

**ATTACHED IS ADDITIONAL
INFORMATION FOR THE
MAY 4, 2009
CITY COUNCIL MEETING.**

**PLEASE INCLUDE THIS IN
YOUR PACKET:**

VIII-1

RCA & Resolution No. 2009-2840

Replace

Keep attachments

VIII-2

Resolution No. 2009-2843

Add to RCA – Memorandum from Mike Gougler

Add to Plan - Appendix B

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order ____ Ordinance ____ Resolution XX Motion ____ Information ____
No. No. No. 2009-2840

SUBJECT: Resolution initiating an evaluation of the City's sign ordinance regarding animated signs, and establishing a pilot program to evaluate the effect of potential changes.

Contact Person (Preparer) for this Resolution: Daniel Danicic, City Manager

Dept.: Administration
File No.: DCA-09-002
(if applicable)

RECOMMENDATION: Consider **Resolution No. 2009-2840**, initiating an evaluation of the City's sign ordinance regarding animated signs, and establishing a pilot program to evaluate the effect of potential changes.

EXECUTIVE SUMMARY: Newberg's sign code limits animated signs to 10 square feet in most areas. Animated signs are prohibited in the downtown (C-3) zone. An animated sign is defined as one where the display changes more than once in any ten minute period.

Several owners of electronic readerboard signs have asked the City to consider allowing usage of their signs in excess of current sign code limits. They have requested a moratorium on enforcement of sign code animated sign provisions for a period of time. Some cite lagging sales during the current recession as a reason for a moratorium.

Staff does not recommend a moratorium on enforcement of the law. A moratorium on enforcement would set a dangerous precedent for other laws. In addition, a moratorium is typically used with a specific purpose in mind during the moratorium period, such as moratorium on new construction while a water reservoir is built. Finally, Newberg's sign laws were developed with much forethought and extensive public input, and should not be modified without the same.

If the Council wishes to revisit the issue, the Council could (1) initiate an evaluation of and potential amendments to the current code standards; and (2) establish a pilot program and request owners of existing electronic readerboards to try different uses of their signs for a period of time to evaluate their impacts and effectiveness.

The evaluation could consider several alternatives: (1) keep the existing rules in place; (2) modify the time limit for changing display; (3) establish limits on the size electronic signs; or other changes suggested through an open public process.

During the pilot program, owners of existing electronic signs could be asked to try different uses of their signs, so their impacts could be evaluated. For example, an owner might be asked to vary the message at different time intervals. The owner would be asked to document the effects of the changes on sales. In addition, the City could solicit and document public comments and concerns.

FISCAL IMPACT: Costs would be incurred in staff time in preparing the evaluation, running the pilot program, and in conducting the public hearing process. Total cost is estimated at \$3,000.

STRATEGIC ASSESSMENT: The sign code states (§151.590: Purpose):

(A) The citizens of Newberg desire a clean, attractive, economically vibrant, and safe community. Well planned and constructed signs can contribute to the community's success by directing and informing the public about commercial and other activities, and by creating attractive commercial and other neighborhoods. On the other hand, unregulated signage can create clutter, distractions, and hazards.

(B) These regulations are designed:

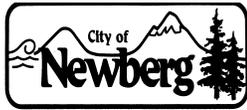
- (1) To improve, maintain and preserve Newberg as a pleasing environment so as to improve the quality of life of all residents.*
- (2) To enhance the attractiveness of Newberg as a place to conduct business.*
- (3) To enable the identification of places of residences and business.*
- (4) To allow the freedom of expression.*
- (5) To reduce distractions and obstructions from signs which would adversely affect safety.*
- (6) To reduce the hazards from improperly placed or constructed signs.*

Newberg's sign laws were developed with much forethought and extensive public input to achieve these goals. The Council should obtain input from a broad spectrum of its citizens as it considers any amendments to the sign code.

The initiation of a pilot program vs. a moratorium will maintain the City's enforcement authority.

Attachments:

- Resolution 2009-2840
- Current sign code regarding animated signs
- Request letters



RESOLUTION No. 2009-2840

**A RESOLUTION INITIATING AN EVALUATION OF THE CITY'S
SIGN ORDINANCE REGARDING ANIMATED SIGNS, AND
ESTABLISHING A PILOT PROGRAM TO EVALUATE THE EFFECT
OF POTENTIAL CHANGES**

RECITALS:

1. Several owners of existing electronic readerboard signs have requested that the City evaluate potential changes to its regulations on animated signs.
2. The Council wishes to evaluate these changes through an open and public process.
3. In order to effectively analyze potential changes, the Council wishes to establish a pilot program to obtain information on the effects of different limits.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The Council hereby initiates an evaluation of potential amendments to the Newberg Code of Ordinances regarding animated signs. Potential amendments to be considered may include, but not limited to:
 - a. Modifying the definition of animated signs and time limits for changing of displays.
 - b. Establishing size limits for electronic message boards.
 - c. Establishing expectations for public service messages.
 - d. Establishing enforcement mechanisms.
 - e. Other changes as may recommend, or a recommendation of no change.
2. The Mayor shall establish an ad-hoc committee to identify and recommend appropriate changes to the animated sign code to balance community and business needs. The ad-hoc committee shall report to the Council. The Council shall then forward the report to the Planning Commission.
3. The Planning Commission shall hold hearings to consider the ad-hoc committee report and forward a recommendation to the City Council for consideration. The City Attorney shall review the recommendation for legal sufficiency.
4. The Council hereby establishes a voluntary pilot program for evaluation of potential amendments as follows:
 - a. The pilot program shall be for a period of time not to exceed twelve months, commencing on May 5, 2009.
 - b. Owners of existing electronic readerboard signs may request to be included in the pilot program.

- c. During the pilot program, the City Manager shall request that those included in the program use their signs under various methods such as: static display, message change in different frequencies, and rolling display.
 - d. Those participating in the pilot program shall:
 - i. Be authorized to use an existing electronic readerboard sign in excess of current limits to the extent requested by the City Manager.
 - ii. Document changes in sales, attendance, positive and negative comments, or other effects of the advertising during the pilot program.
 - e. During the pilot program, the City Manager shall seek and document public comments on effects of signs participating in the pilot program.
5. By so doing, the Council does not commit to any particular action on the amendments. It only wishes to consider the issue after a full analysis and public hearing process.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 5, 2009.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of May, 2009.

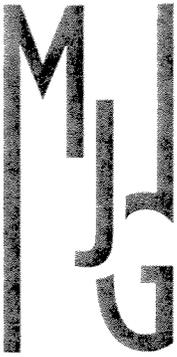
Norma I. Alley, City Recorder

ATTEST by the Mayor this 7th day of May, 2009.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____/____/200x meeting. Or, None.
(committee name) (date) (check if applicable)



Development, Inc.

MEMORANDUM

TO: Mayor Bob Andrews
Newberg City Council

FROM: Mike Gougler 
Member: Affordable Housing Ad Hoc Committee

RE: Proposed Affordable Housing Action Plan

DATE: 4/25/09

Unfortunately, it appears that I will be unable to attend the City Council work session on May 4th. I had planned on being able to personally speak in support of the draft plan but by not being able to, you get the benefit of a much briefer statement.

As a local developer, I am comfortable with the plan's provisions to encourage and enable the construction of new residential product defined in the plan as "affordable".

As a local resident, I am encouraged by the proposals to preserve and improve existing affordable housing.

Because the entire City benefits from a housing inventory that can meet the needs of a broad socio-economic range of an essential workforce, it would seem appropriate that the burden of ensuring this supply be born by the entire City.

The codification of the Action Plan is important; I and my fellow developers support you in this effort.

I appreciate the opportunity to have been a member of the Ad Hoc Committee. I made good friends with the fellow members and gained new respect for the City staff that assisted us.

APPENDIX B

ESTIMATES OF EFFECTIVES OF AFFORDABLE HOUSING STRATEGIES

The table on the following pages estimates the effectiveness of the affordable housing strategies proposed. The estimates represent a reasonable guess using available data on how effective each program would be. Each program could be much more or less effective depending on a number of factors. Individual numbers shown should not be taken with any substantial degree of accuracy. As programs are further refined, the estimates too should be refined.

However, the table does lead to an important conclusion: If the community were to take all the actions described in the plan, it generally would meet most of its projected affordable housing needs. This is certainly an exciting prospect.

Some base assumptions in this table include:

(1) Without the incentives, land would continue to be developed at the “recent trends” density as described in the Newberg Comprehensive Plan and the Ad Hoc Committee on Newberg’s Future’s report to City Council. Those recent trends densities are:

R-1: 3.6 dwellings per acre

R-2: 5.8 dwellings per acre

R-3: 15.4 dwellings per acre

(2) Recent development of low income and very low income housing includes replacement of manufactured homes in parks and special needs or subsidized housing, including senior assisted living, the FUFIL housing project for developmentally disabled adults, and George Fox University dormitories. Development of this number of units was projected to continue at current rates into the future, though this may not be an accurate portrayal.

(3) Some estimates were viewed as creating only “fractional” units. For example, the property tax abatement program may only cover 1/10 of the “gap” needed in most cases to make a moderate priced unit affordable to a low income family. If 10 units were given this abatement, then they would create the equivalent of 1 dwelling unit. In many cases, several programs may need to be combined to assist a single family.

Estimate of Effectiveness of Newberg Affordable Housing Strategies
April 30, 2009

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
	Need – 2009-2030	1935	1460	887
0.0 Base Case: No Action	This assumes: (1) Buildable land within the UGB is developed in accordance with recent trends for density and income level, until no more buildable land is available. (2) One 50-unit manufactured dwelling park is lost due to rezoning and redevelopment (3) Existing housing is lost due to demolition at recent rates (about 13 per year)	318	-27	167
1.1 Amend Goals and policies	No direct effects, but all the other actions and their effectiveness derive from the goals	0	0	0
2.1 Housing Rehab Program	Current housing rehab program has serviced six homeowners. An expanded and successful program could help an estimated three very low, three low and three moderate homeowners a year.	63	63	63
2.2 Manufactured dwelling park conversion	Estimate assumes one 50-unit manufactured dwelling park would be retained over the 20 year period.	25	25	0
2.3 Housing Maintenance education	Assumes an annual program with 5 property owners per year able to effectively maintain and retain their homes	11	22	22

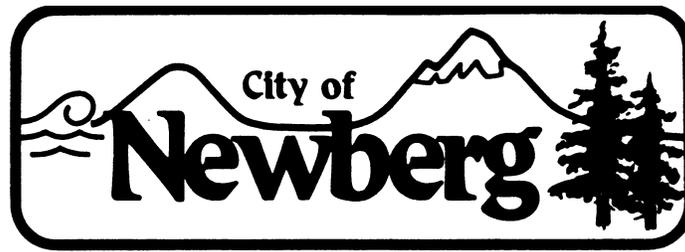
Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
Need – 2009-2030		1935	1460	887
3.1 Rezoning properties in UGB	<p>The committee’s preliminary map of properties to consider for changes includes 31.5 acres: 17.4 acres to HDR and 14.1 to MDR. Since much of the land recommended to be changed to HDR is currently MDR, the net change is an addition of 17.4 acres of HDR and a net loss of 1.6 acres of MDR.</p> <p>Assumes rezoned land is developed at current trends for density and income levels.</p>	268	-4	-5
3.2 UGB Expansion	<p>Assumes:</p> <p>(1) Adequate land is included in UGB to meet projected land needs for through 20 year period.</p> <p>(2) Rezoned land is developed at current trends for density and income levels.</p>	656	35	42
4.1 Flexible Development Track	<p>Assumes:</p> <p>(1) 20% of residential units are built under the flexible development track</p> <p>(2) 5% of units in these are affordable (1% very low, 2% low, and 2% moderate)</p>	15	30	30
4.2 Development Standard Modifications	<p>Assumes all current buildable land, rezoned land (Action 3.1), and land added to the UGB (Action 3.2) is developed at 100% of target density instead of current trends.</p>	116	248	248

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
Need – 2009-2030		1935	1460	887
5.1 Fee Schedule Changes	Assumes: (1) A \$40,000 per unit “gap” between market rate per unit and what a family can afford (2) A 25% reduction in total fees for a low or very low income housing unit, 10% reduction in total fees for a moderate income housing unit.	171	129	44
6.1 Housing Trust Fund	Assumes trust fund is able to provide “gap” financial support for 1 very low income and 1 low income unit per year	21	21	0
6.2 Property Tax Abatements	Assumes: 50% of total property taxes are abated for 5 years, that this abatement is made for 5 homes every year, and after that homeowners’ incomes can cover the difference. This would save each homeowner about \$75 per month. Assumes that families are low income, and need a total of \$400 per month subsidy to afford a home, so the property tax abatement would be only part of a total strategy toward home ownership.	4	15	0
6.3 Home Ownership and Counseling	No direct creation assumed, but assists in the success of other actions	0	0	0
6.4 Work with HAYC and Non-profits 6.5 Support local community development corporations	Assumes an average of 10 units are developed per year with ½ very low income and ½ low income units	105	105	0
6.6 Leverage employer’s commitment	Assumes 10 low income and 10 moderate income families per year could be served.	0	205	205

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
	Need – 2009-2030	1935	1460	887
6.7 Establish mortgage certificate program	Assumes a moderate income family is able to afford what would normally be a higher income home through the program, thus effectively adding to the stock of moderate income housing. Assumes 5 low and 15 moderate families per year are able to use this program. Many low and most very low income families don't have enough tax liability to effectively use this program.	0	105	315
6.8 Support transitional and group housing	Assumes one project constructed every 3 years that provides 12 very low income housing units.	80	0	0
7 Economic development efforts	Estimates are not direct housing creation, but are reduction in need for very low and low income housing. Assumes creation of 20 family wage jobs per year.	210	210	0
	Total	2,063	1,182	1,131
	20-year targets	1,935	1,460	887

City Manager
(503) 537-1207

City Attorney
(503) 537-1206



414 East First St.
PO Box 970
Newberg, OR 97132

**CITY OF NEWBERG
CITY COUNCIL WORK SESSION
MAY 4, 2009
6:00 P.M.
NEWBERG PUBLIC SAFETY BUILDING
401 EAST THIRD STREET**

THE CITY COUNCIL OF THE CITY OF NEWBERG WILL HOLD A WORK SESSION TO REVIEW THE COUNCIL AGENDA ITEMS AND TO HEAR REPORTS FROM BOARDS, COMMISSIONS, AND COMMITTEES. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS.

PRESENTATION ON THE MAKING ROOM TO READ CAMPAIGN.

DISCUSSION ON THE CLEAN WATER STATE REVOLVING FUND PROJECT.

DATED THIS 22ND DAY OF APRIL, 2009.

DANIEL DANICIC
CITY MANAGER

ACCOMMODATION OF PHYSICAL IMPAIRMENTS:

In order to accommodate persons with physical impairments, please notify the City Manager's office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the city recorder, at (503) 537-1283. For TTY service please call (503) 554-7793.

● **CITY MANAGER'S OFFICE:** e-mail: dan.danicic@ci.newberg.or.us Fax: 537-5013 ●
Building: 537-1240 ● Public Works: 537-1273 ● Finance: 538-9421 ● Fire: 537-1230
Library: 538-7323 ● Municipal Court: 537-1203 ● Police: 538-8321 ● Maintenance: 537-1234 ● Utilities: 537-1205
Municipal Court Fax: 538-5393 ● Public Works Fax: 537-1277 ● Library Fax: 538-9720

"Working Together For A Better Community-Serious About Service"

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Council accepts comments on agenda items during the meeting. Please fill out a form identifying the item(s) you wish to speak on prior to the meeting starting, if possible, or prior to the agenda item beginning and turn it into the City Recorder. (The exception is formal land use hearings, which requires a specific public hearing process.)

**CITY OF NEWBERG
CITY COUNCIL AGENDA
MAY 4, 2009
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM
401 EAST THIRD STREET**

I. CALL MEETING TO ORDER*

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. CITY MANAGER'S REPORT

V. PUBLIC COMMENTS

(30 minutes maximum which may be extended at the Mayor's discretion; an opportunity to speak for no more than 5 minutes per speaker allowed)

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2009-2841** authorizing the city manger to purchase a new ambulance. (Pgs. 5-7)
2. Consider a motion approving **Resolution No. 2009-2842** adopting Federal Red Flag Rules for the City's Identity Theft Protection Policy. (Pgs. 9-16)
3. Consider a motion approving City Council Minutes for April 6, 2009. (Pgs. 17-27)

VII. PUBLIC HEARING

1. Consider a motion approving **Resolution No. 2009-2731** approving Supplemental Budget #2 for the fiscal year ending June 30, 2009. (Pgs. 29-32)
(Legislative Hearing)

VIII. NEW BUSINESS

1. Consider a motion approving **Resolution No. 2009-2840** initiating an evaluation of the City's sign ordinance regarding animated signs and establishing a pilot program to evaluate the effect of potential changes. (Pgs. 33-50)

*The Mayor reserves the right to change the order of items to be considered by the Council at their meeting. No new items will be heard after 11:00 p.m., unless approved by the Council.

2. Consider a motion approving **Resolution No. 2009-2843** accepting the Newberg Affordable Housing Action Plan. (Pgs. 51-104)

IX. COUNCIL BUSINESS

X. EXECUTIVE SESSION

Executive Session pursuant to ORS 192.660(2)(d) relating to labor negotiations.

XI. ADJOURNMENT

INDEX OF ORDERS, ORDINANCES AND RESOLUTIONS:

ORDERS:

None

ORDINANCES:

None

RESOLUTIONS:

Resolution No. 2009-2831 adopting supplemental budget #2 for fiscal year 2008-2009 beginning July 1, 2008 and ending June 20, 2009.

Resolution No. 2009-2840 initiating an evaluation of and potential changes to the City's sign ordinance regarding animated signs, and establishing a pilot program to evaluate the effect of potential changes.

Resolution No. 2009-2841 authorizing the city manager to enter into a contract with Hughes Fire Equipment, Inc., through Jefferson Fire District's purchase agreement, for the purchase of one (1) new ambulance.

Resolution No. 2009-2842 implementing the written identity theft prevention policy consistent with the Fair and Accurate Credit Transaction (FACT) Act of 2003 and Oregon Consumer Identity Theft Prevention Action (OCITPA).

Resolution No. 2009-2843 accepting the Newberg Affordable Housing Action Plan.

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*The Mayor reserves the right to change the order of items to be considered by the Council at their meeting. No new items will be heard after 11:00 p.m., unless approved by the Council.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order _____ Ordinance _____ Resolution XX Motion _____ Information _____
No. No. No. 2009-2841

SUBJECT: New Ambulance Purchase

Contact Person (Preparer) for this
Resolution: Frank Douglas

Dept.: Fire

File No.:
(if applicable)

RECOMMENDATION:

Adopt **Resolution No. 2009-2841** authorizing the City Manager to enter into a contract for the purchase of one (1) new ambulance. This purchase is authorized by authority granted in Oregon Revised Statute 279.015 allowing the City of Newberg to use Jefferson Fire District's purchase agreement for a new ambulance they purchased through the formal bidding process. Jefferson Fire District awarded their bid in November 2007.

EXECUTIVE SUMMARY:

Jefferson Fire District, utilizing Oregon's formal bidding process, went to bid for a new ambulance, and selected Lifeline Emergency Vehicles as the vendor, sold by Hughes Fire Equipment, Inc. in Eugene, Oregon, for the cost of \$141,409.00. Jefferson Fire District included a provision in their bid documents that other public agencies could piggyback on their bid.

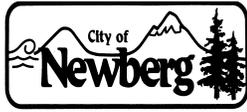
NFD has reviewed specifications for the new ambulance made by Lifeline Emergency Vehicles, and has found the ambulance to meet our desired specifications and to be within budget. The purchase price of the new NFD ambulance is more than what Jefferson Fire District paid due to safety measures added to the patient compartment (i.e., safety seating with 5 point harnesses).

The Medic unit at Station 21 (Medic 21) will be placed into a reserve ambulance role replacing Medic 24, which is fourteen (14) years old. The City will take its oldest ambulance out of service as an ambulance (Medic 24). NFD may convert the oldest ambulance (Medic 24) into a special rescue van to replace an even older and less reliable water rescue unit.

The City's ambulance/rescue fleet includes four (4) licensed ambulances, two (2) licensed rescue/ambulances, and two (2) brush rig/rescues.

FISCAL IMPACT: \$192,000 is budgeted in the proposed 2009-2010 Fund 33, Fire and EMS Equipment.

STRATEGIC ASSESSMENT: NFD has four (4) ambulances and two (2) rescue/ambulances in its fleet. This purchase will allow NFD to move a nine (9) year old ambulance into reserve status, and will remove a 14 year old ambulance from service as an ambulance, while maintaining NFD's fleet of ambulances at four (4).



RESOLUTION No. 2009-2841

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH HUGHES FIRE EQUIPMENT, INC., THROUGH JEFFERSON FIRE DISTRICT'S PURCHASE AGREEMENT, FOR THE PURCHASE OF ONE (1) NEW AMBULANCE

RECITALS:

1. The Newberg Fire Department (NFD) is operating an ambulance service.
2. The proposed 2009-2010 budget includes the purchase of a new ambulance out of Fund 33. This Fund collects \$1.50 per equivalent dwelling unit (EDU) on the monthly utility bill to Newberg residents.
3. NFD needs to move a front line ambulance that is almost nine (9) years old to reserve status (170,000 odometer miles), and replace an ambulance that is fourteen (14) years old.
4. Oregon formal bid law allows "cooperative purchasing" between governmental agencies.
5. NFD would like to use Jefferson Fire District's purchase agreement for the purchase of a new ambulance. Jefferson Fire District consents to the City of Newberg using their purchase agreement.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The 2009-2010 City Budget includes the purchase of a new ambulance, to replace Medic 24 (1995).
2. The Code of Newberg, Chapter 34 "Purchasing and Contracting" at Section 34.06(K) allows the City to bid with other agencies, provided the procedures substantially comply with the City's ordinances and state law.
3. The City Council, acting as the Contract Review Board, makes the following Findings:
 - a. Jefferson Fire District utilizing the State of Oregon formal bidding procedures, selected Lifeline Emergency Vehicles as the vendor for a new ambulance. Jefferson Fire District awarded their bid in November 2007. Their bid documents specified that other public agencies in the State of Oregon could use their selected vendor.
 - b. Jefferson Fire District procedure does substantially comply with the City's Ordinances and State Law.

- c. The City can use Jefferson Fire District's bidding procedure for the purchase of a new ambulance to replace Medic 24 (1995).
 - d. The City of Newberg selects Hughes Fire Equipment, Inc. (dealer) for a new ambulance at a cost not to exceed \$192,000 including radios, emergency lighting, medical equipment, and MDT.
4. The City Manager is authorized and empowered to sign all necessary documents, due all necessary acts, and enter into all necessary agreements for the purchase of the ambulance from Hughes Fire Equipment, Inc.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 5th, 2009.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of May, 2009.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 7th day of May, 2009.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at _meeting. Or, X None.
(committee name) (date) (check if applicable)

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order ___ Ordinance ___ Resolution XX Motion ___ Information ___
No. No. No. 2009- 2842

SUBJECT: A Resolution adopting Federal Red Flag Rules for the City of Newberg's Identity Theft Protection Policy

Contact Person (Preparer) for this Resolution: Dawn Wilson (for Terry)

Dept.: City Attorney's Office

File No.:
(if applicable)

RECOMMENDATION:

Adopt **Resolution No. 2009-2842** containing the attached Identity Theft Protection Program to fulfill the Federal Trade Commission's Red Flags Rule. This program will also meet the written requirements of the Oregon Consumer Identity Theft Protection Act (OCITPA).

EXECUTIVE SUMMARY:

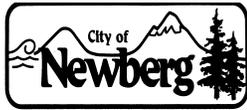
The City has always maintained the highest level of security possible with our computer and filing systems. Particular attention has always been given to the systems that involve the collection of personal information of our external customers. The Identity Theft Protection Program takes this a step farther as it is designed to provide our employees with the knowledge of what to look for in case of a possible identity theft. These Red Flags will serve as a warning to the employee that further steps may be required to help protect the identity of one of our customers.

The adoption of this program requires an annual review to ensure that the systems we have in place are appropriate and functioning as intended. This review will be made by the Identity Theft committee headed by the program administrator, which is the finance director.

The program also requires City employees to receive adequate training in Identity Theft Protection. Each new employee will receive a copy of the policy and employees working directly with personal information will be given more in depth training as to what red flags to look for and the proper procedures to be followed in case something suspicious has been found.

FISCAL IMPACT: Cost of training and implementing the program is unknown at this time. The program needs to be implemented in order to comply with state and federal rules.

STRATEGIC ASSESSMENT: Safeguarding personal identification information in order to protect persons as much as possible from theft.



RESOLUTION No. 2009-2842

A RESOLUTION IMPLEMENTING THE WRITTEN IDENTITY THEFT PREVENTION POLICY CONSISTENT WITH THE FAIR AND ACCURATE CREDIT TRANSACTION (FACT) ACT OF 2003 AND OREGON CONSUMER IDENTITY THEFT PREVENTION ACTION (OCITPA)

RECITALS:

1. An Identity Theft Protection Policy for the City of Newberg was adopted on November 3, 2008, via Resolution No. [2008-2813](#).
2. This meets the requirements of having an identity theft protection policy in accordance with the Oregon Consumer Identity Theft Protection Act (Senate Bill 583, passed in 2007).
3. The City is also required to comply with the Federal Trade Commissions (FTC) rules for adoption of an identity theft program by May of 2009, which is the extended deadline for adoption of the program.
4. This resolution meets such FTC requirements by implementing a federal identity theft prevention policy.
5. The City of Newberg strives to protect all personal information that can be used by identity thieves.
6. Adoption of the Identity Theft Prevention Program ("Program") is required by the Federal Trade Commission's Red Flags Rule ("Rule") ,(16 C. F. R. § 681.2), which implements Section 114 of the Fair and Accurate Credit Transactions (FACT) Act of 2003 and ORS 646A.622, the Oregon Consumer Identity Theft Protection Act, (OCITPA).
7. Such program is designed to detect, prevent and mitigate instances of identity theft.
8. The policy, as stipulated in the Red Flag Rule, is tailored to the size, complexity and the nature of City's operations.
9. The policy directs the program administrator to implement, to review and update the program at least annually, to determine whether or not changes to the program are warranted, and to report on such a review.
10. Upon review of the program, the policy delegates to the city manager the authority to update the program, amend the program, or modify or reject proposed changes to the program with a report to the City Council.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council hereby adopts the City Identity Theft Protection Policy, attached as Exhibit "A."
2. The city manager, as the chief executive officer of the City, is delegated the authority to oversee the program, which includes all necessary power and authority in the development, implementation, administration, review, amendment, modification, and oversight of the program.
3. This resolution and the attached federal policy are effective upon adoption.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 5, 2009.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of May, 2009.

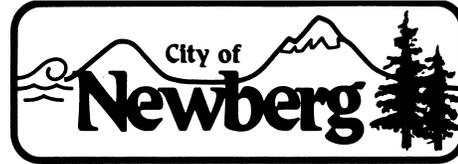
Norma I. Alley, City Recorder

ATTEST by the Mayor this 7th day of May, 2009.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through City Council Committee at 11/03/2009 meeting. Or, None.
(committee name) (date) (check if applicable)



IDENTITY THEFT PROTECTION PROGRAM

Effective May 5, 2009

I. PROGRAM ADOPTION.

The City of Newberg ("City") developed this Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule ("Rule"), (16 C. F. R. § 681.2), which implements Section 114 of the Fair and Accurate Credit Transactions (FACT) Act of 2003 and ORS 646A.622, the Oregon Consumer Identity Theft Protection Act, (OCITPA). This Program is approved by the City of Newberg City Council. The Finance Director is the designated as the "Program Administrator." The City Manager is delegated the authority to improve, amend, update, and change the program. After consideration of the size and complexity of the City's operations and account systems, and the nature and scope of the City's activities, the City of Newberg City Council has determined that this Program was appropriate for the City of Newberg, and therefore approved this Program on May 4, 2009.

II. PROGRAM PURPOSE AND DEFINITIONS.

A. Fulfilling requirements of the Red Flags Rule

Under the Red Flag Rule, every financial institution and creditor is required to establish an "Identity Theft Prevention Program" tailored to its size, complexity and the nature of its operation. Each program must contain reasonable policies and procedures to:

1. Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the Program;
2. Detect Red Flags that have been incorporated into the Program;
3. Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and
4. Ensure the Program is updated periodically, to reflect changes in risks to customers or to the safety and soundness of the creditor from Identity Theft.

B. Red Flags Rule definitions used in this Program

The Red Flags Rule defines "Identity Theft" as "fraud committed using the identifying information of another person" and a "Red Flag" as "a pattern, practice, or specific activity that indicates the possible existence of Identity Theft."

According to the Rule, a municipal utility is a creditor subject to the Rule requirements. The Rule defines creditors “to include finance companies, automobile dealers, mortgage brokers, utility companies, and telecommunications companies. Where non-profit and government entities defer payment for goods or services, they, too, are to be considered creditors.”

All the City’s utility accounts that are individual utility service accounts held by customers of the City whether residential, commercial or industrial are covered by the Rule. Under the Rule, a “covered account” is:

1. Any account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from Identity Theft.

“Identifying information” is defined under the Rule as “any name or number that may be used, alone or in conjunction with any other information, to identify a specific person,” including: name, address, telephone number, social security number, date of birth, government issued driver’s license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer’s Internet Protocol address, or routing code.

III. IDENTIFICATION OF RED FLAGS.

In order to identify relevant Red Flags, the City considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with Identity Theft. The City identifies the following red flags, in each of the listed categories:

A. Notifications and Warnings from Credit Reporting Agencies

Red Flags:

At the time of adoption, the City does not receive notifications or warnings from any credit reporting agencies. At such time that this becomes a standard business practice, the City shall revise this section appropriately.

B. Suspicious Documents

Red Flags:

1. Identification document or card that appears to be forged, altered or inauthentic;
2. Identification document or card on which a person’s photograph or physical description is not consistent with the person presenting the document;
3. Other document with information that is not consistent with existing customer information (such as if a person’s signature on a check appears forged); and
4. Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information

Red Flags:

1. Identifying information presented that is inconsistent with other information the customer provides (example: inconsistent birth dates);
2. Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a credit report);

3. Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. Verify service address presented to insure that is not the same as that of another person;
6. A person fails to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
7. A person's identifying information is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account

Red Flags:

1. Change of address for an account followed by a request to change the account holder's name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use (example: very high activity);
4. Mail sent to the account holder is repeatedly returned as undeliverable;
5. Notice to the City that a customer is not receiving mail sent by the City;
6. Notice to the City that an account has unauthorized activity;
7. Breach in the City's computer system security; and
8. Unauthorized access to or use of customer account information.

E. Alerts from Others

Red Flag:

Notice to the City from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

IV. DETECTING RED FLAGS.

A. New Accounts

In order to detect any of the Red Flags identified above associated with the opening of a new account, City personnel will take the following steps to obtain and verify the identity of the person opening the account:

Detect:

1. Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
2. Review documentation showing the existence of a business entity; and/or
3. Independently contact the customer.
4. Customers may be given a seven day grace period between the start of service and the requirement of providing identifying information to the City personnel.

B. Existing Accounts

In order to detect any of the Red Flags identified above for an **existing account**, City personnel will take

the following steps to extent possible to monitor transactions with an account:

Detect:

1. Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
2. Verify the validity of requests to change billing addresses; and
3. Verify changes in banking information given for payment purposes.

V. PREVENTING AND MITIGATING IDENTITY THEFT.

In the event City personnel detect Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

Prevent and Mitigate:

1. Continue to monitor an account for evidence of Identity Theft;
2. Contact the customer;
3. Not open a new account;
4. Close an existing account;
5. Reopen an account with a new number;
6. Notify the Program Administrator for determination of the appropriate step(s) to take;
7. Notify law enforcement; or
8. Determine that no response is warranted under the particular circumstances.

Protect customer identifying information

In order to further prevent the likelihood of Identity Theft occurring with respect to City accounts, the City will take the following steps with respect to its internal operating procedures to protect customer identifying information:

1. Ensure that its website is secure or provide clear notice that the website is not secure;
2. Ensure complete and secure destruction of paper documents and computer files containing customer information;
3. Ensure that office computers are password protected;
4. Keep offices clear of papers containing customer information;
5. Ensure computer virus protection is up to date; and
6. Require and keep only the kinds of customer information that are necessary for City purposes.

VI. PROGRAM UPDATES.

The Program Administrator will review and update this Program at least once a year to reflect changes in risks to customers and the soundness of the City from Identity Theft. In doing so, the Program Administrator will consider the City's experiences with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, and changes in the City's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted, the Program Administrator will update the Program and present the Program with his/her recommended changes to the City Manager for approval. The City of Newberg City Council will make a determination of whether to accept, modify or reject those changes to the Program.

VII. PROGRAM ADMINISTRATION.

A. Oversight

Responsibility for developing, implementing and updating this Program lies with an Identity Theft Committee for the City. The Committee is headed by the Program Administrator or his or her appointee. Two or more other individuals appointed by the City Manager for the City of Newberg or the Program Administrator comprise the remainder of the committee membership. One of the members should have detailed technical knowledge of the City's computer information systems. The Program Administrator will be responsible for the Program administration, for ensuring appropriate training of City staff on the Program, for reviewing any staff reports regarding the detection of Red Flags and the steps for preventing and mitigating Identity Theft, determining which steps of prevention and mitigation should be taken in particular circumstances and considering periodic changes to the Program.

B. Staff Training and Reports

City staff responsible for implementing the Program shall be trained either by or under the direction of the Program Administrator in the detection of Red Flags, and the responsive steps to be taken when a Red Flag is detected City staff will provide reports to the Program Administrator on incidents of Identity Theft.

Department Heads are responsible to be familiar with the Identity Theft Protection Act and to meet with their staff to assess current compliance and document appropriate safeguard practices in writing.

C. Service Provider Arrangements

In the event the City engages a service provider to perform an activity in connection with one or more accounts, the City will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of Identity Theft.

1. Require, by contract, that service providers have such policies and procedures in place; and
2. Require, by contract, that service providers review the City's Program and report any Red Flags to the Program Administrator.

D. Non-disclosure of Specific Practices

For the effectiveness of this Identity Theft Prevention Program, knowledge about specific Red Flag identification, detection, mitigation and prevention practices must be limited to the Identity Theft Committee who developed this Program and to those employees with a need to know them. Any documents that may have been produced or are produced in order to develop or implement this program that list or describe such specific practices and the information those documents contain are considered "Security information" (as defined in the following paragraph) and are unavailable to the public because disclosure of them would be likely to substantially jeopardized the security of information against improper use, that use being to circumvent the City's Identity Theft prevention efforts in order to facilitate the commission of Identity Theft.

"Security information" is defined as government data the disclosure of which would be likely to substantially jeopardize the security of information, possessions, individuals or property against theft, tampering, improper use, attempted escape, illegal disclosure, trespass, or physical injury.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order ___ Ordinance ___ Resolution ___ Motion XX Information ___
No. No. No.

SUBJECT: Approve April 6, 2009, City Council Meeting minutes.

Contact Person (Preparer) for this Motion: **Norma Alley, City Recorder**

Dept.: **Administration**

File No.:
(if applicable)

RECOMMENDATION:

Approve the April 6, 2009, City Council minutes for preservation and permanent retention in the City's official records.

EXECUTIVE SUMMARY:

On April 6, 2009, the City of Newberg City Council held a public meeting. At that meeting, minutes were recorded in text.

FISCAL IMPACT: None.

STRATEGIC ASSESSMENT: None.

**CITY OF NEWBERG CITY COUNCIL MINUTES
APRIL 6, 2009
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM
401 EAST THIRD STREET**

Work Session was held prior to the meeting. Budget prioritization was discussed; no decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:00 PM.

II. ROLL CALL

Members

Present: Mayor Bob Andrews Denise Bacon Bob Larson
Bart Rierson Stephen McKinney Marc Shelton
Wade Witherspoon

Staff

Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney
Barton Brierley, Planning and Building Director Elizabeth Comfort, Finance Director
Howard Hamilton, Public Works Director Norma Alley, City Recorder
Jennifer Nelson, Recording Secretary

Others

Present: Joanne Wiitala, Beth Karecki, Letty Duran, Ping Khaw-Sutherland, Daniel Rouse, Dennis Lewis, Steven Abel, Charles McClure, Ellen McClure, Michael Ard, John Trudel, Vicki Shepherd, Marc Willcuts, Brett Veatch, Mike Gougler, Grace Schaad, Lewis Schaad, Sid Friedman, Roger Currier, Jim Hall, Steven L. Manners, Mike Willcuts, and Matt Willcuts.

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, discussed a protest to be held on April 15th on the lot across from City Hall. The Chehalem Cultural Center will hold their groundbreaking ceremony on April 17th at 3:00 PM. He asked Council members to notify him if they would be interested in riding on a fire truck for the Old Fashioned Festival this year, July 25th. He announced the Finance Director accepted a position at Friendsview and her last day will be May 8th, recruitment for a replacement will start tomorrow.

V. APPOINTMENTS

Appointment of Terry Hansen as the City Prosecutor.

Mr. Terrence Mahr, City Attorney, introduced Mr. Terry Hansen, the appointee for the position of City Prosecutor. Mr. Hansen spoke briefly before the Mayor swore him in.

VI. PUBLIC COMMENTS

Ms. Joanne Wiitala, Newberg Animal Shelter Friends, stated the current new building fund is at \$435,511 and the Mega Yard Sale fundraiser is scheduled for May 29-30 at Zion Lutheran Church. She announced new positions were elected for NASF and the next meeting will be held on April 16th (see official meeting packet for full report).

Ms. Beth Karecki and Letty Duran, Your Community Mediators of Yamhill County (YCM), announced the celebration of YCM's 20th anniversary. Ms. Letty Duran offered updates on programs and a grant they are working on for training high school students to mediate. She read and presented a certificate to the Council (see official meeting packet for full report).

Ms. Ping Khaw-Sutherland, Census 2010, gave a short presentation on the new forms and early outreach for the Census 2010 program. She asked for the City's support and assistance with notifying the citizens and police enforcement that Census 2010 workers will be in the neighborhoods conducting their work.

Mr. Daniel Rouse, Walgreens Store Manager, spoke of the current sign ordinance hindering the usefulness of their reader board. He asked the Council to consider reducing the current ten minute restriction between messages to help get more messages out to the public and possibly increase the falling sales during slowed economic climate.

Councilor Marc Shelton asked what specific changes he would like to see made.

Mr. Rouse would like to see the time between displays to be changed to any other denomination less than 10 minutes. He also mentioned the sign is a little larger than allow, so they can only use a small portion of the space, although it was chosen to be that size because of visibility to the road.

Mayor Andrews asked if there was any way they could demonstrate an increase in sales as a result of products advertised on the reader board.

Mr. Rouse stated the sales are tracked in relation to the items displayed on the reader board and he has experienced customers coming in only as a result of something they saw on the reader board.

Mr. Dennis Lewis, Lewis Audio and Video, had similar concerns with the sign ordinance and his hope that his reader board and others can become more effective community tools by shortening the length of time between displays. He spoke of community announcements and Amber Alert messages as well as increased sales opportunities. He suggested a moratorium on the ten minute rule to utilize the technology available with these signs and to craft an ordinance that is more pro-business and pro-community regarding sign usage.

Discussions continued on this topic during Council Business at the end of the meeting.

VII. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2009-2832** authorizing the city manager to enter into a contract with Rutan Construction, Inc. for the construction of the West Sheridan/North Harrison Sewer Replacement Project in the amount of \$197,278.95.

2. Consider a motion approving **Resolution No. 2009-2833** authorizing the chief of police to submit an application to the COS Hiring Recovery Program.

This item was removed from the Consent Calendar and placed under New Business after the Public Hearings.

3. Consider a motion approving **Resolution No. 2009-2834** appointing Boldt, Carlisle & Smith, LLC as the City's auditors.
4. Consider a motion accepting the Newberg Police Department's application for the Justice Assistance Grant.
5. Consider a motion creating and appointing a Student Traffic Safety Commission position.
6. Consider a motion approving City Council Minutes for March 2, 2009.
7. Consider a motion approving **Resolution No. 2009-2836** authorizing the city manager to enter into an agreement with the City of Dundee to provide Planning Services.

MOTION: Rierson/McKinney to approve Resolution No. 2009-2832, Resolution No. 2009-2834, the Newberg Police Department's application for the Justice Assistance Grant, creating and appointing a Student Traffic Safety Commission position, the City Council Minutes for March 2, 2009 as amended, and Resolution No. 2009-2836. (7 Yes/0 No) Motion carried.

VIII. PUBLIC HEARING

1. Consider a motion approving **Ordinance No. 2009-2712 and Order No. 2009-0020** annexing property located at 30295 Highway 99W and future comprehensive plan change/zone change upon inclusion in the Urban Reserve Area (McClure property).

TIME – 7:35 PM

Mayor Andrews called for any biases, conflicts of interest, ex parte contact, conflicts of jurisdiction, or abstentions. None were stated. Mr. Mahr made the required legal statements concerning quasi-judicial process.

Mr. Barton Brierley, Planning and Building Director, presented the staff report (see official meeting packet for full report).

Mayor Andrews spoke of exceptions allowed prior to Urban Reserve Area (URA) approval and if there are any rules against annexing property before it is in the URA. Staff stated there are no rules saying you cannot do this and the property will still go under the URA and Urban Growth Boundary (UGB) steps even if it is annexed into the City because there will be more abilities to do things on the property when it is in the UGB, like applying zoning designations and connecting to City sewer systems.

Councilor Shelton asked about access points and Benjamin Road. Staff stated Benjamin Road will be closed after the development of Gueldner Drive or possibly converted to a right in, right out only.

Councilor Wade Witherspoon clarified this would be a September special election and the applicant would bear the costs. Staff stated this was correct.

Mayor Andrews opened the public testimony.

Proponents:

Mr. Steve Abel, Attorney for applicants, discussed background and the development agreement between the McClure's and the City of Newberg to annex the property and have the subdivision built according to City codes. He referred to the agreement (packet pages 148-160) requiring the subdivision to be presented and approved by the County, the historic home being designated as a landmark, stream corridor designations, road improvements to Benjamin Road, widened roads, and a trail system throughout the development. As they have received the County's approval and they have accommodated their requirements to be contiguous with the City, they are seeking the final step in the agreement to have the property sent to the ballot to be voted on for annexation by the voters. He mentioned a pending appeal to the McClure's vested rights.

Councilor Shelton asked if the only thing the Council and McClure's were waiting on was the annexation that brought the property contiguous with the City. Staff replied this was correct.

Mr. Charles McClure, Applicant, offered some details on the history of the property and the conversations with the City of Newberg that led to the development agreement. He spoke of the growth of the City since they purchased the property and their desire to grow with the City and the properties that have been annexed around them. He spoke of the City's desire to have a say in the development of the area as the eastern gateway to Newberg. He spoke of the benefits for connecting to City sewer systems rather than installing septic tanks and the intended benefits for the property to the community by providing green construction and local jobs.

Mr. Michael Ard, Traffic Engineer with Lancaster Engineering, stated he was available for questions.

Councilor Shelton asked if he has been involved in conversations with ODOT when and if the bypass comes and how it would impact this area.

Mr. Ard said there are no guarantees but one option discussed is that Benjamin Road and the 99W intersection will be closed and an alternate connection will have to be made.

Mr. John Trudel, representative for Oxberg Lake Homeowners Association, testified to conditionally support this annexation. As with all of his testimonies, he stated the desire of the Oxberg Lake Estates to not be included within the City limits, he urged for protection of the aquifer, and for all parties to adhere to best practice agreements. He also requested the City place an ad in The Newberg Graphic, as with other annexations, showing what it is intended to look like so the voters can see what they are voting on.

Ms. Vicki Shepherd stated the plan is well thought out and will compliment the surrounding area, but she asked both the City and the County to conduct independent studies on Benjamin Road, which is a narrow road in need of repair, and who will assume that responsibility. She has concerns for this property being annexed before it has been included in the URA and UGB and would like to see it go through the proper channels first.

Councilor Bart Rierson stated that he thought she had been opposed to the McClure annexation in the past.

Ms. Shepherd replied she had not testified either for or against the McClure property before.

Mr. Mark Willcuts, Coyote Homes Inc., spoke of the uniqueness of this project in that it incorporates so many aspects of green development. It is well thought out and he felt it made more sense to annex the property when the City would be dealing with only one property owner, the McClure's, rather than the several homeowners that would buy the homes in the future.

Mr. Brett Veach agreed this project was well conceived by a long term citizen of the community, who is more interested in the quality of the project rather than just maximizing their profit from the land. He said the City staff and the Planning Commission recognized the benefits of the intended development because it creates little impact to City services while providing an increased tax base; both the City and the McClure's benefit. He said that the McClure's have the right to build this anyway, but they chose to do it in partnership with the City and he encouraged the Council to place it on the ballot.

Mr. Mike Gougler stated he is a local developer and has no financial interest in the McClure property. He spoke his own experience with complying with City and State ordinances and commended this project for its value and innovation. He said it is not desirable when property comes into the City with roads and sanitation systems that do not comply with the City codes, which would be avoided with this partnership. He felt the McClure's have worked with the City to increase density, allow retirement housing, provide historical structures, and offer additional commerce. He felt it would be unconscionable for the City to not uphold the agreement and support the annexation.

Ms. Ellen McClure declined from giving further testimony.

Opponents:

Ms. Grace Schaad deferred her testimony to Mr. Sid Freidman.

Mr. Lewis Schaad spoke of the condition of Benjamin Road being very narrow and with poor visibility. He said something has to be done to improve that road, especially where it dips by the creek. He said he had not been aware of all the agreements made between the City and the McClure's so the other things he had to say were not applicable now.

Mr. Sid Friedman, representing 1000 Friends of Oregon, asked Council to reject sending this annexation to the ballot at this time because it was premature. He felt it would complicate an already complex process and would be illegal. He mentioned two pending appeals to determine if the McClure's have vested rights to the property, which may be overturned; he felt the Council should at least wait for the outcome of those appeals. He felt the development agreement was granting an exception that by ordinance cannot be exempted and felt this was in conflict with the City's comprehensive plan. He spoke of the plan designations and zoning and stated the state law requires the land to continue as planned for rural uses until included into the URA and UGB. He felt this was premature and illegal and the annexation should be done at a later time.

Councilor Denise Bacon asked when an answer is expected from the court of appeals.

Mr. Freidman stated the 1000 Friends of Oregon is not a part of this; briefing has occurred, but the appeal has not been argued yet.

Councilor Rierson asked him if he would be opposed if the annexation when into the URA and UGB first.

Mr. Freidman replied he would not be opposed and felt it should be brought into the City if it followed the correct process.

Undecided:

Mr. Roger Currier stated if the property is annexed and connected to City water, pretreatment needs to occur at the winery. He spoke of the McClure's being able to develop without annexation and without the City having a say in the process. He suggested tabling the matter until the determinations are made in the court of appeals and rezoning of the parcel is completed for the best use of the property. He felt the annexation was superseding the normal process for all URA and UGB properties and did not feel 37 homes on 69 acres meets the current density standards for affordable housing and the needs of the community. He also wondered what the excuse would be for other property owners wishing to do the same thing and he warned the Council to not allow staff for force them into a decision for the purpose of timing.

Rebuttal:

Mr. McClure spoke of their high probability for success in the court of appeals and wondered who would want to buy 60 acres of farmland that could no longer grow filberts and was not good for wine grapes either; he did not agree this is prime farm land by any means.

Mr. Abel stated the 2007 development agreement allowed for modification provided annexation occurred when the property became contiguous with the City. The McClure's are not obligated to submit for annexation and pointed out this agreement was not argued against two years ago by its opponents today. He felt they were prepared for the appeals because this is what is best for both parties; the McClure's and the community of Newberg.

Mayor Andrews asked about improvements to Benjamin Road.

Mr. Ard spoke of the quarter mile referred to within the testimony and replied there were no specific conditions and development can occur with or without improvements to Benjamin Road. When Gueldner Drive goes in then Benjamin Road will be closed and there will be no need to make improvements if it is a dead end road. He said this should all lie at the time of application for the development on that parcel.

Mr. McClure added the improvements required by the County were from the corner, north to the barn on Benjamin Road and the road will be improved when it is developed.

Councilor Shelton asked if a permit was acquired for the driveway on the historical portion of the property.

Mr. Ard it was grandfathered and documentation has to be presented to ODOT, but it was installed before an application process existed.

Mayor Andrews closed the public testimony.

Mr. Mahr asked for a recess for the applicant to discuss the waiver of rights to submit further written testimony because of the testimony provided by the 1000 Friends of Oregon. Mayor Andrews recessed from 9:00 PM to 9:08 PM.

Mr. Abel stated the applicant would waive the right to supplement record if Council makes a tentative decision tonight; and he would like to work with staff to revise the findings to present in two weeks.

Mr. Mahr clarified the Council could make a tentative decision and allow staff to amend the findings to reflect the testimony received this evening.

Mr. Brierley stated the staff recommendations to implement the provisions of the development agreement as approved by the Planning Commission by tentatively approving the annexation tonight with an added direction to staff to return with a final ordinance and order with the revised findings in two weeks.

Mayor Andrews closed the public hearing.

Mr. Mahr reminded the Council that they would still not be in a position to discuss or deliberate this even with a tentative decision until the final written decision is made in two weeks or it would be considered ex parte contact.

MOTION: Shelton/Larson to verbally approve **Order No. 2009-0020** and remand it back to the Planning Department to develop revised findings for presentation at the April 20, 2009 City Council meeting.

Councilor McKinney supported staff coming back with a revised order.

Councilor Rierson supported the order and bringing back the revised findings. He felt this was best for the citizens of Newberg because of the low cost of services compared to revenue generated and to have a sewer hook-up when it is within the UGB rather than having new homes with septic tanks. He said this could be developed right now under Measure 37 but working together is a better option.

Councilor Bob Larson agreed with order and revisions and said that the voters would have the final approval.

Councilor Shelton felt the City entered into an agreement with the McClure's and should operate in good faith to that agreement.

Councilor Bacon also stated she would not go against an agreement made by a prior Council.

Mayor Andrews also supported the agreement feeling it was a good blend of benefits for all involved and that the motion was appropriate.

VOTE: To verbally approve **Order No. 2009-0020** and remand it back to the Planning Department to develop revised findings for presentation at the April 20, 2009 City Council meeting. (7 Yes/0 No) Motion carried.

MOTION: Rierson/Shelton to verbally approve **Ordinance No. 2009-2712** annexing property located at 30295 Highway 99W and future comprehensive plan change/zone change upon inclusion in the Urban Reserve Area (McClure property) and remand it back to staff to develop revised findings for presentation at the April 20,2009 City Council meeting. (7 Yes/0 No) Motion carried.

2. Consider a motion approving **Order No. 2009-0019** approving a zone change for two properties located at 611 and 617 North Main Street from R-2 to R-P.

TIME – 9:23 PM

Mayor Andrews called for any biases, conflicts of interest, ex parte contact, conflicts of jurisdiction, or abstentions. None were stated. Mr. Mahr made the required legal statements concerning quasi-judicial process.

Mr. Brierley presented the staff report (see official meeting packet for full report).

Councilor Larson asked if the owners were planning to tear the church down or the other buildings. Staff stated they did not, their intent is to market the property and sell it; the church is historic and there is value in the associated structures.

Mayor Andrews opened the public testimony.

Mr. Jim Hall, representing Dr. Robert Pamplin, gave some history of the property and the liabilities being faced from operating a donated food ministry with the recent salmonella outbreaks. They are having difficulty selling the property for the currently zoned allowed uses and would like to offer potential buyers a greater variety of uses to make it more marketable for faster sale.

Mr. Steven Manners said he owns property to the north. He felt the property in question and the buildings on it were quite nice and he supports what they have been using the buildings for so far. He agrees with the uses allowed with the zone change.

Mayor Andrews closed public testimony. Mr. Hall waived his right to submit further information. Mr. Brierley recommended approval.

MOTION: Larson/Rierson to approve **Order No. 2009-0019** approving a zone change for two properties located at 611 and 617 North Main Street from R-2 to R-P. (7 Yes/0 No) Motion carried.

IX. NEW BUSINESS

1. Consider a motion approving **Resolution No. 2009-2833** authorizing the chief of police to submit an application to the COS Hiring Recovery Program.

TIME – 9:51 PM

Mr. Brian Casey, Police Chief, presented the staff report clarifying that this only grants him permission to apply for the grant; it does not authorize him to hire an officer or implement a public safety fee (see official meeting packet for full report).

Councilor Witherspoon said he requested the item be pulled because he was unsure if the public safety fee was part of the resolution. Staff assured him this only grants him permission to apply for the grant, it does not authorize him to hire.

Councilor Larson asked if the public safety fee would start as soon as the grant is approved. Staff stated if the grant was received, then a public safety fee would be implemented per month on the water bill by one dollar this year, two in the next, and three dollars in the third year.

Councilor Shelton asked about another grant in late 1990's for an additional officer that stipulated the City would need to be able to maintain the officer and if this grant also required this. Staff that grant required the City to make a best effort to maintain the officer; however, the City did not plan for the expenses and lost all three officers acquired with the grant monies. The City was not penalized. The public safety fee is a way to build those funds when the grant money runs out in order to maintain the officers hired.

Mayor asked if this grant requires at least one year for retention. Staff replied it does.

Councilor Rierson said he supports adding officers even if the grant is not received and he likes the idea of putting money away to fund their salaries.

Councilor Shelton supports the permission to write the grant if staff would bring the details back to Council if it was awarded for formal approval. He hoped the timing worked out so Council would know before the budget is finalized. Staff said it would be around mid-June, so it will be close; September 1st is the date set to start hiring.

Mayor Andrews asked that everyone make sure they are consistent in referring to this as a public safety fee and not a utility fee and clarified the fee would increase incrementally from one dollar a month to two after the first year and then to three dollars a month in the third year. Staff confirmed this was true.

Councilor McKinney supported adding three officers whether or not we get this grant.

MOTION: Witherspoon/Larson to approve **Resolution No. 2009-2833** authorizing the chief of police to submit an application to the COS Hiring Recovery Program. (7 Yes/0 No) Motion carried.

IX. COUNCIL BUSINESS

TIME – 10:06 PM

Mr. Danicic presented a brief report on the request from the Orchard Lair subdivision developers to reduce some of the City fees in order to assist in building a large portion of the subdivision all at once within nine months. He pointed out the benefits for the City to have the subdivision completed and to stimulate the local economy by employing local contractors. He spoke of creative ways to make this project work for affordable housing, like lease to own options and how the City could help by deferring SDC's until the Certificate of Occupancy or delaying them until lease turns to ownership. He also suggested limiting how many would be affordable; maybe ten to fifteen units only. He asked for some suggestions from Council for what things they would like to see for staff to return with a formal proposal and if they will consider the request.

Councilor Rierson said he would like to see some way to address the need to fund City services and other creative ways to get people into the homes within the proposal.

Mr. Mark Willcuts offered a brief background and some of the creative efforts he and his brothers have been making to bring affordable housing to Newberg. He spoke of gathering investors and getting the

bank to allow them to pay off their construction loans in five years, rather than in the normal twelve month period.

Discussions followed about possible options for the City to assist such as holding to the 2008 fee schedule or rolling back to the 2007 fees, which would provide a \$250,000 benefit to assist with the total costs. The Council gave a consensus to allow staff to present a formal proposal.

Mr. Mahr discussed concerns about creating a public forum with the use of the property across from City Hall for a “tea party” protest and brought up previous discussions for developing a public gathering ordinance. Mayor Andrews stated he would like to open those discussions back up by looking at what other municipalities are doing.

Councilor Shelton suggested postponing the trip to Japan, since the trip to Poysdorf, Austria falls within the same year, in an effort to prioritize spending. He also spoke of dropping the Council meal program in order to reduce spending as well; setting an example in tough economic times and encouraging good public relations.

Discussions continued from concerns brought up during the Public Comments about reducing the ten minute rule for digital signs and reader boards.

Mayor Andrews suggested considering a moratorium on the rule and have a sunset on it.

Councilor Shelton added some research should also be conducted to see what the results are in sales and such if the ten minute rule is reduced.

Mr. Danicic said staff would return with a formal resolution to consider a pilot program to allow more leeway on the existing sign code timing restrictions for reader board type signs including a way to collect data.

X. ADJOURNMENT

MOTION: Larson/Shelton to adjourn at 10:58 PM (7 Yes/0 No) Motion carried.

ADOPTED by the Newberg City Council this ____ day of April, 2009.

Norma I. Alley, City Recorder

ATTEST by the Mayor this ____ day of April, 2009.

Bob Andrews, Mayor

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order ____ **Ordinance** ____ **Resolution** XX **Motion** ____ **Information** ____
No. **No.** **No. 2009-2831**

<p style="text-align: center;">Date Submitted: April 17, 2009</p> <p>PUBLIC HEARING</p> <p>SUBJECT: Request for approval of Supplemental Budget #2. To use Contingency to fund unanticipated expenses for a wastewater pump replacement, in Administrative Services, for a police vehicle, and for a water system oversizing reimbursement.</p>	<p>Contact Person (Preparer) for this Resolution: Elizabeth Comfort</p> <p>Dept.: Finance</p> <p>File No.: <i>(if applicable)</i></p>
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RECOMMENDATION:

Adopt **Resolution No. 2009-2831** which recognizes and appropriates supplemental budget requests.

EXECUTIVE SUMMARY:

In June 2008, the City of Newberg Council adopted the 2008-2009 fiscal budget, appropriating funds for specific needs and purposes for adequate operations of the City’s functions.

Unanticipated expenditures in four funds will occur that require transfers from Contingency. Below are the adjustments to supplement the adopted budget appropriation to comply with Oregon Budget Law.

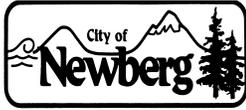
1. At the wastewater treatment plant a new Influent Pump is required to be installed. In the Wastewater Fund (Fund 06), \$97,000 needs to be moved from Contingency to Capital Outlay to cover this unanticipated expenditure.
2. In the Administrative Support Services Fund the contingency is requested to be decrease by \$40,500.
 - a. During this fiscal year actuarial services for the Newberg’s Employees Retirement Plan are being transferred from Milliman to the Plan investor, Principal: \$6,000 to Professional Services in Human Resources.
 - b. The current Finance Director is leaving before fiscal year end. The expenses associated with this leave are \$11,500.
 - c. The City’s new wireless telephone network system and service has had additional unanticipated expenditures of \$23,000 in General Office Telephone.
3. In the Vehicles/Equipment Replacement Fund \$20,000 needs to be moved to Police Capital Outlay Vehicles from Contingency to fund the replacement cost of one Police motorcycle. Earlier this fiscal year the insurance company totaled the motorcycle and issued a reimbursement which is reflected in the Sale Of Assets.

4. During the process of approving housing developments submitted by contractors, the Engineering Department may request the contractor to upsize water lines above the required code for future developments. Contractors may submit a request to the City for reimbursement for the upsizing. Instead of issuing SDC credits for future projects, Coyote Homes, Inc. requested the reimbursement in one lump sum. This decreases the Contingency in the Water System Development Charges Fund (Fund 47) by \$19,500 for the unanticipated amount needed for the lump sum reimbursement.

FISCAL IMPACT: The annual budget appropriation of \$77,457,674 is not impacted by the re-allocation of funds from Contingency to the expenditure line in the corresponding department.

STRATEGIC ASSESSMENT:

The adoption of this supplemental budget will accurately reflect the activity of the City. The public hearing for the supplemental budget was noticed in the paper of record, the Newberg Graphic, April 25, 2009.



RESOLUTION No. 2009-2831

A RESOLUTION ADOPTING SUPPLEMENTAL BUDGET #2 FOR FISCAL YEAR 2008-2009 BEGINNING JULY 1, 2008 AND ENDING JUNE 30, 2009

RECITALS:

1. The 2008-2009 Budget was adopted by Resolution No. 2008-2792, June 16, 2008, by the City Council.
2. Since then circumstances request changes to the budget. See Exhibit "A".

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. To transfer \$97,000 from Wastewater Fund Contingency (Fund 06) to Capital Outlay to appropriate an unanticipated expenditure of an influent pump for the wastewater treatment plant.
2. To appropriate additional Human Resources Professional Services expense of \$6,000 from Contingency for the City's Employees Pension Plan in Administrative Support Services.
3. To appropriate additional expenses of \$11,500 for vacation payout for the resigning Finance Director in Administrative Support Services from Contingency.
4. To appropriate additional expenses of \$23,000 for the telephone network system in General Office Telephone in Administrative Support Services.
5. To appropriate the expense of a Police motorcycle purchase of \$20,000 from Contingency in the Vehicles/Equipment Replacement Fund.
6. To appropriate from Contingency additional expenses of \$19,500 to Water System Oversizing Reimbursement (Fund 47).

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 5, 2009.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of May, 2009.

Norma I. Alley, City Recorder

ATTEST by the Mayor this _____ day of _____, 2009.

Bob Andrews, Mayor

City of Newberg
Supplemental Budget #2
Fiscal Year 2008-2009

<u>FUND 06 - WASTEWATER FUND</u>		BUDGET	CHANGE	REVISED
Capital Outlay	<i>Increase</i>	6,000	97,000	103,000
Contingency	<i>Decrease</i>	570,917	(97,000)	473,917
<i>To recognize and appropriate funds from Contingency for additional Capital Outlay of Influent Pump.</i>				
<u>FUND 31 - ADMIN SUPPORT SERVICES FUND</u>		BUDGET	CHANGE	REVISED
Human Resources Professional Services	<i>Increase</i>	20,000	6,000	26,000
Finance	<i>Increase</i>	152,149	11,500	163,649
General Office Telephones	<i>Increase</i>	210,592	23,000	233,592
Contingency	<i>Decrease</i>	198,625	(40,500)	158,125
<i>To recognize and appropriate funds from Contingency for unanticipated expenses relating to changing management of the City's employee retirement fund, additional expenses relating to the resignation of the Finance Director, and costs for the telephone networking system.</i>				
<u>FUND 32 - VEHICLES/EQUIP REPLACEMENT FUND</u>		BUDGET	CHANGE	REVISED
Capital Outlay-Vehicles	<i>Increase</i>	40,000	20,000	60,000
Contingency	<i>Increase</i>	517,291	(20,000)	497,291
<i>To recognize and appropriate funds from Contingency to replace a Police motorcycle that was totaled.</i>				
<u>FUND 47 - WATER SDC</u>		BUDGET	CHANGE	REVISED
Water System Oversizing Reimb	<i>Increase</i>	54,000	19,500	73,500
Contingency	<i>Decrease</i>	2,167,505	(19,500)	2,148,005

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order ____ Ordinance ____ Resolution XX Motion ____ Information ____
No. No. No. 2009-2840

SUBJECT: Resolution initiating an evaluation of and potential changes to the City's sign ordinance regarding animated signs, and establishing a pilot program to evaluate the effect of potential changes.

Contact Person (Preparer) for this Resolution: Barton Brierley, AICP
Planning and Building Director

Dept.: Planning and Building

File No.: DCA-09-002
(if applicable)

RECOMMENDATION:

Consider **Resolution No. 2009-2840**, initiating an evaluation and potential changes to the City's sign ordinance regarding animated signs, and establishing a pilot program to evaluate the effect of potential changes.

EXECUTIVE SUMMARY: Newberg's sign code limits animated signs to 10 square feet in most areas. Animated signs are prohibited in the downtown (C-3) zone. An animated sign is defined as one where the display changes more than once in any ten minute period.

Several owners of electronic readerboard signs have asked the City to allow usage of their signs in excess of current law limits. They have requested a moratorium on enforcement of law for a period of time. Some cite lagging sales during the current recession as a reason for a moratorium.

Staff does not recommend a moratorium on enforcement of the law. A moratorium on enforcement would set a dangerous precedent for other laws. In addition, a moratorium is typically used with a specific purpose in mind during the moratorium period, such as moratorium on new construction while a water reservoir is built. Finally, Newberg's sign laws were developed with much forethought and extensive public input, and should not be modified without the same.

If the Council wishes to revisit the issue, the Council could (1) initiate an evaluation of and potential amendments to the current code standards; and (2) establish a pilot program and request owners of existing electronic readerboards to try different uses of their signs for a period of time to evaluate their impacts and effectiveness.

The evaluation could consider several alternatives: (1) keep the existing rules in place; (2) modify the time limit for changing display; (3) establish limits on the size electronic signs; or other changes suggested through an open public process.

During pilot program, owners of existing electronic signs could be asked to try different uses of their signs, so their impacts could be evaluated. For example, an owner might be asked to vary the message at different time intervals. The owner would be asked to document the effects of the changes on sales. In addition, the City could solicit and document public comments and concerns.

FISCAL IMPACT: Costs would be incurred in staff time in preparing the evaluation, running the pilot program, and in conducting the public hearing process. Total cost is estimated at \$3,000.

STRATEGIC ASSESSMENT: The sign code states this purpose:

(A) The citizens of Newberg desire a clean, attractive, economically vibrant, and safe community. Well planned and constructed signs can contribute to the community's success by directing and informing the public about commercial and other activities, and by creating attractive commercial and other neighborhoods. On the other hand, unregulated signage can create clutter, distractions, and hazards.

(B) These regulations are designed:

(1) To improve, maintain and preserve Newberg as a pleasing environment so as to improve the quality of life of all residents.

(2) To enhance the attractiveness of Newberg as a place to conduct business.

(3) To enable the identification of places of residences and business.

(4) To allow the freedom of expression.

(5) To reduce distractions and obstructions from signs which would adversely affect safety.

(6) To reduce the hazards from improperly placed or constructed signs.

An “attractive” community is attractive in two ways: it is aesthetically appealing, and it attracts business. Newberg’s sign laws were developed with much forethought and extensive public input to achieve these goals. The Council should carefully consider input from a broad spectrum of its citizens.

In addition, the Council needs to be cognizant of and maintain its enforcement authority. Consistent enforcement is essential.

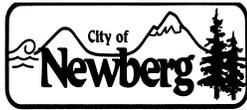
The Council also should consider its priority of resources for this project versus other projects, such as the South Industrial Master Plan, the Affordable Housing Action Plan, Periodic Review, the Urban Reserve/Urban Growth Boundary amendment.

Attachments:

Resolution 2009-2840

Current sign code regarding animated signs

Request letters



RESOLUTION No. 2009-2840

A RESOLUTION INITIATING AN EVALUATION OF AND POTENTIAL CHANGES TO THE CITY'S SIGN ORDINANCE REGARDING ANIMATED SIGNS, AND ESTABLISHING A PILOT PROGRAM TO EVALUATE THE EFFECT OF POTENTIAL CHANGES.

RECITALS:

1. Several owners of existing electronic readerboard signs have requested that the City evaluate potential changes to its regulations on animated signs.
2. The Council wishes to evaluate these changes through an open and public process.
3. In order to effectively analyze potential changes, the Council wishes to establish a pilot program to obtain information on the effects of different limits.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The Council hereby initiates an evaluation of potential amendments to the Newberg Code of Ordinances regarding animated signs. Potential amendments to be considered include:
 - a. Modifying the definition of animated signs and time limits for changing of displays.
 - b. Establishing size limits for electronic message boards.
 - c. Establishing expectations for public service messages.
 - d. Establishing enforcement mechanisms.
 - e. Other changes as the Planning Commission may recommend, or a recommendation of no change.
2. The Planning Commission shall hold hearings and forward a recommendation to the City Council for consideration. The City Attorney shall review the recommendation for legal sufficiency.
3. The Council hereby establishes a voluntary pilot program for evaluation of potential amendments as follows:
 - a. The pilot program shall be for a period of time not to exceed four months, commencing at a time designated by the City Manager.
 - b. Owners of existing electronic readerboard signs may request to be included in the pilot program.
 - c. During the pilot program, the City Manager shall request that those included in the program use their signs under various methods such as: static display, message change in different frequencies, and rolling display.
 - d. Those participating in the pilot program shall:
 - i. Be authorized to use an existing electronic readerboard sign in excess of current limits to the extent requested by the City Manager.
 - ii. Document sales, attendance, positive and negative comments, or other effects

- of the advertising during the pilot program.
- e. During the pilot program, the City Manager shall seek and document public comments on effects of signs participating in the pilot program.

4. By so doing, the Council does not commit to any particular action on the amendments. It only wishes to consider the issue after a full analysis and public hearing process.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 5, 2009.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of May, 2009.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 7th day of May, 2009.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through _____ Committee at ____/____/200x meeting. Or, None.
(committee name) (date) (check if applicable)

NEWBERG DEVELOPMENT CODE SIGN REGULATIONS
(Updated through October 6, 2008)

§ 151.003 DEFINITIONS

BUILDING FACE. An exterior wall of a building that generally faces one direction and that is visible from the public right-of-way. A **BUILDING FACE** is broken by a change in building direction of 60 degrees or more, except for minor extensions or indentations that are shorter than 50 percent of the building frontage (Fig. XV).

BUILDING FRONTAGE. The longest horizontal distance between lines perpendicular to a building face (Fig. XVI).

FLAG. A fabric that is attached to a pole on one end only that uses any color, form, graphic, illumination, symbol, or writing to advertise, announce the purpose of, or identify the purpose of a person or entity, or to communicate information of any kind to the public.

FLAG DISPLAY. One or more flags attached to a single pole.

READERBOARD. A portable sign with characters, letters, or illustrations that can be changed or rearranged without altering the face or the surface of the sign. **READERBOARDS** do not include animated signs, nor do they include signs where less than 20 percent of the sign area can be so changed or rearranged.

SIGN. Any device, fixture, placard, or structure that uses any color, form, graphic, illumination, symbol, or writing to advertise, announce the purpose of, or identify the purpose of a person or entity, or to communicate information of any kind to the public. **SIGNS** include banners, flags, balloons with graphics, letters, or advertising, and murals.

SIGN, ANIMATED. A sign that has a display that changes more than once in any ten minute period.

SIGN AREA. The area of a sign which is computed by means of the smallest square, circle, rectangle, triangle, or combination thereof that will encompass the extreme limits of the writing, representation, emblem, or other display, together with any material or color forming an integral part of the background of the display or used to differentiate the sign from the backdrop or structure against which it is placed, but not including any supporting framework, bracing, or decorative fence or wall when such fence or wall otherwise meets the requirements of this Code and is clearly incidental to the display itself. The **SIGN AREA** for a sign with more than one face shall be computed by adding the area of all sign faces visible from any one point. When two sign faces are placed back to back or at an angle of less than 45 degrees to one another so that both faces cannot be viewed from any point at the same time, and when such sign faces are part of the same sign structure and are not more than 42 inches apart, the **SIGN AREA** shall be computed by the measurement of the largest face (Fig. 16).

SIGN, ATTACHED. Any sign attached to any part of a building, as contrasted to a freestanding sign.

ATTACHED SIGNS are of two types:

- (1) Minor Attached: A sign not to exceed six square feet in area (three square feet in Residential Zones) that does not extend above the roof line of the building it is attached to.
- (2) Major Attached: All other attached signs.

SIGN, FREESTANDING. Any sign supported by structures or supports that are anchored in the ground and that are independent from any other building or structure. **FREESTANDING SIGNS** are of two types:

- (1) Minor Freestanding: A freestanding sign that is less than or equal to six square feet in area (three square feet in Residential Zones) and three feet in height.
- (2) Major Freestanding: All other freestanding signs.

SIGN, PORTABLE. Any sign not permanently attached to the ground or other permanent structure, or a sign designed to be transported, including, but not limited to: signs designed to be transported by means of wheels; signs connected to A- or T-frames; menu and sandwich board signs; umbrellas, balloons, flag, or banners containing signs; and signs attached to or painted on vehicles parked and visible from the public right-of-way, unless said sign is permanently affixed to the vehicle and said vehicle is licensed for movement on public streets.

SIGN, PUBLIC. Any sign that is placed within public right-of-way by or under direction of a governmental agency.

SIGN, TEMPORARY. A portable sign that is limited by law to placement for a specified period of time.

§ 151.149 NON-CONFORMING SIGNS.

- (A) Compliance for temporary and portable signs. All temporary or portable signs not in compliance with the provisions of this code shall be removed immediately.
- (B) Compliance for all other signs. The owner of any sign that was placed legally but does not now conform to the requirements of this code shall either remove the sign or register it with the city on a form provided by the Director prior to January 1, 2000. All signs that do not comply with the standards of this code shall be removed prior to March 31, 2010. Exceptions are:
- (1) Any legal, non-conforming sign that exceeds that maximum allowable size or height by less than 10% may remain.
 - (2) Prior to March 31, 2009, the owner of any legal, non-conforming sign may apply to allow the legal non-conforming sign to remain. Such requests shall be heard by a hearings officer appointed by the City Manager, and shall be approved, approved with conditions, or denied based on the following:
 - (a) The sign is in a good state of repair and maintenance.
 - (b) The number, size, and height of signs to remain is minimal and contributes to an attractive appearance to the neighborhood.
 - (c) The use of bold and bright colors, lighting, and designs is minimal.
 - (d) Other elements of the site are well maintained and attractive.Except as specifically determined by the hearings officer, any sign allowed to remain under the provisions of this subsection is subject to removal under the provisions of subsections (C), (D), and (E) below.
- (C) Abandonment. Any sign not in compliance with the provisions of this code shall be removed by the owner if the site on which the sign is located is vacant for a period of one year or more. If the owner fails to remove the sign, the city may abate the sign as provided in § 151.010 of this code.
- (D) Site improvements. Any sign not in compliance with the provisions of this code shall be removed if the buildings or site improvements on the site on which the sign is located are replaced or modified, except additions and remodels allowed under a Type I design review, § 151.191(A) of this code.
- (E) Sign modifications. Signs not in compliance with the provisions of this code, when replaced, relocated, modified or altered, shall be brought into compliance with this code. For purposes of this section a modification or alteration shall not include the following:
- (1) Maintenance and repairs such as cleaning, painting, refacing, replacing damaged portions of the sign, or similar activities that do not involve a change in copy.
 - (2) A change of a panel on a sign for three or more tenants designed to have removable panels.
 - (3) A modification of the existing cabinet and/or face of the sign that results in a reduction in size and/or height of the sign and that does not involve a change in copy.
- (F) *Historic landmarks exemption.* The provisions of §151.490 (A) through (E) shall not apply to any sign located in a Historic Landmarks Sub-district or on a historic landmark.
- (Ord. 96-2451, passed 12-2-96; Am. Ord. 98-2499, passed 11-2-98, Ord. 2008-2706, passed 10-6-08) Penalty, see § 151.999

SIGNS

§ 151.590 PURPOSE.

(A) The citizens of Newberg desire a clean, attractive, economically vibrant, and safe community. Well planned and constructed signs can contribute to the community's success by directing and informing the public about commercial and other activities, and by creating attractive commercial and other neighborhoods. On the other hand, unregulated signage can create clutter, distractions, and hazards.

(B) These regulations are designed:

(1) To improve, maintain and preserve Newberg as a pleasing environment so as to improve the quality of life of all residents.

(2) To enhance the attractiveness of Newberg as a place to conduct business.

(3) To enable the identification of places of residences and business.

(4) To allow the freedom of expression.

(5) To reduce distractions and obstructions from signs which would adversely affect safety.

(6) To reduce the hazards from improperly placed or constructed signs.

(Ord. 98-2499, passed 11-2-98)

§ 151.591 APPLICABILITY AND EXEMPTIONS.

(A) All signs placed or maintained anywhere within the city shall comply with the standards of this code, with the exception of the following:

(1) Public signs.

(2) Signs that are required to be placed by law and that are no more than 50% larger than the minimum size required by law or, if there is no minimum size specified, signs with lettering height no more than four inches.

(3) Signs painted on or attached to windows that do not cover more than 50% of the surface of that window.

(4) Signs located entirely within a building and not on a window.

§ 151.592 PERMIT REQUIRED.

(A) Except as follows, no person or entity shall place any sign within the city without first obtaining a permit from the Director.

(B) The following do not require sign permits, but must otherwise comply with the standards of this code.

(1) Minor freestanding signs.

(2) Minor attached signs.

(3) Temporary signs.

(4) Portable signs.

(5) If any of the signs listed above require permits under the Uniform Sign Code, the sign shall be placed only following issuance of such permit.

(Ord. 98-2499, passed 11-2-98) Penalty, see § 151.999

§ 151.593 GENERAL REQUIREMENTS; ALL SIGNS.

(A) All signs shall comply with the standards contained in the Uniform Sign Code, 1997 edition or most recent, published by the International Conference of Building Officials. If the standards of that code and this Development Code conflict, this Development Code shall prevail. All signs shall be kept in repair and in proper state of preservation as required under the Uniform Sign Code.

(B) No sign shall have bright or flashing lights shining on a public way that blind or impair the vision of drivers. No sign shall be constructed such that it may be confused with any traffic sign, signal or device.

(C) No animated sign shall exceed ten square feet in area. In the C-3 Zone, animated signs are prohibited.

(D) All signs shall comply with the vision clearance standards of § 151.555 of this code.

(E) Signs located in the Airport Overlay Sub-district shall comply with the height and visual interference restrictions of that district.

(Ord. 98-2499, passed 11-2-98; Am. Ord. 2002-2561, passed 4-1-02; Am. Ord. 2002-2565, passed 4-1-02) Penalty, see § 151.999

§ 151.594 MAJOR FREESTANDING SIGNS.

(A) *Number.*

(1) *Residential, I, and CF Zones.* One major freestanding sign is allowed on each street frontage, plus one sign for each full 600 feet of street frontage. Only one sign on each street frontage may be an animated sign.

(2) *Other zones.* Not more than one major freestanding sign shall be located on any one street frontage.

(B) *Size.*

(1) *Residential Zones:* No major freestanding sign shall be larger than 0.2 square foot per foot of street frontage, up to a maximum of 30 square feet. At least six square feet of signage will be allowed. Major freestanding signs are not allowed on lots containing only one single family dwelling or duplex.

(2) *C-1 and I Zones:* No major freestanding sign shall be larger than 0.5 square foot per foot of street frontage, up to a maximum of 100 square feet. At least 12 square feet of signage will be allowed.

(3) *Other zones:* No major freestanding sign shall be larger than 1.0 square foot per foot of street frontage, up to a maximum of 100 square feet. At least 40 square feet of signage will be allowed. For any lot at least ten acres in size with at least 200 feet of frontage on a street, the one sign on that street may be up to 200 square feet total size.

(C) *Height and setbacks:* Freestanding signs regulated by this section are not subject to the setback requirements of §§ 151.550 through 151.556 or the projecting building features requirements of said sections. Height and setbacks of freestanding signs shall conform to the following requirements:

(1) *C-3 Zone.* No major freestanding signs shall be allowed greater than six feet in height.

(2) Other zones.

(a) A sign up to three feet in height is not required to be setback from any property line.

(b) A sign taller than three feet and up to six feet shall be setback at least five feet from any property line.

(c) A sign taller than six feet and up to eight feet shall be setback at least ten feet from any front property line and five feet from any interior property line.

(d) A sign taller than eight feet and up to 15 feet shall be setback at least 15 feet from any front property line and five feet from any interior property line.

(e) A sign taller than 15 feet and up to 20 feet shall be setback at least 20 feet from the front property line and five feet from any interior property line.

(f) A sign on a lot that is at least ten acres in size in a zone other than residential, C-1, or I and that has at least 200 feet of frontage on a street may be up to 30 feet high provided it is set back at least 20 feet from the front property line and at least ten feet from any interior property line.

(Ord. 98-2499, passed 11-2-98; Am. Ord. 2002-2561, passed 4-1-02; Am. Ord. 2002-2565, passed 4-1-02; Am. Ord. 2006-2646, passed 6-5-06) Penalty, see § 151.999

§ 151.595 MINOR FREESTANDING SIGNS.

(A) Number: Not more than two minor freestanding signs shall be located in the front yard on any one street frontage, plus one for each full 100 feet of street frontage. This number limit shall not apply to minor freestanding signs located outside a required front yard and more than ten feet from the public right-of-way.

(B) Size:

(1) Residential Zones: No minor freestanding sign shall exceed three square feet in area.

(2) Other zones: No minor freestanding sign shall exceed six square feet in area.

(C) Height: No minor freestanding sign shall exceed three feet in height.

(Ord. 98-2499, passed 11-2-98; Am. Ord. 2002-2561, passed 4-1-02) Penalty, see § 151.999

§ 151.596 MAJOR ATTACHED.

(A) Number:

(1) C-3 Zone. Allowed major attached signs include: flat wall signs and signs that project over the sidewalk. Prohibited signs include: signs on roofs, chimneys or balconies.

(2) All zones. The number of major attached signs on any building face shall not exceed one per 25 feet of building frontage of that face.

(B) Size:

(1) R-1, R-2, and R-3 Zones: The total of all major attached signs on any building frontage shall not exceed 0.2 square foot for each foot of building frontage. At least six square feet of signage will be allowed up to a maximum of 30 square feet. Major attached signs are not allowed on lots containing only one single family dwelling or duplex.

(2) RP, C-1, and I Zones: The total of all major attached signs on any building frontage shall not exceed 0.5 square foot for each foot of building frontage. At least 12 square feet of signage will be allowed.

(3) Other zones: The total of all major attached signs on any building frontage shall not exceed 1.0 square foot for each foot of building frontage. At least 40 square feet of signage will be allowed.

(C) Height:

(1) C-3 Zone: Maximum mounting height for wall signs shall be 18 feet above the sidewalk, measured from the top of the sign. The top signboard of a projecting sign on a single story building shall not be higher than the wall from which it projects. For multi-story buildings, the signboard shall not be higher than the average sill height of the second story windows. Projecting signs shall be mounted such that the distance between the lower edge of the signboard and the ground level is not less than eight feet. The distance from the building wall to the signboard shall be a maximum of six inches.

(2) Other zones: Major attached signs shall not extend above the roof line of the building they are attached to by more than eight feet, and shall not exceed the maximum height of the zone in which they are located.

(D) Projections: Major attached signs may project into the required front yard no more than five feet and into the required interior yards not more than two feet, provided that such projections are no closer than three feet to any interior lot line. For buildings in the C-3 Zone, major attached signs may project up to five feet into the right-of-way, but not closer than two feet from the curb line. The lower edge of any major attached sign shall be at least eight feet above ground level. This requirement supercedes the relevant sign standards in the Uniform Sign Code. (Ord. 98-2499, passed 11-2-98; Am. Ord. 2002-2561, passed 4-1-02) Penalty, see § 151.999

§ 151.597 MINOR ATTACHED SIGNS AND AWNING SIGNAGE.

(A) Minor attached signs.

(1) Spacing: No two minor attached signs on one building that are both visible from any one point shall be closer than 25 feet.

(2) Size:

(a) Residential Zones: Minor attached signs shall not exceed three square feet in area.

(b) Other zones: Minor attached signs shall not exceed six square feet in area.

(3) Height: Minor attached signs shall not extend above the roof line of the building they are attached to.

(4) Projections:

(a) C-3 Zone: Minor attached signs may project no more than three feet into a public right-of-way, but no closer than two feet from the curb line. The lower edge of any minor attached sign shall be at least eight feet above ground level. This requirement supercedes the relevant sign standards in the Uniform Sign Code.

(b) Other zones: The same projection is allowed as for major attached signs, § 151.596.

(B) Awning signage: Awnings are encouraged along the frontage of buildings in the C-3 district.

(1) C-3 Zone: Back-lit translucent awnings are not allowed. Lettering may appear on curved surfaces, but shall be limited to the lowest 12 inches of the awning (measured vertically from the lowest edge), Freestanding letters

mounted on top of the front vertical surface are also allowed, though they shall not exceed eight inches in height.

(a) Other minor attached signs may be attached to or suspended from an awning or canopy provided they are less than six square feet in size.

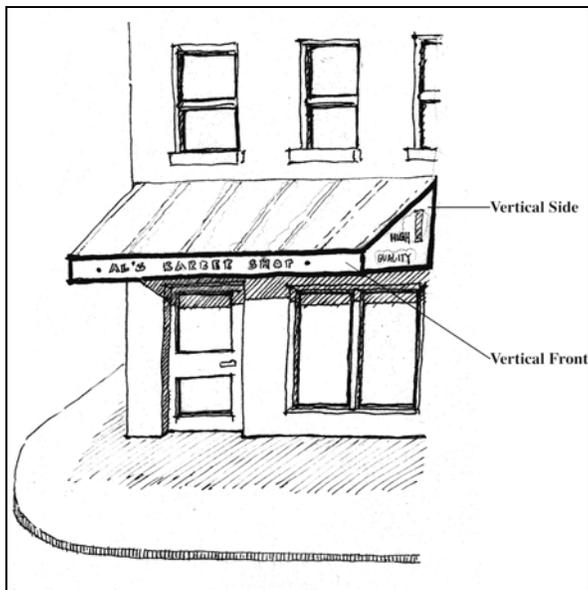
(b) The lower edge of any awning shall be at least eight feet above ground level. This requirement supercedes the relevant sign standards in the Uniform Sign Code.

(c) Signage is not allowed on any awning surfaces that are not specifically permitted in this section.

(2) Other zones: Awning signs in other zones shall be regulated as either minor or major attached signs. (Ord. 98-2499, passed 11-2-98; Am. Ord. 2002-2561, passed 4-1-02) Penalty, see § 151.999

§ 151.598 PORTABLE SIGNS.

(A) Number: Not more than one portable sign may be located on any one street frontage, except temporary signs allowed per § 151.599 below.



(B) Size:

(1) Residential Zones:

(a) Residential uses: One portable sign not to exceed six square feet.

(b) All other permitted uses: One portable sign not to exceed six square feet if located in the front yard, or 16 square feet if located elsewhere on the property.

(2) Other zones: The one portable sign may not exceed 12 square feet if located in the front yard, or 40 square feet if located elsewhere on the property.

(C) Design: No portable sign shall be permanently affixed to any structure or the ground. No portable sign shall be attached to a tree or utility pole. All signs shall be designed to be removed

quickly. No portable sign shall be animated or internally illuminated. No readerboard shall be used as portable sign, except as a temporary sign as permitted § 151.599 below.

(D) Location: No portable sign shall be located within the public right-of-way except as allowed under § 151.600 of this code.

(E) Height: The height of a portable sign shall not exceed the maximum height of buildings in that zone. (Ord. 98-2499, passed 11-2-98) Penalty, see § 151.999

§ 151.599 TEMPORARY SIGNS FOR EVENTS.

In addition to the portable signs otherwise permitted in this code, a lot may contain temporary signs in excess of the number and size allowed by § 151.598 above, during events as listed below:

(A) Grand opening event: A grand opening is an event of up to 30 days duration within 30 days of issuance of a certificate of occupancy for a new or remodeled structure, or within 30 days of change of business or ownership. No lot may have more than one grand opening event per calendar year. The applicant shall notify the city in writing of the

beginning and ending dates prior to the grand opening event. If there are no freestanding signs on a frontage after the grand opening event, one of the temporary signs may remain on the property for the 60 days immediately after the end of the grand opening event.

(B) Election event: An election event begins 90 days prior to and end 14 days after any public election. During this event a lot may contain up to two additional temporary signs not to exceed 12 square feet total area for both signs. These signs shall not be located in the public right-of-way.

(C) Other events: A lot may have two other events per calendar year. The events may not be more than eight consecutive days duration, nor less than 30 days apart.

(D) Flag displays: One flag display is permitted on each street frontage. An unlimited number of displays is permitted on any legal holiday or Newberg City Council designated festival. (Ord. 98-2499, passed 11-2-98) Penalty, see § 151.999

§ 151.600 SIGNS WITHIN THE PUBLIC RIGHT-OF-WAY.

(A) Public signs are permitted in the public right-of-way as permitted by the governmental agency responsible for the right-of-way.

(B) For lots in the C-3 and C-4 Zones, the one allowed portable sign per street frontage may be located, without permit, in the public right-of-way fronting that lot provided it meets the following standards:

(1) The sign may not be less than two feet nor more than four feet high.

(2) The sign may not be located within the vehicular path.

(3) If located on a sidewalk, the sign must leave a clear area of at least five feet measured horizontally, and may not be located on a wheel chair ramp.

(4) If the sign is located adjacent to a striped on-street parking area, the sign must be located adjacent to the stripe.

(5) The sign may not be located within three feet of a fire hydrant.

(6) The sign must be removed during non-business hours or hours the adjoining property is uninhabited.

(7) The property owner abutting the right-of-way shall grant permission for any sign, other than a public sign, that is placed within that right-of-way fronting his or her lot.

(8) If more than one sign is located in the right-of-way fronting one lot, all signs may be forfeited as per division (E) below.

(C) For lots in other zones, the one portable sign per street frontage may be allowed in the public right-of-way provided:

(1) The applicant first obtains a sign permit from the Director approving the location of the sign. Approval is at the sole discretion of the Director. The permit shall be affixed to the sign.

(2) The standards of subdivisions (B)(1) through (B)(6) above are met.

(D) No other signs shall be placed within the public right-of-way except as specifically permitted by this code.

(E) Any sign installed or placed in the public right-of-way, except in conformance with the requirements of this

code, shall be forfeited to the public and subject to confiscation. In addition to other remedies hereunder, the city shall have the right to recover from the owner or person placing such a sign the full costs of removal and disposal of such sign. (Ord. 98-2499, passed 11-2-98; Am. Ord. 2002-2564, passed 4-15-02) Penalty, see § 151.999

§ 151.601 DOWNTOWN (C-3) SIGN STANDARDS.

(A) *Purpose.* Newberg's downtown is the heart of the community. A variety of early 20th Century commercial buildings define its character. The community's vision is for this area to be a lively, customer and pedestrian friendly district with a variety of successful businesses. Competition from other retail areas requires this area to have an identity and look that is distinct and attractive. Capturing the historic and unique feel of the downtown through sign design standards will aid in its vitality. These standards are intended to promote the economic vitality of downtown by promoting attractive, historically-themed, and pedestrian-oriented signage.

(B) *Design standards.* In addition to meeting other standards within this code, any major attached or freestanding sign within the C-3 district shall score at least 10 points using the following scale. Where more than one sign exists on a frontage, the total score shall be the average score for all signs on that frontage.

[Sign Point Scale on next page]

Points Possible	Element
	Sign Type
4	The sign is attached to a mounting bracket and allowed to swing freely.
4	The sign is on an awning and meets the standards in § 151.597 below.
3	The sign is a fin sign extending at least 2 feet from the building surface.
3	The sign primarily includes raised or engraved individual letters or graphics on a background wall.
2	The sign is freestanding and less than 6 feet high.
	Sign Material
4	The sign is sandblasted or carved wood.
4	The sign includes natural finished wood in the frame, background or lettering (plywood excluded).
4	The sign includes a frame, background or lettering in aluminum, copper or brass in natural finishes.
2	The sign is on an opaque fabric awning made of cotton-based canvas or woven acrylic and includes free-hanging trim or vertical front.
2	The sign incorporates decorative wrought iron.
	Sign Face
4	The outline of the sign frame (or the letters and graphics if no frame) is predominantly curved or non-rectangular.
3	All colors on the sign are low intensity, such as muted earth tones. Bright, fluorescent, or neon colors are excluded.
2	The most prominent lettering on the sign, such as the business' name, uses a serif or cursive font.
2	At least 15% of the sign area is a landscape, nature, or similar art scene.
	Lighting
2	The sign uses neon tube lighting for letters or graphics.
minus 2	The sign uses internal illumination with greater than 30% transparent or light-colored face.
minus 2	The sign is on a backlit, translucent awning.
minus 4	The sign uses blinking, flashing, or chasing lights
	Sign Size
1 point per 20% reduction	For major attached signage, one point for each full 20% reduction in the total sign area allowed on that building frontage. For major freestanding signage, one point for each full 20% reduction in the total area allowed for that sign.

(C) *Bonus provisions.*

(1) Notwithstanding other provisions of this code, a proposed sign in the C-3 district that scores in excess of ten points using the above scale may be larger than the maximum allowable size of sign otherwise allowed by this code. An increase of 10% of the maximum size is allowed for each point scored over ten points.

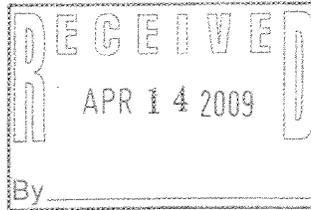
(2) The Director may refund 25% of sign design review fees paid for any sign scoring in excess of 15 points on the scale.
(Ord. 2002-2561, passed 4-1-02)

Original - Planning
Copies - City Council
City Manager

Mountain View Middle School

Wayne Strong
Principal

April 10, 2009



Dan Busch
Assistant Principal

Mayor Bob Andrews and Newberg City Councilors
City of Newberg
414 E First Street
Newberg, Oregon 97132

Dear Mayor Andrews and Newberg City Councilors:

A very strong, productive partnership has been developed between the parents and staff at Mountain View Middle School. Our parent organization strives to contribute resources (time and money) to help Mountain View Middle School be as successful as possible at meeting the academic, recreational, and social needs of students.

Our parent group saw a need for a reader board that could be read from the street, would keep parents informed of current events, and was quick and easy to update so that it always had timely, relevant information. Members of the parent group reported seeing electronic reader boards at schools in other communities such as Sherwood, Tigard, and Canby and felt that type of sign would be most effective in meeting their needs for enhanced communication.

Parents then proceeded to raise the necessary funds, purchase, and install a 15 square foot electronic sign on the East side of the school in March of 2008. Based on our distance from Emery Drive and the distance in which a driver could read the sign, 15 square feet was determined to be the smallest sign that could be read by drivers as they pass by the school.

This sign allows for large enough font and character spaces that we could electronically display an informative message to parents on a single screen. Our plan was to cycle three to four messages in the time it would take a parent to drive past the school. In order to use the sign most effectively to inform parents we only display text. We do not display graphics as graphics would use up time that we want used for informing our parents.

As part of the approval process, the City of Newberg Planning and Building Department provided us with sign operation information. This information defined animation and noted that animation was restricted to a maximum of 10 square feet (67%) or less of the sign. We calculated the total number of pixels on the sign (4608) and also calculated the number of pixels in use on a typical message. According to our calculation less than 50% of the reader board pixels were lit up at any given time. On this basis we believed that we were well within the 10 square foot animation requirement.

Imagine our surprise when we were informed in writing on September 19, 2008 that we were in violation of the Sign Development Code and that we had 10 days to correct the matter or we could be cited for violation of the code. I promptly called the author of the letter to get further information about the alleged violation. I explained the calculation we used to make the determination that we were well under the 10 square foot restriction. I was informed that our method of calculation was not approved and that we either had to use the prescribed amount of the sign or discontinue changing messages more often than every 10 minutes. I offered to turn the sign off from 10 PM to 6 AM and reduce the level of lighting in the evening in the event the sign was perhaps an annoyance to neighbors. It was soon very clear that no exceptions were available.

The first option was to change messages no more often than every 10 minutes. For parents to be fully informed a parent would have to remain within view of the sign for 30 to 40 minutes to read all messages. In this mode the sign would be of little to no value to our parents.

Mayor Bob Andrews and Newberg City Councilors
April 10, 2009
Page 2

The second alternative was to use a larger font that would result in using two or more screens to provide the message that could have been presented in one screen. More screens per message means more drive time needed to read all the messages and, again, if messages can't be read as parents drive by, then the effectiveness of the sign is greatly diminished.

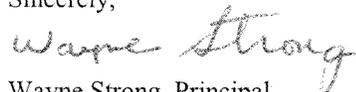
Consequently, we have had to reduce our font size by approximately 33% to meet the existing code for animation. This change has resulted in using a font size that is too small to easily and quickly read from the road. Thus drivers have to look at the sign for a greater period of time to read individual messages. That means more drive time with eyes off the road or perhaps a message that is misunderstood.

The net result is that a sign that parents purchased as a means to be better informed and more responsive to the needs of their children has been greatly diminished in its effectiveness. We find this very disappointing, especially as we have no reason to believe that any neighbors have found the sign to be a nuisance and the sign is clearly not a distraction to motorists who are not interested in the content of the sign.

Finally, it has always been our intent to have our sign available for Public Service Announcements such as *Amber Alerts*. One of the many attributes of an electronic sign is the ability to change the message within seconds to respond to a greater public need. The effectiveness of displaying an *Amber Alert* would be greatly diminished by adherence to the current regulations.

We ask that there be an immediate one-year moratorium on the animation code and that within that time period a committee that includes electronic sign owners be commissioned to review and rewrite a more contemporary animation sign code.

Sincerely,



Wayne Strong, Principal
Mountain View Middle School

2015 N. Emery Drive
Newberg, OR 97132

Phone: (503) 554-4500
Fax: (503) 537-3337

Norma Alley

From: Dennis Lewis [dennis@lewisav.com]
Sent: Wednesday, April 22, 2009 5:03 PM
To: Norma Alley
Subject: citycouncilsign04062009.doc

Norma, please include the following notes in the May 4 council packet, if possible. Regards, Dennis Lewis

Newberg City Council

April 06, 2009

Subject: sign ordinance

I would like to ask the city council to take another look at Newberg's existing sign ordinance, to see if we can take advantage of newer technologies. It is my hope and goal to promote Newberg's business, civic, educational and safety activities through a better sign code.

According to the existing regulations, any electronic sign over 10 square feet in size must not use animation to express itself. It is my thought that we should eliminate the clauses, **151.593 general requirements; all signs line (C) No animated sign shall exceed ten square feet in area. In the C-3 Zone, animated signs are prohibited.** And **151.003 Definitions SIGN, ANIMATED. A sign that has a display that changes more than once in any ten minute period.** Eliminating this definition would allow electronic signs to be used as an effective tool for business and community communication.

There are many challenges for the community to effect changes in a code of this nature, but until we can put together a provision that would be pro business and community, I would ask that the City Council put a moratorium on the 10 minute rule until an ordinance could be crafted for the benefit of all concerned.

I see Newberg as the gateway to an expanding tourist destination, becoming the center for art, agriculture, wine, etc for Yamhill county, We must all be working to invite a culture of community for visitors, local businesses and citizens. I would propose that a contingent of community members be invited to take part in a task force that would encourage ways our city can enhance its facade for years to come.

Regards, Dennis Lewis, Lewis Audio/Video

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 4, 2009

Order ____ Ordinance ____ Resolution XX Motion ____ Information ____
No. No. No. 2009-2843

SUBJECT: Accepting the Newberg Affordable Housing Action Plan

Contact Person (Preparer) for this Resolution: **David Beam, AICP**

Dept.: **Planning and Building**

File No.: **Gen File 08-001**
(if applicable)

RECOMMENDATION:

Adopt **Resolution No. 2009-2843**, accepting the Affordable Housing Action Plan (Exhibit A.)

EXECUTIVE SUMMARY:

The City of Newberg has recognized that the community has an affordable housing issue. On April 10, 2008, the Newberg Planning Commission passed Resolution No. 2008-249 recommending that the Newberg City Council establish an ad hoc committee for the purpose of creating an action plan that will encourage affordable housing for working families. On May 8, 2008, the Newberg City Council passed Resolution No. 2008-2781, establishing the Housing for Working Families Ad Hoc Committee. The charge of the Committee was to "... identify and recommend tools appropriate for the Newberg community this are intended to encourage the development of housing for working families." Members of the Committee were appointed by Mayor Bob Andrews. The committee consisted of local community citizens that represent a wide range of interests on the affordable housing issues.

The Committee met twice a month since July 2008 to develop the action plan. Exhibit A is the Committee's recommended action plan for adoption. The plan includes a broad range of recommended actions that the Committee considers to be appropriate for implementation within our community at this time. Each action in the Plan identifies potential responsible parties for moving those actions forward.

The actions in this Plan are grouped under the following seven affordable housing strategies:

- *Amend Newberg Comprehensive Plan Goals and Policies*
- *Retain the existing supply of affordable housing*
- *Insure an adequate land supply for affordable housing*
- *Change development code standards*
- *Amend the development fee schedule*
- *Develop and support public and private programs*
- *Strengthen economic development efforts*

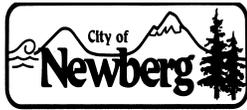
As stipulated in the Resolution No 2008-2781 establishing the ad hoc committee, this plan is just phase one of a longer process to help bring more affordable housing to Newberg. Phase two of the process will involve the further development of some of the affordable housing tools identified in the plan by various organizations in the community. Other actions in the plan should be able to be put to work

almost immediately. Finally, phase three will involve the implementation of the tools requiring further development in phase two.

FISCAL IMPACT: None immediately. Moving some of the Plan's actions forward will require the use of city staff time. In the future, implementation of some of the actions may affect other financial resources of the City.

STRATEGIC ASSESSMENT: As stated in the proposed action plan:

“There are many reasons for Newberg to be concerned about affordable housing. Perhaps foremost, it is the right thing to do. All hardworking people should be able to live in safe, decent housing and still have enough money for groceries and other basic necessities. Everyone needs a stable home to succeed in life, especially children. In addition, affordable housing for all income levels is important to our local economy. Attracting and retaining a good workforce is one of the most difficult challenges any business faces if it is to remain competitive. Poor housing availability in a community makes this a very difficult task. Those who live here contribute to the local economy by shopping and patronizing local businesses. Also, a lack of affordable housing can have a negative effect on the environment and our quality of life. If a local housing stock cannot accommodate the needs of a community's employees, then those folks will live outside of Newberg and commute to work, thereby affecting our air quality and adding to our existing traffic congestion. Finally, affordable housing can build social capital in the community. Those who live and work in Newberg can invest themselves in many ways, such as volunteering to be firefighters, police reserves, helping at their church or civic club, or simply picking up litter or helping their neighbors. Such volunteering is less likely when you commute two hours every day to a home outside the community.”



RESOLUTION No. 2009-2843

A RESOLUTION ACCEPTING THE NEWBERG AFFORDABLE HOUSING ACTION PLAN

RECITALS:

1. The City of Newberg recognizes that the community has an affordable housing issue. On April 10, 2008, the Newberg Planning Commission passed Resolution No. 2008-249 recommending that the Newberg City Council establish an ad hoc task force to create an action plan that will encourage affordable housing for working families. On May 8, 2008, the Newberg City Council passed Resolution No. 2008-2781, establishing the Housing for Working Families Ad Hoc Committee. The charge of the Committee was to "... identify and recommend tools appropriate for the Newberg community this are intended to encourage the development of housing for working families."
2. The Housing for Working Families Ad Hoc Committee held meetings twice a month since July 2008. Exhibit A is the Committee's recommended action plan for adoption. The Plan includes a broad range of recommended actions that the Committee considers to be appropriate for implementation within our community at this time. Each action in the Plan identifies potential responsible parties for moving those actions forward.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City of Newberg hereby accepts the Affordable Housing Ad Hoc Committee's recommended Affordable Housing Action Plan as shown in Exhibit A.
2. The Council hereby initiates the amendments to the Newberg Comprehensive Plan and Development Code as described in the Affordable Housing Action Plan, and directs the Planning Commission to consider and hold hearings on the proposed changes and forward a recommendation to the City Council for its consideration.
3. The Council hereby initiates changes to the Comprehensive Plan Map, Zoning Map, and Urban Growth Boundary as contained in the Action Plan. Staff shall hold neighborhood meetings in each area recommended for changes prior to the Planning Commission or NUAMC hearings on the proposals.
4. The Council hereby initiates the other actions identified in the Affordable Housing Action Plan. The Council directs staff to work with the responsible parties identified in the plan to carry forward Phase Two, which involves further development of the affordable housing tools described in the plan.
5. The Council hereby authorizes creation of Phase Two Affordable Housing Ad Hoc Committee or committee's, with membership appointed by the Mayor, where needed to further develop tools identified in the action plan.
6. Staff shall report to City Council periodically on the progress of the Phase Two actions.

7. By initiating these actions, the Council recognizes that these are legislative processes, and that the final outcome of any of these efforts may differ from the initial proposal.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 5, 2009.

ADOPTED by the City Council of the City of Newberg, Oregon, this 4th day of May, 2009.

Norma I. Alley, City Recorder

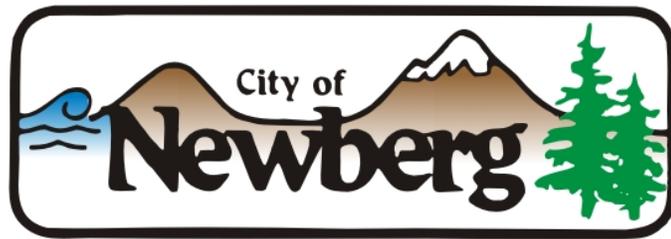
ATTEST by the Mayor this 7th day of May, 2009.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through the Housing for Working Families Ad Hoc Committee at April 16, 2009 meeting.

DRAFT
May 4, 2009



Affordable Housing Action Plan



City of Newberg

P.O. Box 970
Newberg, OR 97132

Phone: 503-537-1240
website: www.ci.newberg.or.us

Introduction

Like many communities in our nation, Newberg has an affordable housing problem. Many of its citizens spend too much of their income on housing. The recent burst of the housing bubble has reduced this pressure and has made the cost of home ownership relatively more affordable. However, given the strong future growth predicted for the Newberg and the Portland region, given Oregon's strong regulatory environment on land for housing, there is little reason to believe that future trends will provide significant relief to our community's housing affordability issue.

There are many reasons for Newberg to be concerned about affordable housing. Perhaps foremost, it is the right thing to do. All hardworking people should be able to live in safe, decent housing and still have enough money for groceries and other basic necessities. Everyone needs a stable home to succeed in life, especially children. In addition, affordable housing for all income levels is important to our local economy. Attracting and retaining a good workforce is one of the most difficult challenges any business faces if it is to remain competitive. Poor housing availability in a community makes this a very difficult task. Those who live here contribute to the local economy by shopping and patronizing local businesses. Also, a lack of affordable housing can have a negative effect on the environment and our quality of life. If a local housing stock cannot accommodate the needs of a community's employees, then those folks will live outside of Newberg and commute to work, thereby affecting our air quality and adding to our existing traffic congestion. Finally, affordable housing can build social capital in the community. Those who live and work in Newberg can invest themselves in many ways, such as volunteering to be firefighters, police reserves, helping at their church or civic club, or simply picking up litter or helping their neighbors. Such volunteering is less likely when you commute two hours every day to a home outside the community.

In recent years, the City of Newberg has been extensively examining the community's land needs to accommodate future growth. This examination has revealed that if current housing construction trends continue into future, affordable housing in Newberg will likely continue to be a significant issue. In recognition of this, the Newberg City Council approved Resolution No. 2008-2781, which established the Housing for Working Families Ad Hoc Committee (NOTE: with the consent of the Mayor, the committee's name was changed to the Affordable Housing Ad Hoc Committee). The Committee's charge was to "...identify and recommend tools appropriate for the Newberg community that are intended to encourage the development of housing for working families." Early in its operation, the Committee decided to make a couple of changes to their charge that they felt were important. First, the Committee felt that identifying and implementing tools that help with the preservation of the community's existing affordable housing stock was a critical step if their action plan was to be successful. Second, the Committee felt that affordable housing should be available for all citizens of our community, and therefore changed their name to the Newberg Affordable Housing Ad Hoc Committee.

The Committee members were appointed by Mayor Bob Andrews. The members are local community citizens that represent a wide range of interests on the affordable housing issues. The Committee consisted of the following members:

DRAFT

Denise Bacon – Newberg City Councilor
Bob Ficker – Columbia River Bank – Newberg Branch Manager
Mike Gougler – MJG Development, Inc.
Charles Harris – Community and Shelter Assistance Corp. (CASA)
Bob Larson – Newberg City Councilor
Joel Perez – George Fox University Dean of Transitions and Inclusions
Rick Rogers – Newberg Area Habitat for Humanity Executive Director
Dennis Russell – Friendsview Retirement Community (Committee Vice-Chair)
Philip Smith – Newberg Planning Commissioner (Committee Chair)
Mike Willcuts – Willcuts Company & Coyote Homes
Kevin Winbush – Proprietor of Its All Good Barbeque and Catering

City of Newberg staff for the Committee included Barton Brierley, Planning and Building Director and David Beam, Economic Development Coordinator/Planner.

The Committee began meeting in July 2008. Since that time, the Committee reviewed a broad range of actions that could be taken to encourage affordable housing in Newberg. This plan includes actions that the Committee considers to be appropriate for implementation within our community at this time. It is not intended to be an exhaustive list of all the affordable housing actions available. The community always should be looking for new and innovative ways to meet affordable housing needs.

The actions in this Plan are grouped under the following seven affordable housing strategies:

- *Amend Newberg Comprehensive Plan Goals and Policies*
- *Retain the existing supply of affordable housing*
- *Insure an adequate land supply for affordable housing*
- *Change development code standards*
- *Amend the development fee schedule*
- *Develop and support public and private programs*
- *Strengthen economic development efforts*

This Plan is just Phase One of a longer process to help bring more affordable housing to Newberg. Phase Two of the process will involve the further development of some of the affordable housing tools identified in the plan by various organizations in the community. Other actions in the Plan should be able to be put to work almost immediately. Finally, Phase Three will involve the implementation of these tools to actually create affordable housing.

Appendix B provides a calculation of the potential impact of the actions within this plan could have on our community's affordable housing issue. The Committee strongly recommends that the City Council make the implementation of this Action Plan a high priority.

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This Plan was created through a great deal of dedication and hard work by many citizens of our community. Working together for the common good is what we have always done exceptionally well in Newberg. Working together, with this Plan as our guide, we can reach ultimate goal to provide safe, decent affordable housing for all who live here.

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Newberg Housing Needs

The City of Newberg is expected to experience significant population growth in the foreseeable future. The table below describes the future population projections from Newberg’s adopted comprehensive plan

Future Population Forecast – Newberg Urban Area

Year	Population Forecast
2000	18,438
2005	21,132
2010	24,497
2015	28,559
2020	33,683
2025	38,352
2030	42,870
2035	48,316
2040	54,097

Sources: Johnson Gardner, Barry Edmonston, 2004

To accommodate this population growth, the following housing types will be needed in the future (from page 58 of the Newberg Comprehensive Plan.)

Future Housing Need by Housing Type (number of dwelling units)

	Single Family		Multi-Family		Manufactured		Total
	Detached	Attached	Medium Density	High Density	Parks	Subdivision	
	50%	7%	15%	23%	2%	2%	100%
2005 to 2025	3,377	492	1,022	1,533	140	140	6,704
2026 to 2040	3,234	471	978	1,467	135	135	6,420
Total	6,611	963	2,000	3,000	275	275	13,124

Source: Johnson Gardner, 2004

Buildable Residential Land Needs vs. Supply

The Newberg Comprehensive Plan then projects the amount of land that will be needed to meet these projected land needs. The table below includes the amount of land needed in each category, and compares it to the supply of buildable land available.

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Newberg Urban Area Residential Land Needs and Supply As of January 1, 2009

Plan Designation	Buildable Acres in UGB* 1/1/2009	Total Buildable Acres Needed 2009-2029**	Surplus or (Deficit) 2009-2029	Total Buildable Acres Needed 2009-2040	Surplus or (Deficit) 2009-2040
LDR	601	664	(63)	1,252	(651)
MDR	125	155	(30)	308	(183)
HDR	45	106	(60)	172	(127)
Total	771	925	(154)	1,732	(961)

Abbreviation	Definition	Corresponding Zone(s)
LDR	Low Density Residential	R-1
MDR	Medium Density Residential	R-2
HDR	High Density Residential	R-3

*The Urban Growth Boundary (UGB) includes the city

**Estimated as need from 1/1/2009 to 1/1/2029

Source: Newberg Planning and Building Department

Data subject to change

In order to meet this need, in 2008 Newberg expanded its Urban Reserve Area. This urban reserve expansion is currently undergoing the process of acknowledgement by the State of Oregon. Soon, the City is expected to undergo a process to expand the Urban Growth Boundary, including land to meet the 20-year need.

Newberg's Housing Needs analysis projects housing needs by income level 2004-2025. The following table shows the projected needs.

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PROJECTED RESIDENTIAL DEMAND BY PRODUCT TYPE CITY OF NEWBERG - MEDIUM GROWTH SCENARIO

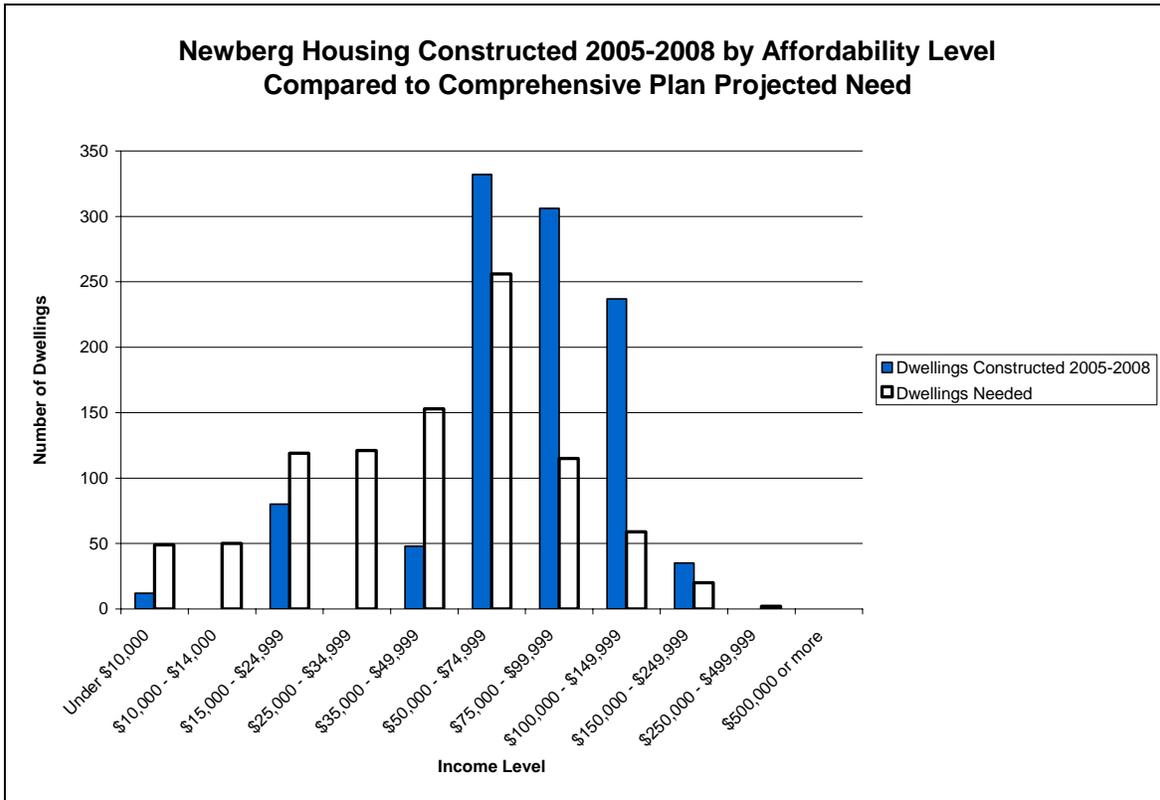
Year	Product Type				Total
	Single Family	Duplex	Multi-Family	Manufactured	
2004-08	496	34	367	48	945
2009-10	270	24	201	24	520
2011-15	800	96	603	68	1,567
2016-20	905	145	688	72	1,811
2021-25	906	193	695	68	1,862
Total	3,377	492	2,554	281	6,704

HH Income	Demand by Product Type - Through 2008				Total
	Single Family	Duplex	Multi-Family	Manufactured	
Under \$10,000	14	7	21	7	49
\$10,000-\$14,999	15	7	20	7	50
\$15,000-\$24,999	36	17	57	9	119
\$25,000-\$34,999	57	3	56	5	121
\$35,000-\$49,999	78	0	68	7	153
\$50,000-\$74,999	148	0	96	12	256
\$75,000-\$99,999	79	0	36	0	115
\$100,000-\$149,999	48	0	11	0	59
\$150,000-\$249,999	17	0	3	0	20
\$250,000-\$499,999	2	0	0	0	2
\$500,000 or More	0	0	0	0	0
Total	496	34	367	48	943

SOURCE: Johnson Gardner June 30, 2004

Recent development has done very little to provide housing for working families. Between 2005 and 2008, 52% of the housing demand was for households earning below \$50,000. However, during the same time period, only 14% of the actual housing built was available to households earning less than \$50,000. While it is reasonable to assume that newer housing will be more expensive, it is clear from these trends that the stock of housing that could be affordable in the future is not growing. Continuing these trends will result in a community with a severe shortage of affordable housing.

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Affordable Housing Definitions

The committee felt that affordable housing was a need for all Newberg's citizens. Every individual or family wants and should have access to housing without having to spend an excessive amount of their income. From recent trends, it appears that market forces are able to satisfy the demand for housing for most those making above the median income. Creating housing for those making below the median (half of Newberg's households) is much more difficult, and some level of intervention is needed.

From a national perspective, significant financial support for affordable housing comes from the U.S. Department of Housing and Urban Development (HUD). On a local level, many of those federal funds are administered by the Housing Authority of Yamhill County (HAYC). The committee chose to use definitions from HUD to aid in compatibility with other programs.

"Affordable Housing" is defined as when a family spends no more than 30% of its income for housing. For homeowners, housing costs include mortgage payment (principal and interest), property taxes, and home insurance. For renters, housing costs would include rent and tenant paid utilities.

When evaluating a client's income to qualify them for housing assistance, HAYC uses income limits established by HUD. HUD has established three income limit categories for families:

Moderate income – a family making 81% to 100% of the Area Median Income;

Low income – a family making 80% to 51% of the Area Median Income;

Very low income - a family making 50% to 31% of the Area Median Income; and,

Extremely low income - a family making 30% or below of the Area Median Income.

HAYC defines a "family" as the number of persons living in household, regardless of their relationships.

In addition, the committee is using the following definition:

Moderate income – a family making 81% to 100% of the Area Median Income.

The following table describes the 2009 HUD income limits for the Portland-Vancouver-Beaverton, OR-WA Metropolitan Statistical Area (NOTE: Newberg is grouped in to this Metropolitan Statistical Area [MSA]). It has been amended to include the "moderate" income limits as recommended by the committee.

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2009 MSA Median Income	2009 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
\$70,000	Moderate	\$49,000	\$56,000	\$63,000	\$70,000	\$75,600	\$81,200	\$86,800	\$92,400
	Low	\$39,200	\$44,800	\$50,400	\$56,000	\$60,500	\$64,950	\$69,450	\$73,900
	Very Low	\$24,500	\$28,000	\$31,500	\$35,000	\$37,800	\$40,600	\$43,400	\$46,200
	Extremely Low	\$14,700	\$16,800	\$18,900	\$21,000	\$22,000	\$24,350	\$26,050	\$27,700

These income standards are adjusted annually by HUD.

It should be noted that the actual median income for Newberg proper is less than median income for the Portland-Vancouver-Beaverton, OR-WA Metropolitan Statistical Area, of which Yamhill County is a part. As an indicator, the 2005-2007 American Community Survey Three-Year Estimates by the U.S. Census Bureau estimates the median income for all families in Newberg to be \$53,417 (adjusted to 2009 dollars). The median family size is 3.17, whereas HUD definition uses a base family size of 4. Even adjusting for this difference, the census data show that Newberg's median family income is about 17% less than the Portland MSA.

In addition, the U.S. Census Bureau reports the median *household* income as \$47,144 (2009 dollars). Definitions for household and family vary by source. Census data indicate that there are 2,122 non-family households in Newberg, 1,834 of those are one person households. These numbers likely include many students at George Fox University. This accounts for the reduction in household vs. family income.

The Comprehensive Plan's housing needs estimates were based on Newberg census data. The result is that well over 50% of households in Newberg make below the Portland MSA median income.

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Current City Comprehensive Plan Goals and Policies Regarding Housing

I. HOUSING

GOAL: To provide for a 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 2006-2534)

POLICIES:

1. Density Policies

- a. Density rather than housing type shall be the most important development criteria and shall be used to classify different types of residential areas on the plan.
- b. Target densities shall be as follows:

<u>Classification</u>	<u>Units Per Gross Acre*</u>
Urban Low Density	4.4
Urban Medium Density	9
Urban High Density	16.5

*Includes a 25 percent allowance for streets

The City shall encourage development to occur at or near those planned densities by providing positive incentives, such as lot size averaging, while maintaining and improving livability. (Ordinance 2006-2534, January 3, 2006)

- c. In determining net residential densities, developers may be given density credit for land donated and accepted by the City for needed public facilities.

2. Location Policies

- a. Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas

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should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces.

- b. The City will encourage medium density housing in and adjacent to the commercial core of the Riverfront District and lower intensity residential uses in the western portions of the Riverfront District. (Ordinance 2002-2564, April 15, 2002)

3. Mix Policies

- a. The City will encourage innovative approaches to solving the problem of meeting low income housing needs. Such approaches may include, but are not limited to the following: rent subsidies, federally funded development under HUD programs, state and regional housing programs.
- b. Low and moderate income housing should not be concentrated within particular areas of the City.
- c. Manufactured dwellings shall be recognized as a source of affordable housing.
- d. Modular housing (prefabricated structures) meeting all building codes and placed on permanent foundations shall be treated as single-family units. They will be subject to the same location and density requirements as other single-family dwellings. Manufactured housing on individual lots shall be subject to special development standards to assure design consistency and compatibility. (As amended by Ord. 2380, 6-6-94).
- e. Manufactured homes shall be permitted in the following locations: 1) mobile home parks, 2) mobile home subdivisions, and 3) individual lots within all residential districts when units meet manufactured home standards. Manufactured dwellings shall be allowed in mobile home parks and mobile home subdivisions when units meet the provisions of the Zoning Ordinance. (As amended by Ord. 2380, 6-6-94).
- f. The City shall ensure that enough land is planned for manufactured homes, particularly in conjunction with transportation corridors.
- g. Home occupations shall be permitted provided that such uses are compatible with adjoining residential uses and there are no outward manifestations of the business.

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- h. To reduce distances between land uses, a mixture of all compatible uses will be encouraged. As such, convenience commercial areas may be located within residential districts provided they meet special development standards.
- i. The City shall encourage subsidized housing for low income people.
- j. The City shall encourage innovation in housing types and design as a means of offering a greater variety of housing and reducing housing costs.
- k. The City shall encourage an adequate supply of rental housing dispersed throughout the City to meet the needs of renters.
- l. The City shall encourage residential occupancy of upper floors within multi- story commercial buildings.
- m. Within the urban area, land use policies will attempt to provide a broad range of residential uses and encourage innovative development techniques.
- n. The City will encourage housing development in commercial areas within the Riverfront District on upper floors, above ground floor commercial, office, or retail spaces. (Ordinance 2002-2564, April 15, 2002)
- o. The City shall encourage incentive-based affordable* housing for low and very low income households in the R-2 and R-3 zones.* (Ordinance 2006-2634, January 3, 2006)

*Affordable housing is generally considered to cost no more than 30% of gross household income. Low and very low income households are generally defined as those earning 80% and 60%, respectively, of the median gross household income for an area.

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Regional Affordable Housing Vision

The Chehalem Valley has a strategic regional plan called “Beyond the Vision: The Chehalem Valley in 2020.” The stated mission of the plan is as follows: “The mission of the Chehalem Valley Strategic Planning process is to complete a collaborative strategic plan, based upon a common vision that will provide collective guidance for programs, projects, plans and policies among the jurisdictions of the Chehalem Valley to benefit their citizens.”

The Plan, which was adopted by all jurisdictions by February 2004, is the result of a joint effort of five local jurisdictions in the Chehalem Valley: the cities of Newberg and Dundee, Newberg Public School District, Chehalem Park and Recreation District, and Yamhill County. It is an update to the regional planning work in the mid 1990s that resulted in the documents Chehalem Future Focus I and II. The Plan is the result of a process that involved extensive community input, three community forums (two in English and one in Spanish) and two random sample surveys of the residents of the Chehalem Valley,

Within the plan is the following vision of housing within this region: “Diverse housing opportunities of high quality are available, including executive housing with a golf facility that attracts residents of higher income, historic homes, affordable housing for low and moderate income residents, rentals, condominiums, and housing for the elderly, disabled and disadvantaged.”

The authors of “Beyond the Vision” are currently working toward the update of this document.

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Local Affordable Housing Providers

Programs that assist with the development and maintenance of affordable housing have been operating within Newberg for many years. Their contribution to the providing the basic requirement for shelter has and is expected to continue enhancing the quality of life for those in need within our community.

Newberg Area Habitat for Humanity

Newberg Area Habitat for Humanity is an affiliate of Habitat for Humanity International, an organization with a worldwide goal to end poverty housing. The goal for the Newberg program is, at least initially, more modest: to build decent, safe, affordable homes with those in need in the community (defined as Newberg, Dundee, Dayton, Sherwood and St. Paul). Habitat is a volunteer-driven, self-help housing program that does “more than houses” and its impact reaches beyond families. It offers a means for community goodwill to come together in the spirit of volunteerism. This is demonstrated in the fact that to complete a home, about 400 individual volunteers will spend over 7,000 hours 'pounding nails' side by side with the families who will ultimately occupy the house and have a place to call “home”.

1) Materials - Newberg Area Habitat for Humanity relies on community goodwill for donations of time, money and materials. Historically a vast majority of the labor is donated and roughly 25% of the materials for each home. In-kind donations can range from a plumber donating his or her time to local churches providing meals for volunteers on the building site. This goodwill in all its forms allows us to keep the homes affordable. It should note that while a portion of materials are donated, not all are. For this reason we have to rely on our neighbors to financially support our efforts.

2) Selection Criteria - families are selected for homeownership based on their need, ability to pay, tie to the local community and willingness to 'partner'. Partner in Habitat parlance means the ability to perform 500 hours of sweat equity on the building site and the understanding that these homes will be built not only with their labor but through the goodwill of the community.

Habitat is a 'hand up' and not a 'hand out'. The ability to pay speaks to the fact that homeowners are issued a no-interest mortgage for a sales price significantly below appraisal. The monthly payment (of principal, taxes and insurance) is kept affordable. The family earns equity over the life of the mortgage but Newberg Area Habitat holds a right of first refusal for the first ten years to maintain affordability.

To date, Newberg Area Habitat for Humanity has built 11 homes in Newberg. Two more homes are being developed on a parcel located on North Main Street.

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Friendsview Resident Assistance Program

Friendsview was established by the Friends in 1956. The following is description is from the Friendsview Retirement Community website (www.friendsview.org/about-friendsview.html):

Since 1961, Friendsview has been serving the needs of seniors looking for a comfortable, secure, friendly and faithbased community. As a not-for-profit community, Friendsview is operated with the needs and best interests of the residents in mind. Our continuing care concept provides for your needs today and tomorrow, right here on campus. What's more, we are a "Type A" facility, which means that if your needs change during the time you live here and you need a higher level of care, your rates will stay relatively stable, even though you may require additional services. This continuum of care offers you and your family peace of mind.

Our professional staff is here to meet the needs and desires of our residents. The staff works with residents to make our community a better place for those who live and are employed in our faith-based community.

Friendsview has 17 units set aside for low-income citizens on the Fulton St. campus, which are funded through their Resident Assistance Fund for those who have outlived their financial resources, or have spent their life in Christian service and did not have funds put into a pension plan and/or social security. Most of these individuals were provided housing and also did not create assets via home equity. Friendsview's goal is to have 10% of our residents receiving assistance. They currently have 32 (7.5%) of its 430 residents receiving assistance from their resident assistant fund, which equals \$240,000 per year in assistance. They have some residents with incomes as low as \$85 per month receiving over \$1800 per month in assistance and others that are only receiving \$200- \$300 per month. At this time, the average assistance per month is about \$625, but that also assures them long-term care for the rest of their life as a part of the Friendsview program.

Friendsview is currently working on the development of a 1.7 acre parcel that will house 50 low income seniors. The land for the project was donated by the Werth family. Friendsview has also submitted a grant application under the federal government's HUD 202 program to help fund the project. Finally, Friendsview has selected Pacific Retirement Services out of Medford to develop and manage this project.

Families United For Independent Living (FUFIL)

Families United for Independent Living (FUFIL) is a qualified 501(c)(3) dedicated to serving the needs of developmentally disabled persons within the Yamhill County area. The Board of Directors of FUFIL is comprised entirely of parents of developmentally disabled persons or professionals in the community who work/volunteer to serve this population.

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In 2008, FUFIL, completed the construction of a 15 unit independent living rental housing complex for very low income, developmentally disabled adults. The property is located at 1901 N. Springbrook Road. Total project cost was about \$1.9 million. The project was completed through the cooperative efforts of many organizations, including the Tualatin Valley Housing Partners, the U.S. Department of Housing and Urban Development (HUD), Oregon Housing and Community Services, Integrated Services Network (ISN), Resource Connections of Oregon, and the City of Newberg.

FUFIL also secured a HUD 811 grant, which helps ensure that this facility will operate at intended well into the future. The grant provides includes a 40-year operating subsidy for the complex to help with keeping rents at a low rate.

FUFIL was the driving force behind the construction of an 8 unit affordable housing project for the developmentally disabled in McMinnville, which was completed in 2005. The project involved the extensive cooperation between state legislators, State of Oregon agencies, and the Housing Authority of Yamhill County. This project won a regional award for innovative affordable housing.

Housing Authority of Yamhill County

The Housing Authority of Yamhill County (HAYC) was established January 10, 1951, by resolution of the Yamhill County Board of Commissioners. The Housing Authority operates as an independent local government agency under federal and state law. The Housing Authority is governed by a five-member Board of Commissioners who are appointed by the Yamhill County Commissioners. The Board is responsible for establishing policies and generally overseeing our operations.

The mission of the Housing Authority is to provide the opportunity for decent, safe, sanitary and affordable housing to lower-income families residing in our community and opportunities to become self-sufficient.

In order to fulfill this mission, the Housing Authority has established the following objectives:

- To provide housing assistance in a manner that respects the dignity and inherent worth of every person.
- To invest in self-sufficiency programs for eligible families, including home ownership.
- To serve as a one-stop resource for affordable housing information.
- To further the revitalization of the community through maintenance and rehabilitation of existing housing.
- To maximize the utilization of available funds to assist eligible families.
- To adapt quickly and effectively to changing laws and regulations in order to remain a high performing agency.

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In an effort to fulfill these objectives, the Housing Authority administers a number of housing programs utilizing federal, state and/or local funds.

Section 8 Housing Choice Voucher Program. This program allows eligible families to find their own rental unit in the existing housing market. The family pays a portion of the rent and utilities (equal to 30 percent of their adjusted monthly income), and the Housing Authority pays the landlord the balance of the rent. The Authority has a contract with HUD which provides funds for the Voucher program.

Family Self-Sufficiency (FSS) Program. The Family Self-Sufficiency Program is a voluntary program for residents of the Housing Authority's Voucher Program. It is designed to help families become financially independent of welfare systems and to become economically self-sufficient. FSS can help families identify and locate services they may need to reach self-sufficiency. The Housing Authority of Yamhill County opens an interest bearing escrow (savings) account for FSS Participants who are successful in finding and maintaining employment.

Low-Rent Public Housing. This program is funded by HUD. The Housing Authority is currently in the process of disposing of its entire stock of Low-Rent Public Housing units. The money from the sale of the Public Housing units is being used to expand the availability of affordable housing in Yamhill County.

Housing Rehabilitation Loan Program. This program is funded through Oregon Community Development Block Grants (CDBG) to assist low-to moderate-income owner-occupied families in Yamhill County make repairs to their homes. Loans are zero percent (0%) deferred, or two percent (2%) installment, until property is sold, refinanced, use changes or income increases. As funds are made available, they are re-loaned to other eligible homeowners in our community. This program has been awarded thirteen grants and has been successfully administered since its establishment in 1980

The following are Housing Authority facilities within Newberg:

- ❖ **Fresa Park** is a farmworker housing development that consists of 22 units built in 1992. Two of those units are located in Newberg. The Fresa Park Development was financed through a loan/grant package from the USDA – Rural Development.
- ❖ **Haworth Terrace** apartments in Newberg was acquired in 1999. This 38-unit family housing apartment complex has 18 one-bedroom and 20 two-bedroom units. Using funds received from the State of Oregon, we were able to rehabilitate and maintain the affordable rent structure of Haworth Terrace.
- ❖ **Woodside Park** was acquired in 1996 when we expanded our affordable housing inventory with the purchase of Silverado Inn in Newberg. Renamed Woodside Park, this family housing complex provides 84 two-bedroom units in Yamhill County's second largest city. Like Tice Park, this complex was financed through revenue bonds.

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- ❖ In May 2005, the Housing Authority purchased **Vittoria Square Apartments**, a 43-unit elderly and disabled complex in Newberg, as a preservation property in cooperation with the U.S. Department of Agriculture (Rural Development) and the Oregon Department of Housing and Community Services. The property receives a long-term subsidy from Rural Development. Vittoria Square has 38 units of 1-bedroom apartments and five 2-bedroom apartments. Vittoria Square has a community building with a large community space, an office and a laundry facility available to all residents.

Community and Shelter Assistance Corporation (CASA of Oregon)

CASA is a statewide non-profit organization that has been based in Newberg since 1989. Since its establishment, CASA has completed over 1,000 housing units throughout Oregon

CASA's mission is "...to develop housing, programs and facilities that improve the quality of life and self-sufficiency of farmworkers and other low-income populations." CASA is a private non-profit community development corporation and has charitable tax exempt status under Section 501 (c) 3 of the IRS Code.

CASA has five primary lines of business:

- **Housing Development.** As a housing development organization, CASA is focused on farm worker and low-income housing development. Working with local nonprofits and housing authorities, CASA has developed over 30 housing projects around the state, providing housing for more than 1,000 families. In Yamhill County, CASA has worked with the Housing Authority of Yamhill County and the Yamhill Community Development Corp. (Yamhill CDC) to develop apartments in Newberg, Dayton, Lafayette and McMinnville.
- **Mobile Home Park Preservation.** CASA's I'm HOME program works with mobile home park residents to preserve their parks by helping the residents purchase their park and convert it to resident ownership. One such park is Horizon Cooperative in McMinnville.
- **Community Facilities.** CASA works with other nonprofits and cities to develop community facilities, such as the Head Start facility in Newberg and the Virginia Garcia Medical Clinic in McMinnville.
- **Predevelopment Loan Fund.** CASA is a U.S. Treasury-designated Community Development Financial Institution. Our \$2.5 million loan fund provides low-interest loans to other organizations to finance predevelopment housing costs.

Individual Development Accounts. CASA is the administrator for the Valley Individual Development Account (VIDA) program. Participants wanting to buy or fix up a home,

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pursue higher education, get job training, or buy adaptive equipment or technology can put money into a savings account over a period of time, and that money is matched in a 3:1 ratio. The participant must go through financial education training and other training relevant to their savings goal (for example, first-time home buyer training) in order to access their matching funds. In Yamhill County CASA administers this program on behalf of the Housing Authority and Yamhill CDC.

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Strategy #1: Amend Newberg Comprehensive Plan Goals and Policies

Action 1.1: Amend the Newberg Comprehensive Plan with goals and policies that encourage the development and retention of affordable housing within the City of Newberg.

Achieving any goal starts with a written commitment to achieve that goal. Newberg's Comprehensive Plan contains a series of goals and policies that encourage and promote provision of affordable housing. The Affordable Housing Ad Hoc Committee feels that, to strengthen the City's commitment to affordable housing, the Newberg Comprehensive Plan should be amended with the following goals and policies.

Editorial Key:

Normal = existing text

~~Strikethrough~~ = proposed text deletion

Underline = proposed text additions

Italicized = comment

I. Housing

GOAL: To provide for a 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 2006-2534)

1. Density Policies

a. *(no change)*

b. Target densities shall be as follows

<u>Classification</u>	<u>Units Per Gross Acre*</u>
Urban Low Density	4.4
Urban Medium Density	9
Urban High Density	16.5

*Includes a 25 percent allowance for streets, walkways and other right-of-ways, utilities, small open spaces, preservation of resources, and similar features.

c. In determining net residential densities, developers may be given density credit for land donated and accepted by the City for needed public facilities.

d. The City encourages the creation of affordable housing through density bonuses. Developers may be given density bonuses for projects meeting

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minimum City standards for housing affordability and design, as defined under subsection 3, Housing Mix and Affordability.

2. Location Policies (*no change*)

3. Housing Mix and Affordability Policies

AFFORDABLE HOUSING means a dwelling unit that provides housing for a family or individual(s) with a household income less than the median household income for the Newberg area, such that a household pays no more than 30 percent of its annual income on housing (rent/mortgage, utilities, property taxes). Affordable housing may include a care home for low-income individuals. Affordability can be assured through deed-restriction or other recorded documents that specify qualifying income of buyers or renters, and limiting sales price, rent levels and appreciation. Affordable housing may also include small, market-rate dwelling units (e.g., studios, apartments and accessory dwelling units).

a. – h. (*no change*)

i. The City shall ~~should~~ encourage the provision of affordable subsidized housing for low- and very low-income households, which are defined as those earning between 50 percent and 80 percent, and those earning 50 percent or less, of the median household income in Newberg. ~~low income people~~

j. – n. (*no change*)

~~o. The City shall encourage incentive based affordable* housing for low and very low income households in the R-2 and R-3 zones.* (Ordinance 2006-2634, January 3, 2006). The City has adopted a comprehensive approach to meeting local housing needs that balances density, design, and flexibility in code standards and procedures. The City uses development incentives such as density bonuses, flexible development standards, and streamlined review procedures to stimulate the production and preservation of affordable housing. Where an applicant requests approval through the flexible development standards option, the City requires the development to provide affordable housing. (replaces old policy "o")~~

p. The City should create a local housing trust fund for the purpose of encouraging the production and retention of affordable housing in Newberg.

~~_____ * Affordable housing is generally considered to cost no more than 30% of gross household income. Low and very low income households are generally defined as those earning 80% and 60%, respectively, of the median gross household income of an area.~~

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- q. The City should provide financial incentives for affordable housing, such as system development charge deferrals or waivers, permit application fee reductions or waivers, and land cost write-downs or donations for qualified affordable housing developments. These incentives could be paid by a housing trust fund.
- r. The City supports the retention of affordable housing through public education, planning, zoning and community development programs.
- s. The City supports state legislative efforts that strengthen tenant rights, for example, by ensuring relocation costs and replacement housing are addressed when manufactured home parks close and when low-income housing is converted to other uses.
- t. The City should support state legislative efforts to expand the range of regulatory tools (e.g., inclusionary housing) and non-regulatory tools available to cities in meeting local housing needs.
- u. The City should build understanding and support for affordable housing through educational forums with residents and employers, pre-application consultations with developers, and through local housing studies.
- v. The City should work with local affordable housing providers in developing an overall strategy for meeting Newberg's housing needs.
- w. City resources should be directed toward assisting public and private entities in producing and preserving affordable housing throughout the community.
- x. Where large residentially designated parcels are to be annexed, the City should apply a mixture of zoning, to include some R-3 zoned lands, consistent with the policy of distributing affordable housing throughout the community. Such zoning should be applied to portions of the property that are most suitable for high density development.
- y. The City should promote and support employer programs that assist employees to secure affordable housing.
- z. To the extent possible, the City should zone residential housing near employment centers.
- aa. The City should promote and support public and/or private transit systems that connect housing to employment centers.

Responsible party(s): The Newberg Planning Commission and City Council

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Strategy #2: Retain the existing supply of affordable housing

The best supply of affordable housing is the housing that is already in place. Unfortunately, this housing is susceptible to being removed from the community for a number of reasons. This housing can be demolished or removed to make way for newer development, it can decay due to lack of maintenance, or it can become unaffordable due to other factors, such as increases in utility costs. A number of strategies are needed to insure the existing stock of affordable housing is retained.

Action 2.1. Maintain and expand the housing rehabilitation program.

The City of Newberg recently became a member of the Yamhill County Affordable Housing Corporation to provide low-income homeowners with access to financial assistance in the rehabilitation on their homes. A wide range of rehabilitation activities are eligible through the program. Proposed repairs can be for correction and improvement of health, safety and structural issues as well as general maintenance repairs of the home.

Funding for this program is currently limited. State grants are available to expand the program where a need can be shown. In addition, Newberg should commit additional of its own resources to support the program.

One limitation to the program is that it is only available to homeowners. Additional funds should be sought to expand the program to improve rental housing.

Responsible Parties: Phase 2 Affordable Housing Committee, Newberg City Council, Yamhill County Affordable Housing Corporation

Action 2.2. Create an ordinance discouraging the conversion of existing manufactured dwelling parks.

Manufactured housing is particularly susceptible to being removed due to its inherent mobile nature. Land may become more valuable for commercial or other uses, prompting the owner to remove the housing. The City should at a minimum not adopt zone changes that would facilitate the removal of manufactured dwelling parks. In general, a more comprehensive ordinance should be developed to discourage conversion of parks. More specifically, the City should, as necessary: (1) provide resources to maintain existing manufactured dwelling parks; and, (2) help secure resources financial and educational resources for the conversion of existing parks where spaces are rented into resident-owned parks.

Responsible Parties: Phase 2 Affordable Housing Committee, Newberg Planning Commission, Newberg City Council

Action 2.3. Educate residents on housing maintenance.

The best house maintenance is often done by the resident of the house. Unfortunately, so is the worst, usually due to a lack of know-how. Schools can contribute by teaching

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students basic carpentry and building skills. The Newberg Building inspectors could continue their programs of educating while inspecting. Hardware stores regularly hold classes in repair skills. Local building contractors could be asked to participate in a local “repair fair.”

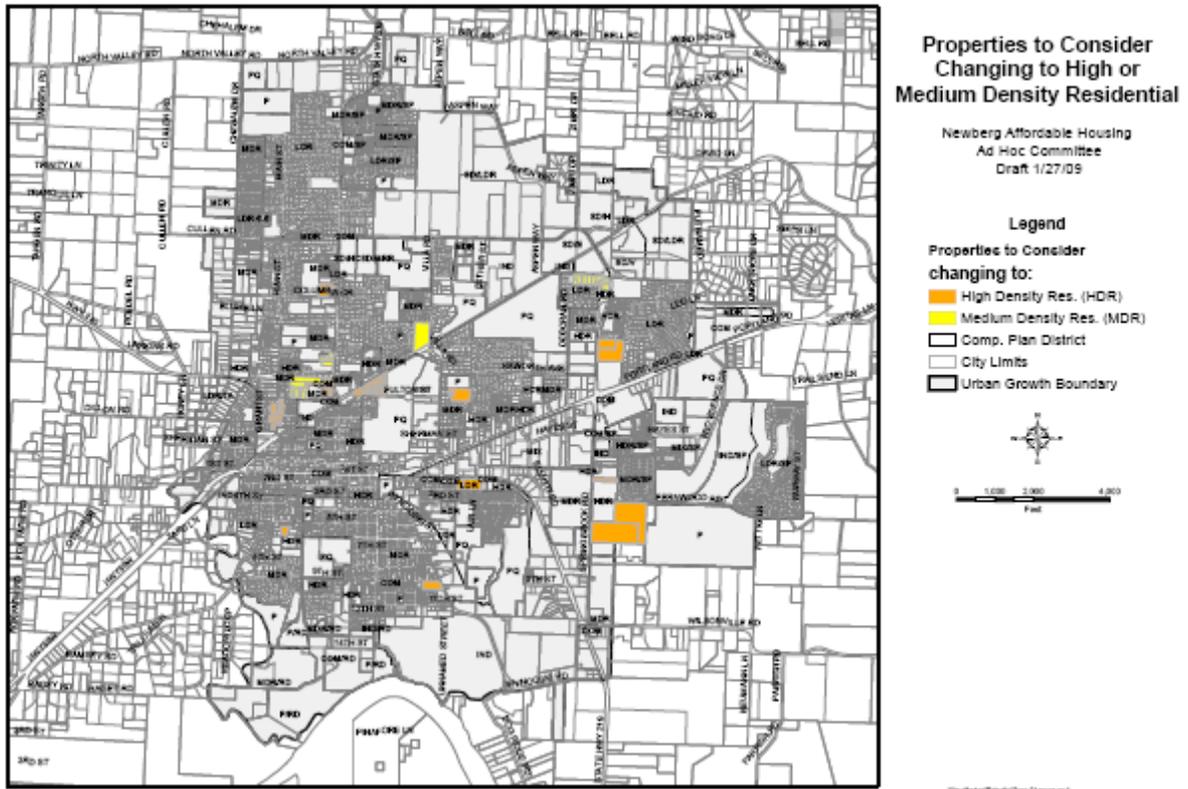
Responsible Parties: Newberg Building Division, hardware stores, Portland Community College, Newberg High School, local building contractors, and the Housing Authority of Yamhill County.

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Strategy #3: Insure an adequate land supply for affordable housing

Action 3.1: Examine the Newberg Comprehensive Plan Map and Zoning Map for potential properties to be designated/zoned/re-zoned as MDR/R-2 Medium Density Residential or HDR/R-3 High Density Residential that can accommodate the development of more affordable housing.

The City of Newberg currently does not have adequate supplies of medium and high density zoned lands to meet demand. Allowed housing development on these types of lands are likely to be more affordable than housing developments on lower density lands. To mitigate this issue, the City should examine the lands its city limits, UGB and URA and identify potential land that could be designated, zoned, rezoned, and/or redeveloped to a higher density. The Committee has indentified a number of properties that could be considered for a change to medium or high density residential. (please see Exhibit A below.) For each of these properties, the Planning Commission and City Council should seek the input of property owners and neighbors, carefully consider the property, topography, and existing uses, and then decide whether a change is appropriate. Other properties may be discovered to be appropriate for rezoning through this process.



Responsible party(s): Newberg Planning Commission, Newberg City Council, Newberg Citizens

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Action 3.2: Expand UGB to include a 20-year supply of land and insure that adequate land is zoned R-2 and R-3 in expansion areas to meet projected needs.

The Newberg Urban Growth Boundary currently lacks an adequate supply of medium and high density residential land. Newberg is currently expanding its Urban Reserve Area in anticipation of an Urban Growth Boundary amendment. This amendment will provide an excellent opportunity to plan and zone an adequate amount of land to meet needs for medium and high density residential housing.

Responsible party(s): Newberg Urban Area Management Commission, Newberg Planning Commission, Newberg City Council, Newberg Citizens

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Strategy #4: Change development code standards

Some of the City's current development code standards may inhibit the best utilization of a property, resulting in lower density development. Higher density developments tend to be more economical to develop per housing unit (e.g. less infrastructure costs) which can result in relatively more affordable housing. In addition, development standards, while important, can raise the cost of developing land and thus decrease affordability. The following proposed changes to the development code would provide mechanisms that would lead to a more efficient use of land.

Action 4.1: Create an optional "Flexible Development Track" that would allow developers flexibility in some development standards, provided they commit to providing some affordable housing.

The Development Code should allow an optional development track to promote affordable housing. If a developer voluntarily chooses to use this track, he/she would be given flexibility in development standards intended to make it easier and less expensive to create housing. If the developer chooses this track, he/she would have to provide at least a certain amount of affordable housing. The recommended flexible development standards and affordable housing provisions are outlined below.

Action 4.1A: Create Flexible Development Standards: Developers that use this track should have flexibility in development standards including:

- i. Lot Standards:
 - (1) Reduce minimum street frontage for individual lots, such as from 25 feet to 20 feet.
 - (2) Allow the lot depth to width ratio to be exceeded.
 - (3) Allow other lot dimensional standards, such as lot width.
 - (4) Allow "rounding up" the number of lots or dwelling units allowed with a corresponding reduction in minimum lot sizes. For example, if a lot would allow a maximum of 9.8 dwelling units, the developer could round up and construct 10 units on the property.
 - (5) Allow a density bonus for multi-dwelling projects
 - (6) Allow reduction of Reduce minimum lot sizes.
 - (a) R-1: Reduce from 7,500 square feet to 5,000 square feet
 - (b) R-2: Reduce from 5,000 square feet to 2,500 square feet
 - (c) R-3: Reduce from 5,000 square feet to 1,500 square feet
 - (d) R-P Reduce from 3,750 square feet to 2,500 square feet(For more details, please see Appendix A)
- ii. Site Design Standards:
 - (1) Allow side yard setbacks to be reduced to 3 feet.
 - (2) Allow an increase in maximum lot coverage and parking coverage.
 - (3) Allow front yard setbacks to be reduced to 10 feet.

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iii. Building Design Standards:

Allow an alternative building height limit standard with consideration of solar access and building height/setback ratio. The effect would be to allow higher buildings if they are a specified distance from neighboring properties.

iv. Street and Sidewalk Standards

- (1) Allow sidewalk on one-side only of local streets.
- (2) Allow narrower street widths where emergency access and adequate parking can be maintained.
- (3) Allow curb-side sidewalks and elimination of planter strips.
- (4) Allow corresponding reductions in right-of-way widths.

Action 4.1B: Require developments using the flexible development standards to provide at least a minimum amount of affordable housing.

In exchange for the flexibility in development standards given above, developments using the flexible development track shall provide some affordable housing, as detailed below. It is recommend that the required amount of affordable housing be 50% of the extra units above what would normally be expected in the development (with a minimum of 10 percent of the total units). “What would normally be expected” would be calculated as 80% of the target density. The formula is as follows:

$50\% \times [\#dwelling \text{ units in development} - (\text{target density in zone } \{du/ac\} \times \text{lot size in acres} \times 80\%)] = \text{required Equivalent Affordable Dwelling Units (EADUs)}$.

NOTE:

The following describe affordable dwelling units:

(1) *Long-term Affordable Dwellings*

- (a) *Moderate income units.* Residential units on the subject property reserved for qualifying buyers or renters with incomes at or below one hundred percent (100%) of Newberg area median income equal 0.75 EADUs.
- (b) *Low income units.* Residential units reserved for qualifying buyers or renters with incomes at or below eighty percent (80%) of Newberg area median income equal 1.0 EADUs.
- (c) *Very low income units.* Residential units reserved for qualifying buyers or renters with incomes at or below fifty percent (50%) of Newberg area median income equal 1.25 EADUs.
- (d) In order to use this option, the applicant must execute a development agreement to produce the requisite, long-term affordable units, that runs with the land; or transfer title to a sufficient amount of buildable land

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for development of equivalent number of affordable housing units, as prescribed in subsections a, b, and/or c, to a non-profit (IRC 501(3)(c)) affordable housing developer or comparable development corporation for the purpose of complying with subsections a, b, and/or c, above. The land shall be located within the project and all needed public facilities shall be extended to the area or areas proposed for transfer. If to be transferred, ownership of the land shall be transferred to the affordable housing developer or development corporation in accordance with said development agreement. The agreement must guarantee compliance with affordable criteria for a period of not less than 25 years.

- (e) The Director shall determine the Newberg area median income.
- (f) Rent rates for long-term affordable dwelling units shall be established so that a household at the moderate, low, or very low income levels, as appropriate, does not pay more than thirty percent (30%) of its gross household income on rent.
- (g) Housing sales prices for deed-restricted for-sale, affordable dwelling units shall be established so that a household at the moderate, low, or very low income levels, as appropriate does not pay more than thirty percent (30%) of their gross household income on a mortgage, homeowners insurance, and property taxes at the time of purchase.
- (h) The housing sales prices and rent levels prescribed in subsections (f) and (g), above, shall be at the time of purchase or execution of rental contract, as applicable. Sales prices and rent levels of long-term affordable dwelling units shall be allowed to appreciate or increase according to an inflation index as determined by the Director.

(NOTE: In consultation with the City Attorney, the City will determine the most appropriate legal tool to ensure that these affordable housing units remain affordable in the long-term.)

- (2) *Market rate affordable units:* Market rate affordable units are dwellings on the subject property that, by virtue of their size, are more likely to be affordable on the open market. Such market rate units must meet one or more of the following criteria:
 - (a) studio or one-bedroom dwellings with less than 600 square feet gross floor area.
 - (b) two-bedroom dwellings with less than 800 square feet gross floor area.
 - (c) dwellings containing three or more bedrooms and containing less than 1,000 square feet floor area.
 - (d) accessory dwelling units.

Market rate affordable units equal 0.5 EADUs.

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- (3) *Construction of off-site units:* Deed restricted affordable units or market rate affordable units may be constructed at an alternate location in the City and equal 75 % of the EADUs of on-site units. The off-site unit may not be used as affordable dwelling points for any other project. If this option is selected, the applicant shall file an agreement with the City stating the election to use the off-site unit as credit for the applicant's project. A property for construction of the off-site units must be secured and platted in a reasonable time frame, as determined at the Planning and Building Director's discretion. The off-site units must be constructed within 2 years of the completion of the principal on-site development. The off-site units shall meet the residential design standards.
- (4) *Purchase of affordable dwelling in-lieu credits.* In-lieu of constructing affordable dwelling units, the applicant may purchase affordable dwelling in-lieu credits by paying a fee to the City of Newberg Housing Trust Fund. The fee shall be assessed at the time of final plat for a subdivision, or at time building permit issuance for other projects. The price of each credit shall be established by resolution of the City Council. The price of a credit shall be calculated based on the following:

The estimated average cost for a market-rate dwelling unit suitable for a median sized family in Newberg, minus the estimated average purchase price affordable to a median sized low-income family

Action 4.2: Modify other standards in the Development Code to promote affordable housing.

Action 4.2A: Modify lot standards for all developments

Certain changes to development standards should be made to promote all developments, whether using the flexible/affordable/design track or not. Recommended changes include:

- a. Reduce minimum lot sizes. The following are recommended.
 - v. R-1: Reduce from 7,500 square feet to 5,000 square feet
 - vi. R-2: Reduce from 5,000 square feet to 3,000 square feet
 - vii. R-3: Reduce from 5,000 square feet to 3,000 square feet
 - viii. R-P Reduce from 3,750 square feet to 3,000 square feet(For more details, please see Appendix A).
- b. Allow lot size averaging for any subdivision – Some lots could be a under the minimum lot size required in the zone as long as the average size of all lots is at least the minimum lot size.
- c. Increase maximum lot coverage in R-2 and R-P zones from 40% to 50%.

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- d. Reduce minimum lot width in R-2 and R-3 zones from 50 feet to 30 feet at the front building line.
- e. Exempt development of lots under 15,000 square feet from the 2.5 to 1 lot depth/width ratio requirement.
- f. In the R-1 District, the average size of lots in a subdivision intended for single family development shall not exceed 10,000 square feet.
- g. In the R-2 and R-P Districts, the average size of lots in a subdivision intended for single family development shall not exceed 5,000 square feet. Lots or development sites in excess of 15,000 square feet used for duplex or multiple family dwellings shall be developed at a minimum of one dwelling per 5,000 square feet lot area.
- h. In the R-3 District, lots or development sites in excess of 15,000 square feet used for duplex or multiple family dwellings shall be developed at a minimum of one dwelling per 2,500 square feet lot area.
- i. In calculating lot area for this maximum lot area/minimum density requirements, lot area does not include land within stream corridors, land reserved for public parks or open spaces, commons buildings, land for preservation of natural, scenic, or historic resources, land on slopes exceeding 15 percent or for avoidance of identified natural hazards, land in shared access easements, public walkways, or entirely used for utilities, land held in reserve in accordance with a future development plan, or land for uses not appurtenant to the residence.

Action 4.2B: Modify planned unit development rules to promote affordable housing

Allow a density bonus incentive to planned unit developments that provide affordable housing. The following are recommended amendments to the Development Code.

RECOMMENDED CHANGES TO THE DEVELOPMENT CODE DESIGN STANDARDS REGARDING PLANNED UNIT DEVELOPMENTS AND DENSITY POINTS

Normal = existing text

~~Strikethrough~~ = proposed text deletion

Underline = proposed text additions

PD PLANNED UNIT DEVELOPMENT REGULATIONS

§ 151.226 GENERAL PROVISIONS.

(F) Density. Except as provided in § 151.123 relating to sub-districts, dwelling unit density provisions for residential planned unit developments shall be as follows:

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(1) Maximum density.

(a) Except as provided in adopted refinement plans, the maximum allowable density for any project shall be as follows:

<u>District</u>	Maximum Density per Gross Acre <u>Density Points</u>
R-1	175 density points as calculated below <u>per gross acre, as calculated in section (b) below</u>
R-2	310 density points as calculated below <u>per gross acre, as calculated in section (b) below</u>
R-3	640 density points as calculated below <u>per gross acre, as calculated in section (b) below</u>
RP	310 density points as calculated below <u>per gross acre, as calculated in section (b) below</u>
C-1	As per required findings
C-2	As per required findings
C-3	As per required findings

(b) Density point calculations in the following table are correlated to dwellings based on the number of bedrooms, which for these purposes is defined as an enclosed room which is commonly used or capable of conversion to use as sleeping quarters. Accordingly, family rooms, dens, libraries, studies, studios, and other similar rooms shall be considered bedrooms if they meet the above definitions, are separated by walls or doors from other areas of the dwelling and are accessible to a bathroom without passing through another bedroom. Density points may be reduced at the applicant's discretion by 25% for deed-restricted affordable dwelling units as follows:

Density Point Table

Dwelling Type	Density Points: Standard Dwelling	<u>Density Points:</u> <u>Income-Restricted Affordable Dwelling Unit</u>
Studio and efficiency	12	<u>9</u>
One bedroom	14	<u>11</u>
Two bedroom	21	<u>16</u>
Three bedroom	28	<u>21</u>
Four or more bedrooms	35	<u>26</u>

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The density points in the right hand column are applicable to income-restricted affordable dwelling units, provided the dwelling units meet the affordability criteria under § 151.XXX regarding affordable housing requirements for developments using the Flexible Development Standards.

Action 4.2C: Promote use of accessory dwelling units (ADUs)

- a. Allow accessory dwelling units as an outright permitted use in all R-1 or R-P zoned lands.
- b. Allow ADUs with single family attached housing as well as detached housing.
- f. Eliminate the restriction on two-story accessory buildings so that accessory dwelling units may be constructed above detached garages or other structures. To protect neighbors, require windows on second stories close to property lines to be opaque.
- g. Eliminate requirement that either primary or ADU be owner-occupied. NOTE: Elimination of this requirement will not supersede any existing or future homeowner association regulations regarding this subject.
- h. Increase the maximum size of a ADU from 800 square feet to 1,000 square feet.

Action 4.2D: Allow more dwellings in neighborhood commercial areas

Allow an unlimited number of dwelling units on lands zoned C-1, provided the units do not occupy the first floor store front area and private parking is provided, with at least one space per unit.

Action 4.2E: Create an expedited annexation process for affordable housing projects.

One barrier to affordable housing projects is the time, expense, process, and uncertainty of the City's annexation process. The City could streamline this process, such as by allowing annexation of specified affordable housing projects without being subjected to a public vote under certain conditions. In these cases, the provision of affordable housing would need to be guaranteed through a development agreement or other method. Modifications to the public vote requirement would require an amendment to the Newberg Charter.

Action 4.2F: Create new R-4 zone for manufactured home subdivisions. A new R-4 zone should be created that would allow manufactured home subdivisions and parks as the sole permitted use. Properties being zoned R-4 should be eligible for the expedited annexation process described above.

Action 4.2G: Reduce parking requirements for affordable housing projects where excessive

- a. Base parking standards on the number of bedrooms in a unit instead of a simple per-unit standard.

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- i. Give credit for available on-street parking, provided the parking spaces are not planned to be removed as part of a future road or bicycle lane improvement project per the current city plan.
- j. For special needs housing, reduce parking requirements to one space per 3 beds, or allow parking numbers to be reduced, without variance, where actual parking needs can be demonstrated through a parking analysis.
- k. Allow tandem parking designs
- l. Reduce parking requirements where the development is within 1,500 feet of a transit stop or where the development provides its own transit.

Action 4.2H: Allow replacement on non-conforming dwellings. Allow any legal non-conforming duplex or multi-family dwelling unit to be reconstructed if destroyed by fire or other

Action 4.2I: Permit duplexes as an allowed use in R-1 zone. Duplexes are currently require a conditional use permit in the R-1 zone, and then must be sited on a 15,000 square foot lot. Duplexes should be allowed as a permitted use in R-1 on any lot over 10,000 square feet.

Action 4.2J: Create design standards that promote the development of attractive, livable, and functional neighborhoods, taking care not to increase costs of housing or reduce the number of dwellings.

Good design need not necessarily create additional costs. However, care should be taken not to require items that do increase development costs or reduce the amount of housing that can be created. Design standards should provide a wide menu design options to choose from, rather than prescribing that certain elements be used. Some elements which may be feasible in larger developments, such as creating common areas or walking paths, may not be feasible in smaller developments. Thus, the committee recommends a two-tier approach to design standards: one for smaller and one for larger developments.

A menu of choices could include items such as

- In larger developments, incorporating pathways or common areas.
- Narrowing driveways to provide greater front yard greenspace and additional on-street parking.
- De-emphasizing the garage on the front façade to promote human scale and feel in the neighborhood.
- Orienting the building and entrances toward the street and minimizing the front setback to promote human scale neighborhoods, neighbor interaction and eyes on the street.
- Using entry features and accents, such as porches or recessed entries, to make buildings inviting.

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- Using historical architectural styles to blend with Newberg.
- Varying dwelling designs to create interest and avoid monotony.
- Creating small, useable yards for outdoor living space.
- Adding interest to building architecture by incorporating features such as pitched roofs, contrasting siding materials, and interesting window designs.
- Limiting heights of buildings near neighboring property boundaries.

The following is a starting point for amendments to the Development Code.

DRAFT DEVELOPMENT CODE DESIGN STANDARDS

§ 151.XXX RESIDENTIAL DESIGN STANDARDS

The purpose of this section is to ensure that residential developments provide good design, provide a healthy and attractive environment for those who live there, and are compatible with surrounding development. As part of the review process, an applicant for a residential subdivision, multi-unit residential project, or planned unit development project must demonstrate that some of the following site and building design elements, each of which has a point value, have been incorporated into the design of the project. For more information and illustrations of the following design elements, refer to *Newberg Residential Development Design Guidelines (July 1997)*.

(A) Multi-unit projects shall use the design standards in § 151.195. Projects with six or fewer units shall achieve at least 16 points using the elements in that section. Projects with seven or more units shall achieve at least 22 points using the elements in that section.

(B) Single family subdivisions shall use the design standards in § 151.XXX below.

(C) Developers of attached single family projects, projects with multiple single family dwelling on one lot, or projects with combinations of single family detached, single family detached, and multi-unit developments may elect to use either the standards in § 151.195 or § 151.XXX.

§ 151.XXX SINGLE FAMILY RESIDENTIAL DESIGN STANDARDS

Projects subject to these design standards shall achieve at least the minimum number of design points describe below.

Projects of 20 dwelling units or more must achieve at total number of design points equal to 10 design points multiplied by the number of dwelling units (10 points x # of dwelling units).

Projects of 19 dwelling units or fewer must achieve at total number of design points equal to 7 design points multiplied by the number of dwelling units (7 points x # of dwelling units).

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Where the applicant is using design elements that will be achieved when future building permits are issued, the applicant shall submit a design sheet for the subdivision that explains which design elements must be incorporated into the dwellings when they are constructed.

The applicant shall develop appropriate Covenants, Codes and Restrictions which include design requirements that meet the standards of this section of the Code to be recorded at the time of final plat.

(A) Subdivision design elements

- (1) The project achieves at over 80 percent of the target density for the zone. *(5 design points for each dwelling above 80% of target density using the following formula: Proposed # of dwellings - Target # of dwellings x 80%) x 5 points = # points, rounded to nearest whole number)*
- (2) Use public walkways or multi-use paths not adjacent to streets in side yards or common areas connecting to a park or collector or arterial street *(1 design point per 100 linear feet of walkway or path)*
- (3) Provide additional on-street parking *(1 design point per on-street parking space provided beyond 1 per unit)*
- (4) Use antique street lighting styles as approved by City *(1 design point per lighting fixture used)* (NOTE: City will research cost effective designs available).
- (5) Use site furnishings to enhance open space. Communal amenities such as benches, gazebos, playground equipment, fountains, and/or common patios enhance the outdoor environment and comprise not less than one-half percent of the estimated construction cost of all building(s). Estimated costs are subject to city review and approval. *(1 design point per \$1,000 in furnishings)*
- (6) Provide usable common recreational area, including but not limited to play fields, walking trails, exercise circuit, playgrounds, common patios, gardens, and/or similar functional and age-appropriate common facilities, a central green or pocket park(s) in a subdivision. *(1 design point per 500 square feet of area)*
- (7) Provide a natural feature and tree preservation/replacement plan. Plan shall specify replacement tree caliper and maintenance of natural features. (design points - to be determined).

(B) Site design elements

- (1) Bring dwelling close to street by keeping dwelling at most 25 feet from the front property line. *(1 design point per dwelling)*
- (2) Use a single narrow (10 to 14 feet width) driveway per unit, or single shared driveway (20 feet to 24 feet width) for two units *(1 design points per dwelling)*

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- (3) Provide increased setbacks between buildings. Increase side yard setbacks (perpendicular to street) so that there is minimum 15-foot separation between buildings on at least one side. *(1 design points per separation)*
- (4) Provide a useable interior yard or courtyard of at least 1000 square feet. *(1 design point per dwelling)*
- (5) Use a uniform front yard fence design for the development. *(1 design point per lot with fence design)*

(C) Building design elements

- (1) Use entry features and accents such as distinctive building or paving materials and detailing (e.g., unenclosed and covered porch (minimum depth of 6 feet and minimum width of 8 feet), roof overhang or, recessed entry with distinctive arch or gable, pergola, arbor, pathway pavers, or similar feature) to mark major entries to multi-unit buildings or individual units. *(1 design point per dwelling)*
- (2) De-emphasize the garage on the front façade
 - (a) If on front façade, limit garage to single car entrance (16 feet entrance width or less) *(2 design points per dwelling)*
 - (b) If on front façade, limit garage to two car entrance (28 feet entrance width or less) *(1 design points per dwelling)*
 - (c) Garage even with or setback up to 10 feet from front façade of dwelling. *(1 design point per dwelling)*
 - (d) Garage setback 10-19 feet from front façade of dwelling *(2 design point per dwelling)*
 - (e) Garage setback 20 or more feet from front façade. *(3 design point per dwelling)*
 - (f) Garage entrance not facing street. If side of garage faces the street, then windows, doors, shutters, or similar architectural features are placed that comprise at least 20 percent of the side wall, or landscaping that will upon maturity obscure at least 30 percent of the side wall *(2 design point per dwelling)*
- (3) Orient buildings toward the street. This means orienting individual entries and porches to the street, with front entry not more than 25 feet from the street. In cluster cottage developments with internal circulation and grounds, this means that at least 50% of the units have main entries facing a street or common private drive, rather than be oriented toward a parking lot or the interior. *(1 design point per dwelling)*
- (4) Incorporate architectural elements of one of the city's historical styles (Queen Anne, Dutch Colonial Revival, or Bungalow style) into the design to reinforce the city's cultural identity. Typical design elements which should be

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considered include, but are not limited to, “crippled hip” roofs, Palladian-style window, roof eave brackets, dormer windows, and decorative trim boards. *(1 design point per dwelling)*

(5) Use roof pitches 5:12 to 6:12 *(1 design point per dwelling)*

(6) Use at least two (2) different types of contrasting siding materials on the front street-facing elevation. Siding materials may including, but are not limited to wood, wood composite (wood-appearance siding), board and batten (not more than 24 inches between batts), brick masonry, stone masonry, shake (cedar or concrete-fiber shake applied on upper portions of exterior walls and gable ends), stucco, and similar materials at the discretion of the Director. Each material or pattern used to meet this standard shall comprise at least 20 percent of the subject elevation *(1 design point per dwelling)*.

(7) Use architectural features to create interest in the façade such exterior wood or wood-appearance shutters or false shutters, pergolas or trellis work, curved windows or windows with divided or simulated divided lights. *(1 design point per dwelling)*.

(8) On boundaries with lots outside the development that have existing dwellings, limit the height of new dwellings to not more than 5 feet higher than the existing dwelling, unless new dwelling or portion of the new dwelling would be separated from the existing dwelling by 15 feet or more *(2 design points per dwelling on the boundary)*.

(9) To promote privacy, on upper floors facing and within 10 feet of an interior property line outside the development, any windows must be either placed above the sight line from interior, or must be of a frosted or opaque type *(1 design point per dwelling)*.

(10) Use multiple, non-repetitive dwelling designs. Where substantially similar dwelling designs are repeated within a subdivision, they are separated by at least two dwellings of different designs on the same side of any street frontage. Dwellings designs that vary at least three dominant façade features (such as façade materials, roof orientation, reversed orientation, porch or garage features) are not considered substantially similar *(1 design point per dwelling)*.

Action 4.2K Create building height limits option based with consideration of solar access and building height/setback ratio

Action 4.2L Modify driveway standard to allow more than two lots per driveway.

Action 4.2M For residential developments in a R-P zone, reduce interior setback from 8 feet to 5 feet.

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Action 4.2N Allow 28 foot local street widths and narrower right-of-ways. Explore narrower street widths and rights-of-way where emergency access and adequate parking can be maintained.

Narrower street widths may result in less land, money, and resources being used for streets, and potentially allow construction of more affordable housing. In determining appropriate street widths, the City should follow the process outlined in *Neighborhood Street Design Guidelines: An Oregon Guide for Reducing Street Widths*. City officials, including the Public Works Director, Fire Chief, Police Chief, Planning and Building Director, Building Official, should be consulted in recommending the standards. In addition, the City should convene a community stakeholders group, including a representative of the Affordable Housing Ad Hoc Committee, large vehicle users such as Newberg Garbage Service, engineers, and other groups suggested in the guide, to review and make recommendations. Recommendations for changes should undergo broad public review.

Responsible party(s): Newberg Planning Commission, Newberg City Council, Newberg Citizens

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Strategy #5: Amend the Development Fee Schedule

Action 5.1: Identify and establish city development fees that can be reduced/waived for affordable housing projects.

The Affordable Housing Ad Hoc Committee examined existing city development fees and identify specific fees which they felt could be reduced for affordable housing projects. The Committee felt that couple of questions needed to be answered first before a discussion about specific fees could take place.

1. Does the City want to financially participate in a program that encourages affordable housing through development fee reductions/waivers?

The committee recommends that the City answer yes to this question.

2. Who should bear the burden of the costs of such a program?

As to this question, the committee recommends that the **entire city share in the burden.** This could be accomplished by having new development pay a share of the cost (increased permits and fees for some development, to offset in part the reduction and/or waiver of fees for affordable housing), and an increase in some form of monthly fees charged to current residents to offset the balance of the revenue lost if affordable housing has fees waived and/or reduced.

As to what specific fees should be reduced/waived, the Committee recommends that such a task should be undertaken by some other group that consisted of representatives with a greater range of interests/skills than the committee possessed.

Responsible Party(s): City Council, Citizens Rate Review Committee, maybe a special ad hoc group appointed by the City Council

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Strategy #6: Develop and support public and private programs

There are many organizations, both public and private, whose mission is to encourage, develop and maintain affordable housing. The City should support these programs in ways best further the missions of those organizations. In addition, there other tools that support affordable housing that the City should develop, sometimes in concert with other partners. The following are action that the City should undertake to strengthen affordable housing in Newberg.

Action 6.1: Create a Newberg Housing Trust Fund

Newberg could create a housing trust fund. The fund could be used for a number of programs to promote affordable housing, such as:

- Housing rehabilitation loans or grants (rentals and owner-occupied)
- Purchase of land for affordable housing
- Grants to non-profit groups to purchase land or construct affordable housing
- Home-buyer education programs
- Direct construction of affordable housing
- Permit fee subsidies
- Rehabilitation consultation
- Downpayment revolving loan fund
- Transitional housing
- Foreclosure prevention
- Pre-development and acquisition financing for affordable housing projects

Several sources could be used to provide money for the fund, including:

- Housing developer “affordable housing in-lieu” fees
- Commercial development affordable housing fees
- Public grants
- Foundation grants
- Charitable gifts
- City or County funds
- Asset sales, such as condemned property
- Banks
- Transient Room Tax funds
- Fee assessment through existing business license program
- Community-wide fee assessment

Exact program fund uses and funding sources should be determined as part of the trust fund formation process. The Affordable Housing Ad Hoc Committee recommends that rehabilitation of rental properties should be a high priority for the funds.

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Responsible party(s): The trust fund could be set up under the City, under an existing agency, such as the Housing Authority of Yamhill County or Mid-Willamette Valley COG, or under a new non-profit.

Action 6.2: Provide property tax abatements

Tax abatements are similar to tax increment financing strategies in that they involve voluntarily relinquishing expected future tax revenues for a specified period of time (say 10 years) to stimulate a public benefit. The principal difference is that tax abatements are much more focused, providing a specific tax benefit for a specific activity undertaken by the taxpayer. Tax abatements also can be applied citywide, rather than simply in a particular district. The City has the authority to only abate its own portion of the property taxes. Abatement of other property taxing entities would be at their discretion.

Tax abatements could be offered to:

- Developers who construct rental units
- Rental owners that rehabilitate their property
- Owners of older, affordable homes that rehabilitate their property.

Local taxing districts would forego future property tax increases for a limited period.

Responsible party(s): City of Newberg and Yamhill County

Action 6.3: Expand Home Ownership and Counseling Program

This program would help individuals/families make an informed decision about whether and when they are ready to purchase a home. It could help individuals/families learn how to:

- improve their credit scores so they can qualify for more attractively priced mortgage products
- understand how to spot and avoid predatory lending practices
- qualify for various down payment assistance programs

Responsible party(s): Housing Authority of Yamhill County already holds an annual housing education as well as operates a housing resource center year-round. In cooperation with the Authority, local organizations interested in affordable housing, such as the City, CASA, Habitat for Humanity, lending institutions, etc. could work together (create a new, informal cooperative organization?) to inform Newberg citizens of these educational resources. These could also ensure that an educational housing fair is held in Newberg annually, or more frequently, if necessary. In addition, the Newberg School District could incorporate a financing for housing program (rentals and home ownership) within their curriculum.

Action 6.4: Work more closely with Housing Authority of Yamhill County and other affordable housing non-profits

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These organizations are the central conduits for securing and administering many of the state, federal, and private funds for affordable housing within this region. The City should work more closely with these organizations to ensure that Newberg is maximizing its opportunities to access available affordable housing funds and their professional expertise.

Responsible party(s): City of Newberg, HAYC, YCAP, and CASA.

Action 6.5: Support work of local community development corporations

Newberg has access to two non-profit community development corporations: Yamhill Community Development Corporation (YCDC) and Valley Development Initiatives, Inc. (VDI). Both organizations have programs targeted to encourage affordable housing. The City should explore these programs in-depth and identify mechanisms that will support and strengthen their affordable housing programs. These CDCs may possibly administer a new community land trust program and/or work with nearby existing programs.

Responsible party(s): City of Newberg, YCDC, VDI, and CASA

Action 6.6: Leverage employer's commitment to affordable homes and transportation for workers

The high cost of housing can make it more difficult local employers to attract and retain qualified workers. A forum should be held with local employers to explore mechanisms in which their respective organizations can encourage the retention and development of affordable housing and transportation for their employees. For example, businesses could matching funds to employees for home down payments, both as work incentive and as a way to retain quality employees.

Responsible party(s): City of Newberg, local businesses, affordable housing organizations

Action 6.7: Establish Mortgage Credit Certificate Program

The Mortgage Credit Certificate Program (MCC) gives homebuyers a “dollar for dollar” tax credit against federal income taxes (up to 15% or 20%) of annual mortgage interest. By effectively reducing monthly mortgage payments, MCCs give homebuyers greater ability to qualify for and support a mortgage loan. Program participants are subject to limits on maximum household income and maximum home purchase price.

The City of Newberg should work with Housing Authority of Yamhill County (HAYC) to establish such a program.

Responsible party(s): City of Newberg and HAYC

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Action 6.8: Support and expand transitional housing and group housing

As its name implies, transitional housing provides a short term solution for those needing temporary shelter (e.g. abused spouses, homeless, released convicts, etc.). Group housing is more permanent housing for those who by need or choice live in groups, such as disabled persons. Such facilities can be publicly operated, privately operated, or can be partnerships. For example, Henderson House in McMinnville was created through the efforts of volunteers and donations. It receives some public assistance, such as a Community Development Block Grant for purchase and renovation of the home itself. But it also relies heavily on community and foundation gifts. Churches, non-profits, and volunteers could expand services such as these in Newberg. Another example might be that the City of Newberg Police Department could act as a service delivery agent by providing coupons (funded by private resources) to those they encounter needed housing services.

As a first step, a forum could be held by various non-profit organizations to seek mechanisms to strengthen and improve existing systems in place, and to explore possibilities for new services.

Responsible parties: City of Newberg, YCAP, Churches, various affordable housing organizations.

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Strategy #7: Strengthen economic development efforts

A strong local economy with good businesses can provide employees with incomes to secure decent, affordable housing. Also, employers benefit for having a good supply of affordable housing in the community (e.g. easier to attract a qualified workforce.) The following actions should be taken to ensure this outcome.

Action 7.1: Promote the expansion of existing businesses and recruitment of new businesses. Enhance current efforts as much as practicable with available resources. Emphasis should be on existing local business clusters (e.g., manufacturing, health care, higher education, and wine/tourism.) and on businesses with good employee incomes.

Responsible party(s): Chehalem Valley Chamber of Commerce, City of Newberg Economic Development Staff

Action 7.2: Increase the industrial and commercial land supply. The City is currently in the process of expanding its urban growth boundary and urban reserve. An area south of Newberg has been identified for future industrial development (Exhibit A.) City should actively pursue a commercial/industrial land portfolio that includes a wide range of properties in both size and quantity.

Responsible party(s): Newberg Planning Commission, Newberg City Council

Action 7.3: Develop industrial and commercial lands to a “shovel-ready” status. In today’s environment, businesses make expansion/relocation decisions very quickly. Land not ready for immediate development has a much lower likelihood of being selected by a business. As a proactive response to this new paradigm, the City is currently developing a master plan for the proposed industrial lands located in southern Newberg.

Responsible party(s): City of Newberg, property owners

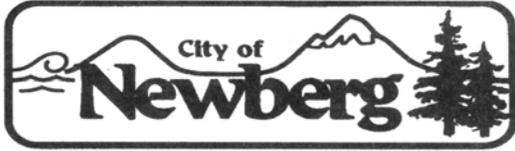
Action 7.4: Promote development of workforce skills. Improve coordination between employer worker needs and education/employment training organizations, including the future Portland Community College satellite campus in Newberg. A higher skilled workforce should lead to higher paying jobs that can afford good housing. A better trained workforce will also improve the chances to attract/expand/maintain good employers.

Responsible party(s): Chehalem Valley Chamber of Commerce, Newberg School District, Portland Community College, local industries

Action 7.5: Action: Explore possible establishment of business incentive designations, such as ports, e-zones, enterprise zones, etc.

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Responsible party(s): Chehalem Valley Chamber of Commerce, City of Newberg Economic Development Staff, and Newberg City Council



MEMORANDUM

Date: March 5, 2009

To: Affordable Housing Ad Hoc Committee

From: Barton Brierley, AICP
Planning and Building Director

RE: Minimum Lot Sizes

At an earlier meeting, the committee suggested a reduction in the required minimum lot sizes to promote affordable housing. The committee recommended a two-tier approach: projects using the “standard” development track could reduce lot sizes by some amount, and the projects using the “flexible/affordable” development track could further reduce lot sizes beyond that. You asked that staff return a recommendation on what those new minimum lot sizes should be. Below is a proposal for these new minimum lot sizes:

Zone	Target Density (du/acre)	Current Minimum Lot Size	Current minimum “per unit” size*	Proposed new “standard” minimum lot size	Proposed new “flexible/affordable” minimum lot size
R-1	4.4	7,500 sf	7,500 sf	6,000 sf	5,000 sf
R-2	9.0	5,000 sf	3,750 sf	3,000 sf	2,500 sf
R-3	16.5	5,000 sf	1,500 sf	3,000 sf	1,500 sf
R-P	n/a	5,000 sf	3,750 sf	3,000 sf	2,500 sf

* “Per unit” standards refer to the minimum amount of area that a lot must have per unit, and is in addition to the minimum lot size. The “per unit” standards are calculated considering 25% allowance for right-of-way. For example, a 6,000 sf lot in the R-3 zone may have four dwelling units (6,000 sf / 1,500 sf per unit = 4 units). However, a lot in the R-3 zone currently may not be divided into lots less than 5,000 sf.

Rationale:

R-1: In 2005, the City adopted replaced the “maximum” density standards in each zone with “target” density standards. Thus, instead of having 7,500 square foot lots as the *smallest* lot allowed in R-1, the city desires that 7,500 square feet be the *average* size of all lots. Since lots may be larger but must be no smaller than the minimum lot size, there will always be some density “lost”. Based on history, R-1 development has developed at about 80% of the maximum density (minimum lot size). Thus, it is recommended that the

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minimum lot size be reduced in R-1 by 20%: from 7,500 square feet to 6,000 square feet. Even at the minimum size lot of 6,000 square feet, a developer could place an 1,800 square foot one story home and garage (or 3,600 square foot two-story), and be left with 4,200 square feet outside for yard, parking, decks. As an example, many of the developments between Chehalem Drive and Crater Lane have lot sizes around 6,000 square feet. A further reduction down to 5,000 square foot lots could be available if developers commit to providing the minimum required amount of affordable housing.

R-2: R-2 currently has a 5,000 square foot minimum lot size, but a 3,750 square foot per unit minimum. Most recent R-2 development has been single family development. Subdividing into 5,000 square foot lots immediately results in a 25% loss in density. Since we want to encourage affordable housing in R-2, it would be appropriate to reduce the minimum lot size to at least the “per square foot” minimum of 3,750 square feet per unit. Apply the same 20% underbuild factor results in a 3,000 square feet per unit standard. As an example, homes in Springbrook Oaks west of Gladys Park are on about 3,000 square foot lots. A further reduction down to 2,500 square foot lots could be available if developers commit to providing the minimum required amount of affordable housing.

R-3: R-3 currently has a 5,000 square foot minimum lot size, but a 1,500 square foot per unit minimum. R-3 prohibits single family dwellings on individual lots, except on existing lots or in PUDs. Reducing the minimum lot size down to 3,000 square feet would allow duplex construction on this size of lots. In this case, a further 20% reduction is not needed, because there is already a built in reduction between the target density (16.5 du/acre – 2,000 sf/unit) and the maximum density (21.8 du/acre – 1,500 sf/unit). A further reduction down to 1,500 square foot lots for single family dwellings could be available if developers commit to providing the minimum required amount of affordable housing. As an example, many lots with Orchard’s Lair are 2,000 square feet.

APPENDIX B

ESTIMATES OF EFFECTIVES OF AFFORDABLE HOUSING STRATEGIES

The table on the following pages estimates the effectiveness of the affordable housing strategies proposed. The estimates represent a reasonable guess using available data on how effective each program would be. Each program could be much more or less effective depending on a number of factors. Individual numbers shown should not be taken with any substantial degree of accuracy. As programs are further refined, the estimates too should be refined.

However, the table does lead to an important conclusion: If the community were to take all the actions described in the plan, it generally would meet most of its projected affordable housing needs. This is certainly an exciting prospect.

Some base assumptions in this table include:

(1) Without the incentives, land would continue to be developed at the “recent trends” density as described in the Newberg Comprehensive Plan and the Ad Hoc Committee on Newberg’s Future’s report to City Council. Those recent trends densities are:

R-1: 3.6 dwellings per acre

R-2: 5.8 dwellings per acre

R-3: 15.4 dwellings per acre

(2) Recent development of low income and very low income housing includes replacement of manufactured homes in parks and special needs or subsidized housing, including senior assisted living, the FUFIL housing project for developmentally disabled adults, and George Fox University dormitories. Development of this number of units was projected to continue at current rates into the future, though this may not be an accurate portrayal.

(3) Some estimates were viewed as creating only “fractional” units. For example, the property tax abatement program may only cover 1/10 of the “gap” needed in most cases to make a moderate priced unit affordable to a low income family. If 10 units were given this abatement, then they would create the equivalent of 1 dwelling unit. In many cases, several programs may need to be combined to assist a single family.

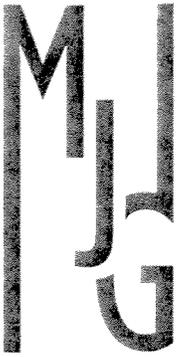
Estimate of Effectiveness of Newberg Affordable Housing Strategies
April 30, 2009

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
	Need – 2009-2030	1935	1460	887
0.0 Base Case: No Action	This assumes: (1) Buildable land within the UGB is developed in accordance with recent trends for density and income level, until no more buildable land is available. (2) One 50-unit manufactured dwelling park is lost due to rezoning and redevelopment (3) Existing housing is lost due to demolition at recent rates (about 13 per year)	318	-27	167
1.1 Amend Goals and policies	No direct effects, but all the other actions and their effectiveness derive from the goals	0	0	0
2.1 Housing Rehab Program	Current housing rehab program has serviced six homeowners. An expanded and successful program could help an estimated three very low, three low and three moderate homeowners a year.	63	63	63
2.2 Manufactured dwelling park conversion	Estimate assumes one 50-unit manufactured dwelling park would be retained over the 20 year period.	25	25	0
2.3 Housing Maintenance education	Assumes an annual program with 5 property owners per year able to effectively maintain and retain their homes	11	22	22

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
Need – 2009-2030		1935	1460	887
3.1 Rezoning properties in UGB	The committee’s preliminary map of properties to consider for changes includes 31.5 acres: 17.4 acres to HDR and 14.1 to MDR. Since much of the land recommended to be changed to HDR is currently MDR, the net change is an addition of 17.4 acres of HDR and a net loss of 1.6 acres of MDR. Assumes rezoned land is developed at current trends for density and income levels.	268	-4	-5
3.2 UGB Expansion	Assumes: (1) Adequate land is included in UGB to meet projected land needs for through 20 year period. (2) Rezoned land is developed at current trends for density and income levels.	656	35	42
4.1 Flexible Development Track	Assumes: (1) 20% of residential units are built under the flexible development track (2) 5% of units in these are affordable (1% very low, 2% low, and 2% moderate)	15	30	30
4.2 Development Standard Modifications	Assumes all current buildable land, rezoned land (Action 3.1), and land added to the UGB (Action 3.2) is developed at 100% of target density instead of current trends.	116	248	248

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
Need – 2009-2030		1935	1460	887
5.1 Fee Schedule Changes	Assumes: (1) A \$40,000 per unit “gap” between market rate per unit and what a family can afford (2) A 25% reduction in total fees for a low or very low income housing unit, 10% reduction in total fees for a moderate income housing unit.	171	129	44
6.1 Housing Trust Fund	Assumes trust fund is able to provide “gap” financial support for 1 very low income and 1 low income unit per year	21	21	0
6.2 Property Tax Abatements	Assumes: 50% of total property taxes are abated for 5 years, that this abatement is made for 5 homes every year, and after that homeowners’ incomes can cover the difference. This would save each homeowner about \$75 per month. Assumes that families are low income, and need a total of \$400 per month subsidy to afford a home, so the property tax abatement would be only part of a total strategy toward home ownership.	4	15	0
6.3 Home Ownership and Counseling	No direct creation assumed, but assists in the success of other actions	0	0	0
6.4 Work with HAYC and Non-profits 6.5 Support local community development corporations	Assumes an average of 10 units are developed per year with ½ very low income and ½ low income units	105	105	0
6.6 Leverage employer’s commitment	Assumes 10 low income and 10 moderate income families per year could be served.	0	205	205

Action	Discussion of Estimated Effect	Estimated Very Low Income Units	Estimated Low Income Units	Estimated Moderate Income Units
	Need – 2009-2030	1935	1460	887
6.7 Establish mortgage certificate program	Assumes a moderate income family is able to afford what would normally be a higher income home through the program, thus effectively adding to the stock of moderate income housing. Assumes 5 low and 15 moderate families per year are able to use this program. Many low and most very low income families don't have enough tax liability to effectively use this program.	0	105	315
6.8 Support transitional and group housing	Assumes one project constructed every 3 years that provides 12 very low income housing units.	80	0	0
7 Economic development efforts	Estimates are not direct housing creation, but are reduction in need for very low and low income housing. Assumes creation of 20 family wage jobs per year.	210	210	0
	Total	2,063	1,182	1,131
	20-year targets	1,935	1,460	887



Development, Inc.

MEMORANDUM

TO: Mayor Bob Andrews
Newberg City Council

FROM: Mike Gougler 
Member: Affordable Housing Ad Hoc Committee

RE: Proposed Affordable Housing Action Plan

DATE: 4/25/09

Unfortunately, it appears that I will be unable to attend the City Council work session on May 4th. I had planned on being able to personally speak in support of the draft plan but by not being able to, you get the benefit of a much briefer statement.

As a local developer, I am comfortable with the plan's provisions to encourage and enable the construction of new residential product defined in the plan as "affordable".

As a local resident, I am encouraged by the proposals to preserve and improve existing affordable housing.

Because the entire City benefits from a housing inventory that can meet the needs of a broad socio-economic range of an essential workforce, it would seem appropriate that the burden of ensuring this supply be born by the entire City.

The codification of the Action Plan is important; I and my fellow developers support you in this effort.

I appreciate the opportunity to have been a member of the Ad Hoc Committee. I made good friends with the fellow members and gained new respect for the City staff that assisted us.

NEWBERG CITY COUNCIL MEETING INFORMATION

DATE of Meeting: May 4, 2009

Prepared by: Norma Alley

Councilors	Roll Call	MOTION Topic: Consent Calendar – Res. 2841, Res. 2842, and CC Minutes for 4/6/09	Resolution No. 2009-2831 Topic: Supplemental Budget #3	Resolution No. 2009-2840 Topic: Evaluation of the Sign Ordinance	Resolution No. 2009-2843 Topic: Affordable Housing Action Plan	Res/Ord/Order # _____ Topic:	Res/Ord/Order # _____ Topic:	Res/Ord/Order # _____ Topic:
ANDREWS, Bob, Mayor	X	YES	YES	YES	YES			
BACON, Denise	X	YES	YES	YES	YES			
LARSON, Bob	X	YES	YES	YES	YES			
McKINNEY, Stephen	X	YES	YES	YES	YES			
RIERSON, Bart	X	YES	YES	YES	YES			
SHELTON, Marc	X	YES	YES	YES	YES			
WITHERSPOON, Wade	X	YES	YES	YES	YES			
ROLL CALL VOTES		YES: 7 NO: 0 Absent: 0 Abstain: 0	YES: 7 NO: 0 Absent: 0 Abstain: 0	YES: 7 NO: 0 Absent: 0 Abstain: 0	YES: 7 NO: 0 Absent: 0 Abstain: 0	YES: NO: Absent: Abstain:	YES: NO: Absent: Abstain:	YES: NO: Absent: Abstain:
Department:			Finance	Administration	Planning			
CHANGES: (Yes/No)			No	Yes	Yes			
MOTION (1st/2nd):		Larson/ Shelton	Larson/ Witherspoon	Larson/ Rierson	Rierson/ Shelton			