

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

CITY OF NEWBERG
CITY COUNCIL AGENDA
TUESDAY, JANUARY 18, 2011
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, with an opportunity to speak for no more than 5 minutes per speaker allowed)

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2011-2930** approving the municipal judge's nine month evaluation. (Pgs. 3-6)
2. Consider a motion approving City Council Minutes for December 6, 2010, and December 20, 2010. (Pgs. 7-21)

VII. NEW BUSINESS

1. Consider a motion accepting the Chamber of Commerce's 2009/2010 3rd and 4th quarter budget report. (Pgs. 23-27)
2. Consider a motion accepting **Resolution No. 2011-2927** approving an agreement with the Chamber of Commerce to operate and manage a Visitor Information Center. (Pgs. 29-39)

VIII. COUNCIL BUSINESS

IX. EXECUTIVE SESSION

Executive Session pursuant to ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection.

X. ADJOURNMENT

*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.

INDEX OF ORDERS, ORDINANCES, AND/OR RESOLUTIONS:

RESOLUTION(S):

Resolution No. 2011-2927 approving an agreement with the Chehalem Valley Chamber of commerce for Visitor Center Services and approving, by the city council as the contract review board, an exemption based on the findings for entering into the agreement.

Resolution No. 2011-2930 adopting the first evaluation after nine (9) months of service by Municipal Judge Larry Blake, Jr., approving an excellent evaluation, and authorizing a Two Hundred Dollar (\$200) per month increase in compensation in accordance with Agreement for Judicial Services.

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 Norma Alley, City Recorder, at (503) 537-1283.

Public testimony will be heard on agenda items at the Council meeting. The City Council asks written testimony be submitted to the City Recorder before 5:00 p.m. on the preceding Thursday. Written testimony submitted after that will be brought before the Council on the night of the meeting for consideration and a vote to accept or not accept it into the record.

City of Newberg Mission Statement:

The City of Newberg serves its citizens, promotes safety, and maintains a healthy community.

*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: January 18, 2011

Order ____ Ordinance ____ Resolution XX Motion ____ Information ____
No. No. No. 2011-2930

**SUBJECT: Approve the Municipal Judge's Nine-
(9-) month evaluation and authorize a compensation
increase per Agreement for Judicial Services.**

Contact Person (Preparer) for this
Resolution: **Bob Andrews, Mayor**
Dept.: (Assistance by Dawn, Legal)

RECOMMENDATION:

Adopt **Resolution No. 2011-2930** approving the first nine- (9-) month evaluation of the Municipal Judge and authorizing a compensation increase of Two Hundred Dollars (\$200) per month as required by the Agreement for Judicial Services.

EXECUTIVE SUMMARY:

It is the responsibility of the City Council to appoint and evaluate the Municipal Judge. The Council appointed Judge Larry Blake, Jr. to an initial eighteen- (18-) month term in February of 2010. The Agreement provided that there should be an evaluation after the initial nine (9) months. This is the first evaluation of Judge Blake, Jr.

The Council has performed the nine-month evaluation and discussed the evaluation with Judge Blake, Jr. in executive session, which is allowed by Oregon's Open Public Meetings Law. No decisions were made in executive session. This resolution is to solidify that evaluation. The evaluation, after being presented to Judge Blake, Jr. for any comments, will be placed in his City personnel file.

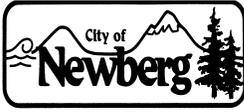
The Agreement provides that "Upon a successful evaluation in nine (9) months, **Judge Blake's** compensation will be adjusted to Twenty-seven Hundred Dollars (\$2,700) per month." This is authorized by the resolution.

FISCAL IMPACT:

Following this successful evaluation, there will be a \$200 per month (\$2,400 per year) increase in judicial pay. Present pay is \$2,500 per month; after increase, it will be \$2,700 per month. During interviews for judicial candidates, this was found to be a reasonable compensation and is within the City's budget.

STRATEGIC ASSESSMENT:

The evaluation of the Municipal Judge is necessary in order to ensure communication between the City Council and the Municipal Judge concerning the performance of the Municipal Judge in accomplishing his assigned duties and responsibilities.



RESOLUTION No. 2011-2930

A RESOLUTION ADOPTING THE FIRST EVALUATION AFTER NINE (9) MONTHS OF SERVICE BY MUNICIPAL JUDGE LARRY BLAKE, JR., APPROVING AN EXCELLENT EVALUATION, AND AUTHORIZING A TWO HUNDRED DOLLAR (\$200) PER MONTH INCREASE IN COMPENSATION IN ACCORDANCE WITH AGREEMENT FOR JUDICIAL SERVICES

RECITALS:

1. The City Charter, Section 36, provides that the Municipal Judge is appointed by the City Council, and the Council appointed Larry Blake, Jr. as the Municipal Judge for the City in February of 2010.
2. The City has an Agreement with the Municipal Judge to provide judicial services to the City, which sets out certain terms and conditions providing for that service, as well as adopting a job description for the position.
3. The Agreement provides for an initial eighteen- (18-) month term with a provision for evaluation of the Municipal Judge's performance after nine (9) months of service.
4. The Open Public Meeting Law allows the evaluation of the job performance of the Municipal Judge to be conducted in executive session by the City Council [ORS 192.660(2)(i)]. Furthermore, the City adopted Resolution No. 2010-2923 on December 6, 2010, which provided for the process, forms, and method of evaluation of the Municipal Judge.
5. The Mayor, City Councilors, and Municipal Judge met in executive session on December 20, 2010, to discuss the Municipal Judge's initial nine- (9-) month evaluation.
6. The Mayor has submitted the written evaluation, which will be placed in the Municipal Judge's personnel file after being adopted by the Council.
7. In accordance with the Newberg City Charter, the judge presides over the Municipal Court and administers general judicial services under direction of the City Council. However, the judge operates independently as to judicial decisions, responsibility, and functions pursuant to the Agreement for Judicial Services.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The written evaluation of the Municipal Judge, which is attached as Exhibit "A" and by this reference incorporated, is hereby adopted and in part states:

“In summary, the Council agreed that Judge Blake, Jr. has done an excellent job in the first nine (9) months of his employment.”

2. The Municipal Judge will be given a copy of the evaluation to sign and make any written comments after which the written evaluation will be placed the Municipal Judge's personnel file.
3. In accordance with the Agreement for Judicial Services entered into between the City and Judge Blake, Jr., his compensation is adjusted from \$2,500 to \$2,700 per month upon the completion of this evaluation. Such adjustment will begin as of November 1, 2010. Furthermore, Judge Blake, Jr.'s Agreement is hereby amended by this resolution to reflect this adjustment in compensation effective November 1, 2010.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: January 19, 2011.

ADOPTED by the City Council of the City of Newberg, Oregon, this 18th day of January, 2011.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 21st day of January, 2011.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

By and through City Council Committee at 12/06/2010 meeting. Or, None.
(committee name) (date) (check if applicable)

By and through City Council Committee at 12/20/2010 meeting. Or, None.
(committee name) (date) (check if applicable)

**Municipal Court Judge (Larry Blake, Jr.)
Nine- (9-) Month Evaluation – 2010
By Newberg City Council**

The Newberg City Council has received a written report from the Municipal Judge concerning his performance during his initial, nine-month evaluation period. The respective Mayor and Councilors have met with the Municipal Judge in executive session on December 20, 2010, to discuss their evaluation of his performance from date of appointment (February of 2010) to the end of October, 2010—the first nine (9) months.

The City Council has evaluated the performance of Larry Blake Jr. as the Municipal Judge of the City of Newberg. As part of that evaluation, Council reviewed the report given to them by the Municipal Judge indicating the accomplishment of the Judge and his self-evaluation during the evaluation period.

The Council has discussed all areas of evaluated performance including those recommended for further development. The Judge and the Council discussed areas of court administration that needed attention during the next evaluation period, and the Council concurred with the judge's assessments.

In summary, the Council agreed that Judge Blake, Jr. has done an excellent job in the first nine months of his employment. There have been many improvements in the operation of Newberg's Municipal Court, including improved relations with staff and the public. It is anticipated that additional programs and improvements will occur during the next evaluation period.

DATED this _____ day of January, 2011

Bob Andrews, Mayor

Comments by Judge Blake, Jr.:

Acknowledged this ____ day of January, 2011:

Larry Blake, Jr., Municipal Judge

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: January 18, 2011

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

SUBJECT: Approve the December 6, 2010, and December 20, 2010, City Council Meeting minutes.

Contact Person (Preparer) for this Motion: **Norma Alley, City Recorder**
Dept.: **Administration**
File No.:
(if applicable)

RECOMMENDATION:

Approve the December 6, 2010, and December 20, 2010, City Council minutes for preservation and permanent retention in the City's official records.

EXECUTIVE SUMMARY:

The City of Newberg City Council held public meetings and minutes were recorded in text. In accordance to Oregon State Records Management law, the City of Newberg must preserve these minutes in hard copy form for permanent retention.

FISCAL IMPACT:

None.

STRATEGIC ASSESSMENT:

None.

**CITY OF NEWBERG CITY COUNCIL MINUTES
DECEMBER 6, 2010
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM
401 EAST THIRD STREET**

Work Session was held prior to the meeting. Discussion was held on the City Council vision statement and mission statement. No decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:05 PM.

II. ROLL CALL

Members

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

Staff

Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney
Barton Brierley, Planning and Building Director Janelle Nordyke, Finance Director
David Beam, Economic Development Coordinator Norma Alley, City Recorder
Jennifer Nelson, Recording Secretary

Others

Present: Gary Bliss, Thomas Barnes, Allyn Edwards, Art Smith, Dianna Cotter, Shannon Eoff, Josi Fettig, Hank Grum, Pat Haight, Robert Soppe, Roger Wiltshire, Mark Davis, Camellia Walker, Jim Walker, Michael Ard, Tom Sisul, Robert Mawson, Philip Griffin, Elise Hui, Daniel Shepherd, Ernest Woods, Cindy Ziegenbien, Beatrix Newman, Chuck Scott, and Mr. Verne Martin

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, spoke of the first Christmas tree lighting event sponsored by the Newberg Downtown Coalition (NDC). He announced the NDC will be hosting a Holiday Open House on December 11, 2010. He also mentioned the book recently written on the history of Newberg; he said the authors would be at Chapters Books on December 11, 2010, signing copies from 10:00 AM to 12:00 PM. Finally, he mentioned The Newberg Graphic article on November 24, 2010, highlighting a job well done by city staff while working with the owners of a new car dealership.

V. APPOINTMENTS

1. Consider a motion appointing Thomas Barnes, Gary Bliss, Allyn Edwards, and Art Smith to the City of Newberg Planning Commission.

Mayor Andrews invited the nominees to the table to speak with Council. Each nominee introduced themselves and spoke briefly on their residency and their involvement in the community.

MOTION: Andrews/McKinney to consent to the appointment, by the Mayor, of Thomas Barnes, Allyn Edwards, and Art Smith for three positions with terms expiring December 31, 2010, on the Newberg Planning Commission for new terms expiring December 31, 2013, and appoint Gary Bliss to fill a vacant position with a term expiring December 31, 2012. (7 Yes/0 No) Motion carried.

2. Consider a motion appointing Karl Birky, Dianna Cotter, Shannon Eoff, and Josi Fettig to the City of Newberg Traffic Safety Commission.

Mayor Andrews invited the nominees to the table to speak with Council. Dianna Cotter, Shannon Eoff, and Josi Fettig introduced themselves and spoke briefly on their residency and their involvement in the community. Mr. Birky was unavailable because of business conflicts.

MOTION: Andrews/Rierson to consent to the appointment, by the Mayor, of Karl Birky, Dianna Cotter, and Shannon Eoff for three positions with terms expiring December 31, 2010, on the Newberg Planning Commission for new terms expiring December 31, 2013, and appoint Josi Fettig to fill a vacant student commissioner position with a term expiring August 31, 2011. (7 Yes/0 No) Motion carried.

VI. PUBLIC COMMENTS

Mr. Hank Grum voiced concerns regarding discussions in The Newberg Graphic article about the rules for Francis Square banning literature distribution and the \$6,000.00 dollars requested for funding a city survey of services. He spoke of the unalienable rights of the citizens and the core function of municipal government being police, fire, street maintenance, and court services to enforce the rules. He spoke of affordable housing scams crowding the city agenda with no reference to the protection of the rights of citizens in the City's mission statement.

Ms. Pat Haight passed out a picture of City Hall, which she had taken this past Friday night and stated her disappointment for the lack of working Christmas lights and decorations on the building during ARTwalk. She spoke of NDC being given \$5,000.00 to revitalize the downtown and was upset the City did not have money to buy Christmas lights to look like they are in partnership with the businesses in Newberg. She offered to buy the lights herself. She spoke of the article on Francis Square and violations to the U.S. Constitution and Oregon law that this was not taken care of ten years ago.

Mr. Robert Soppe commented on an item on the Consent Calendar addressing the Oregon Department of Transportation (ODOT) decision with the alignment of the bypass. He warned Council to look carefully at the alignment in regards to 11th Street along the riverfront by SP Newsprint because it is a significant change than what had been hoped for by proponents. The significance of what is chosen was pretty well hidden in the elevation, which can cut off pedestrian and bicycles. He felt the procedure was highly flawed and asked them to look carefully to how this impacts access to riverfront.

Mr. Roger Wiltshire said he was disgruntled about what is going on with the city and recommended the Council ask for resignations of certain employees because they are costing this capitalistic city money with their socialistic ideologies. He said he is against someone telling him how to deal with the property he owns, as a capitalist and former licensed broker.

VII. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2010-2923** adopting a process for the evaluation of the municipal judge.

2. Consider a motion approving **Resolution No. 2010-2924** initiating amendments to the Newberg Comprehensive Plan and Development Code to reflect the Tier 2 bypass alignment.
3. Consider a motion approving City Council Minutes for November 1, 2010.

MOTION: Shelton/McKinney approving the Consent Calendar including **Resolution No. 2010-2923, Resolution No. 2010-2924**, and the City Council Minutes for November 1, 2010, as amended. (7 Yes/0 No) Motion carried.

VIII. PUBLIC HEARINGS

Consider a motion approving **Order No. 2010-0030** amending the Comprehensive Plan map designation from Low Density Residential (LDR) to High Density Residential (HDR) and amend the Zoning designation from R-1 (Low Density Residential) to R-3 (High Density Residential) for a property located at 1103 North Meridian Street.

TIME – 7:35 PM

Mayor Andrews made legal announcements regarding the hearing procedure stating this is a quasi-judicial, land use, public hearing concerning a Comprehensive Plan Amendment and Zone Change to property located at 1103 North Meridian Street. The proposal is to change the Comprehensive Plan designation from low-density residential to high-density residential and amend the zone designation from low-density residential to high-density residential. This is the first public hearing before the City Council, which will make the final decision. The matter has been heard by the Planning Commission and is before the Council with a recommendation from the commission. The Council is expecting there will be quite a bit of oral testimony and some written testimony presented tonight. The Council wants to hear all relevant testimony and is anticipating receiving all oral and written testimony tonight then closing the record to any further evidence. The applicant will have an additional seven days to present written argument as required by the Oregon Revised Statutes, unless the applicant chooses to waive that right. The city attorney will make an announcement concerning this and other legal matters after the Council declares ex-parte' contacts. The Council is planning on beginning deliberations at the next meeting on December 20, 2010, and written testimony submitted tonight will be distributed in the packet for that meeting. If you have already presented written testimony, you do not have to present the same testimony orally; the written testimony is in the record and will be considered. You will have all the rights in the hearing, just the same as if you testified orally. Before the Council makes their required announcements there have been emails and letters sent to Council members which have been collected and submitted into the record since they could constitute ex-parte contact. Because these items are all in the record, they do not have to be individually declared by the Council members, unless a Council member has not submitted some contacts to the City for inclusion in the record. In addition, if a Council member has had contacts with individuals in discussions; those should be declared at this time. Mayor Andrews called for any abstentions, biases, or ex-parte contacts from the Council.

Councilor Stephen McKinney stated he lives directly across the street from 1103 N. Meridian Street and has been contacted by many people and received several aggressive emails both for and against the proposed change but this will not prevent him from rendering a fair decision in this matter.

Councilor Denise Bacon stated she is friendly with the granddaughter of the former owner of the property and before she knew what was going to be on our agenda she told me some of the struggles they were having with the property. The content of the conversation has been captured in the Planning Commission (PC) minutes.

Mayor Andrews called for any objections from anyone concerning the jurisdiction of the Council to hear this matter. None appeared.

Mr. Terrence Mahr, City Attorney, asked for a point of clarification from Councilor McKinney: did he forwarded the emails he received to the City to be part of the record. Councilor McKinney replied yes. Mr. Mahr continued with the required legal announcement according to statues regarding quasi-judicial land use hearings (see official meeting record pages 47-48 in draft findings of the Order for complete criteria).

Mr. Barton Brierley presented the staff report with a PowerPoint as visual aide (see official meeting record for a copy of the full report).

Councilor Wade Witherspoon asked staff to further describe the forty-five buildable acres in the Urban Growth Boundary (UGB). Staff replied there are three major areas comprising the available high density residential (HDR) adding up to the forty-five buildable acres with some other smaller lots. One parcel is in the Springbrook area near the old Springbrook School, there is a vacant lot behind Fred Meyer, and some on Chehalem Drive near Hwy 219.

Councilor Marc Shelton asked if there were plans to improve the sidewalks on Meridian Street at the railroad to assist with pedestrian and bicycle crossing and access to the downtown areas. Staff replied Meridian Street is in the long range pedestrian plan for improvements to fill in the gaps of missing sidewalks, but it is an issue of available funding that determines when this will be completed.

Mayor Andrews asked what the affordable housing needs are in Newberg not being satisfied with the existing inventory of housing from either single or multiple family in R-1, R-2, or R-3. Staff stated there is an additional twenty-four acres of HDR land needed within the next fifteen years through 2025 and an additional thirty-four acres of Medium Density Residential (MDR) and those acres which translates into hundreds of dwelling units based on the projected income levels and a significant deficiency of housing for a number of income levels, particularly for the moderately low and very low income levels.

Mayor Andrews continued by noting that references have been made to other sites in Newberg for R-3 zoning; he asked what and where are those sites and why have they not been considered or developed at this point (both vacant and useable acreage). Also, with infrastructure costs, who has the burden for funding improvements for sidewalks, wastewater, water, streets, and storm water with addition of impervious surfaces. Staff replied most of the land designated as HDR has been developed but there are forty-five acres of buildable R-3 zoned land that has not been developed yet; two of those larger sites are because the property owners have not elected to develop at this juncture and another site has not been annexed and does not have sewer and water available. This is an area within the UGB, but not the city limits and is included in this inventory. There is another site on the corner of Fernwood Road and Springbrook Road, also outside city limits but in the UGB; the property owner stated they were not interested in developing the land in the foreseeable future.

Councilor Shelton asked what the acreage is in those two sites with non-infrastructure. Staff replied about half or twenty to twenty-five acres.

Mr. Brierley continued by addressing who pays for infrastructure such as sewer, water, stormwater, and street improvements, which is mostly the person choosing to develop the property. Developers are also required in nearly every case to pay additional charges for extra capacity required for the new development by System Development Charges (SDC) for the proportionate share of those costs. But, infrastructure for development already in place is not always covered and cannot be charged through SDCs or make it a condition of development. None of these would be created by this development. Stormwater is treated in the same manner where the developer is required to develop the infrastructure abutting their site and any offsite improvements of a general nature are paid through SDCs.

Mayor Andrews spoke to the street widths, specifically looking at Meridian Street at the railroad crossing and just north of the crossing where the available travel area narrows. Staff replied the sidewalk width standard does not extend over the tracks and Oregon State law requires no parking within this area; the curb adjacent to

the tracks is painted yellow to designate no parking. Mayor Andrews spoke of questions concerning the traffic study such as if it was done at a good time of year, if it was reflective of the traffic on Meridian Street, and clarifications on the estimate in the report showing what the additional trips would be as well as the total when adding those to the existing trips.

Discussions continued for clarification of the calculations of the traffic study in regards to the increases in trips and what the 7% of capacity reference actually represented, which are referred to on page fifty-four (54) as well as pages one-hundred forty-three (143) and one-hundred sixty-four (164). There were also concerns expressed for the accuracy of this data in relation to the ability to travel when a train is crossing the tracks, the route of Sierra Vista being inadequate, the property to the immediate north with gravel streets, ditches, no sidewalks, and narrow widths, and the responsibilities for asphalt, curb, sidewalk, and storm drain improvements on Evergreen Street.

Mayor Andrews recessed briefly at 8:52 PM. The meeting reconvened at 8:59 PM with the Mayor opening the public testimony.

Mr. Mahr again spoke to the emails received by Councilor McKinney that were forwarded to the City and clarified the personal contacts made with him and other people are considered ex parte contact. Councilor McKinney did not receive definitive information to use in making his decision and has said his decision will be based on the record and not anything he heard. In addition to this, because he lives on Meridian Street, the zone change could potentially have financial influence on his property value, but since this is not known, it needs to be declared as a potential conflict of interest, not an actual conflict of interest.

Proponents:

Mr. Mark Davis, Development Director for the Housing Authority of Yamhill County (HAYC), stated there are eight people within his group that will be speaking and asked if questions could be asked after all presentations. He spoke of their search for the past three years for R-3 property in Newberg providing nothing suitable. He said they are here tonight with the unanimous recommendation of the Planning Commission (PC) to rezone this current property and allow them to move forward in addressing the need for affordable housing. He offered benefits such as full-time onsite property management, location near the center of town, trained maintenance staff, and resident screenings. He also spoke of HAYC's history and what they bring to the City (see official meeting record for full report from all presenters).

Ms. Camellia Walker, an Architect with Idea Architecture and Development assisting HAYC with the zone change, stated with the assistance of the Planning staff they have compiled a list of buildable properties within Newberg that are zoned R-3 or HDR, which was given to the recorder including a map for consideration. They found twelve parcels in Newberg over one acre in size, three of the twelve did not have existing infrastructure in place for sanitary or storm and only six of the twelve were over three acres in size, which is comparable to the piece in question. The survey of the parcel at 1103 N. Meridian Street indicated 3.39 acres; she referred Exhibit C of the application. Of the six parcels around Springbrook, two were not served by the transit system and of all the parcels; none were located towards the center of town with access to the amenities of Newberg. She noted HAYC already provides services on Vittoria Square located on Springbrook Road just north of 99W. The property is compatible because it is close to parks, schools, George Fox University (GFU), churches, downtown commercial businesses, a bus stop, there are pedestrian and bike routes available, and there is already mixed zoning near by. There are similar development standards between R-1 and R-3 in regards to setbacks and parking and there is the efficiency of infrastructure. She added the comprehensive plan also states a need for R-3 in Newberg.

Mr. Jim Walker, an Architect with Idea Architecture and Development assisting HAYC with the zone change, stated this is a dream site for affordable housing. He spoke of the benefits of having a large lot for multi-family housing because they will not chop up the site with property lines and roads, the land will be used more

efficiently, saving more trees, providing more shared open space, and the ability to organize the lot around the historical house already there which they plan to revitalize. He indicated plans for the historical house and organizing the site, which will be executed through the required design review. He spoke of affordable housing not equating cheapness, building trust and engaging the community, and addressed neighborhood concerns from previous meetings held. He stated they plan to continue meaningful dialog with the community throughout the design review process.

Mr. Michael Ard, Lancaster Engineering Consultant, said he looked at what was possible on both the existing zoning and proposed zoning for comparison, the trip generation was thirty-eight (38) trips at the morning peak hours and forty-six (46) in the evening peak hours with 500 daily trips for the 3.39 acre scenario. This is a minor collector with access to land and traffic movement with two travel lanes and parking on both sides; the speed limit is twenty-five (25) mph with pedestrian access to sidewalk on both sides; bicycles are intended to share the road. Under the Oregon Transportation planning rule they did planning out to the year 2025 and noted all intersections and roadways met the maximum level of the criteria with the full development.

Mr. Thomas Sisul, Civil Engineer, stated there are poor drainage issues with the site being flat and falling to the southwest towards neighboring parcels. He spoke of the impact of adding impervious surfaces to the site and stated the city standards for runoff would need to be met adding it will likely be reduced to neighboring parcels and redirected into the city system. He spoke of the 18" storm drain on Meridian Street beginning two parcels to the north and running into a ditch at the tracks; it would be more than adequately sized including development on this site. The sewer would connect to the main sanitary on Evergreen Drive. He spoke of questions about the 8" pipe on Sierra Vista Drive adequately handling the flow with infiltration into the sanitary system; analysis was prepared to address this and supplied as part of the record. With the city's assumed infiltration rates Sierra Vista Drive can handle this. Water will be supplied by existing city mains; development would require further connections and pressure would be adequate even at maximum density with the R-3 zone change.

Mr. Rob Mawson, Historical Consultant from Heritage Consulting, said there are some minor issues they disagree with on the historic resource inventory, but fundamentally the 1985 inventory is correct in regards to the features, what is important, and how. It laid out a good path for preservation, but there were some questions about the Queen Anne architecture considering the vinyl siding already in place. He spoke of the historical significance of the parcel itself, referring to aerial views thirty to forty years after the building built which indicate a lot of changes occurred, as well as substantial changes in the 1970's; there are no defining characteristics. He said the site can be adequately buffered and rehabilitation would be according to the standards set by the state. He feels a balance can be found.

Mr. Phillip Griffin, a thirty year resident, spoke of HAYC's mission statement and sharing with those less fortunate. He spoke of who the residents in Newberg within their programs are and their self-sufficiency program being recognized by the U.S. Department of Housing and Urban Development (HUD) as the best program in the State of Oregon.

Ms. Elise Hui, Director of HAYC, said HAYC is a dedicated community partner helping to move people off of public assistance and into self-sufficiency by lending a hand to those needing basic necessities and assisting five hundred (500) families in Newberg and two thousand one hundred (2,100) in the County. She spoke of the current needs still being great with one thousand three hundred (1,300) still on a waiting list for subsidized housing and the inability to house them with only three apartment complexes housing one-hundred sixty-five (165) families and senior residents. She briefly addressed negative stereotypes as well and explained the benefits the three complexes have brought to the community.

Councilor McKinney addressed the architectural plan causing the historical home appearing nearly invisible from the road and changing the look of the neighborhood with the buildings being to the front and the parking in the rear. His concerns were for the loss of the forest areas.

Mr. Walker said the plan was intended to exhibit what can be done with this site and it is not a final design. The next step would be the design review process and they are not currently locked into anything. He said the house currently is barely visible because of trees obscuring the view, which is part of the issue they want to correct. He also spoke of HAYC already paying an arborist to come out and audit the trees on the site to determine which are healthy and which need to be removed since it is their desire to save as many of the trees as possible.

Councilor McKinney addressed questions about sidewalks not being contiguous other than along the frontage of the property and the future plans for sidewalks along the north and south. Mr. Ard stated this would be addressed in the development application process as a condition of development.

Councilor McKinney brought up concerns about drainage to adjacent properties. Mr. Sisul said because of poor soils and the topography of the site there will be standing water issues needing taken care of whether this is developed as a single or multi-family. It is easy to control the roof and pavement areas because the water is going to be piped into the storm drains, but it depends on the final configuration which will meet city standards.

Councilor McKinney asked Mr. Griffin if consideration could be given to rehabilitate another existing and sizeable property in the city to create adequate housing without thinking of property our own affordable housing people have not even considered. Mr. Griffin answered they did research purchasing existing properties and did pass by some properties because of costly expenses that would have been incurred and there was nothing large enough in Newberg for sale to accommodate management on one property. They are open to other feasible places, but they found none at this point.

Councilor Bacon asked about the percentages of occupancy. Ms. Hui replied they are averaging 95%-100% occupancy for their elderly homes in Newberg and their units for family has been down to as low as 90%, but maintains about 98% during the school year.

Councilor Bacon asked if the residents commit a crime if they are asked to leave. Ms. Hui replied they have a very low tolerance for criminal activity and even if there is just an arrest they start the eviction process.

Mayor Andrews asked about rules or limitations on the number of vehicles residents may have or keep on the property versus parking on the street. Ms. Hui stated there are two spaces given per family and there are no restrictions for on-street parking, but they will tow any vehicle that is not working.

Opponents:

Ms Pat Haight expressed her concern for what would be done with all the children living in this development and the safety of having kids near a busy street. She spoke of it being hard for the neighbors to adapt to living in a multiple housing area when they did not intend for it to be that way. She was concerned about there being no rules for parking and felt the Council did not need to approve this zone change.

Mr. Daniel Shepherd disagreed that the comprehensive plan allows for this sort of develop and read page forty-one (41) section 4(a) analysis and page fifty-one, section F. He said rezoning this area is in conflict with the comprehensive plan and spoke of two separate judicial cases agreeing the comprehensive plan is the controlling land use document and takes precedence. He recommended finding a benefactor with other pieces of property that they may be willing to swap with HAYC. He recommended the Chamber of Commerce come in and set up a heritage center with George Fox University to hold an educational center showing people and kids what it was like to live in Newberg at the turn of the century.

Councilor Shelton asked how this would differ from what he is citing about any change to this land being in conflict to the comprehensive plan; Mr. Shephard said they would not be able to do anything with that argument.

Councilor Bacon asked if Mr. Shepherd attempted to work on this project before the sale of this property. Mr. Shepherd said he did but without any luck.

Mr. Ernest Woods spoke of concerns with parking on the west side and having to put bicycle lanes at the end of the street because of the over three-hundred (300) cars an hour in the future. He spoke of the traffic study figures being erroneous and the problems with buses being parked at the railroad tracks. He said this was not a matter of not wanting this in our backyard, but there are problems that come from people living in government housing and he said we need to be careful.

Ms. Cindy Ziegenbien said she submitted a letter for the record and wanted to state HAYC purchased this property as R-1, so why should the neighbors take on the burden of their risk since 70% of the area is R-1.

Ms. Beatrix Newman, Real Estate Broker for Yamhill Realty, stated she uses Meridian Street a lot seeing railroad problems in the afternoon and at nine in the morning when the train goes back and forth for five to ten minutes causing drivers to turn around and go another way. She spoke of the need for drivers to slow down when coming to the tracks as well as causing back ups. She tried to contact the Willamette Railway with her concerns of how many times they should expect to see a train crossing here in a day; the Railway replied as many times as they want because they do not have to answer to anyone and they can run them every five minutes if they want. She said she is in favor of affordable housing and it is not a question of “not in my back yard” but a question of suitability, which this is not. The homes in this area were bought as single family homes and the historical values remind us of a gentler era. She felt the sale of this property was shrouded in mystery because she never even heard about it being listed or open to the public as a real estate broker. She spoke of other single homes scattered in the area that would work for lower income but HAYC does not want these properties because it is easier to manage all the units in one place. When you put more people together under stressed conditions in one space it does not work. Property values will be affected by a large complex of affordable homes as people’s perceptions may lower the prices in the area. She said HAYC needs to make this compatible for the inhabitants as well as the surrounding neighborhood already in place. She offered to sell the property for them pro bono.

Mr. Roger Wiltshire recommended denial of the zone change because this is the heritage of Newberg with the first home constructed in the area being on the property. He wished to focus on preserving the property and not just the house because the historic character of the property should not be destroyed either. He spoke of HAYC trading with CPRD for the area on 9th Street and Blaine Street.

Undecided:

Mr. Chuck Scott said he is a realist looking for the win-win situation. He submitted a letter into the record about changing the zone would open a huge gambit of possibilities. It would make a big difference if the make-up of this community would be restricted to seniors versus high density family because the parking would be different and the kids on a busy street next to a railroad track as well. He said if the change to R-3 cannot be denied, then at least restrict it to senior or disabled residents and not allow families at that location.

Mr. Robert Soppe felt there was no authority to deny the criteria and the comprehensive plan states continued preservation of site and structure shall be encouraged. The house is historic, not the property, but the structure can be preserved by limiting what was constructed by it. He spoke of the natural beauty and the goals to preserve the mature trees and if this is important enough then it can be made a requirement. He encouraged that whatever the decision the City should ensure that what they want to happen with this property happens by using their authority to make it a requirement of development.

Opponent:

Mr. Verne Martin said he was not aware of the zone change until interviewed by the news and the ad hoc committee appointed to locate sites for affordable housing. He said he looked to see if there were those available to make a trade with HAYC. He spoke of a letter submitted into the record and traffic being tougher on Meridian Street with or without development especially with GFU building a football team and lots of fans creating traffic. He said the property, not just the house, is historic and proposed a compromise of donating the land as an educational park for the preservation of Newberg's history.

Proponent rebuttal:

Ms. Camellia Walker referred to page 54 of the inventory of historic and natural resource (page 15 of 43 of supplemental items) and read part of the comprehensive plan that says conflicting uses should be mitigated through the design process and additional design review is in place for tree mitigation and storm water.

Mr. Ard spoke of the 7% of capacity question and misapplication of the text. He referred to page 244 in the packet to clarify and correct what was discussed previously.

Mr. Mawson referred to the idea of creating historic parks and stated there will be large traffic impacts with that type of use as well. He said it is important to have history but in relation to the maps and the changes made in 1970 to today, everything about the site is post-1970 except for the house.

Mr. Jim Walker addressed the lack of connection through the site to Evergreen Drive. The comprehensive plan states in order to maximize connections to surrounding neighborhoods, while avoiding negative traffic impacts, of HDR site trips through LDR areas the vehicular access was limited only to Meridian Street.

Mayor Andrews closed the public testimony.

Mr. Brierley stated staff received a letter from Spaulding Oaks Homeowners Association and has an article from The Newberg Graphic this weekend, which will be included in the record.

Mr. Mahr asked if the applicant wished to have the additional seven days to submit a final argument concerning this matter or waive their right. Mr. Davis stated they would waive their right for the seven day extension.

Mayor Andrews closed the public hearing and set deliberations to continue on December 20, 2010.

IX. COUNCIL BUSINESS

None.

X. ADJOURNMENT

The meeting adjourned at 11:19PM.

ADOPTED by the Newberg City Council this 3rd day of January, 2011.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 6th day of January, 2011.

Bob Andrews, Mayor

MOTION: McKinney/Rierson to consent to the appointment, by the Mayor, of Mike Gougler and Chuck Zickefoose for two positions with terms expiring December 31, 2010, on the Newberg Citizens Rate Review Committee for new terms expiring December 31, 2013, and appoint Demetri Tsohantaridis to fill a vacant position with a term expiring December 31, 2011. (7 Yes/0 No) Motion carried.

VI. PUBLIC COMMENTS

Ms. Pat Haight expressed her concerns for the lack of holiday decorations at the City Hall. She said she brought this matter to the attention of the mayor and city manager about getting some new lights put up, but it has not been done yet. She did not understand how there was no money in the budget to purchase four dollars worth of Christmas lights, but there was plenty of money to purchase the Baker Rock property and fund a city survey.

VII. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2010-2916** accepting the annual audit report and financial statements for the fiscal year ending June 30, 2010.
2. Consider a motion approving **Resolution No. 2010-2925** accepting the canvass of votes for the November 2, 2010, Biennial General Election.
3. Consider a motion approving City Council Minutes for November 15, 2010.

MOTION: Shelton/Bacon approving the Consent Calendar including **Resolution No. 2010-2916** accepting the annual audit report and financial statements for the fiscal year ending June 30, 2010, as amended; **Resolution No. 2010-2925** accepting the canvass of votes for the November 2, 2010, Biennial General Election; and the **City Council Minutes** for November 15, 2010, as amended. (7 Yes/0 No) Motion carried.

VIII. PUBLIC HEARINGS

Consider a motion approving **Order No. 2010-0030** amending the Comprehensive Plan map designation from Low Density Residential (LDR) to High Density Residential (HDR) and amend the Zoning designation from R-1 (Low Density Residential) to R-3 (High Density Residential) for a property located at 1103 North Meridian Street.

TIME – 7:08 PM

Mayor Andrews introduced the item and reminded everyone the Council closed the record at the previous meeting with the intention of entering into deliberations only this evening. They entered into the quasi-judicial hearing deliberations by starting with the staff's final recommendations.

Mr. Barton Brierley, Planning and Building Director, mentioned there were editorials published in The Newberg Graphic as well as a letter to the editor, which were provided to Council; however, there was also another editorial printed over the weekend that has not yet been entered into the record. He recommended opening the record to address the ex parte contact before proceeding with the deliberations.

Councilor Stephen McKinney stated he also had a door hanger placed on his door regarding this matter and would like to declare this material as ex parte contact as well.

MOTION: Rierson/Shelton to open the record to include the ex parte contact material received in the form of editorials and a door hanger. (7 Yes/0 No) Motion carried.

Mr. Terrence Mahr, City Attorney, declared that once the material is accepted into the record the audience must be asked if there is anyone who would like to address the new evidence that just became a part of the record since they were not previously notified the record might be opened.

Mayor Andrews asked if there was anyone in the audience that wished to address the items added to the record.

Mr. Daniel Shepherd stated he was not privy to what the letter was, so it was hard for him to say yes or no. He said he has read the two articles/editorials, but not the letter to the editor. Staff provided a copy on the back table for anyone wishing to look at it.

Councilor Marc Shelton asked if Mayor Andrews would recess briefly for council members to review the new material as well. Mayor Andrews recessed at 7:15 PM and reconvened at 7:20 PM.

Mr. Mahr stated contact has been made with HAYC and some of the neighbors to see if they are willing to get together to see if there is a project that would be more acceptable for both sides. Both HAYC and the neighbors want to do this, so staff is asking Council for a postponement to the January 3, 2011, Council meeting giving an opportunity to see if a common ground can be reached before deliberations continue. He asked Council for some of their concerns so staff can take them to the meeting. He stated a limited use overlay can be put on the property to ensure conditions are followed.

MOTION: Witherspoon/Shelton to postpone the deliberations to the January 3, 2011, City Council meeting to allow for the citizens and HAYC to have a chance to meet. (7 Yes/0 No) Motion carried.

Mayor Andrews asked if this is not approved at R-3 and left as R-1, is there anything to prevent development as R-1 and access to the property off of Evergreen Drive. Mr. Brierley stated under the current zoning restrictions that is an open option, he is not saying it would be approved and it may be a requirement depending on the configuration of the proposed development.

Councilor Shelton asked if these will be city owned roads in R-1. Staff answered the most likely scenario as R-1 would be public streets with some connection to Evergreen Drive.

Councilor Wade Witherspoon asked what limitations the City has and what restrictions come into play when an overlay is applied to a situation like this. If the City cannot say this is mandated to exactly how we want it, then what can we impose; what are the limits, regulations, or criteria we use to say what can and cannot be done. Mr. Mahr replied that would be controlled by our code.

Mr. Brierley further explained that the development code does allow a limited use overlay to be placed on a property at the time of rezoning and it is intended to address peculiar circumstances of a particular property where you would not perhaps approve the rezoning as a standard zone without addressing some particular situation that would not apply to other properties in that zone. He said they should be looking at comprehensive plan goals and how a particular condition would be necessary to accomplish that goal, which would not be accomplished by approving it as a standard zone. There are limits by the constitutionality of the conditions, meaning a public facility cannot be required that is not proportional to the impacts of the property. He said a good gauge is if the applicant agrees to it then the condition can be imposed.

Councilor Bart Rierson thanked the audience members who came expecting a resolution this evening for their participation and assured them the Council takes this matter very seriously; he said they are not postponing deliberations to drag out the process, but to give all parties an opportunity to come to a consensus so the Council's decision can offer the best result for all involved.

Councilor Stephen McKinney asked staff if improvements are required for Evergreen Drive for the north and south, would there also be improvements included for Sierra Vista Drive. He felt an all encompassing overlay, for both drives would be a more suitable solution among the stakeholders. Staff replied this can be done and should be discussed in the context of being limited to what is proportional to impact of development, which may not permit placing a condition like that on the owner, but there may be a cooperative agreement among the property owners to have this occur congruently.

Councilor Shelton asked about available mechanisms to improve Sierra Vista Drive. Staff replied a Local Improvement District (LID) is available if agreed on by City Council and the owners. There are other mechanisms available, but they are challenging, like putting it into a city capital improvement program where funding is not always available.

Mayor Andrews stated the postponement is to get the best possible decision and thanked all who came this evening.

Mr. Mahr asked if there are others that need to be involved in the meetings to please let him know because they are not trying to exclude anyone.

IX. COUNCIL BUSINESS

1. Update on the Solid Waste Franchise.

TIME – 7:35 PM

Mr. Mahr spoke of the City of Newberg and the City of Dundee getting together with Waste Management after the first of the year to see if an agreement can be reached regarding particular concerns like the desire for curbside glass and oil pick-up, continuing with garbage service for the City at no charge, and the 3% franchise fee being increased. He will provide an update after the first of January.

2. Discussion on the Chehalem Valley Visitor Center Contract.

TIME – 7:38 PM

Mr. Danicic addressed the draft version of the contract with the Chehalem Valley Chamber of Commerce in their packet and asked for any concerns from Council. Discussions followed about items previously spoken of that were omitted from the draft version and needed to be included, like limiting the City contribution to no more than 50% of the Chamber's budget and the Chamber's matching funds being no less than they are currently. It was determined the contract would be reviewed annually and could be terminated if conditions were not met.

3. Discussion on the Mission Statement & Vision Statement.

TIME – 7:56 PM

Mr. Danicic presented the Mission Statement as taken down by staff from the December 6, 2010, Council Work Session meeting and asked for Council recommendations to change or approve it.

MOTION: Rierison/Bacon to adopt the final recommendation from staff that “The City of Newberg serves its citizens, promotes safety, and maintains a healthy community” as the City’s Mission Statement. (7 Yes/0 No) Motion carried.

Councilor Denise Bacon stated she was uncomfortable when citizens speak out against staff in an offensive manner and spoke of the rules of conduct stating comments are to be addressed to Council not staff. Discussions followed as to what should and should not be allowed without imposing on first amendments rights

of speech and possible solutions for limiting who is addressed during the meetings. Others suggested taking opportunities to offer praise and accomplishments as a positive reaction to offensive or derogatory comments by the public towards staff.

X. ADJOURNMENT

The meeting adjourned at 8:23 PM.

ADOPTED by the Newberg City Council this 18th day of January, 2011.

Norma I. Alley, City Recorder

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

Bob Andrews, Mayor

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: January 18, 2011

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

SUBJECT: Approve the Chamber of Commerce quarterly report for the Chehalem Valley Visitor Information Center.

Contact Person (Preparer) for this Motion: Norma Alley, City Recorder
Dept.: Administration
File No.:
(if applicable)

RECOMMENDATION:

Approve the Chamber of Commerce 2009-2010 third and fourth quarter report for the Chehalem Valley Visitor Information Center.

EXECUTIVE SUMMARY:

The City of Newberg helps financially support the Chehalem Valley Visitor Information Center. As part of that support, the City Council has requested the Visitor Information Center provide budget reports.

FISCAL IMPACT:

The City of Newberg is currently funding the Visitor Center with a yearly contribution of \$30,000.00 funded from the Transient Lodging Tax and business licenses funds.

STRATEGIC ASSESSMENT:

The City Council has determined that the operation of a Visitors Center is in the best interests of the City's business community and promotes tourism and economic development in the Newberg area.

Chehalem Valley

CHAMBER OF COMMERCE & VISITORS CENTER

November 19, 2010

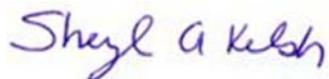
Norma Alley, CMC
City Recorder
City of Newberg
PO Box 790
Newberg, OR 97132

Dear Norma:

The Chehalem Valley Chamber of Commerce is pleased to submit the third and fourth quarter report of 2009-2010 for the Newberg Visitor Information Center. Please distribute these documents to the Mayor and City Council members.

Please schedule the Visitor Center report for the Council meeting on December 6th; I would like to make a brief presentation at that time. I will also have budget numbers to add for first quarter (July-October) of the 2010-2011 fiscal year and will provide a summary of visitor center marketing activities and accomplishments for the same period.

Sincerely,



Sheryl Kelsh
Executive Director

2010 - 2011 Visitor Center Budget

Chehalem Valley Chamber of Commerce

Income

		10-11		
		BUDGET TOTALS		09-10 BUDGET
City of Newberg*		\$56,000		\$30,000
Chehalem Valley Chamber of Commerce Contribution		\$40,725		\$57,971
*Estimate provided by City of Newberg for period				
	TOTAL	\$96,725		\$85,971
Expenses				
Personnel - 1.5 FTE		\$44,975		\$44,975
Executive Director				
Director of Marketing & Programs				
Visitors Center Coordinator				
Visitors Center - Seasonal Help				
Bookkeeper (P/T)				
Benefits - Health Insurance & Retirement				
Taxes				
Marketing Expense		\$14,000		\$9,246
Newberg Graphic Tourism				
Travel Yamhill Valley - Co-op Ad Opportunities				
Willamette Valley Visitors Association - Co-op Ad Opportunities				
Governors Conference on Tourism - Oregon Destination Marketing Conference				
Visitors Center Brochure - Reprints & Tourism Inserts				
Website				
Travel Yamhill Valley - Membership				
Travel Oregon Co-op Advertising Opportunities				
Overhead		\$37,750		\$31,750
Calculated on 1/3 of overhead in Chamber Budget applicable to tourism				
Includes: Dues/Subscriptions, Admin. Insurance, Internet/Web,				
Miscellaneous, Supplies, Postage, Leases, Rent, Capital				
Improvements, Repair/Maintenance, Telephone, Utilities				
Yamhill Valley Visitors Association dues, Professional Fees				
Portland Oregon Visitors Association dues				
Rent* New starting 1/1/2011				
	TOTAL	\$96,725		\$85,971

	Q3 & Q4	YTD 09-10	Budget
REVENUE:			
City of Newberg	\$15,000.00	\$30,000.00	\$30,000.00
Newberg Chamber contribution	\$31,021.20	\$59,281.20	\$55,971.00
TOTAL REVENUES:	\$46,021.20	\$89,281.20	\$85,971.00
EXPENSES:			
Personnel	\$21,991.00	\$43,048.00	\$44,975.00
Marketing	\$4,874.58	\$13,865.58	\$9,246.00
Overhead/Utilities, etc.	\$19,155.62	\$32,367.62	\$31,750.00
TOTAL EXPENSES:	\$46,021.20	\$89,281.20	\$85,971.00

Chehalem Valley Chamber of Commerce

2009/2010 Visitor Information

Service Record and Monthly Report

Comparison (Prior Year)

	Phone	Phone	Visitor	Visitor	Web Visits	Web Visits
	2009-2010	2008-2009	2009-2010	2008-2009	2009-2010	2008-2009
July	802	701	1288	1355	4362	4459
Aug	823	857	1445	1322	4349	3731
Sept	715	667	1799	1272	4299	3065
Oct	440	529	930	700	5242	4138
Nov	443	402	412	372	3918	3937
Dec	198	229	201	266	3447	3327
Jan	367	219	244	232	4048	3650
Feb	202	237	169	233	3825	3686
March	332	339	272	366	4436	3868
April	338	399	198	290	3895	3382
May	324	402	390	550	4324	2813
June	413	568	418	709	3624	4169
Total:	5397	5549	7766	7667	49769	44225

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: January 18, 2011

Order ____ Ordinance ____ Resolution XX Motion ____ Information ____
No. No. No. 2011-2927

SUBJECT: Approval of an agreement with the Chehalem Valley Chamber of Commerce for Visitor Information Center services and approval by the Council as the contract review board for an exemption based on the findings.

Contact Person (Preparer) for this
Resolution: **Dan Danicic, City Manager**
Dept.: **Administration**

RECOMMENDATION:

Adopt **Resolution No. 2011-2927** approving a contract between the City of Newberg and the Chehalem Valley Chamber of Commerce for Visitor Information Center services and approve the exemption to enter into the agreement.

EXECUTIVE SUMMARY:

The Chehalem Valley Chamber of Commerce (Chamber) has requested additional funding in order to continue to provide Visitor Information Center services to the Newberg area. The City Council considered this request and passed a motion to increase the funding to the Chamber of Commerce under a new agreement.

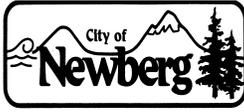
This agreement would essentially provide for a partnership between the Chamber and the City for operations of a Visitor Information Center. The Chamber is expected to be responsible for partial funding of the Visitor Information Center. The Council as the Contract Review Board has the authority to exempt approval of agreements from the normal solicitation process. The Council as the Contract Review Board finds that this is a partnership agreement; there are provisions for accountability; the method to funding is similar to a grant; the City has a long time partnership with the Chamber; this partnership method will save cost because the Chamber is partially funding these services; and this approval of the contract will diminish competition.

FISCAL IMPACT:

The City will increase funding providing \$5,125.00 a month of funding to the Visitor Information Center for the remainder of the 2010/2011 Fiscal Budget per the contract. \$4,125.00 would come from General Fund (01.1110) and \$1,000.00 from the business licenses (14.4120). In the 2011/2012 Fiscal Budget the total \$61,500.00 would come out of the General Fund.

STRATEGIC ASSESSMENT:

The City Council has determined that the operation of a Visitor Information Center is in the best interests of the City's business community and promotes tourism, as well as economic development in the Newberg area.



RESOLUTION No. 2011-2927

A RESOLUTION APPROVING AN AGREEMENT WITH THE CHEHALEM VALLEY CHAMBER OF COMMERCE FOR VISITOR INFORMATION CENTER SERVICES AND APPROVING, BY THE CITY COUNCIL AS THE CONTRACT REVIEW BOARD, AN EXEMPTION BASED ON THE FINDINGS OF FACTS HEREIN ADOPTED

RECITALS:

1. The City has previously entered into agreements with the Chehalem Valley Chamber of Commerce (Chamber) to operate a Visitor Information Center under the authority of Resolution No. 1996-1970, Resolution No. 1998-2121, and Resolution No. 2003-2483.
2. The City desires to continue that relationship and enter into an agreement with the Chamber of Commerce to provide Visitor Information Center services for the City.
3. The Chamber is willing to provide promotional development for the City, which includes services to market, solicit, advertise, promote, sponsor, and participate in conventions, sales meetings, trade shows, athletic or other exhibitions and competitions, film commission activities, and other activities in the City to help attract tourism to the City of Newberg area.
4. The City desires to support the Chamber with a portion of the transient room tax levied throughout the City, and the Chamber shall provide support in part by private sector contributions.
5. The City desires to improve the quality and efficiency of managing the Visitor Information Center, and finds the Chamber is duly qualified and able to provide that role.
6. The City Council, as the contract review board, has the authority to grant an exemption to the approval of the agreement based upon the criteria set out in Newberg City Code §34.07.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Manager is hereby authorized to sign the agreement attached as Exhibit “ A” and by this reference incorporated, providing for a City Visitor Information Center to be operated by the Chehalem Valley Chamber of Commerce.

2. The City Council as the contract review board approves an exemption to the normal solicitation process based upon the findings of fact attached is Exhibit "B" and by this reference incorporated.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: January 19, 2011.

ADOPTED by the City Council of the City of Newberg, Oregon, this 18th day of January, 2011.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 21st day of January, 2011.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

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

AGREEMENT
between
CITY OF NEWBERG
and
CHEHALEM VALLEY CHAMBER OF COMMERCE

This Agreement is entered into this _____ day of January, 2010, between the Chehalem Valley Chamber of Commerce, hereinafter referred to as "Chamber", and the City of Newberg a municipal corporation, hereinafter referred to as "City." This agreement supersedes all prior agreements between the City and Chamber.

INTENT

The intent of the parties is to form an agreement in order for the Chamber to provide visitor information services. These services will be provided through a Visitor Information Center, referred to as "Center", for a period of five (5) years beginning July 1, 2010, and ending June 30, 2015. Such services shall be partially funded through funds from the City.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

3. TERM OF AGREEMENT

The term of this Agreement is for five (5) years subject to approval of the annual business plan as follows:

1. Initial Five (5) Year Term – The five (5) year term will be from July 1, 2010 until June 30, 2015, subject to the provisions in paragraph b.
2. Annual Business Plan Approval – The business plan for the first year is attached as Exhibit "A" and by this reference incorporated. Approval of the contract will constitute acceptance and approval of the first year business plan. Thereafter, an annual business plan for the following fiscal year as used by the City (July 1st through June 30th) will be presented to the City on or before May 1st. The City will take action concerning the business plan on or before June 30th that year. Failure of the City to approve the business plan will suspend the City's obligation to make payments under the contract. The City and the Chamber will discuss in good faith any issues concerning the business plan with the objective to continue to operate the Center.
3. Renewal After Five (5) Year Term – There will be no automatic renewal after five- (5-) year term, unless the parties agree to such renewal. The contract will terminate at the end of the initial term (June 30, 2015). However, the parties will meet and discuss renewal of the contract in order to continue operation of the Center. These discussions will begin no later than January of 2015.

4. SERVICES TO BE PROVIDED

The scope of services that the Chamber shall provide is as follows:

- Management and Administration – Management and administration of the Center located in the City of Newberg. Chamber shall provide all necessary staff, materials, and services to adequately

represent the City in meeting with visitors, dispensing information regarding the area, developing necessary informational programs and coordinating with associated agencies and entities.

- Visitor Promotion Activities – Chamber shall provide all functions, literature, advertising, staff, supplies, equipment and support associated with an educational awareness program designed to promote the City of Newberg area as a destination for tours and visitors. Membership with the Chamber will not be a prerequisite for representation within the Center or its activities. Chamber shall coordinate its activities, as appropriate, with affiliated organizations such as the Oregon Travel Council and other visitor promotional entities.

5. BUDGETING

In consideration of the services provided in this agreement, the City agrees to provide public sector funds to Chamber for the operation, management and performance of services outlined in this agreement, and provided that the Business Plan is approved each year.

The City will make quarterly payments to the Chamber equal to 25% of the actual collected Transient Lodging Tax (TLT) revenue. The payment will be made within 30 days of the hotels quarterly reporting/payment deadline. Payment for the first half of fiscal year 2009/2010 shall be equal to 25% of the actual collected TLT less any payments already made to Chamber.

The City expects that the Chamber shall maintain a financial investment in the operation and management of the Center. For the duration of this contract, the Chamber shall contribute a minimum of \$50,000 each year.

6. REPORTING

1. Annual Business Plan – On May 1 of each year, Chamber shall submit a Business Plan containing a detailed budget and identification of activities and a statement of performance goals for all activities contemplated pursuant to this agreement, which plan must be approved by the City Council. The Business Plan for the first year of this agreement is attached as Exhibit “A”.

Chamber shall notify City in writing of any significant change made to the Business Plan.

2. Quarterly Reports – Chamber shall report to the City on a quarterly basis. Such reports shall be furnished to the Newberg City Council no later than the first regular meeting of the City Council during the second month following the end of the calendar quarter. Each report shall be for the previous quarter. The reports shall be furnished to the City in writing in time to meet the regularly scheduled City Council agenda deadline. Such deadline is 10:00am two Fridays prior to the City Council meeting. Such deadline time may be changed by the City. Notification of deadline change shall be submitted to Chamber.

The report shall include the following information:

1. Financial reports, including Statement of Revenues & Expenditures which are specifically applicable to the Chamber’s operation of the Center.
2. Activity report detailing progress on goals, objectives and tasks identified in the Business Plan.

7. RECORDS AND ACCOUNTING

Chamber shall maintain records and accounts that will allow the City to assure a proper accounting for all funds paid for the performance of this agreement. Within 72 hours of a written request by the City, Chamber shall make such records available for review by the City and other authorized entities requiring such records.

8. HOLD HARMLESS

Chamber shall indemnify and hold harmless the City against any claims, damages or suits resulting from the operation of the Center. The Chamber shall furnish to the City a Certificate of Insurance showing that adequate insurance coverage has been provided and that the City has been named as an additional insured on the Chamber insurance policy. Such certificate shall be furnished to the City upon execution of the Agreement and additional proof of continued insurance coverage shall be furnished upon request by the City.

9. TERMINATION OF AGREEMENT

This Agreement can be terminated as follows:

- a. At-will – By either party at will, without cause by giving notice of termination prior to January 1 for termination as of June 30 during the term of the agreement. Nothing in this notice of termination shall prohibit the parties from mutually agreeing to terminate the agreement at any time.
- b. Failure to Furnish Reports – If the Chamber fails to furnish quarterly or annual reports in a timely fashion as indicated under paragraph four (4) herein, the City may terminate the agreement subject to the notice and Chamber may be subject to reimburse the City for all payments made during the quarter for which the report has not been timely submitted; provided that Chamber has not within thirty (30) days, after written notice, provided a quarterly report.
- c. For Cause – The City will the right to terminate the Agreement for cause after notice to the Chamber and the Chamber has not corrected the situation where they are in violation of the contract within thirty (30) days after the notice.
- d. Notice – Notice required by the Agreement and under this paragraph will mailed to the address indicated below for each party:

City Manager	Executive Director
City of Newberg	Chehalem Valley Chamber of Commerce
PO Box 970	415 E. Sheridan St.
Newberg, OR 97132	Newberg, OR 97132

- e. Liability for Payments – The City will have no liability for any payments after termination of the Agreement. Chamber has no rights to rely upon this Agreement in making any obligations to any person about future funding of any position with the Center.

10. BUDGET LAWS OF THE STATE OF OREGON

The City of Newberg is a municipal corporation and is obligated under the budget laws of the State of Oregon known as the Local Budget Law. Any provision of the Agreement which is not in conformance with the Local Budget Law is null and void. Further, the City cannot expend monies beyond the revenues received. The City authorizes expenditures in accordance with the City's Transient Lodging Tax Ordinance and its budget and revenue projections. If the City does not receive revenues in accordance with its projections, expenditures must be decreased.

IN EVIDENCE THE UNDERSIGNED HAVE EXECUTE THIS AGREEMENT:

CITY OF NEWBERG

414 E. First Street
Newberg, OR 97132

**CHEHALEM VALLEY CHAMBER
OF COMMERCE**

415 E. Sheridan Street
Newberg, OR 97132

BY:

BY:

Daniel J. Danicic, City Manager Date

Sheryl Kelsh, Executive Director Date

APPROVED AS TO FORM AND CONTENT:

Terrence D. Mahr, City Attorney Date

**VISITOR INFORMATION CENTER
CONTRACT FOR SERVICES**

The Chehalem Valley Chamber of Commerce will contract with the City to manage the Newberg Area Visitor Information Center, currently located at 415 E. Sheridan Street, Newberg. It is the mission of the Newberg Visitor Information Center to grow the economic impact of tourism through enriching local experiences.

The Chehalem Valley Chamber of Commerce will carry out that mission by providing the following services:

1. Maintain regular open hours:
Minimum: 9am – 5pm, Monday through Friday
Summer: Memorial Day to September 30th, weekends four hours minimum
Total Hours: Minimum 2,000 hours, open to public
2. Plans and procedures to respond to visitor and resident inquiries via telephone, and internet in a timely manner.
3. Trained staff with destination and customer service expertise. All new employees to acquire Q-Service certification within 90 days of employment.
4. Copies of the appropriate and current local visitor information including maps, community profile, demographics, brochures or information about events, activities tourist destinations and points of interest. (Currently stocking over 600 different maps and brochures)
5. Maintain availability of current statewide travel materials provided by Travel Oregon and the Oregon Department of Transportation.
6. Access to basic visitor information after hours through an outdoor brochure rack.
7. Provide information and directions to local and area businesses and organizations including access to the computer and printed mapquest directional guides.
8. Assemble and provide Newberg Destination information as part of relocation requests, visitor requests and/or New Employee information.
9. Participate and seek destination marketing “best practices” through membership with Travel Yamhill County and the Oregon Destination Marketing Association.
10. Compile, organize and distribute an annual community information guide and Newberg area street map.
11. Maintain an online calendar of community events.
12. Maintain a website with visitor information.
13. Supply large employers such as George Fox University, A-dec, Climax and others materials for their

new employee packets.

14. Automobile parking within walking distance.
15. Drinking fountain or access to water during open hours.
16. Restrooms within walking distance, accessible to all members of the traveling public during open hours.
- 17 ADA Accessibility.
18. A landline telephone for staff or guest emergency use.
19. Report to City of Newberg:
 - a. Quarterly Financial Reports
 - b. Activity Report
 - c. Information relevant to local tourism

2010 - 2011 Visitor Information Center Budget
Chehalem Valley Chamber of Commerce

Income		10-11	
		BUDGET TOTALS	09-10 BUDGET
City of Newberg*		\$56,000	\$30,000
Chehalem Valley Chamber of Commerce Contribution		\$40,725	\$57,971
*Estimate provided by City of Newberg for period			
	TOTAL	\$96,725	\$85,971
Expenses			
Personnel - 1.5 FTE		\$44,975	\$44,975
Executive Director			
Director of Marketing & Programs			
Visitor Information Center Coordinator			
Visitor Information Center - Seasonal Help			
Bookkeeper (P/T)			
Benefits - Health Insurance & Retirement			
Taxes			
Marketing Expense		\$14,000	\$9,246
Newberg Graphic Tourism			
Travel Yamhill Valley - Co-op Ad Opportunities			
Willamette Valley Visitors Association - Co-op Ad Opportunities			
Governors Conference on Tourism - Oregon Destination Marketing Conference			
Visitor Information Center Brochure - Reprints & Tourism Inserts			
Website			
Travel Yamhill Valley - Membership			
Travel Oregon Co-op Advertising Opportunities			
Overhead		\$37,750	\$31,750
Calculated on 1/3 of overhead in Chamber Budget applicable to tourism			
Includes: Dues/Subscriptions, Admin. Insurance, Internet/Web,			
Miscellaneous, Supplies, Postage, Leases, Rent, Capital			
Improvements, Repair/Maintenance, Telephone, Utilities			
Yamhill Valley Visitors Association dues, Professional Fees			
Portland Oregon Visitors Association dues			
Rent* New starting 1/1/2011			
	TOTAL	\$96,725	\$85,971

Findings of Fact for Exemption

to Enter into the Agreement Between the City of Newberg and the Chehalem Valley Chamber of Commerce for Visitor Information Center Services

The City Council is the Contract Review Board pursuant to Newberg Municipal Code Chapter 34. The City Council in its authority as the Contract Review Board grants the City an exemption from the solicitation process and approves the entering into agreement with Chehalem Valley Chamber of Commerce (Chamber) based on the following Findings of Fact:

1. This is in the form of a partnership agreement in which the City furnishes partial funding through the transient room tax and the Chamber contributes funding as well, thus, being a joint funding effort.
2. The Chamber reports to the City through quarterly reports and an annual business plan concerning the operations. This reporting gives accountability in a public way for expenditure of funds and serves as a report to the community on the services provided by the Visitor Information Center.
3. The method of funding the Visitor Information Center is similar to a grant method with contributions of matching funds by the Chamber.
4. Grants would ordinarily be exempt from Public Contracting Rules. This agreement actually provides for more accountability through the reporting mechanisms than would be found if a grant was issued.
5. The City has been a long time partner of the Chamber in furnishing a Visitor Information Center to the community.
6. This partnership method with the Chamber’s participation will have cost savings to the City as compared with the City totally funding the Visitor Information Center.
7. With the sharing of costs by the Chamber and the partnership agreement with accountability, this exemption would be unlikely to encourage favoritism in the awarding of public contracts.
8. The wording of the agreement would substantially promote the public interest in a manner that could not practically be realized by complying with the solicitation requirements, such as a Request for Proposals. This is because this agreement requires partial funding of the Visitor Information Center through private sector funds from the Chamber.
9. Awarding of the agreement, in which documents that have resulted from a long-term relationship with the Chamber in operating the Visitor Information Center, will not diminish competition for public contracts. This is because the relationship has existed for such a long period of time.
10. Based on the above Findings of Fact and in consideration of the long-term, ongoing relationship, the Council authorizes the City to enter into the agreement with the Chamber to operate the Visitor Information Center. This agreement has been reached through direct negotiations with the Chamber. The process is exempt from the normal public contracting process. This exemption applies only to this particular agreement.