaker; and will at all times, while in session or otherwise, conduct themselves in a manner appropriate to the dignity of office. Councilors will not attack the knowledge, skills, abilities and personalities or impugn city staff members’ motives in council or at any city meetings. In council meetings, councilors may discuss or suggest anything with the city manager related to city business.

### **Rule 8.3 Attire at Council Meetings**

All persons at Council meetings will be properly attired in order to maintain the atmosphere of respect for the Council proceedings. Proper attire will include shirt and shoes that are appropriate for the public meetings similar to judicial proceedings. Attire may vary depending upon custom and tradition. This rule will not be used to infringe upon anyone’s freedom of religion or necessary attire for accommodation purposes. For example, men should remove their hats in council meetings; women may cover their heads as traditionally allowed; all “outside” headgear should be removed; dark glasses, unless medically-

necessary should be removed; a shirt or blouse should be worn; muddy shoes or boots should be removed; and shoes should be worn.

**Rule 8.4 Removal of Any Person**

Any persons making disruptive or threatening remarks or actions during a meeting will forthwith be barred from further audience at that meeting, unless permission to continue is granted by a majority vote of the councilors present. The mayor or presiding officer may summon the assistance of the police or other administrative staff to prevent further interruption by such person by any action necessary, including the removal of that individual. In case the mayor or presiding officer should fail to act, any councilor may obtain the floor and move to require enforcement of this rule; upon an affirmative vote of the majority of the councilors present. The police or administrative staff will be authorized to remove the person(s) as the mayor or presiding officer so directs.

**Rule 8.5 Censure**

The council may enforce these rules and ensure compliance with city ordinances, charter and state laws applicable to governing bodies. If a member of the council violates these rules, city ordinances, the city charter or state laws applicable to governing bodies, a majority of the entire membership of the council may take action to protect the integrity of the council and discipline the member with a public reprimand, removal from committee assignments, and/or the removal from the position of council president.

**Rule 8.6 Use of Executive Session to Investigate Council Members Actions**

The Council may investigate the actions of any member of council and meet in executive session under ORS 192.660(2)(b) to discuss any finding that reasonable grounds exist that a violation of these rules, local ordinance, the city charter or state laws applicable to governing bodies has occurred. Sufficient notice must be given to the affected member to afford them the opportunity to request an open hearing under ORS 192.660(2)(b)

## SECTION 9 – AD-HOC COMMITTEES

### **Rule 9.1 Structure of Ad-hoc Committees**

The mayor will have the authority to form ad-hoc committees and may refer matters to the appropriate committee.

### **Rule 9.2 Duty of Ad-hoc Committees**

The mayor may form ad-hoc committees to deal with specific tasks within specific timeframes and make recommendations to the council. The mayor will establish the membership criteria for the ad-hoc committees. Residency may be a required criterion but does not have to be a required criterion.

### **Rule 9.3 Appointment of Ad-hoc Members**

The mayor will appoint members of the ad-hoc committees, subject to council ratification. The mayor will designate the chair person and the vice chair. Membership on the committees will be appointed as needed to advise the council on specific programs or projects. Members will continue to serve until their mission is accomplished, replacement or reappointment.

### **Rule 9.4 Functions of Ad-hoc Committees**

Each member of the ad-hoc committee will have an equal vote on the committee. The reports of the ad-hoc committee will have only the authority of recommendations to the council. The council has the authority to follow the recommendations, change the recommendations, refer the matter back to the committee or take any other action the Council deems appropriate.

### **Rule 9.5 Removal of Members of Ad-hoc Committee**

The mayor may remove any member of the ad-hoc committee at any time. Members of the committee will be removed if the member fails to attend two (2) consecutive meetings of the committee without being excused prior to the meeting. The mayor has the authority to grant an excused absence and in the mayor's absence, the committee chair has the authority.

### **Rule 9.6 Meetings of the Ad-hoc Committees**

The meeting time and place of the committees will be decided by the chair with the consent of the committee. The meeting time and place may be changed provided there is adequate notice. The chair will have the authority to cancel any meeting of the committee for lack of business or necessity to meet. However, a majority of the committee, as determined by telephone poll or electronic poll, may request a meeting of the committee. Meetings are public meetings and will be conducted in accordance with the OPML.

### **Rule 9.7 Staff Support of Ad-hoc Committee**

The city manager will have the responsibility to furnish the necessary staff support for each ad-hoc committee. The city manager will assign the specific duties to the staff supporting and working with the membership of the ad-hoc committees. The committee will not have the authority to assign specific tasks to any staff person of the city but will work through the city manager.

### **Rule 9.8 Ex-officio Members of Ad-hoc Committees**

The mayor, city manager, and the city attorney will be ex-officio, non-voting members of all ad-hoc committees and will not be used in determining a voting quorum. The ex-officio members may attend any committee meeting. If they attend, they may participate in the discussion as is appropriate. However, they

are not required to attend committee meetings.

## SECTION 10 – ELECTRONIC COMMUNICATIONS

### **Rule 10.1 Electronic Communications**

All councilors will observe the following guidelines when using an electronic method for communication (including but not limited to, email, social media, or other forms of electronic communication) in their elected roles:

A. **Subject to Disclosure**

All council e-mail correspondence or social media posts related to city business are governed by the Oregon Public Records and Meetings Laws and subject to disclosure.

B. **Purpose of Email**

E-mail may be used for correspondence, to schedule meetings, send informative messages, or request information from other members of the council, the city manager, or city department directors.

C. **Not Appropriate for Policy Issues with a Quorum**

E-mail or social media sites may not be used to discuss policy issues with a quorum of the council at one time or a quorum of an advisory body in any manner which would be in violation of the OPML.

## SECTION 11 – PROCLAMATIONS

### **Rule 11.1 Request for Proclamations**

Organizations, citizens, or councilors may request proclamations that declares a specified date or dates to recognize the efforts of various community groups and individuals. Upon receipt, the city recorder will notify the mayor of the request. Upon the approval of the mayor, the city recorder will prepare the proclamation for the mayor's signature.

### **Rule 11.2 Reading of Proclamations**

At the discretion of the mayor, a proclamation will be read at the council meeting and presented or mailed to the requesting organization or group.

## SECTIONS 12-19 – *[RESERVED FOR EXPANSION]*

## SECTION 20 – MISCELLANEOUS

### **Rule 20.1 Amendments to Council Rules**

Amendments to these council rules will be made by resolution.

## **OUTLINE FOR PUBLIC HEARING**

### **Newberg City Council**

#### **▶ ADMINISTRATIVE HEARING ◀**

#### **1. CALL TO ORDER**

OPEN THE PUBLIC HEARING, ANNOUNCE THE PURPOSE, DISCUSS TESTIMONY PROCEDURE, AND TIME ALLOTMENTS

#### **2. DECLARATION OF CONFLICTS OF INTEREST OR ABSTENTIONS**

#### **3. STAFF REPORTS**

#### **4. PUBLIC TESTIMONY**

##### **A. Mayor Announces Time Limits**

##### **B. Citizen Testimony**

1. Invites citizen to the table to speak into the microphone.
2. Inform citizen to state name at beginning of testimony.
3. Remind citizen to briefly state input.
4. Order of Citizens' Testimony.
  1. Proponent
  2. Opponent
  3. Undecided

##### **C. Close of Public Testimony**

#### **5. RECOMMENDATIONS FROM STAFF**

#### **6. COUNCIL DELIBERATION**

#### **7. DECISION**

**A. Resolution – Action usually requires passage of resolution**

**B. Vote – Voice vote is permitted**

**C. Majority of the Quorum is required for passage**

**D. Combination – Can be combined with other council action**

## OUTLINE FOR PUBLIC HEARING Newberg City Council

### ► LEGISLATIVE HEARING ◀

#### 1. CALL TO ORDER

OPEN THE PUBLIC HEARING, ANNOUNCE THE PURPOSE, DISCUSS TESTIMONY PROCEDURE, AND TIME ALLOTMENTS

#### 2. DECLARATION OF CONFLICTS OF INTEREST OR ABSTENTIONS

#### 3. STAFF REPORTS

#### 4. PUBLIC TESTIMONY

##### A. Mayor Announces Time Limits

##### B. Citizen Testimony

1. Invites citizen to the table to speak into the microphone.
2. Inform citizen to state name at beginning of testimony.
3. Remind citizen to briefly state input.
4. Order of Citizens’ Testimony.
  1. Proponent
  2. Opponent
  3. Undecided

##### C. Close of Public Testimony

#### 5. RECOMMENDATIONS FROM STAFF

#### 6. COUNCIL DELIBERATION

#### 7. DECISION

##### A. Ordinance – Action usually requires passage of ordinance

##### B. Roll Call Vote – Vote is done by roll call

1. By title only
2. Reading in full
3. “First Reading” council rule

##### C. Majority of Entire Membership – Ordinances require majority of entire membership for passage

##### D. Combination – Can be combined with other council action

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## **Newberg City Council**

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### ***QUASI-JUDICIAL LAND-USE PUBLIC HEARING PROCEDURE (Land Use)***

1. OPEN THE PUBLIC HEARING, ANNOUNCE THE PURPOSE, DISCUSS TESTIMONY PROCEDURE, AND TIME ALLOTMENTS
2. CALL FOR ABSTENTIONS, BIAS, EX-PARTE CONTACT, AND OBJECTIONS TO JURISDICTION  

**CITY ATTORNEY LEGAL ANNOUNCEMENTS:  
READ “[Quasi-Judicial Announcements](#)” Sheet**
3. STAFF REPORT
4. PUBLIC TESTIMONY  

**Time Limits: A. Mayor sets time limits  
B. Citizen goes to witness table, states name & presents testimony**

  - A. PROPONENTS (Principle Proponent/s first, then others or undecided)
  - B. OPPONENTS AND UNDECIDED
  - C. PRINCIPAL PROPONENT REBUTTAL
5. QUESTIONS OF PROPONENTS AND OPPONENTS FROM THE FLOOR OR THE CITY COUNCIL DIRECTED THROUGH THE CHAIR
6. PUBLIC AGENCY LETTERS OR COMMENTS
7. CLOSE OF PUBLIC TESTIMONY PORTION OF HEARING  

**CITY ATTORNEY LEGAL ANNOUNCEMENTS**
8. FINAL COMMENTS FROM STAFF AND RECOMMENDATION
9. DELIBERATION OF COMMISSION INCLUDING DISCUSSION OF CRITERIA WITH FINDINGS OF FACT
10. ACTION BY THE CITY COUNCIL
  - A. ORDER – Usually requires passage of order.
  - B. VOTE – Voice vote is permitted.
  - C. MAJORITY OF A QUORUM – Requires majority of the quorum for passage.
  - D. COMBINATION – Can be combined with other council action; separate vote on each action is required.

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## **Newberg City Council**

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### ***QUASI-JUDICIAL NON-LAND-USE PUBLIC HEARING PROCEDURE (Non-Land Use)***

1. OPEN THE PUBLIC HEARING, ANNOUNCE THE PURPOSE, DISCUSS TESTIMONY, PROCEDURE, AND TIME ALLOTMENTS
2. CALL FOR ABSTENTIONS, BIAS, EX-PARTE CONTACT, AND OBJECTIONS TO JURISDICTION

**CITY ATTORNEY LEGAL ANNOUNCEMENTS:  
READ “[Quasi-Judicial Announcements](#)” Sheet**

3. STAFF REPORT
4. PUBLIC TESTIMONY
  - Time Limits: A. Mayor sets time limits
  - B. Citizen goes to witness table, states name & presents testimony
  - A. PROPONENTS (Principle Proponent/s first, then others or undecided)
  - B. OPPONENTS AND UNDECIDED
  - C. PRINCIPAL PROPONENT REBUTTAL

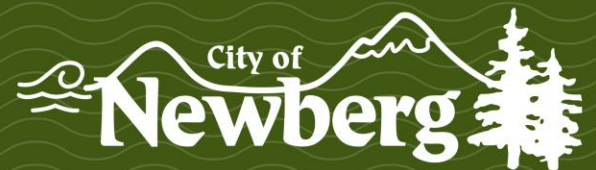
5. QUESTIONS OF PROPONENTS AND OPPONENTS FROM THE FLOOR OR THE CITY COUNCIL DIRECTED THROUGH THE CHAIR
6. PUBLIC AGENCY LETTERS OR COMMENTS
7. CLOSE OF PUBLIC TESTIMONY PORTION OF HEARING

**CITY ATTORNEY LEGAL ANNOUNCEMENTS**

8. FINAL COMMENTS FROM STAFF AND RECOMMENDATION
9. DELIBERATION OF COMMISSION INCLUDING DISCUSSION OF CRITERIA WITH FINDINGS OF FACT
10. ACTION BY THE CITY COUNCIL
  - A. ORDER – Usually requires passage of order.
  - B. VOTE – Voice vote is permitted.
  - C. MAJORITY OF A QUORUM – Requires majority of the quorum for passage.
  - D. COMBINATION – Can be combined with other council action; separate vote on each action is required.

# Council Rules Update

Discussion of Proposed Changes



# Chapter 1. Agendas

V.

E. Language to include denial of an agenda item such as: if a request to include an agenda item is denied, written explanation shall be provided to requesting council member and council president as to why. The explanation must be provided at least seven days prior to the meeting. If denied, an item shall be placed on the agenda at the request of two members of council.

# Chapter 2: Work Sessions

- E. Work sessions
- 1. Work sessions may be called by the presiding officer, at the request of three members of Council, by the city manager, or by the city attorney.

## Chapter 2: Meeting Time

- Limit council meetings to 4 hours with a 10 pm cut off.
- Would suggest adding "except by a majority vote of the body."

# Chapter 8: Section II Decorum

- Prohibit the use of cell phones during meetings.
- Could instead be a statement about devoting full attention to the meeting at hand.

# New Outlines/Scripts

## OUTLINE FOR PUBLIC HEARINGS

Newberg City Council

### ▶ LEGISLATIVE HEARING ◀◀

#### 1. CALL TO ORDER

<p>Open the public hearing, announce the purpose, discuss testimony, procedure, and time allotments</p>	<p style="text-align: center;"><b>Script</b></p> <p><b>Presiding Officer:</b> This hearing is to consider [topic of hearing]. At this time, I will open the public hearing. Citizens will be able to testify on this issue by first submitting a public comment registration at the back table should they wish to speak.</p>
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#### 2. DECLARATION OF CONFLICTS OF INTEREST OR ABSTENTIONS

	<p style="text-align: center;"><b>Script</b></p> <p><b>Presiding Officer:</b> Do any members of this [council, board, committee, or commission] need to declare a conflict of interest, abstention, or ex-parte contact?</p> <p>(If yes, a member should be acknowledged by the presiding officer and state their declaration.)</p>
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## ORDINANCE ACTION GUIDE

### First action: Waive the second reading.

If this is the first meeting in which this ordinance is considered, council should waive the second reading through the following motion.

#### Script

**Presiding Officer:** I move to waive the second reading of Ordinance [#####].

### Second action can be one of 4 steps:

#### 1. Motion for Approval

#### Script

**Presiding Officer:** I move to approve Ordinance [#####], [Title]

#### 2. Motion to Read in Full

#### Script

**Presiding Officer:** I move to approve Ordinance [#####], [Title] and ask that it be read in full.

#### 3. Motion to Approve Amended Ordinance

Amended ordinance must be read in full if approved in the same meeting as amendments are made.

#### Script

**Presiding Officer:** I move to approve Ordinance [#####], [Title] with amendments and ask that amendments be read in full.

#### 4. Motion to Table the Ordinance Motion:

#### Script

**Presiding Officer:** I move to table this ordinance to be considered at our next meeting.

# Other Suggestions?

# Staff Recommendation

- Motion for staff to proceed with legal review of the draft council rules (with amendments).