

**CITY COUNCIL MINUTES**  
**MAY 20, 2013**  
**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 was given from Nancy Boyer, Mid-Willamette Valley Council of Governments, regarding the city attorney recruitment process. No action was taken and no decisions were made. Councilors and the Mayor were present with Stephen McKinney arriving at 6:15 PM and Mike Corey being absent (excused).

**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  
Lesley Woodruff Bart Rierson  
Stephen McKinney [Arrived 6:15 PM]

Members Absent: Mike Corey (excused)

Staff Present: Daniel Danicic, City Manager Terrence Mahr, City Attorney  
Janelle Nordyke, Finance Director Barton Brierley, Planning & Building Director  
Lee Elliott, Assistant City Manager Jessica Nunley, Acting City Recorder  
Nicole Tannler, Minutes Recorder

Others Present: Lewis Schaad, Robert Dailey, Paul Bock, Rick Rogers, and Ernie Munch

**III. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was performed.

**IV. CITY MANAGERS REPORT**

Mr. Daniel Danicic, City Manager, reported the City of Newberg participated in Waste Management's local hazardous waste program and 168 pounds of medication was collected. He is making progress on the goal setting meeting and will use an electronic poll to find a time in September for a meeting. There is a City Club presentation by the Mayor tomorrow for information on local taxes and Mr. Barton Brierley, planning and building director, will be discussing business license information.

**V. PUBLIC COMMENTS**

Mayor Andrews opened public comments.

Mr. Robert Dailey, Executive Director of Chehalem Cultural Center, and representing the Ford Family Foundation Leadership Cohort 3, asked for financial support from the City. Cohort 3's project for this year is a planetary path in Newberg. It will be an accurate representation of the solar system, with planets and art located throughout downtown and south Newberg. It is an art in public spaces project to put art out into the community with a solar system theme. They are asking for \$500.00 from the Community Support budget for this project. Councilor Ryan Howard asked staff if we have \$500.00 in the Community Support fund this year. Ms. Janelle Nordyke, finance director, responded for the 2013-2014 budget they have \$500.00.

Mr. Paul Bock, Newberg resident, wants reconsideration of the cost for the College Street improvements. He wants to ask Council to use funds for this project similar to the funds used for the Crestview Drive project, which is outside city limits. The properties in the College Street LID are middle to lower class residents of the community. As it stands now, the homeowners in the College Street LID will fully fund the improvements with no help from the city and they had little time to organize before the hearings. He stated they understand the improvements will add value to their homes but are still asking for help from the city. The issue is with their added financial obligations and having no support from the city. Mr. Bock asked if the city can pay for the College Street project from the same fund as paid for the Crestview Drive project, which is also paying for improvements to Sheridan Street in front of the Chehalem Cultural Center. Mr. Daniel Danicic said the Crestview Drive project used System Development Charges (SDC) funds. Councilor Howard responded he is a little put off by the implication residents would believe their socioeconomic status is reflected in this project. He does not think one neighborhood or another is more deserving.

Councilor Bart Rierson said at one time improvements like this were paid for by transportation funds and grants, but at a certain point in the past a councilor pushed the use of Waivers of Remonstrance for homeowners to pay for improvements. In certain circumstances an LID is good for appropriate situations, but he does not feel it is for this situation. He understands the waiver of remonstrance is usually found out in the middle of signing your mortgage payments, and may get lost in the shuffle of paperwork and not explained very well. He will not support this at the next hearing.

Mr. Louis Schaad, Newberg resident, stated he has some observations in relationship to the property the city owns on Corral Creek Road. The city has mowed a part of the property and it looks good at a glance but what neighbors would like to see is the yellow scotch broom and blackberry bushes removed. He asks the city to rid this area of the noxious weeds. Councilor Rierson said he would like to request the city manager look into this with staff. He mentioned the city encourages residents to take care of noxious weeds so the city should as well.

## VI. CONSENT CALENDAR

1. Consider a motion approving a sound permit for the Chehalem Valley Chamber of Commerce Tunes on Tuesday concert series.
2. Consider a motion approving the April 1, 2013, and April 15, 2013, City Council meeting minutes.

<p><b>MOTION: Bacon/ Howard</b> approving a sound permit for the Chehalem Valley Chamber of Commerce Tunes on Tuesday concert series and approving the April 1, 2013, and April 15, 2013, City Council meeting minutes. Motion carried (6 Yes/0 No/1 Absent [Corey]).</p>
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## VII. PUBLIC HEARING

TIME – 7:19 PM

1. Consider a motion adopting **Resolution No. 2013-3042** approving the sale of a portion of city property to A to Z Winery Works.

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

Mr. Terry Mahr, city attorney, and Jay Harris, city engineer, presented the staff report (see official meeting packet for full report). Staff recommends approval of Resolution No. 2013-3042.

Mr. Ernie Munch, Owners Representative, added to the staff report with some drawings of the property and highlights of the pieces of property that would be purchased. 1.62 acres is in consideration for the sale.

Councilor McKinney asked how the city came to obtain ownership of Otis Springs. Mr. Danicic replied it was used for water at first, but now is for non drinking use only because it is no longer potable.

Mayor Andrews said he will be voting in favor of this resolution and feels it is good for the community. Councilor Rierson said he will also be voting in favor of this and feels staff gave a good presentation on it.

**MOTION: Howard/Rierson** adopting **Resolution No. 2013-3042** approving the sale of a portion of city property to A to Z Winery Works. Motion carried (6 Yes/0 No/1 Absent [Corey]).

2. Consider a motion adopting **Resolution No. 2013-3043** authorizing redevelopment and transfer of city property to Newberg Area Habitat for Humanity.

Mayor Andrews introduced the administrative hearing and called for any conflicts of interest or abstentions; Councilor Denise Bacon excused herself because she is on the board of Habitat for Humanity.

Mr. Barton Brierley, Building and Planning Director, presented the staff report (see official meeting packet for full report). Staff recommends approval of Resolution No. 2013-3043.

Mr. Mahr stated he talked with the chairman for Habitat for Humanity and believes it is best to leave the option to assist them with projects and allow authority to be delegated to the city manager. He stated when they started this project they did not know who would partner with them and now ownership can be transferred without any fees. He feels they are definitely doing themselves a favor by being flexible.

Councilor Howard said he is not yet convinced this is the best way to use the money. He is looking at it being developed into just two residential homes when they may be able to spread the money out to more developments. He feels the city could possibly use the funds from the sale of the property rather than build on it. Mr. Brierley replied the city had hired an appraiser that came up with the \$70,000.00 estimate. When Habitat for Humanity established their concept budget they came up with \$120,000.00 and he doesn't know the source of that amount. Mr. Mahr said the appraisal was done by city in 2005.

Rick Rogers, Habitat for Humanity, answered the question about the appraisal by stating they pegged a figure that was correct at the time for a developed lot, which this lot is not. Mr. Rogers explained they develop single family homes and the council felt that was the best use of the property in previous discussions. The city obtained the property by donation. Mayor Andrews asked if the city has anything invested in the land. Mr. Rogers said he believes the city was given the land and has not put any money into it. Mayor Andrews asked if this were to pass if the property were to get put on the tax rolls. Staff responded yes.

Councilor McKinney asked about the discussion to change this to three dwellings instead of two. Mr. Rogers said there was interest from the property owner behind the property to sell a small portion to allow some expansion. He said it has not been looked into recently, so there is still some potential for that.

Mayor Andrews stated he will be supporting this motion and particularly feels it is a beneficial move since the property was given to the city and can be put on the tax rolls. He said he is also a strong supporter of Habitat for Humanity. Councilor Rierson said he will support this as well and wanted to remind Council they are trying to create more affordable housing and he believes it is a valuable asset to the community. He mentioned Habitat for Humanity worked on the animal shelter as well and the city appreciated the help. Councilor

McKinney said he will also support this and feels it is a good way to pay it forward as far as the property being given to the city to begin with.

**MOTION: Rierson/Woodruff** adopting **Resolution No. 2013-3043** authorizing redevelopment and transfer of city property to Newberg Area Habitat for Humanity. Motion carried (5 Yes/0 No/1 Abstain [Bacon]/1 Absent [Corey]).

3. Consider a motion adopting **Ordinance No. 2013-2761** adopting revisions to the findings for the South Industrial UGB amendment and Economic Opportunities Analysis.

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

Mr. Barton Brierley, Building and Planning Director, presented the staff report (see official meeting packet for full report). Staff recommends approval of Ordinance No. 2013-2761.

Mr. Brierley said they did receive a letter late and it is up to the council whether to accept the letter.

**MOTION: Bacon/McKinney** to accept the letter from Anne Wylie. Motion carried (6 Yes/0 No/1 Absent [Corey]).

**MOTION: Rierson/Bacon** adopting **Ordinance No. 2013-2761** adopting revisions to the findings for the South Industrial UGB amendment and Economic Opportunities Analysis. Read by title only.

**MOTION: McKinney/Rierson** waive first reading on Ordinance No. 2013-2761 Motion carried. (6 Yes/0 No/1 Absent [Corey]).

Councilor Woodruff stated she realizes they have adopted the Urban Growth Boundary (UGB) agreement, but will not be supporting the revisions. She is not comfortable with adding more infrastructure projects to an already problematic budget. Councilor Howard also stated he will be voting in opposition to these revisions due to the fact he wants a different approach. He feels rather than expanding the land supply, he thinks the city can do better with what we already have. He would like to see a little more inclusiveness in the city and wants the city to have a desire to do more than just expand.

Councilor Rierson said he was hoping they can explain funding mechanisms for the UGB to Councilor Woodruff. He said these kinds of expansions are paid through SDCs and owners of the property. It is fair to assume there are no funding mechanisms which are going to affect the city's budget and expansion will bring money into the city with taxes from the property owners. Mr. Danicic agreed on both accounts.

Mayor Andrews asked staff if they have a work plan for the infrastructure to relieve the burden that Councilor Woodruff is wrestling with. Mr. Brierley replied yes the land has development potential and it will generate jobs and construction of necessary infrastructure. Councilor Howard asked if funds will be coming from existing SDC's. Mr. Brierley responded yes there is a possibility for an advance.

Councilor McKinney said he wants to develop the best possible plan, similar to Councilor Howard.; however, any plan will end up looking much the same and they will still be jumping through the same hoops and still facing the same objections. He feels they have arrived at a time to move forward with this project; he would have liked to see more cooperation from all parties, appreciates the comments, and thinks they need to just clarify things for now and can define further in the future.

Mayor Andrews said this is not something that will be developed for at least the next 20-25 years into the future. If they do not pursue this approach they are denying the tools that are useful for tomorrow. They are not planning for the next 2-3 years. He said he will be supporting this ordinance.

**VOTE:** adopting **Ordinance No. 2013-2761** adopting revisions to the findings for the South Industrial UGB amendment and Economic Opportunities Analysis. Read by title only.  
Motion carried (4Yes/2 No [Howard, Woodruff]/1 Absent [Corey]).

4. Consider a motion adopting **Resolution No. 2013-3044** approving Supplemental Budget #4 for fiscal year 2012-2013.

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

Ms. Janelle Nordyke, finance director, presented the staff report (see official meeting packet for full report). Staff recommends approval of Resolution No. 2013-3044.

Councilor Woodruff asked what the state revenues are from Dundee 911. Ms. Nordyke responded it is the landline bill for 911 calls. She explained from now on, Newberg is receiving the money for those funds from Dundee.

**MOTION:** **McKinney/Bacon** adopting **Resolution No. 2013-3044** approving Supplemental Budget #4 for fiscal year 2012-2013. Motion carried (6 Yes/0 No/1 Absent [Corey]).

## VIII. NEW BUSINESS

Consider adopting **Resolution No. 2013-3046** approving the Newberg Dundee Bypass Loan Agreement.

This item was removed from the agenda per Mayor Andrews.

## IX. COUNCIL BUSINESS

TIME – 8:31 PM

Councilor Rierson asked about the public comment from the Ford Family Foundation project requesting the \$500.00 contribution from the Community Support fund. Mr. Danicic stated Council has not expended the Community Support fund in fiscal year 2012-2013.

**MOTION:** **Howard/Rierson** allocate \$500.00 from Community Support fund to Cohort 3 for the planetary path project. Motion carried (6 Yes/0 No/1 Absent [Corey]).

Mr. Danicic said he is looking for some direction from council on the Villa Road sidewalk.

Councilor Rierson said he would certainly like to look at an engineers report before providing input. The least obtrusive sidewalk would be up against the curb and he suggested they approach these homeowners and see if they would work with the city. There is not a continuous sidewalk there, but in the end he would like to see a sidewalk there.

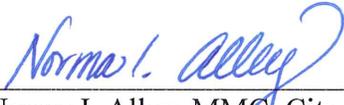
Councilor Howard said it is unfortunate the property owners have been unwilling to work with the city in the past. He then asked if they could put it in a LID for future repairs in the area. Councilor Woodruff stated she would like to have more information on this subject.

Mayor Andrews said one potential approach would be to build the right-of-way with the homeowner only paying for the sidewalk portion. There is a lot of pedestrian activity on this sidewalk and it is important to pursue this with the homeowners. Councilor McKinney stated on one or more occasion they have not wanted to work with the city and in this particular case they should set a precedent that the city is trying to make the area pedestrian friendly. Other property owners have met the obligation and he believes it is time for the city to pursue this issue.

**X. ADJOURNMENT**

The meeting adjourned at 8:47 PM.

**ADOPTED** by the Newberg City Council this 17<sup>th</sup> day of June, 2013.

  
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Norma I. Alley, MMC, City Recorder

**ATTEST** by the Mayor this 20<sup>th</sup> day of June, 2013.

  
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Bob Andrews, Mayor