

**CITY OF NEWBERG CITY COUNCIL MINUTES
MARCH 21, 2011
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)**

A work session was held prior to the meeting. A general discussion was held on the vision statement. 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 Ryan Howard Stephen McKinney
 Bart Rierson Wade Witherspoon

Members

Absent: Marc Shelton (excused)

Staff

Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney
 Barton Brierley, Planning and Building Director Norma Alley, City Recorder
 Janelle Nordyke, Finance Director Jennifer Nelson, Minutes Recorder

Others

Present: Hank Grum, Roger Wiltshire, Pat Haight, Bryan Stewart, Helen Brown, and Doug Lanz

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, spoke of needing RSVPs for the upcoming Chamber Of Commerce Community Awards Banquet on April 7, 2011, and gave a reminder that he will be attending the Joint Washington and Oregon States City Manager Association Conference this Tuesday through Friday.

V. PUBLIC COMMENTS

Mr. Hank Grum expressed concerns that some members of council are embracing the idea of altruism and collective rights. He said he feels the people should have to vote on things rather than having "the experts running the lives of the little people" and he said he will not live under collective rights and altruism. He said he would like to see people with those types of views removed.

Councilor Ryan Howard asked what he thinks the role of government is in terms of public welfare. Mr. Grum replied it is police and fire protection and a court system to protect contracts.

Councilor Howard asked what he felt the limit of public welfare was and how he defines altruism. Mr. Grum stated altruism is forced charity because someone else has a need. There can be voluntary contributions, but the government is trying to fix everything by assigning more people to welfare list and raising taxes; wealth redistribution to those "in need" is no longer voluntary. He said that means more money taken from his pocket

to make decisions to benefit everybody alike. He cited waiving system development charges (SDCs) to make a project more affordable as taking money out of his pocket for a small segment of people who need to move into more affordable housing.

Councilor Stephen McKinney asked what other examples of city programs he felt were altruistic. Mr. Grum said other than reducing SDCs, the Citizens' Rate Review Committee (CRRC) appeared to think the people should not have a right to vote on fees and charges because they do not study the issues.

Councilor McKinney said he could only recall altruism being referred to once regarding the city's use of a patent. He felt this level of government showed democracy at its best because it provides a chance for neighbors to gather. He felt providing diversity on other committees prevented this council from dictating to the community by altering the feelings of other citizens. He wished to know what areas of city government he felt were done collectively for an altruistic purpose.

Mr. Roger Wiltshire spoke of minutes or audio recordings from the animal shelter subcommittee not being available on the website in less than twenty-four hours and cited this as a violation of public meeting laws; he demanded records be published and provided promptly. He spoke of a prior request for research on the fire department responding to two private lock out issues and in his opinion it was an inappropriate use of funds. He argued the results reported by the city manager did not match his own research and he called for him to be chastised and terminated by the end of the budget year for misrepresentation and misinformation.

Councilor Howard asked if he could provide the council with a copy of these fire records he cited. Mr. Wiltshire responded that he could if the costs for research and copying were provided up front to him.

Mr. Danicic asked how much he was charged for the copies he received. Mr. Wiltshire offered to pay twenty-five cents per copy but he was not charged.

Ms. Pat Haight stated she finished reading all the city minutes from 2005 to 2011 and found a pattern of denial and a city with a lack of self esteem. She felt the council is closed off from the people and although they are supposed to be representing all people of Newberg, they have been brainwashed into thinking they are working for the city. She spoke of population numbers being misreported and not knowing about an eleven million dollar loan and called the council to explain how they are spending the citizens' money.

Mr. Bryan Stewart spoke about the success of the Camellia Festival and thanked the council for their support of this community event. He also reported the Oregon Camellia Society has made Newberg its home for their event and representatives from the American Camellia Society will be looking at Newberg to host their national annual convention for 2014. He added he thinks the council does a fantastic job and represents the citizens nicely.

VI. CONSENT CALENDAR

Consider a motion approving **Resolution No. 2011-2936** adopting revised design standards for construction of public utilities.

MOTION: Rierson/McKinney approving the Consent Calendar including **Resolution No. 2011-2936**. (6 Yes/0 No/1 Absent [Shelton]) Motion carried.

VII. PUBLIC HEARINGS

1. Consider a motion approving **Resolution No. 2011-2937** approving Supplemental Budget #2 for fiscal year 2010-2011.

TIME – 7:35 PM

Mayor Andrews opened the hearing and called for any conflicts of interest or abstentions; none appeared.

Ms. Janelle Nordyke, finance director, presented the staff report (see official meeting packet for full report).

Mayor Andrews asked about the difference between the \$88,000.00 cost and the balance indicating \$43,000.00. Staff replied they have reserves to cover a portion of the total; the \$43,000.00 is the balance after reserves.

Councilor Wade Witherspoon referred to page 184 and the general fund list of changes asking why all the changes add up to a figure greater than \$43,000.00. Staff explained some of the staff funds change, like the police capital outlay increase, but the \$43,000.00 is being taken from contingency; this does not relate to the changes.

Mayor Andrews questioned an increase in contingency on page 184. Staff stated the \$237,000.00 was to recognize the receipt of the federal exchange funds grant, taking out the \$82,000.00; to show money being added in and transferred out.

Mayor Andrews opened the public testimony.

Mr. Wiltshire stated he was opposed because of a lack of understanding of Exhibit “A”. He stated this was unexpected and unplanned for and with being ninety days away from a new budget he recommended disapproving this increase. He asked who is on the budget committee, who is analyzing this, and who is responsible for this not being better planned for.

Ms. Haight spoke of the police willingly taking a cut in pay to balance the budget and now they are asking for money; this is not good management. She felt the city manager should be communicating what they need and they should not have to come and ask for it; she said to give them the money.

Mayor Andrews closed the public testimony. Staff provided a summary report and recommended approval.

Councilor Howard asked if there were any items that could wait until the new budget and if they would be approved in addition to the projected budget to allow the projects to get done. Staff stated many capital improvement projects are completed during the summer so they have to prepare for them now; by asking for the acceptance of the grants. The grants can only be accepted if the funds are approved.

Police Chief Brian Casey said the only thing that could be postponed is the computers for the patrol work stations; however, we do not know if there will be a current budget for those. The records management system is currently failing or vendors are changing the product and we do not have a sufficient computer system to work with that. The digital video recording system is failing; there are gaps that cannot be explained in court.

Mayor Andrews closed the public hearing.

MOTION: Rierson/Bacon approving **Resolution No. 2011-2937** approving Supplemental Budget #2 for fiscal year 2010-2011. (6 Yes/0 No/1 Absent [Shelton]) Motion carried.

2. Consider a motion approving **Ordinance No. 2011-2736** amending the Development Code and Comprehensive Plan relating to street and access standards.

TIME – 7:59 PM

Mayor Andrews opened the hearing and asked for any conflicts of interest or abstentions; none appeared.

Mr. Barton Brierley, planning and building director, presented the staff report including a PowerPoint summary and recommended adoption (see official meeting packet for full report).

Mayor Andrews asked if the proposed narrowing of the streets and the parking versus no parking standards have been vetted with the Traffic Safety Commission (TSC). Staff replied they did have a discussion with the TSC. Mayor Andrews asked for further explanation of the right-of-way measurements of fifty-six feet, the differences between when there is a sidewalk adjacent to the road versus a planting strip in between, and for parking on both sides of the street. Staff replied there were a range of widths; currently with no planting strip there is about forty-four feet of right-of-way. Mayor Andrews asked if there were any provisions, exceptions or waivers regarding right-of-way. Staff stated there was a provision in the code to apply for a variance consistent with all zoning, which will remain.

Councilor Witherspoon stated there will be situations where places do not meet code if this is approved and asked if there will be any sort of grandfathering. Staff replied code provisions do not apply retroactively.

Councilor Howard asked if the proposed standards have been discussed with the fire department. Staff replied the fire marshal and fire chief were at the first meeting and they indicated they were comfortable with the changes. The concerns they had were when there is parking in shared driveways where drivers violate the no parking areas. Discussion followed about shared driveways and past conflicts.

Councilor Howard asked about the large block lengths and asked if other cities have this standard. Staff replied Newberg has the most restrictive standards and there are other communities that do not have limits; he added on multifamily developments you can get more complexes with larger block lengths.

Mayor Andrews asked if any outreach was given to Waste Management regarding the changes in street width and block lengths. Staff replied they were also present at the first meeting and put in some good input about placement of sidewalks for garbage pick-up.

Councilor Stephen McKinney stated he felt it was difficult to agree with all the conclusions and some are contrary to conversations he had with the fire chief; he said he was aware of some critiques and felt staff should get together with the fire department and visit all of these areas.

Ms. Helen Brown questioned shared driveway situations and thought current flag lots should be addressed with the fire department; she was concerned with space needed to operate certain fire truck equipment. Staff stated there are specific fire code standards for fire apparatus, like the length of the driveway, width, type of turnarounds and number of dwellings served; if it is under one hundred and fifty feet it can be a twelve foot wide driveway, but over that would require twenty feet or a turn around at the end and passing areas.

Ms. Haight asked if two to three houses are using the same driveway then who is liable. City Attorney Terry Mahr stated once something occurs on private property or a private street it would be a private matter and insurance companies would settle or go to small claims court. Homeowners' associations can regulate this.

Mayor Andrews opened and closed the public testimony. Staff stated the recommendations by the planning commission and affordable housing committee to adopt the ordinance.

MOTION: Rierson/Bacon approving **Ordinance No. 2011-2736** amending the Development Code and Comprehensive Plan relating to street and access standards, read by title only.

Councilor Denise Bacon agreed and she appreciated the comments made by the student planning commissioner about not paving the world over; she felt many of the five empty streets she drove by to get here this evening could have been houses or yards and said it is bad for water quality.

Mayor Andrews said he was struggling with the block lengths, but most of his questions were answered; his main concern was for non-vehicular circulation.

VOTE: To approve **Ordinance No. 2011-2736** amending the Development Code and Comprehensive Plan relating to street and access standards, read by title only. (4 Yes/2 No [Andrews, McKinney]/1 Absent [Shelton]) Motion carried.

VIII. NEW BUSINESS

Consider a motion approving **Resolution No. 2011-2938** allowing deferral of System Development Charges payments during the year 2011.

TIME – 8:56 PM

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

Councilor Howard asked what the purpose is of collecting SDCs when permits are filed and collected. Staff replied it is simpler to pay it all at once and when the developer is done; it is more of an accounting burden than it is cost. The city will not do a final inspection and it cannot be occupied without charges being paid.

Councilor McKinney asked if this is for any inspection that could not occur until payment or just the first. Staff stated the proposal is for before any final inspection occurs. Councilor McKinney asked what the provisions for those that may default are. Staff said the city is allowed to file a lien on any property that goes into default, if there is no structure being occupied then there is no impact, but if there are systems being used then a lien could be filed.

Councilor Bart Rierson asked if this makes sense to do this as a permanent change. Staff replied it does create accounting issues when they have to go back and flag the final inspection because of non-payment and tracking developers down can be an administrative burden; but, we do not have two hundred and fifty permits open, so it is not an excessive burden now, that is why the proposed ninety days.

Mayor Andrews stated he had questions for the developer and asked how many local subcontractors he is planning to use.

Mr. Doug Lanz, developer, stated his framer is from Parr Lumber and the excavator is also from this area, but he has no way of knowing what jobs would be anticipated locally until he puts out for bids.

Councilor McKinney spoke of current experiences and problems with unpaid SDCs and said he is a little uncomfortable with this because he is unsure of how the city is going to recuperate from that needed revenue.

Mr. Danicic assumed he was referring to the Orchard Lair development and that SDC collection was delayed until the time of sale, also before occupancy. SDCs were not collected on some homes because they were vacant and now in foreclosure; but, the banks intend to pay the SDCs as it is a condition of the property and there is no burden to infrastructure until it is put into use. This proposal is intended to provide incentive to construct and promote investment in Newberg.

Mr. Lanz added their houses are all pre-sold and nine have been sold in the last three months; they have to provide financing at the end of the job so this is just a bridge to get them past all the costs upfront.

Councilor Howard asked if this would be available to any developer. Staff replied it would be and is not just limited to this one project; it can be for residential, commercial, or industrial.

Ms. Haight stated she looked for Pacific Northwest Land Development, and found nothing. She said they already asked for sixty days or a reduction in fees and now the city is giving ninety days. She asked why everything is being done on an exception basis and suggested coming back with a reduction in all SDCs. She said there are not clear ending dates and the city is not bringing in any money because the fees are too high.

Mr. Wiltshire said as a retired real estate broker he encourages development and the building of homes to increase the tax base. He said there is a lot of money to be made in this and wondered why the city is asking to loan out the citizens' money at 0% interest. He encouraged the council to extend an equal working relationship with developers during the final payment amount and to charge them the interest rate of 0.5% to use the people of this city's money. He said to charge interest during the period of deferment and cut it off at the end of 2011 and revisit it to determine who benefitted from this.

MOTION: Witherspoon/Bacon approving **Resolution No. 2011-2938** allowing deferral of System Development Charges payments during the year 2011.

Councilor McKinney asked if the developer requested sixty or ninety days. Staff replied they requested sixty but staff extended it to ninety to include more developers than just this project.

Councilor Rierson spoke of SDCs being for systems development and it is like putting money away for future development. If there is no one living in the homes, the capacity is not needed and there is no cost to the city. It seems appropriate to him to delay collection and benefit through increased construction that would not occur otherwise. He felt it was pro-business, pro-building, and a wise investment that he supported.

VOTE: To approve **Resolution No. 2011-2938** allowing deferral of System Development Charges payments during the year 2011. (6 Yes/0 No/1 Absent [Shelton]) Motion carried.

IX. COUNCIL BUSINESS

TIME – 9:34 PM

Mr. Danicic spoke of making a request to the county to consider contributing to the operation of the animal shelter by offering reserved kennel space and an area for the county animal control officer to complete work when needed. Councilor Rierson spoke of it being a way to borrow against construction costs and saw it as a way to get where they cannot see getting right now.

Mayor Andrews mentioned a volunteer appreciation dessert will be held on March 29, 2011, and the council was invited to join him to say thanks.

Councilor McKinney said he was sponsoring a table for Faith in Action banquet and invited the council to be his guests in April.

X. ADJOURNMENT

The meeting adjourned at 9:44 PM.

ADOPTED by the Newberg City Council this 16th day of May, 2011.


Daniel Danicic, City Recorder

ATTEST by the Mayor this 20th day of May, 2011.


Bob Andrews, Mayor