



CITY OF NEWBERG COUNCIL AGENDA

TUESDAY, JANUARY 3, 2012

7:00 P.M. MEETING

PUBLIC SAFETY BUILDING TRAINING ROOM (401 EAST THIRD STREET)

Mission Statement

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

Vision Statement

Newberg will cultivate a healthy, safe environment where citizens can work, play and grow in a friendly, dynamic and diverse community valuing partnerships and opportunity.

I. CALL MEETING TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. COUNCIL PRESIDENT ELECTION

Consider a motion to elect a Council President from among the City Council. (Pg. 3)

V. CITY MANAGER'S REPORT

VI. 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)

VII. CONSENT CALENDAR

Consider a motion approving 2011 minutes for November 21 and December 5 City Council meetings. (Pgs. 5-14)

VIII. PUBLIC HEARINGS

Consider a motion approving **Resolution No. 2012-2986** supporting the submission of a grant application to Oregon Business Development Department by the Housing authority of Yamhill County. (Pgs. 15-18)

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.

IX. COUNCIL BUSINESS

X. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder's office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please dial 711.

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. 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.

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 3, 2012

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

SUBJECT: Election of Council President

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

RECOMMENDATION:

Elect a member of the city council to serve as council president.

EXECUTIVE SUMMARY:

The City Charter states that, at its first meeting each year, the council must elect a president from its membership. The president presides in the absence of the mayor and acts as mayor when the mayor is unable to perform his or her duties.

The position of council president is currently held by **Councilor Rierson**.

FISCAL IMPACT:

None.

STRATEGIC ASSESSMENT:

The position of council president needs to be filled to ensure that the duties and authority of the office of mayor can be legally exercised in the event that the mayor is absent or unable to fulfill his or her duties.

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REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: January 3, 2012

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

SUBJECT: Approve the November 21, 2011, and December 5, 2011, City Council Meeting minutes.

Contact Person (Preparer) for this Motion: Norma Alley, City Recorder
Dept.: Administration

RECOMMENDATION:

Approve City Council minutes for preservation and permanent retention in the City's historical records.

EXECUTIVE SUMMARY:

The City of Newberg City Council held a public meeting 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
NOVEMBER 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 Council debrief on November 8, 2011, Election occurred. All Councilors and the Mayor were present; no action was taken; and 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
 Marc Shelton Wade Witherspoon Bart Rierson

Staff

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

Others

Present: Cathy Stuhr, Pat Haight, and Mike Boyes.

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. APPOINTMENTS

1. Consider a motion appointing Jack Reardon and Lon Wall to the Budget Committee for terms expiring December, 2014.

MOTION: Rierson/Shelton appointing Jack Reardon and Lon Wall to the Budget Committee for terms expiring December 31, 2014. Motion carried (7 Yes/0 No).

2. Consider a motion appointing Cathy Stuhr and Phil Smith to the Planning Commission for terms expiring June, 2014.

MOTION: Rierson/McKinney appointing Cathy Stuhr and Phil Smith to the Planning Commission for terms expiring December 31, 2014. Motion carried (7 Yes/0 No).

V. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, reported the Newberg Animal Shelter Friends (NASF) will be holding their annual Pictures with Santa for Pets fundraiser; the volunteer firefighters will be working this weekend to put up the Christmas decorations on the light poles; the Local Governments Dinner will be held on December 8, 2011; and the annual Holiday Tree lighting and the Newberg Downtown Coalition (NDC) Holiday Street Extravaganza will be held simultaneously at the library on December 1, 2011.

VI. PUBLIC COMMENTS

Ms. Pat Haight expressed hurt and anger regarding comments made by the Mayor and Councilor Bart Rierson on the audio recording from the previous Council meeting about her complaints about Christmas lights for City Hall. She felt the comments were trashy and hurtful. She said they need to examine their thoughts about the people they serve. Councilor Rierson offered his sincerest apologies and said the comments were inappropriate. Mayor Andrews thanked her for her comments and also apologized for the inappropriate comments.

Mr. Mike Boyes spoke of the failed initiative measure and his support for it. He spoke of Ms. Haight being his sister and although they do not always see eye-to-eye he did agree with her previous comments about the railroad tracks by SP Newsprint and agreed they were unsafe; he wondered why they had not been fixed yet. He also spoke of two Habitat for Humanity homes being built on 5th and River Streets commenting they were too close together and about pavers in the front yard being used for a driveway; he said he hoped it did not turn into a slum area and it just does not look good. He said low cost housing is not always well managed. He also spoke of driving out by Oxberg Lake Estates and the intersection work with roundabouts that has been done there; he said this area also does not look good. He referred to a news article in The News Register about reckless planning and the City building walls. Finally, he addressed the comments made on the audio recording about his sister, Ms. Haight, and said if they are not going to turn off their microphones then they should at least take of the comments off the audio recording if it has not been done already. He also agreed with her, Christmas lights should be put up around City hall and said the City has ninety some employees with great benefits that could do it.

VII. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2011-2978** extending the City's workers' compensation insurance coverage to volunteers.

This item was pulled from the Consent Calendar and discussed under New Business.

2. Consider a motion approving October 3, 2011, City Council minutes.

TIME – 7:23 PM

MOTION: Witherspoon/Bacon approving the Consent Calendar including the City Council minutes from October 3, 2011. Motion carried (7 Yes/0 No).
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VIII. PUBLIC HEARINGS

Consider a motion approving **Resolution No. 2011-2980** adopting revised City Council District Boundaries.

TIME – 7:24 PM

Mayor Andrews introduced the resolution and passed the gavel to Council President Bart Rierson to preside over the hearing.

Councilor Rierson called for any conflicts of interest or abstentions. Councilor Rierson asked about a potential conflict of interest for himself and Councilor Wade Witherspoon since they may share a district based on the outcome, but he would not be basing his decision on this. Councilor Witherspoon agreed with his statement. Mr. Terrence Mahr, City Attorney, clarified there were no financial interests in this matter and they were the only ones as council members who can make the decisions, so there were no conflicts.

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

Councilor Witherspoon asked what the significance was for splitting the Springbrook Properties area into two districts. Staff replied there were several hundred homes in that area and under the one proposed scenario, both Districts 4 and 5 would grow a bit, under the other scenario all the growth would be in District 4 and the potential to be out of balance would be quicker. Councilor Witherspoon asked if the split would be advantageous. Staff replied it would be as well as the fact the terms of expiration are different for him and Councilor Rierson.

Councilor Stephen McKinney spoke of this being the area with the greatest potential for disruption in numbers and asked if the disruption would require further redistricting. Staff replied there were slightly fewer electors under Scenario #5 and District 4 will become much larger upon the development of the Springbrook Properties; under Scenario #6, both Districts 4 and 5 will become somewhat larger and would need redistricting sooner.

Mr. Mahr took a moment to remind everyone these options for districting may look nice, but Councilors are still elected at large and do not represent a single district, but the City at large; they are just nominated from a district. He said this lowers the impact of the numbers and the size of the districts.

Mayor Andrews said he understood the significance of the districts, not in the representation as a district, but in the way it is defined by the citizens to ensure a reasonable spread of representation for purposes of nominating. Staff added this is only the formal reason; informally each councilor gets issues from the certain part of town in which they reside.

Councilor Shelton clarified that to do away with the districts would take a vote of the citizens because it is in the Charter. Mr. Mahr said this is correct and it was put in there because council members had become clustered and not spread out. Councilor Shelton spoke of Councilor Denise Bacon receiving a lot of calls when the Oregon Department of Transportation (ODOT) was looking at properties for the Newberg-Dundee Bypass as an affirmation of that informal relationship for citizens to call the councilor in their district.

Mayor Andrews asked about this issue of neighborhoods regarding the two scenarios. Staff said no one scenario could ever meet each provision ideally, but they felt in areas like a neighborhood there were concerns for divisions, but they had to occur because a line had to be drawn. Mayor Andrews continued discussions with staff regarding divisions between neighborhoods and districts in the scenarios and summarized of the two provisions, Scenario #6 appeared to give the most flexibility or resolve for potential future issues with growth. Staff agreed Scenario #6 accommodates for future growth for the next ten years without the need to redistrict.

Councilor Rierson opened and closed the public testimony as none appeared. Staff made their final recommendations for either Scenario #5 or #6 and recommended language to reflect that choice in the resolution.

Councilor McKinney asked about the effects of either scenario for District 2 regarding the Housing Authority's plans for development along Meridian Street and other future expansions and its effect on the numbers. Staff replied under Scenario #5 or #6 there would be balance for this.

MOTION: Shelton/Andrews approving Resolution No. 2011-2980 adopting revised City Council District Boundaries Scenario #6, including all accompanying reference language into the resolves and the Scenario #6 map as Exhibit A of the resolution.

Councilor Shelton said he supported the motion for the flexibility for growth by splitting Districts 4 and 5 and the potential to get through to 2030 without needing to redistrict.

Mayor Andrews was also supportive of Scenario #6 by what Councilor Shelton expressed and because he believes it provides greater stability for continuation of the districts in the future; it does not impugn neighborhoods and gives credibility to future development and balances future distribution.

Councilor Shelton said he appreciated the work staff did with maintaining the current districts even though they are not historically traditional other than since 1995; he appreciated them trying to match them as closely as possible.

Councilor Rierson said he prefers Scenario #6 out of all of them because it gives them the most flexibility for future growth and accommodates so there may not have to be a redistricting. He also believes it does a better job of not dividing neighborhoods and gives geographical boundaries that are easier to explain to the citizens.

VOTE: Approving **Resolution No. 2011-2980**. Motion carried (6 Yes/1 No [McKinney]).

IX. NEW BUSINESS

1. Consider a motion approving **Resolution No. 2011-2978** extending the City's workers' compensation insurance coverage to volunteers.

TIME – 8:01 PM

This item was pulled from the Consent Calendar.

Councilor Ryan Howard said he had some concerns with the fiscal impact and he would prefer to have the fiscal impact even if it is negative and in continuation of current policies he would like to see that for this resolution.

MOTION: **Howard/Shelton** to table **Resolution No. 2011-2978** extending the City's workers' compensation insurance coverage to volunteers to the December 19, 2011, City Council meeting.

Mayor Andrews also spoke of the issue of coverage to Council as they are technically employees under workers' compensation, not just the tax code; he wanted to make sure Council members were protected. Ms. Janelle Nordyke, Finance Director, stated since they are bringing this back they will include this amendment and discuss it at the next meeting.

Councilor Howard added on the application there is a question of whether Council or Mayors would be covered, but it can be discussed when it comes back. Councilor Shelton said as the second for the motion he would prefer to have this included in the Request for Council Action (RCA).

Councilor McKinney agreed Council is defined differently in many areas and it would be nice to know.

Mr. Mahr said they can discuss this specific question with the City's insurance company and discussed the distinctions between employees as public officials vs. elected officials and how they are treated differently.

Councilor Rierson added to the discussion the difference between when a Councilor leaves the position before the term ends and another is appointed to the position, which is different from being elected for the full term.

VOTE: To table **Resolution No. 2011-2978** to the December 19, 2011, City Council meeting, including addressing the issue of whether or not the status of the Council is covered under the workers' compensation. Motion carried (7 Yes/0 No).

XI. COUNCIL BUSINESS

TIME – 8:11 PM

Councilor Shelton wished to briefly discuss the draft proposal to support the Newberg-Dundee Bypass Phase 1 that was passed on October 3, 2011, that he was unable to attend. He mentioned the need for Dundee to be pushed to make some renovations as the City of Newberg has to improve the traffic situation on 99W.

Mayor Andrews said the resolution was for support to go after additional funding at the federal level and recognizing there would be local contributions. Councilor Shelton said there are no guarantees from ODOT for the reduction of truck traffic and this concerns him. Discussions continued about the pros and cons as well as the need for Dundee to consider making some concessions like expanding to four lanes downtown.

Councilor Shelton also wished to go on record to say he appreciated Councilor Rierson and Mayor Andrews' apology to the citizen and added that statement was one that all the council made because it was in their public meeting and picked up on a microphone. He felt they all also needed to say on the record that they heard it and did not say anything in response to it either. He spoke of the need to apologize as well to Ms. Haight and that although they say things off the cuff this is a reminder of respect and protocol and to hold others in high regard; he appreciated the apology.

XII. ADJOURNMENT

The meeting adjourned at 8:34 PM.

ADOPTED by the Newberg City Council this 3rd day of January, 2012.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 5th day of January, 2012.

Bob Andrews, Mayor

**CITY OF NEWBERG CITY COUNCIL MINUTES
DECEMBER 5, 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 presentation from the Planning Department on the Housing Rehab Grant was given. All Councilors and the Mayor were present; no action was taken; and 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 Marc Shelton Wade Witherspoon

Staff

Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney
Dain Eichel, Interim Public Works Director Norma I. Alley, City Recorder
Janelle Nordyke, Finance Director Jennifer Nelson, Minutes Recorder

Others

Present: Doris Brandt, Neal Klein, Kari Lawson, Helen Brown, Blair Didway, and Aaron Braun.

III. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

IV. APPOINTMENTS

1. Consider a motion appointing Doris Brandt, Neal Klein, and Kari Lawson to the Traffic Safety Commission for terms expiring December, 2014, and Hannah Kinney to the Student Traffic Safety Commissioner position for a term expiring May, 2012.

MOTION: McKinney/Rierson appointing Doris Brandt, Neal Klein, and Kari Lawson to the Traffic Safety Commission for terms expiring December 31, 2014, and Hannah Kinney to the Student Traffic Safety Commissioner position for a term expiring May 31, 2012. Motion carried (7 Yes/0 No).

2. Consider a motion appointing Ernie Amundson, Jr., Helen Brown, and Blair Didway to the Citizens' Rate Review Committee for terms expiring December, 2014.

MOTION: Rierson/Bacon appointing Ernie Amundson, Jr., Helen Brown, and Blair Didway to the Citizens' Rate Review Committee for terms expiring December 31, 2014. Motion carried (7 Yes/0 No).

V. CITY MANAGER'S REPORT

Mr. Daniel Danicic, City Manager, provided updates on Mr. Soppe's questions about the Local Improvement District (LID) project stating he received a staff report last Friday, which he will review and report to Council in the next couple meetings.

Councilor Wade Witherspoon asked if the work being done to the railroad tracks on College Street was in preparation of this project. Mr. Danicic replied it was not related, but a continuation of a prior project with last portion being the track improvements.

Mr. Danicic spoke of a recent citizen concern regarding the railroad track crossings on River Street. The county said they do not do any of this type of work and stated the railroad is responsible for improvements. Messages have been left with Portland and Western Railroad and SP Newsprint, but staff has not received any responses.

VI. PUBLIC COMMENTS

None.

VII. CONSENT CALENDAR

Consider a motion approving October 17, 2011, City Council minutes.

<p>MOTION: Witherspoon/Shelton approving the City Council minutes from October 17, 2011, as amended. Motion carried (7 Yes/0 No).</p>

VIII. NEW BUSINESS

1. Consider a motion approving **Resolution No. 2011-2982** authorizing the city manager to execute a Contract Change Order #1 with M.A. Mortenson Construction for the secondary clarifier design pre-construction services.

TIME – 7:10 PM

Mayor Andrews asked about the actual purpose for the funds and if it was for construction or planning. Mr. Danicic stated it was for design level work and they are not replacing any clarifiers.

Councilor Marc Shelton said he was confused with the action Council took in August to move forward with urgent repairs and stated the language here is similar to what was in August. Mr. Dain Eichel, Interim Public Works Director, stated this allows for one of the gear boxes to be on the shelf in case one goes down for immediate install, rather than waiting and risking a violation of the permit.

Councilor Shelton asked if an increase was just approved in August what has changed to require this action and why could it not have been done in August other than the fact that the Department of Environmental Quality (DEQ) is saying there is a potential for a violation requiring this purchase. He said he is hesitant to hand over more money if the work is not going to be done soon. Mr. Aaron Braun, M.A. Mortenson Construction CM/GC, stated with the construction amendment in August, work was started right away for December 1, 2011, but the DEQ loan was not received so additional preconstruction services were required.

Councilor Shelton asked if DEQ approving the loan was the trigger for the delays. Mr. Braun replied yes. Mr. Eichel added approval is needed from DEQ and they have to set up meetings with them to move forward and can only do so with the approval of Council.

Councilor Howard asked about the cost of the emergency repairs opposed to costs of the clarifier. Mr. Braun replied the cost is about half a million dollars approximately for the urgent repairs with \$250,000.00 to \$275,000.00 for part of the clarifier. Just the actual report and the transmission for the drive mechanism are immediate and not the \$226,000.00 previously approved. Mayor Andrews clarified the previously approved amount was \$118,000.00; he asked if this change order is for the preconstruction designs to be ready to do the previously approved repairs. Mr. Braun stated this was correct.

Councilor Shelton said he went back into the record approved in 2009 in the amount of \$226,000.00 and as he understood it, part of the whole reason they moved towards this methodology vs. the design/bid process, was to reduce costs, not increase them. He understands we are talking about only \$13,000.00 of a much larger picture, but it was their due diligence to hear why. He said he is reassured to hear they are ready to move forward and understands it is not always easy to deal with other government agencies to get things done in a timely manner. Now he understands this has to be done now to move forward and stay on course for what we have approved back in August to be completed.

Mr. Danicic clarified the different figures that had been referred to thus far stating the approval in April, 2011 for \$118,000.00 was for preconstruction design services for urgent repairs, while the August, 2011 approval was the guaranteed maximum price for \$226,000.00 to complete the urgent repairs without the clarifier. Mr. Danicic asked the consultant when they expected the work to be done on that portion approved in August. Mr. Braun said they are on hold until DEQ finalized the last element and they have to have a preconstruction meeting with DEQ first; they are ready to order the parts and do the site work hopefully before February and anticipate completion by March or April of 2012. Mr. Danicic asked if they are in a position to postpone the urgent repairs. Mr. Braun said they need to be done as soon as possible due to risk mitigation. Mr. Eichel added if the motor goes down it is \$10,000.00 to replace since they do not make it anymore.

Discussions continued for further clarification to the Council as to how this additional \$13,000.00 relates to the \$118,000.00 already approved and in the bucket for repairs. The additional funds are needed to continue efforts for the clarifier for design and construction, which is separate from the urgent repairs themselves. They discussed there still being overall savings on the larger parts of the entire project which is part of the valued engineering and analysis part of this methodology.

Councilor Witherspoon, stated at the risk of oversimplifying the matter, Council is being asked to approve \$13,000.00 of additional funds for administrative fees, which are the costs of doing business when they take one large project and break it into two smaller ones. This is a direct result of the delay caused by an outside agency, which is beyond our control.

MOTION: Shelton/Witherspoon adopting **Resolution No. 2011-2982** authorizing the city manager to execute a Contract Change Order #1 with M.A. Mortenson Construction for the secondary clarifier design pre-construction services. Motion carried (7 Yes/0 No).

2. Consider a motion approving **Resolution No. 2011-2981** accepting the canvass of votes for the November 8, 2011, election.

TIME – 7:35 PM

Mayor Andrews introduced the resolution and asked if there were any further changes.

Ms. Norma Alley, City Recorder, handed out an updated resolution and stated there was one more change with the County canvas of votes because they now have the official numbers; before they were unofficial.

Councilor Shelton pointed out language in the second resolves and asked if the measure actually approved and about council offices being elected. He said it appears the language is still there from a previous request for action. Mr. Mahr said it should say the following measure is to have failed and remove the reference about council elections.

MOTION: Shelton/Bacon approving **Resolution No. 2011-2981** accepting the canvass of votes for the November 8, 2011, election, as amended. Motion carried (7 Yes/0 No).

IX. COUNCIL BUSINESS

TIME – 7:44 PM

Councilor Howard spoke about issues with capital improvement projects prioritizing and proposed holding a work session to further clarify the process and reevaluate this on a regular basis.

Councilor Witherspoon said he would appreciate taking the time to do this and felt it should be taken further to develop visioning for the long term with specific goals for how to get there.

Mayor Andrews asked if this dovetails on prioritizing the core functions of the city or if it is completely different. Councilor Howard said he could see a connection but felt it was important to set priorities separate from budgeting.

Discussions continued to determine if a single work session was appropriate to cover the information and requested staff come up with an outline of topics to cover and how to present them.

Mayor Andrews brought up the request from the housing rehabilitation program grant application asking for the Council's concurrence and authorization to submit a grant request for \$400,000.00.

Councilor Shelton said he appreciated the grant will benefit Newberg residents as a priority as well as the rest of the County too and would like to see the money distributed as much as possible.

Councilor Denise Bacon added that she supports this and knows of several people in her neighborhood that have taken advantage of this program in the past and are thankful for the safety and comfort it provides.

MOTION: Rierson/Howard authorizing the Housing Rehabilitation Program to move forward with a \$400,000.00 grant application assisted by city staff. Motion carried (7 Yes/0 No).

Councilor Witherspoon spoke about recent notice of the Permit Center SDC fee inflation increases and spoke with staff about publishing the process the manager wrote about in his report to the Council for the public to see and understand. Details as to what information to include and where to place that information was discussed.

Mr. Mahr mentioned fix-it tickets and traffic school implementation on January 1, 2012, and his desire to go over the changes with the new judge.

X. ADJOURNMENT

The meeting adjourned at 8:12 PM.

ADOPTED by the Newberg City Council this 3rd day of January, 2012.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 5th day of January, 2012.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: January 3, 2012

Order ___ No.	Ordinance ___ No.	Resolution <u>XX</u> No. 2012-2986	Motion ___	Information ___
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SUBJECT: Public hearing on the proposed CDBG 2012 Housing Rehabilitation Grant application. Request for support for the submission of the grant application, and to designate the city manager as the certifying officer.

Contact Person (Preparer) for this Motion: Steve Olson, AICP
Dept.: Planning & Building
File No.: GR-11-003

HEARING TYPE: ADMINISTRATIVE

RECOMMENDATION: Adopt **Resolution No. 2012-2986**, which supports the submission of a grant application to the Oregon Business Development Department by the Housing Authority of Yamhill County (HAYC) (contracting agent for the Yamhill County Affordable Housing Corporation) in 2012 on behalf of the City of Newberg, and appoints the city manager as the certifying officer for the grant application.

EXECUTIVE SUMMARY: The City has an opportunity to apply for a housing rehabilitation grant. The request would be for \$400,000.00 in Community Development Block Grant (CDBG) funds. The HAYC (contracting agent for the Yamhill County Affordable Housing Corporation (YCAHC)) would submit the application for CDBG funds to the Oregon Business Development Department on behalf of the city. The funds would be used for loans to homeowners for housing rehabilitation. If the application is successful then the grant funds would be administered through HAYC.

The city is required to hold a public hearing prior to applying for the grant to take comments from citizens on both the community development and housing needs in the city, and on the proposed CDBG 2012 Housing Rehabilitation grant application. The items that need to be covered during the public hearing are listed in Exhibit "A" to the resolution. The proposed resolution would formally provide support for the grant application and designate the city manager as the certifying officer for the grant application and any future grant related requirements.

Past grants: The city worked with the HAYC and YCAHC in 2007 and obtained a \$100,000.00 CDBG grant for housing rehabilitation. Homeowners in Newberg were able to successfully work with YCAHC on housing repair projects, which benefited both the homeowners and local construction contractors.

FISCAL IMPACT: The HAYC does the majority of the work on the grant application requiring only a few hours of city staff time.

STRATEGIC ASSESSMENT: This is an excellent opportunity for Newberg to apply for housing rehabilitation funds that would be used to improve homes in the city. The housing rehabilitation loans would help Newberg retain its stock of affordable housing, which is one of the goals of the Affordable Housing Action Plan. The repair projects would also benefit local contractors. When the homeowners pay off the rehabilitation loans the funds will go into the county-wide rehabilitation loan fund, where they will continue to provide a benefit to Newberg homeowners.



RESOLUTION No. 2012-2986

A RESOLUTION SUPPORTING THE SUBMISSION OF A GRANT APPLICATION TO THE OREGON BUSINESS DEVELOPMENT DEPARTMENT BY THE HOUSING AUTHORITY OF YAMHILL COUNTY AND THE YAMHILL COUNTY AFFORDABLE HOUSING CORPORATION IN 2012 ON BEHALF OF THE CITY OF NEWBERG, AND APPOINTING THE CITY MANAGER THE CERTIFYING OFFICER FOR THE GRANT APPLICATION

RECITALS:

1. The City of Newberg desires to support the rehabilitation of existing homes for its citizens to have safe, decent, and affordable housing.
2. On December 5, 2012, the City of Newberg supported the submission of a 2012 Community Development Block Grant (CDBG) Housing Rehabilitation application in cooperation with the Yamhill County Affordable Housing Corporation (YCAC) and the Housing Authority of Yamhill County (HAYC).
3. Prior to approval and submission of the grant application to the State of Oregon, the City is required to hold a public hearing to take comments from citizens on both the community development and housing needs in the city and the proposed CDBG 2012 Newberg Housing Rehabilitation project.
4. On January 3, 2012, the Newberg City Council held a public hearing that covered the items listed in Exhibit "A" regarding the community development and housing needs in the city and the proposed submission of the CDBG application to the State of Oregon. Notice of this public hearing was placed in *The Newberg Graphic* on December 14, 2011. Notice was also posted in four public places within buildings of the City of Newberg.
6. Formal approval to submit the grant application and appoint the certifying officer is required from the City Council.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City of Newberg has a need for funds to assist low and moderate income citizens with the rehabilitation of their homes.
2. The City of Newberg supports the submission of a 2012 housing rehabilitation grant application for \$400,000.00 to the Oregon Business Development Department by the Housing Authority of Yamhill County (contracting agent for the Yamhill County Affordable Housing Corporation) on behalf of the City of Newberg.
3. The public hearing requirements and project description, as described by the HAYC AND YCAHC,

is attached as Exhibit "A", which is hereby adopted and by this reference incorporated. In order to fulfill grant requirements, the meeting minutes shall specifically reference the items listed in Exhibit "A" as being covered in the public hearing.

4. The City Council hereby appoints the City Manager, Dan Danicic, as the Certifying Officer for the 2012 Newberg Housing Rehabilitation Project.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: January 4, 2012.

ADOPTED by the City Council of the City of Newberg, Oregon, this 3rd day of January, 2012.

Norma I. Alley, City Recorder

ATTEST by the Mayor this 5th day of January, 2012.

Bob Andrews, Mayor

LEGISLATIVE HISTORY

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

Exhibit A

To: City of Newberg Mayor and City Council Members

From: Darcy Reynolds - Housing Rehabilitation Specialist and Jonia Pierce - Director of Housing Programs, representing the Housing Authority of Yamhill County (HAYC), and Yamhill County Affordable Housing Corporation (YCAHC) a non-profit agency.

Date: January 3, 2012

Subject: Public Hearing for Proposed Community Development Block Grant (CDBG) 2012 Newberg Housing Rehabilitation Project

PUBLIC HEARING

The purposed of this Public Hearing is to take comments from citizens on both the community development and housing needs in the city and the proposed CDBG 2012 Newberg Housing Rehabilitation Project.

PROJECT DETAILS

1. Approximately \$11 Million in CDBG funds will be awarded to Oregon in 2012. If the proposed Housing Rehabilitation Grant is awarded it would make up to \$400,000.00 available during fiscal years 2012 thru 2014.
2. The range of activities that may be carried out with these funds includes but is not limited to:
 - A. Lead and asbestos testing, treatment, and abatement.
 - B. Inspections, assessments, repairs and replacements of: private septic tanks, drain fields, water lines, sewer lines, and wells.
 - C. Improvements necessary to meet the needs of persons with disabilities.
 - D. Construction rehabilitation, reconstruction, or improvements to upgrade substandard: electrical, plumbing, roofing, siding, insulation, windows and doors, heating systems, hot water heaters, dry rot repairs, and weatherization.
 - E. Purchase and installation of permanent fixtures such as: light fixtures, and built in appliances.
 - F. Grant Administration and Management.
3. 100% of these funds will directly benefit low and moderate income homeowners.
4. The proposed activities of this project is not likely to result in the displacement of any persons or businesses.