



**CITY COUNCIL AGENDA**

**MAY 20, 2013**

**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. 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 a sound permit for the Chehalem Valley Chamber of Commerce Tunes on Tuesday concert series. (Pgs. 3-6)
2. Consider a motion approving the April 1, 2013, and April 15, 2013, City Council meeting minutes. (Pgs. 7-16)

**VII. PUBLIC HEARING**

1. Consider a motion adopting **Resolution No. 2013-3042** approving the sale of a portion of city property to A to Z Winery Works. (Pgs. 17-30)  
**(Administrative Hearing)**
2. Consider a motion adopting **Resolution No. 2013-3043** authorizing redevelopment and transfer of city property to Newberg Area Habitat for Humanity. (Pgs. 31-52)  
**(Administrative Hearing)**

3. Consider a motion adopting **Ordinance No. 2013-2761** adopting revisions to the findings for the South Industrial UGB amendment and Economic Opportunities Analysis. (Pgs. 53-352)  
**(Legislative Hearing)**
4. Consider a motion adopting **Resolution No. 2013-3044** approving Supplemental Budget #4 for fiscal year 2012-2013. (Pgs. 353-362)  
**(Administrative Hearing)**

## VIII. NEW BUSINESS

Consider adopting **Resolution No. 2013-3046** approving the Newberg Dundee Bypass Loan Agreement. (Material to be sent under separate cover)

## 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 business 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 4:30 p.m. on the preceding Wednesday. 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.**

# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 20, 2013

Order \_\_\_      Ordinance \_\_\_      Resolution \_\_\_      Motion XX      Information \_\_\_  
No.              No.                      No.

**SUBJECT: Consideration of a sound permit application for Chehalem Valley Chamber of Commerce concert series; "Tunes on Tuesday."**

Contact Person (Preparer) for this Motion: Chris Bolek, Captain  
Dept.: Newberg-Dundee Police Department  
File No.:

## RECOMMENDATION:

Approve a sound permit for the Chehalem Valley Chamber of Commerce concert series on July 09, 16, 23, 30, and August 06, 13, 20, and 27, 2013.

## EXECUTIVE SUMMARY:

The music concert featuring live bands is scheduled for eight (8) Tuesdays in July and August, between the hours of 6:00 pm and 9:00 pm at Rotary Centennial Park on the adjacent grass behind the old Central School, which is now known as the Newberg Chehalem Cultural Center. Event notices will be distributed to residents within a three block area.

The City is authorized to approve sound permits for events where the sound will be kept at 200 feet or less (Title VIII: Health and Safety, Chapter 8.15.150 *Unnecessary Noise - permitted exceptions* of the Newberg City code). However, because sound from this event may travel **more than 200 feet**, we are seeking approval from the City Council.

The concert is sponsored by the Chehalem Valley Chamber of Commerce. A minimum of one Chamber staff member and two committee members will be at each event. The Chehalem Valley Chamber of Commerce estimates an approximate average of 750 individuals will be in attendance at each event. No admission will be charged, food vendors will be on site, and alcohol will be served.

Chehalem Park and Recreation District Representative Don Clements has given written consent for the requested use as evidenced by his signature on the Sound Application Permit.

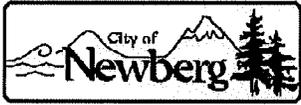
The Chehalem Valley Chamber of Commerce has met all the requirements for a sound permit including a Certificate of Liability Insurance for the event. Seeing no reason to deny, the Newberg-Dundee Police Department recommends approval of the permit.

## FISCAL IMPACT:

None

## STRATEGIC ASSESSMENT:

None



Newberg-Dundee Police Department  
 401 E. 3<sup>rd</sup> Street  
 Newberg, Oregon 97132  
 (503) 537-1280

**DANCE PERMIT APPLICATION**

**SOUND PERMIT APPLICATION**

(Allow a minimum of 10 working days to process)

Fee: \$10.00 per dance

SHERYL KELSH

Chenalem Valley Chamber

APPLICANT: Tunes on Tuesday DRIVERS LICENSE # ODL2621281 DATE: 4/15/13

ADDRESS (street, city, zip code): 115 N College St Newberg, OR

TELEPHONE: HOME 503-930-2842 BUSINESS: 503-538-2014

EVENT SPONSOR: Chenalem Valley Chamber of Commerce

ADDRESS (street, city, zip code): \_\_\_\_\_

EVENT LOCATION: Rotary Centennial Park (School & Sherman St)

DATE OF EVENT: July 9, 16, 23 30 and August 6, 13, 20, 27 DANCE: TIME: \_\_\_\_\_ to \_\_\_\_\_ SOUND: TIME: 6:30 PM to 8:45 PM

TYPE OR NATURE OF EVENT (please choose one of the following):

- Public Commercial or noncommercial even with audible sound OVER 200 ft. **(requires City Council approval allow 30 working day minimum to process)**
- Noncommercial event with audible sound of 200 ft. or less
- Public
- Private/Invitational

NUMBER OF PEOPLE EXPECTED: 750 Avg

**(All events are subject to Newberg Police Department Reserve personnel or other private security personnel)**

WILL A FEE BE CHARGED FOR ADMITTANCE TO THE EVENT? Yes  No

WILL ALCOHOLIC BEVERAGES BE PRESENT ON THE PREMISES? Yes  No

TYPE AND AMOUNT OF SECURITY PROVIDED FOR THE EVENT: Four Alcohol monitors

DESCRIBE PROVISIONS FOR THE CONTROL AND DISPENSING OF ALCOHOLIC BEVERAGES

(Will a licensed OLCC server be on site or will alcohol be dispensed without consumption controls and oversight?)

Two licensed OLCC servers on site - They obtain OLCC licenses not the Chamber

I have read and understand the rules contained on the back of this form. The statements and information provided above are in all respects true, complete and correct to the best of my knowledge and belief. Tentative plans must substantially conform to all standards, regulations and procedures officially adopted by the City of Newberg.

Shera Kelly  
 Applicant Signature

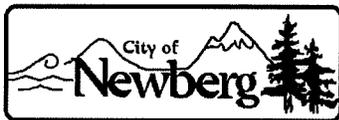
[Signature]  
 Property Owner Signature

**FOR CITY OF NEWBERG USE ONLY (comments & conditions)**

Police Services Request attached  Liquor Application attached  Insurance Certificate attached  OLCC Permit attached  
 Police \_\_\_\_\_ Date: \_\_\_\_\_

City Manager  approved  denied Signature \_\_\_\_\_ Date: \_\_\_\_\_

City Council  approved  denied Mayor's Signature \_\_\_\_\_ Date: \_\_\_\_\_



**BLOCK PARTY APPLICATION**  
(Allow a minimum of 10 working days to process)

Newberg-Dundee Police Department  
401 E. Third Street, Newberg, OR 97132  
(503) 538-8321

Fee:           none          

Pursuant to Ordinance No. 2.15.470. of the City of Newberg, a permit is required of any person placing or maintaining any structure in any right-of-way of the street, sidewalk, park strip, or alley within the corporate limits of the City of Newberg.

The applicant shall be responsible for maintaining barricades, keeping fire lanes open, and properly parking cars. The applicant shall be responsible for removing all barricades after the party and cleaning up all trash from the right-of-way at the end of the party. Clean-up by the Public Works crew the following morning will be at the applicant's expense.

Please note: Use of amplifying devices during a block party requires a separate Sound Permit.  
Permits for broadcast or amplification of sound expire at 10:00 p.m.

**ALL AFFECTED RESIDENTS MUST SIGN THE BACK OF THIS APPLICATION OR SUBMIT LETTERS OF CONSENT.**  
Incomplete or missing information may delay the approval process.

*Tunes on Tuesday*

APPLICANT: Chehalem Valley Chamber DATE: 3/11/13

ADDRESS (street,city,zipcode): 115 N College St Newberg OR 97132

TELEPHONE: HOME \_\_\_\_\_ BUSINESS 503-538-2014

LOCATION OF STREET TO BE CLOSED FOR BLOCK PARTY USE (provide sketch on back side of this form) :

July: 9, 16, 23, 30 and August 6, 13, 20, 27

DATE OF BLOCK PARTY:           ^           TIME: \_\_\_\_\_ to 8:45 pm

The above statements and information herein contained are in all respects true, complete and correct to the best of my knowledge and belief. Tentative plans must substantially conform to all standards, regulations and procedures officially adopted by the City of Newberg.

Sheryl A Ketch  
Applicant Signature

**FOR CITY OF NEWBERG USE ONLY**

License no.: \_\_\_\_\_

- sketch of proposed street closures       sketch of areas to be occupied       signatures of all affected residents

Routing (comments/conditions):

P.D. \_\_\_\_\_ Date: \_\_\_\_\_ Initials: \_\_\_\_\_

Fire \_\_\_\_\_ Date: \_\_\_\_\_ Initials: \_\_\_\_\_

Eng. \_\_\_\_\_ Date: \_\_\_\_\_ Initials: \_\_\_\_\_

P.D.  approved  denied signature \_\_\_\_\_ date \_\_\_\_\_

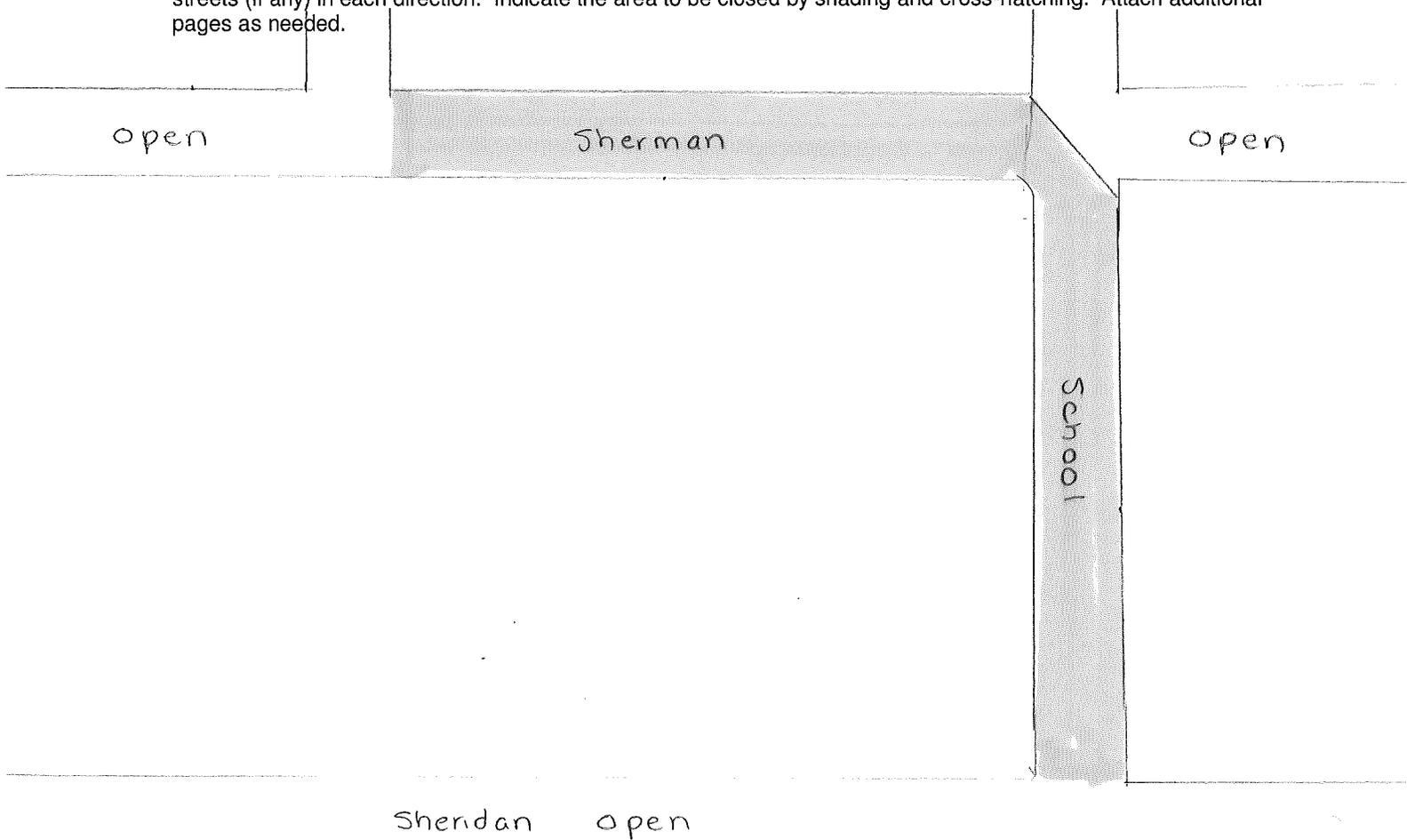
ADDITIONAL BLOCK PARTY INFORMATION

AFFECTED RESIDENTS

The statements and information herein contained are in all respects true, complete and correct to the best of my knowledge and belief. Tentative plans must substantially conform to all standards, regulations and procedures officially adopted by the City of Newberg.

Date	Owner/Resident	Address
3/11/13	Marilyn Smoak	306 School
	Allan Chilcutt	310 School
		314 School
	Jan Cornell	505 Sherman
		515 Sherman
	Charles Sumpter	503 Sherman

PROVIDE A SKETCH OF THE STREET SECTION(S) WHICH YOU DESIRE TO HAVE CLOSED. Include cross streets (if any) in each direction. Indicate the area to be closed by shading and cross-hatching. Attach additional pages as needed.



# *REQUEST FOR COUNCIL ACTION*

**DATE ACTION REQUESTED: May 20, 2013**

**Order \_\_\_    Ordinance \_\_\_    Resolution \_\_\_    Motion XX    Information \_\_\_**  
**No.                    No.                    No.**

**SUBJECT: Approve the April 1 and 15, 2013, 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 COUNCIL MINUTES  
APRIL 1, 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 by Kuri Gill from the state Oregon Heritage office on the Certified Local Government program. No action was taken and no decisions were made. All Councilors and the Mayor were present.

**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
	Bart Rierson	Lesley Woodruff	Mike Corey
	Stephen McKinney		

Staff Present:	Daniel Danicic, City Manager	Terrence Mahr, City Attorney
		Norma Alley, City Recorder
		Nicole Tannler, Minutes Recorder

Others Present: Leonard Rydell, Sheryl Kelsh, Mark Vergets, Russ Thomas, and Pete Miller

**III. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was performed.

**IV. PROCLAMATION**

Declare April 14-20, 2013, as National Public Safety Telecommunications Week.

**V. CITY MANAGER'S REPORT**

Mr. Daniel Danicic, city manager, reported Newgrow Compost will be available on Saturday, April 13, 2013, from 8:00 AM – 2:00 PM. He stated a reminder about the College Street LID community meeting tomorrow at 7:00 PM, and the public meeting Wednesday on the Sheridan Street reconstruction at the Cultural Center. There will be a Burn to Learn on Saturday April 13, 2013, on Main Street across from Jaquith Park, and Council members are encouraged to stop by. The application for District 3 has closed, but we still need to insure applicants are qualified and live within District 3. The camera is now working in the Public Safety Building (PSB) and focuses mainly on the audience.

**VI. PUBLIC COMMENTS**

TIME – 7:10 PM

Mayor Andrews opened public testimony.

Mr. Leonard Rydell, Newberg resident, is horrified by what is going on at the Riverbend landfill. They are proposing a hazardous wall and DEQ is approving it based on information from California. They are misrepresenting facts, such as the waste area will be lined above the groundwater level and the calculations for

the berm is designed to fail. Mr. Rydell encouraged the council to look into this or join him at the Newberg City Club tomorrow where he will be giving a talk.

Ms. Sheryl Kelsh and Mr. Mark Vergets are putting on the Brew and BBQ festival, but are having a hard time finding a place to have the event. They asked the council if they would be willing to give them a variance to allow beer for two days in order to hold the event at the Butler Property. Ms. Kelsh stated they have done many Tunes on Tuesday events responsibly with alcohol and to please take that into account. Mr. Daniel Danicic asked if this will be just a one-time only event at the Butler property. Mr. Vergets said just this year so far, but hopefully will be something we can do every year. Councilor Howard asked if this will take away from the Old Fashioned Festival. Ms. Kelsh replied the Old Fashioned committee approved this unanimously and thought it would help and benefit the festival. Councilor Woodruff asked if there is an admission fee. Mr. Vergets replied not at this time.

Mr. Russ Thomas, Old Fashioned Festival committee, stated they are in full support for the Brews and BBQ festival. It will add another activity and be part of the festival, and he think it will increase tourism in the community.

Mr. Pete Miller, local business owner, said he is requesting to put up signs to improve Newberg tourism. The signs will direct people as they approach Industrial Parkway to Caravan Coffee. Tourist directional signs are blue and direct people to businesses, and they are not advertising because they fall within strict requirements. He is requesting one on Industrial Parkway and East 9<sup>th</sup> Street guiding tourists to turn right, and one on Springbrook Road. He is hoping the signs will be installed by June 1, 2013. Councilor Howard asked what the qualifications were for the signs. Mr. Miller said he has been approved already by the state, but is asking for signs on city roads as well.

## VII. CONSENT CALENDAR

1. Consider a motion adopting **Resolution No. 2013-3038** authorizing a Professional Services Agreement with Brown & Caldwell, Inc. for a City Stormwater Master Plan Update.
2. Consider a motion adopting **Resolution No. 2013-3040** authorizing Agreement No. 28784 with ODOT for traffic signal and illumination maintenance.
3. Consider a motion approving the February 19, 2013, and March 4, 2013, City Council meeting minutes.

TIME – 7:28 PM

<p><b>MOTION:</b> Bacon/McKinney adopting <b>Resolution No. 2013-3038</b> authorizing a Professional Services Agreement with Brown &amp; Caldwell, Inc. for a City Stormwater Master Plan Update, adopting <b>Resolution No. 2013-3040</b> authorizing Agreement No. 28784 with ODOT for traffic signal and illumination maintenance, and approving the February 19, 2013, and March 4, 2013, City Council meeting minutes. Motion carried (7 Yes/0 No).</p>
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## VIII. COUNCIL BUSINESS

TIME – 7:30 PM

Discussion of City Council Budget for fiscal year 2013-2014.

Mr. Daniel Danicic, city manager, presented the staff report (see official meeting packet for full report).

Mayor Andrews asked about page 47 and the League of Oregon Cities conference mileage of \$115.00 for two persons. Mr. Danicic said they could decrease the amount. Ms. Norma Alley, city recorder, stated there could be more staff going this year because it is in Portland and they might need that for flexible spending. Mayor Andrews agreed.

Mr. Danicic said the city does have a trip to Poysdorf, Austria budgeted this year as well.

Councilor Howard expressed concern that while \$3,000.00 was cut from the Community Mediators, there was an increase in funds for the fireworks show at the Old Fashioned Festival. Councilor Bacon agreed. Councilor Rierson commented on the Yamhill County Transit request and said they should come to us and explain why they should be receiving more funds. He would like to see a proposal from them on the need for the \$18,000.00.

Mr. Danicic said in discussion for funding on the Old Fashioned Festival, Ms. Sheryl Kelsh would like to speak again with the Council's approval.

Ms. Kelsh discussed the funding for the Old Fashioned Festival fireworks, and said the Brews and BBQ Festival would be willing to help with funding and could bridge the gap being discussed.

Mayor Andrews said the Roving Gavel is coming up and he needs someone who would be willing to pick it up for planning. Councilor Howard volunteered.

Mayor Andrews talked about the Willamette Riverkeepers event in Portland, which the city has been somewhat involved with, and asked the council to provide the registration fee for Councilor Rierson.

**MOTION: Andrews/Howard** approve city to pay Councilor Rierson's registration fee to Willamette Riverkeepers event. Motion carried (7 Yes/0 No).

Mayor opened discussion about the Brew and BBQ Festival. Councilor Rierson believes it will further support the Old Fashioned Festival and is in favor.

**MOTION: Rierson/Howard** approve variance for ban on alcohol for the Brew and BBQ event to be held on the Butler Property during the Old Fashioned Festival. Motion carried (7 Yes/0 No).

Mayor Andrews opened discussion on tourism signs.

Mr. Miller stated he would like to cover the cost of the signs until it can be expedited.

Councilor McKinney asked if going through the city adds a needless delay. He asked if the city is involved in the state's process. Mr. Danicic said there is a very strict process with planning commission and it needs to get on planning commission's agenda.

Councilor Rierson said we should take the funding aspect into account for future applications. Councilor Howard inquired about the ongoing costs. Mr. Miller replied there is an ongoing maintenance fee of \$150.00 to the state.

**MOTION: Howard/Bacon** to direct Planning Department to look into incorporating tourism signs into the city's sign code. Motion carried (7 Yes/0 No).

Mayor Andrews discussed the status of our recruitment of the city attorney. He said they are recommending the city go with the in-house approach for better communication, and also recommending they sit down and negotiate a contract, review responsibilities, and talk about salary and benefits.

**MOTION: Andrews/McKinney** to pursue the recruitment process for an in-house attorney and negotiate the services of the Mid-Willamette Valley Council of Governments. Motion carried (7 Yes/0 No).

**MOTION: McKinney/Howard** to proceed with becoming a Certified Local Government and fill out any necessary paperwork. Motion carried (7 Yes/0 No).

Mr. Danicic stated he would like more direction on the budget.

Councilor Howard thinks \$5,000.00 would be an acceptable amount for Old Fashioned Festival fireworks as well as keeping the Community Mediators in the budget. Councilor Woodruff would support both as well.

Councilor Corey stated there are certain businesses funding the fireworks as well as the city. He suggested going to \$1,500.00 for Community Mediators. He also agreed about Yamhill County Transit and having them become more self sufficient.

Councilor Bacon said not funding Community Mediators would be very hard for her. She feels this would be providing entertainment instead of things neighborhoods need and she would not be able to support that.

Councilor Rierson stated Community Mediators could save us money in circuit court and he believes it is money very well spent. The fireworks show is the culmination of the whole festival. I would like to see Community Mediators at \$3,000.00 and fireworks at \$8,000.00.

## **IX. ADJOURNMENT**

TIME – 8:25 PM

**ADOPTED** by the Newberg City Council this 20<sup>th</sup> day of May, 2013.

\_\_\_\_\_  
Norma I. Alley, MMC, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of May, 2013.

\_\_\_\_\_  
Bob Andrews, Mayor

**CITY COUNCIL MINUTES**  
**APRIL 15, 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 by Ron Heiden, Mayer/Reed, and Jason Wertz, City of Newberg, regarding the Chehalem Cultural Center forecourt and Sheridan Street reconstruction. No action was taken and no decisions were made. All Councilors and the Mayor were present with Bart Rierson arriving at 6:03PM.

**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
	Bart Rierson (arrived 6:03PM)	Lesley Woodruff	Mike Corey
	Stephen McKinney		

Staff Present:	Daniel Danicic, City Manager	Terrence Mahr, City Attorney
	Janelle Nordyke, Finance Director	Barton Brierley, Planning & Building Director
	Norma Alley, City Recorder	Nicole Tannler, Minutes Recorder

Others Present: Pat Haight

**III. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was performed.

**IV. PROCLAMATION**

Declare April 21-27, 2013, as National Volunteer Week.

<b>MOTION: Rierson/Woodruff</b> Declare April 21-27, 2013, as National Volunteer Week. Motion carried (7 Yes/0 No).
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**V. CITY MANAGER'S REPORT**

Mr. Daniel Danicic, city manager, reported the fiscal year 2013-2014 proposed budget is available on the city website, and the first budget committee meeting will be April 30, 2013. The Camellia Festival was very successful and it continues to grow each year. The Burn to Learn got started, but had to be postponed until this Thursday at 4:30pm. Leah Griffith, library director, is out because she hurt her back, but she is doing well.

**VI. PUBLIC COMMENTS**

TIME – 7:10 PM

Mayor Andrews opened public testimony.

Ms. Pat Haight, Newberg resident, stated she is very interested in operations of the city. At the last budget meeting she asked about the \$70,000.00 the city loaned the housing authority for the Meridian street property.

Mr. Danicic responded the housing authority has not been loaned any money from the city. Ms. Haight said she has seen documents to the contrary and will dig them up to show to the council.

Ms. Haight asked about Fund 14 and the money going to Sheridan Street improvements for the cultural center. She said there was an amount of \$312,000.00 that was supposed to be a grant but the grant fell through. She inquired as to whether or not this was a loan to Chehalem Parks and Recreation District (CPRD). She had received a response in an email from Mr. Danicic, which said it was not a loan to CPRD for improvements, but was an inter-fund transfer, which is when one department loans money to another. He said the use of the economic development fund won't be necessary. Ms. Haight stated that Fund 14 2010-11 includes a transfer from Fund 14 of \$312,000.00. Fund 14 is a business loan and business must be located in the city of Newberg and cannot be over \$200,000.00. She restated her question, asking where the \$312,000.00 came from. Mr. Danicic responded there is no loan coming from the economic development loan fund. There is no borrowing of funds from Fund 14 now and the money being used now comes from federal exchange funds. Ms. Haight asked if CPRD would be coming up with the rest of the money. Mr. Danicic said CPRD is paying for everything on their property and the city is paying for improvements in the public right-of-way. Ms. Haight said she would like this written in a memo and shared with the rest of the Council.

## **VII. PUBLIC HEARING**

TIME – 7:20 PM

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

Consider a motion adopting **Resolution No. 2013-3039** approving Supplemental Budget #3 for fiscal year 2012-2013.

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

Councilor Ryan Howard asked if the \$77,000.00 had been anticipated. Ms. Nordyke said we have been holding it in contingency and finally they have enough money to take it out of contingency and start construction. Councilor Howard asked if this is money raised for the purpose of the children's remodel. Ms. Nordyke said yes.

Councilor Mike Corey asked about the \$100,000.00. Ms. Nordyke replied the \$100,000.00 is additional funds the library raised. Councilor Corey asked if part of it will be reimbursed when they raise the money. Ms. Nordyke said they got the money sooner than anticipated and need the money now to pay for construction. Mr. Danicic added the project has not gone over budget nor spent more than we have.

Mayor Andrews asked about page 7 and wanted to know what the \$374,888.00 is. Ms. Nordyke said it is the total resources of Fund 22 which is being increased \$177,000.00

Staff recommended adoption.

**MOTION: McKinney/Bacon** adopting **Resolution No. 2013-3039** approving Supplemental Budget #3 for fiscal year 2012-2013.

Councilor Bart Rierson said he supported the children's library, but finds the documents confusing. He would like to see a better explanation of where the existing funds are. Councilor Stephen McKinney asked if he is asking for a new resolution. Councilor Rierson responded he is prepared to vote for the resolution, but wants to know if there is a way to make it clearer. Councilor Denise Bacon said the executive summary is clearer.

Mayor Andrews said he is not satisfied with the material given to them, but supports the resolution. He also wants a better explanation for a layman to understand.

Councilor McKinney asked if there is any urgency to pass this tonight. Mr. Danicic responded yes as construction is underway. Councilor McKinney asked if it is all part of the public motion and said he is willing to rescind the motion if the second concurs. Councilor Corey said he is prepared to support the motion, however he would like clarification on how the funds are being transferred. Councilor Rierson asked if it is possible to have an Exhibit B. Mr. Terrance Mahr, city attorney, responded he would suggest the council could resolve it by adding the paragraph describing the funds in the executive summary to Exhibit A.

**MOTION: Rierson/Andrews** – inserting the executive summary from the Request for Council Action into Exhibit “A” of the resolution. Motion carried (7 Yes/0 No).

**VOTE:** adopting **Resolution No. 2013-3039** approving Supplemental Budget #3 for fiscal year 2012-2013 as amended. Motion carried (7 Yes/0 No).

## VIII. NEW BUSINESS

TIME – 7:45 PM

Consider a motion adopting **Resolution No. 2013-3041** adopting policies to fulfill federal requirements for the Housing Rehabilitation grant.

Mr. Barton Brierley, Planning and Building Director, presented the staff report including a PowerPoint slideshow (see official meeting packet for full report). Staff recommended adoption of the resolution.

Councilor Corey asked if there is going to be a permit center for those that want to apply. Mr. Brierley responded they will be administered through the Housing Authority of Yamhill County. Councilor Corey asked if contractors come to the city and win a bid for a job do they have to hire a number of low income individuals. Mr. Brierley said yes if the contract is over \$150,000.00 they would have to hire low income individuals. Councilor Corey asked if the city would track this. Mr. Brierley said yes they have to document it. Mr. Danicic said once the housing authority decides to approve a contract, the city manager has to sign off.

Mayor Andrews stated the housing authority has adopted these same policies; the city is not screening the contractors but they are essentially the agent. He also asked if these are loans or grants or both. Mr. Brierley replied we are getting a grant to loan to individuals. Mayor Andrews asked if the loan can become a grant eventually. Mr. Brierley said he believes this is only loans, although they can be as low as 0% but most are 2% which is payable when the person sells their house.

Councilor McKinney asked if the city is awarded \$400,000.00 does the housing authority receive it or will it remain in the council’s budget. Ms. Nordyke responded it comes to our account and we turn around and write a check.

Councilor Howard stated he would like to make an amendment to the motion.

**MOTION: Howard/Rierson** – amending fair housing resolution to incorporate all protected status’ that are protected under state law including race, color, religion, sex, sexual orientation, national origin, marital status, and source of income.

Councilor McKinney stated this is the law already. Mayor Andrews said it is a federal requirement and we have to adopt this as well as the housing authority. He asked if a different resolution is adopted, will the two be

compatible and if the city can be more restrictive. Mr. Brierley said the council can add to it. Mayor Andrews asked if they are confusing federal law with state law. Mr. Mahr replied they are going to have to abide by state and federal law. Mayor Andrews stated this will need to be added to both paragraphs. Councilor Corey said it looks like it is all covered in Exhibit A, so we will not have to amend the resolution. Councilor Woodruff suggested they add to the document so it is clear and obvious to everyone. Councilor Howard explained they are also resolving to assist anti-discrimination.

**VOTE:** amending fair housing resolution to incorporate all protected status' that are protected under state law including race, color, religion, sex, sexual orientation, national origin, marital status, and source of income. Motion carried (4 Yes/3 No [Andrews, Corey, McKinney]).

**MOTION:** Woodruff/Bacon adopting Resolution No. 2013-3041 adopting policies to fulfill federal requirements for the Housing Rehabilitation grant, as amended. Motion carried (5 Yes/2 No [Corey, McKinney]).

## **IX. COUNCIL BUSINESS**

TIME – 8:15 PM

Mayor Andrews asked the city manager what construction is going on at the Butler property. Mr. Danicic said it is an electrical project going on for the farmers market funded by CPRD.

Leslie Woodruff reported the community open house for the 65<sup>th</sup> anniversary of the grange hall is on April 27<sup>th</sup> from 10am-2pm. She mentioned she will be there representing the city council.

Mayor Andrews stated the council district 3 vacancy received 14 applications and he is looking at sending out an additional questionnaire. He may be contacting some of the councilors for a sub-committee and the interviews scheduled for May 6<sup>th</sup> will probably be pushed back.

Mayor Andrews asked about the topic of art on city property brought up by the Ford Foundation Leadership Cohort. Mr. Danicic reported Cohort 3 of the Ford Family Leadership Program have developed a project that is a scaled representation of the solar system, where each planet will be an art piece as well as providing factual data. The proposed placement locates a number of planets adjacent to the library, city hall, and public safety building. He asked for Council authority to locate the art pieces on city property.

**MOTION:** Andrews/Rierson Support location of art on City property from the Ford Foundation Leadership Cohort. Motion carried (7 Yes/0 No).

## **X. ADJOURNMENT**

The meeting adjourned at 8:25 PM.

**ADOPTED** by the Newberg City Council this 20<sup>th</sup> day of May, 2013.

\_\_\_\_\_  
Norma I. Alley, MMC, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of May, 2013.

\_\_\_\_\_  
Bob Andrews, Mayor

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# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 20, 2013

Order ___ No.	Ordinance ___ No.	Resolution <u>XX</u> No. 2013-3042	Motion ___	Information ___
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**SUBJECT: a Resolution approving the sale of 1.62 acres of city property, which is part of the Otis Springs property, to A to Z winery works (A to Z) for the amount of (\$8,000.00); approving the sales agreement; and authorizing the city manager to execute all necessary documents to complete the sale of the property.**

Contact Person (Preparer) for this Motion: Terrence Mahr & Jay Harris  
Dept.: Legal & Engineering  
File No.:

**HEARING TYPE: ADMINISTRATIVE**

## RECOMMENDATION:

Adopt Resolution No. 2013-3042.

## EXECUTIVE SUMMARY:

1. The 11.87 acre city owned property shown as Tax Lot 400, Yamhill County Assessors Map 3S-2W-15, commonly known as "Otis Springs" is located adjacent to the northerly right of way of Highway 99W, approximately 800 feet west of the intersection of Corral Creek Road and Highway 99W.
2. The city has owned the Otis Springs property for decades. The facility is currently used as secondary source of irrigation water for the Chehalem Glenn Golf Course. The primary source of irrigation water for the golf course is from the reuse system in operation at the wastewater treatment plant.
3. A to Z operates Rex Hill Winery (winery) located on the north side of 99W east of the current city limits. The winery is located adjacent to the easterly property line of the Otis Springs property.
4. A to Z desires to purchase 1.62 acres of the Otis Springs property in order to facilitate the expansion of their winery operations.
5. The city council met in executive session on October 1, 2012, to discuss the possible sale of the property.
6. City engineering and operations division staff reviewed the proposed property purchase boundaries onsite in the summer of 2012 and determined the sale of the property would not have an adverse impact on the ongoing city operations at the Otis Springs Facility.
7. The city has advertised and has held a public meeting to discuss the sale of the property at this May 20, 2013, council meeting in accordance with ORS 221.725 dealing with the sale of city real property.

**FISCAL IMPACT:**

The 1.62 acre property to be purchased is excess property and is not needed for ongoing city operations. The \$8,000.00 revenue from the proposed property purchase will provide funding for other water system improvements in the city.

**STRATEGIC ASSESSMENT:**

The proposed sale of excess city owned property will allow for the potential future expansion of the winery, which will provide for future economic benefits to the City and the region.



## ***RESOLUTION No. 2013-3042***

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**A RESOLUTION APPROVING THE SALE OF 1.62 ACRES OF CITY PROPERTY, WHICH IS PART OF THE OTIS SPRINGS PROPERTY, TO A TO Z WINERY WORKS FOR THE AMOUNT OF EIGHT THOUSAND DOLLARS (\$8,000.00); APPROVING THE SALES AGREEMENT; AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS TO COMPLETE THE SALE OF THE PROPERTY**

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### **RECITALS:**

1. A to Z operates Rex Hill Winery (A to Z) located on 99W east of the City. The winery is adjacent to Otis Springs property which is owned by the City.
2. A to Z desires to purchase 1.62 acres of the Otis Springs property in order to facilitate the expansion of their winery operations.
3. The city council met in executive session on October 1, 2012, to discuss the possible sale of the property.
4. The city has advertised and has held a public meeting to discuss the sale of the property at this May 20, 2013, council meeting in accordance with ORS 221.725 dealing with the sale of city real property.

### **THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. The City Council approves the purchase and sales agreement which the city manager has signed contingent upon approval by the council. The purchase and sales agreement is marked as Exhibit "A" which is attached to this resolution and by this reference incorporated as well as accepted by City Council.
2. The City Council delegates, authorizes, and directs the City Manager to perform all necessary acts, sign all necessary documents, and do any other necessary matters in order to sell the property to A to Z. This delegation includes the authority of the City Manager to sign a deed transferring ownership of the property to A to Z.
3. All documents shall be approved by the City Attorney as to form and content.
4. The authorization to sell the property is subject to approval of a lot-line adjustment by Yamhill County. The purchaser is applying for the lot-line adjustment. The City Manager is authorized to cooperate with the process and do all necessary acts to assist the purchaser in obtaining approval of the lot-line adjustment.

5. The City Council makes the following findings:
- A. The 11.87 acre city owned property shown as Tax Lot 400, Yamhill County Assessors Map 3S-2W-15, commonly known as “Otis Springs” is located adjacent to the northerly right of way of Highway 99W, approximately 800 feet west of the intersection of Coral Creek Road and Highway 99W.
  - B. The city has owned the Otis Springs property for decades. The facility is currently used as secondary source of irrigation water for the Chehalem Glenn Golf Course. The primary source of irrigation water for the golf course is from the reuse system in operation at the city’s wastewater treatment plant.
  - C. A to Z operates Rex Hill Winery (Winery) located on the north side of 99W east of the current city limits. The winery is located adjacent to the easterly property line of the Otis Springs property.
  - D. A to Z desires to purchase 1.62 acres of the Otis Springs property in order to facilitate the expansion of their winery operations.
  - E. City engineering and operations division staff reviewed the proposed property purchase boundaries onsite in the summer of 2012 and determined the sale of the property would not have an adverse impact on the ongoing city operations at the Otis Springs Facility.
  - F. It is necessary and convenient for the City to sell its interest in this portion of the real property (1.62 acres of the Otis Springs property) to A to Z. It would be a benefit to the City to encourage this economic activity conducted by the winery.
  - G. The Rex Hill Winery was established in 1982, after Yamhill County found that: “...the proposed winery would facilitate further agricultural production within the County and would enhance the reputation of an increasingly popular and economically viable Yamhill County industry.” In the following year, a former prune dryer on the site was converted to a winery and about 5,000 cases of wine were produced from grapes grown on site and on neighboring vineyards.
  - H. Rex Hill winery expanded significantly in 1989 and was purchased by A to Z Wineworks in 2006. Since that time Rex Hill—A to Z Wineworks has been the fastest growing winery in Oregon... ever. It is now one of the state’s largest wineries producing over 250,000 cases, employing 31 full time, 3 part time, and 4-14 seasonal workers on-site plus 5 others in Yamhill County, 6 more across the country in sales, and many others tending vineyards leased by the winery. Rex Hill-A to Z recently updated its master plan. It is now projected to increase its production to well above 300,000 cases.
  - I. Particular to Newberg, a 2010 economic study found Yamhill County benefited more than any other region in Oregon from the state’s \$2.3 billion a year wine industry, and that urban areas benefited over rural areas by almost 2 to 1. The purchase of 1.62 acres of the Otis Springs property will alleviate two pinch points in the winery’s internal circulation system and assist in its future growth by providing setbacks for the development of property already owned by Rex Hill--A to Z Wineworks.

- J. The City has met the conditions of ORS 221.725 concerning the sale of real property which includes publication of a public hearing which shall describe the interest to be sold and the use of the property as well as the reasons why the Council considers it necessary convenient to sell the property.
- K. When it was established the City was open to A to Z purchasing a sliver of the Otis Springs parcel, the city manager suggested the value be determined by an appraiser acceptable to both parties. Ticor Title suggested Woodard Appraisal. Woodard was acceptable to the parties. The price of \$8,000.00 for 1.62 acres was established. This price was a bit more than the appraised value because it was adjacent to winery property.
- L. The City of Newberg had a long standing cooperative relationship with Rex Hill Winery with one of its owners, Paul Hart. The City has continued with that relationship since the winery has been purchased by A to Z. It is a benefit to the City to continue this cooperative relationship.
- M. It will be to the benefit of the City and the citizens of the City to encourage development of the wine industry which surrounds the City.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 21, 2013.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20<sup>th</sup> day of May, 2013.

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Norma I. Alley, MMC, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of May, 2013.

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Bob Andrews, Mayor

**PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT, dated for reference purposes the 10th day of April, 2013, is by and between the **City of Newberg**, an Oregon municipal corporation ("Seller"), and **A to Z Wineworks, LLC**, an Oregon limited liability company ("Purchaser").

For valuable consideration, including the covenants, terms and conditions set forth below, Seller and Purchaser have agreed as follows:

1. ***Sale and Purchase of Property.*** Seller agrees to sell to Purchaser, and Purchaser agrees to buy, the 1.62 acre parcel of real property in Yamhill County, Oregon more particularly described on Exhibit A attached hereto, including any and all easements, all water rights and all other rights of every nature appurtenant to such real property (collectively, the "Property").

2. ***Price; Earnest Money; Payment.*** The purchase price for the Property shall be the sum of Eight Thousand Dollars (\$8,000) (the "Purchase Price"). Seller hereby acknowledges receipt of Purchaser's promissory note (the "Note") in the sum of Two Thousand Dollars (\$2,000) as earnest money. The Note shall be redeemed at Closing (as that term is defined in Section 5.1 below) upon removal of the contingencies described in Sections 3 and 4 below. The balance of the Purchase Price shall be paid in cash at Closing.

3. ***Purchaser's Inspection and Approval Rights.*** Within seven days of full execution hereof, Seller shall provide Purchaser with copies of all surveys, environmental reports, geotechnical reports and other documents relating to the Property in Seller's possession. Purchaser shall have three (3) weeks from the full execution of this document to review the documents provided to Purchaser by Seller, to inspect the Property; to review all governmental and private restrictions applicable to the Property; to have a qualified environmental consultant inspect the Property and report as to the condition thereof; and to determine that the Property is otherwise satisfactory to Purchaser. Purchaser and its employees and agents shall have full access to the Property commencing upon execution of this Agreement and continuing through closing to conduct its inspections and determinations. If Purchaser is not satisfied in its sole discretion with the results of such inspections and determinations, Purchaser may terminate this Agreement by written notice to Seller given at any time prior to the date set forth above in this section, and in such event the Note shall then be returned to Purchaser.

4. ***Preliminary Title Report, Survey.*** Within ten days after full execution of this Agreement, Seller shall furnish to Purchaser at Purchaser's expense (i) a preliminary title report issued by First American Title Company (the "Title Company") showing the condition of title to the Property (the "Title Report") The Title Report shall include copies of all title exceptions. Purchaser shall have 15 days from its receipt of the Title Report to review the Title Report and send Seller written notice rejecting any items reflected in the Title Report. If Purchaser rejects any item, Seller shall have 15 days thereafter to deliver to Purchaser an amended Title Report or

other satisfactory written evidence of the removal of such exception. Those exceptions approved by Purchaser are hereinafter referred to as the "Permitted Exceptions." If Seller fails within that period to remove any exception to which Purchaser has objected, Purchaser may terminate this Agreement by written notice to Seller, and the Note shall then be returned to Purchaser. Notwithstanding the foregoing, Seller shall be obligated to satisfy, on or before the Closing Date, any exception created, or suffered to be created by Seller that is security for payment of a sum of money (including mortgages, trust deeds, tax liens, contractor's liens and judgment liens).

5. **Closing.**

5.1 **Time and Place of Closing.** The closing of the transaction provided for in this Agreement shall take place in escrow at the Title Company's office in Newberg, Oregon upon final completion of the lotline adjustment referenced in Section 7 below (the "Closing" or "Closing Date"). The Closing, and all obligations hereunder, are conditioned on approval by the Newberg City Council at its meeting on May 20, 2013.

5.2 **Seller's Documents.** The Property shall be conveyed at Closing by statutory warranty deed (the "Deed"), free and clear of all liens, encumbrances, restrictions and reservations other than the Permitted Exceptions.

5.3 **Conditions of Closing.** In addition to the conditions to Closing described in Section 3 above, the obligations of Purchaser hereunder shall be subject to the fulfillment of the following conditions on or prior to the Closing Date, each of which shall be continuous conditions until closing unless waived by Purchaser:

- The representations and warranties of Seller contained in this Agreement shall be true and correct as of the Closing Date.
- There shall be no material change in the physical condition of the Property.

6. **Title Insurance Policy.** Within 15 days after the Closing, Seller shall furnish to Purchaser, at Purchaser's expense, an ALTA extended coverage owner's policy of title insurance, in the full amount of the Purchase Price. The title policy shall insure Purchaser as the owner of the Property subject only the Permitted Exceptions.

7. **Expenses.** Purchaser shall pay the escrow fee. Purchaser shall pay the cost of recording the Deed and any transfer, excise or documentary stamp taxes, and Purchaser shall pay the cost of recording any financing instruments. Purchaser shall pay the cost of the title insurance policy. Each party shall bear its own attorney fees, if any. Purchaser shall pay the costs of the preparation and County fees for the lotline adjustment land use planning application and the land surveyor and County recording fees for the lotline adjustment survey and newly configured legal descriptions for each parcel.

8. **Possession.** Purchaser shall be entitled to possession of the Property immediately upon Closing.

9. **Prorations, Deferred Taxes.** All real property taxes, insurance, rents and other usual items shall be prorated as of the Closing Date. Notwithstanding the foregoing, if the

Property is specially assessed for property taxes (e.g., farm, forest or other), Seller shall be responsible for and shall pay at or before Closing all deferred and/or additional taxes and interest which apply to periods before Closing (regardless of whether or not the Property is disqualified for such special assessment at Closing), and shall hold Purchaser completely harmless therefrom.

10. ***Maintenance Prior to Closing.*** Seller shall maintain the Property in good condition and repair prior to the Closing. Seller shall not, without the prior written consent of Purchaser, make any change or modification in any zoning, use or any similar right with respect to the Property or create any new restriction, encumbrance, lien or assessment thereon.

11. ***Representations and Warranties.*** Seller represents and warrants to Purchaser as follows:

a. Seller has the authority and power to enter into this Agreement and to consummate the transaction provided for herein.

b. Seller has received no written notice from any governmental agency of any violation of any statute, law, ordinance, deed restriction, rule or regulation with respect to the Property.

c. There is no pending or threatened litigation, condemnation proceeding, or annexation proceeding affecting the Property, and there are no governmental assessments not disclosed herein or not disclosed in the Title Report or any agreements to convey any portion of the Property, or any rights thereto, to any party other than Purchaser, including, without limitation, any government or governmental agency.

d. The Property consists of a legally subdivided lot.

e. There are no underground storage tanks on the Property, nor have underground storage tanks been removed from the Property.

f. The Property has never been used for the storage or disposal of any hazardous material or waste, there are no environmentally hazardous materials or wastes contained on or under the Property, there are no potentially hazardous environmental conditions on the Property, and the Property has not been identified by any governmental agency as a site upon which environmentally hazardous materials have been or may have been located or deposited.

All of the representations, warranties and covenants of the Seller contained in this Agreement (i) shall be true and correct as of the date of this Agreement and as of the Closing Date, and (ii) Purchaser's rights to enforce such representations and warranties and covenants shall survive the Closing and such rights to enforce shall not be merged into any documents delivered by Seller at closing. Seller shall indemnify, defend and hold Purchaser harmless from and against any cause, claim, loss, damage or expense, including attorney fees, which Purchaser suffers as a result of a breach of the representations, warranties and covenants contained in this Agreement.

12. *Agreements Regarding the Property.* Purchaser shall with respect to the Property:

a. Install and maintain DEQ approved erosion control measures during any construction of vineyard and/or site improvements on the Property.

b. Install and properly maintain permanent ground cover on the Property upon the completion of any vineyard and/or site improvements on the Property.

c. Cause new overland and subsurface storm runoff discharging onto the property to be in the form of non-concentrated flow; concentrated flows of storm water extant before January 1, 2012 are exempt from this requirement.

d. Cause all storm runoff from the Property from gravel, paved, building, or other impervious surfaces to be treated to the current City of Newberg water quality standards before discharge from the Property.

e. Cause irrigation facilities within the Property to be designed, installed, and operated in a manner that will not increase overland and/or subsurface flows.

f. Use best management practices established by the Oregon Department of Agriculture for agricultural chemicals with respect to any crops on the Property.

(i) Pesticide and herbicide use shall be minimized through best management practices.

(ii) Pesticides and herbicides shall not be applied when overspray could be carried toward the Otis Springs vegetative buffer.

(iii) If agricultural chemicals are required to be used on the Property, targeted pesticides and herbicides shall be used in preference to broad-spectrum pesticides and herbicides.

(iv) Fertilizers, including manure, and other agricultural chemicals shall be applied strictly in accordance with authorized uses, label directions, and other federal, state, and local government policies and requirements. All fertilizers and other agricultural chemicals shall be approved for use in water quality sensitive areas.

(v) Spray equipment shall be properly calibrated and maintained.

(vi) Mixing of chemicals shall be completed offsite.

(vii) All mixing and application of pesticides, herbicides, and other agricultural chemicals shall be performed by an applicator certified by the State of Oregon.

- g. Utilize good spill prevention practices on the Property, such as
  - (i) Storage of herbicides, pesticides, and other agricultural chemicals onsite is prohibited.
  - (ii) Storage of manure and other fertilizers onsite is prohibited.
  - (iii) Permanent storage of fuel shall be prohibited.
  - (iv) Purchaser shall notify the City of Newberg within one day of any spills exceeding five gallons of agricultural chemicals, agricultural waste, and/or fuel.
- h. Not permit sewerage and/or agricultural waste storage, treatment, processing, discharge, and/or drain fields to occur or exist on the Property.

13. **Default; Remedies.** TIME IS OF THE ESSENCE OF THIS AGREEMENT AND EACH PROVISION HEREOF. If Seller has performed each and every one of its obligations under this Agreement and the transaction provided for herein fails to close, through no fault of Seller, on or before the Closing Date specified in Section 5.1 above, Purchaser shall forfeit the earnest money to Seller as liquidated damages as Seller's sole remedy, and this Agreement shall thereupon be null and void. If Seller cannot furnish at closing the Deed and a commitment for the title insurance policy described in Section 6 or otherwise fails to complete this transaction on or before the Closing Date specified in Section 5.1 above, the Note shall be returned to Purchaser, but Purchaser's acceptance of the Note shall not constitute a waiver of other remedies available to Purchaser, including the right to seek specific performance.

14. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of Seller, Purchaser and their respective heirs, personal representatives, successors and assigns. Purchaser shall have the right at any time prior to closing to assign its right to purchase the Property.

15. **Attorney Fees.** In the event of any action to enforce or interpret this Agreement, or for any remedy on account of any breach of this Agreement, the prevailing party in such action shall be entitled to recover from the other party its costs, disbursements and reasonable attorney fees as determined by the court in such action and in any appeal therefrom.

16. **Notice.** All notices and communications in connection with this Agreement shall be given in writing and shall be transmitted by certified or registered mail, return receipt requested, to the appropriate party at its address set forth at the outset of this Agreement. Any notice so transmitted shall be deemed effective on the date it is placed in the United States mail, postage prepaid. Either party may, by written notice, designate a different address for purposes of this Agreement.

17. **Further Acts.** The parties agree to execute and deliver such additional documents, and perform such additional acts, as may be reasonably required to carry out the transaction provided for in this Agreement.

18. ***Entire Agreement.*** This written Agreement sets forth the entire understanding of the parties with respect to the purchase and sale of the Property. This Agreement supersedes any and all prior negotiations, discussions, agreements and understandings between the parties. This Agreement may not be modified or amended except by a written agreement executed by both parties.

[Signature Page Follows]

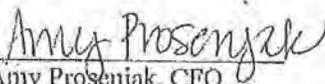
19. *Land Use Disclaimer.* THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Seller: CITY OF NEWBERG

By:   
Daniel Danicic, City Manager

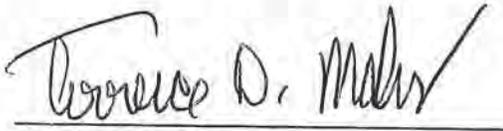
Date: April 24, 2013

Purchaser: A TO Z WINEWORKS, LLC

By:   
Amy Prosenjak, CFO

Date April 10, 2013

APPROVED AS TO FORM & CONTENT:

  
Terrence D. Mahr, City Attorney

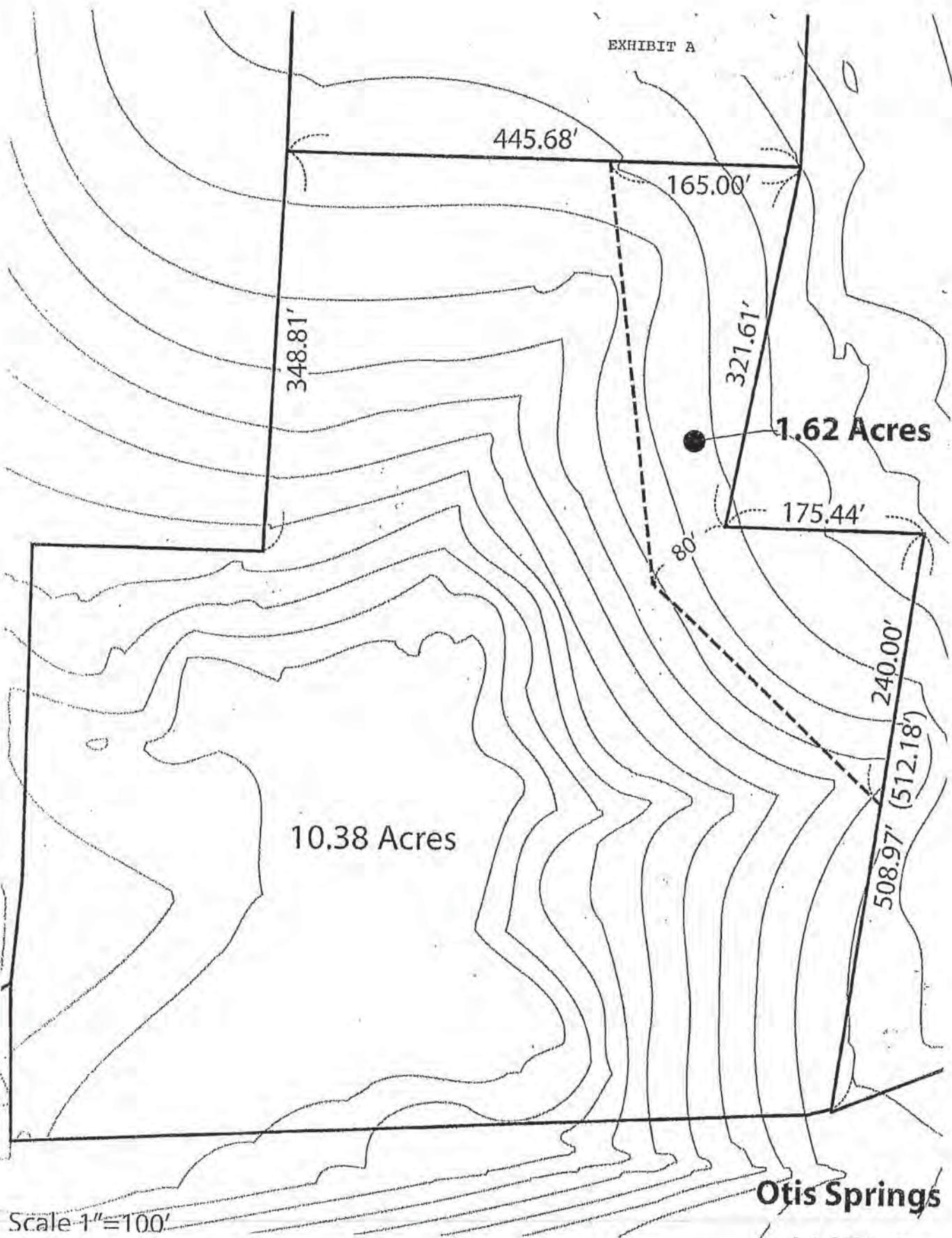
April 27, 2013  
Date

**EXHIBIT A**

[attached]

033530/00020/4486513v1

EXHIBIT A



# REQUEST FOR COUNCIL ACTION

**DATE ACTION REQUESTED: May 20, 2013**

<b>Order</b> ___	<b>Ordinance</b> ___	<b>Resolution</b> <u>XX</u>	<b>Motion</b> ___	<b>Information</b> ___
<b>No.</b>	<b>No.</b>	<b>No. 2013-3043</b>		

**SUBJECT: Resolution authorizing the city manager to facilitate redevelopment and transfer of the former animal shelter site at 921 S. Blaine Street to Newberg Area Habitat for Humanity for an affordable housing project.**

**Contact Person (Preparer) for this Motion: Barton Brierley, Terry Mahr  
Dept.: Planning and Building, Legal  
File No.: G-10-001**

**HEARING TYPE: ADMINISTRATIVE**

**RECOMMENDATION:**

Adopt Resolution No. 2013-3043, authorizing the city manager to facilitate the re-development of the city property located at 921 S. Blaine Street, directing the city manager to work with Newberg Area Habitat for Humanity (Habitat), and authorizing the city manager to deed the property to Habitat in order to further the goal of the city for affordable low-cost/low-income housing.

**EXECUTIVE SUMMARY:**

The City owns the property at 921 S. Blaine Street, the site of the former animal shelter. When construction began on the new animal shelter site on Sandoz Road, the City Council began to consider opportunities for disposition of the Blaine Street site. The Council decided to investigate using the property for an affordable housing project. In December, 2009, the City Council directed staff to request development proposals for the site. The Council expressed that the objectives of the project should be: 1) to develop dedicated affordable housing that maximizes the land use potential of the site and meets affordable housing goals, 2) to develop a project with exemplary site and building design, and 3) to transfer ownership of the land upon completion of the project. The City received two proposals for the site. The Council voted to accept the proposal from Newberg Area Habitat for Humanity (Exhibit "B").

Following this direction, the attached resolution authorizes the City Manager to work with Habitat to execute a development agreement for the property and ultimately convey the property to them.

**FISCAL IMPACT:** An appraisal of the property valued the land at \$70,000.00. While not formally part of the agreement, it should be considered that Habitat has provided in kind services in construction of the new animal shelter and in demolition of the old.

**STRATEGIC ASSESSMENT:** The City has adopted a number of goals and policies in the Comprehensive Plan relating to affordable housing. Among these are:

*Goal I: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.*

*Policy 3.i.: The City shall encourage the provision of affordable subsidized housing for low- and very*

*low-income households, which are defined as those earning between 50 percent and 80 percent, and those earning 50 percent or less, of the median household income in Newberg.*

*Policy 3.q: The City shall provide financial incentives for affordable housing, such as system development charge deferrals or waivers, permit application fee reductions or waivers, and land cost write-downs or donations for qualified affordable housing developments. These incentives could be paid by a housing trust fund.*

*Policy 3.v: The City shall work with local affordable housing providers in developing an overall strategy for meeting Newberg's housing needs.*

*Policy 3.w: City resources shall be directed toward assisting public and private entities in producing and preserving affordable housing throughout the community.*

The development agreement with Habitat provides a unique opportunity to further these goals.

#### Attachments

Resolution 2013-3043 with

Exhibit "A": Excerpts from the March 15, 2010 City Council minutes

Exhibit "B": Newberg Area Habitat for Humanity Proposal

1. Property appraisal



## ***RESOLUTION No. 2013-3043***

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**A RESOLUTION AUTHORIZING THE CITY MANAGER TO DO ALL NECESSARY ACTS TO FACILITATE THE REDEVELOPMENT OF THE CITY PROPERTY LOCATED AT 921 S. BLAINE STREET WHICH WAS THE LOCATION OF THE NEWBERG ANIMAL SHELTER (THE PROPERTY); DIRECTING THE CITY MANAGER TO WORK WITH NEWBERG AREA HABITAT FOR HUMANITY (HABITAT); SETTING OUT CRITERIA FOR THE CITY MANAGER TO USE IN EXERCISING THAT AUTHORITY; AND AUTHORIZING THE CITY MANAGER TO DEED THE PROPERTY TO HABITAT IN ORDER TO FURTHER THE GOAL OF THE CITY FOR AFFORDABLE LOW-COST/LOW-INCOME HOUSING**

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### **RECITALS:**

1. The City owns property at 921 S. Blaine Street within the city. The property was until recently the site of the Newberg Animal Shelter.
2. The City Council considered proposals for redevelopment of the property in order to provide low-cost housing within the city at their meeting on March 15, 2010. Excerpts from the minutes of that meeting are attached to this Resolution as Exhibit "A" and by this reference incorporated.
3. After hearing the presentations on the proposals, the Council by motion voted to accept the proposal from Habitat and requested that staff work with Habitat to re-develop the property.
4. The redevelopment of the property was to take place when the new animal shelter located on Sandoz Road was ready to operate as the City's animal shelter. The new animal shelter is now operating as the City's animal shelter.
5. The old animal shelter structure is in the process of being demolished through the assistance of Habitat.
6. The City has advertised and a public hearing was held this evening of May 20, 2013, to consider the relinquishing of the property to Habitat in order for Habitat to redevelop the property in accordance with their proposal to provide low-income housing within the City of Newberg in furtherance of the goal of the City to provide affordable housing in Newberg. The hearing is held in accordance with ORS 271.330 dealing with the relinquishing of title to property for low-income housing.

### **THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. The city manager is hereby authorized, directed, and delegated the authority to do all necessary acts to assist Habitat in the redevelopment of the property in order to build low-income affordable housing in furtherance of the City's goal for providing affordable housing within the City. The redevelopment shall be in accordance with Habitat's proposal presented March 15, 2010, to the City

Council. Such proposal is attached to this Resolution as Exhibit “B” and by this reference the City accepts and incorporates this proposal within this Resolution.

2. The city manager shall use the following criteria when exercising the city manager’s authority in making decisions concerning the redevelopment by Habitat of the property:
  - A. Conceptual Design – The property shall be developed in a manner that substantially conforms to the conceptual site, building design, and development concept submitted by Habitat in their proposal (attached as Exhibit “B”). Substantial conformance shall be determined by the city planning and building director.
  - B. Design Standards – The property shall be developed in a manner that complies with all applicable standards of the Newberg Development Code and all conditions of the site design review decisions.
  - C. Street Improvements – Upon development of the property, Habitat shall extend Blaine Street improvements along the frontage of the property, similar to those that currently exist immediately to the north of the property, and will install a sidewalk along the frontage of the property.
  - D. Development Schedule – Habitat shall obtain building permits for the Project within three (3) years from the date of this resolution. Habitat shall complete construction of the Project within five (5) years from the date of this Resolution. An extension may be permitted upon mutual agreement of the parties. The city manager has the authority to agree to such extensions. If the project is not completed, the property shall not be transferred to Habitat or shall be re-deeded to the City if it has previously been transferred to Habitat.
  - E. Demolition of Improvements—Habitat shall demolish the existing animal shelter building and associated improvements within one year of the date of this Resolution. It is acknowledged Habitat has volunteers working with the city demolishing the existing shelter and demolition shall be completed very soon.
  - F. Fees – Habitat shall be responsible for all system development charges, site design review fees, building permit fees, and any other fees associated with the development.
  - G. Property Transfer – The City shall relinquish title to the property and assign ownership of the property to Habitat without consideration in money (\$0.00) but for consideration of doing the redevelopment. Such transfer shall take place no later than the completion of the development and all other applicable development requirements. The city manager is specifically delegated the authority to deed, transfer, and assign ownership of the property to Habitat. Further, the city manager may make such transfer as necessary or convenient to facilitate the re-development of the property, funding for the redevelopment, and/or obtaining grants for financing the redevelopment. This transfer shall be done with adequate protection that the property will be returned to the City if development is not completed. The property will be transferred to Habitat on an “AS IS” basis. The City will make no warranties, express, or implied, as to the condition or use of the property.

- H. Continuing Use of Property -- The property is being transferred to be used as an affordable housing project described in Exhibit “B” in accordance with the policies of Habitat. Parties understand Habitat’s policies encourage home ownership. Habitat has policies requiring the occupants to enter into agreements to use the property as a qualifying affordable home for specific periods of time. Parties understand after those periods have elapsed, the future property owners may use the property for those uses allowed under the applicable laws and ordinances of the City of Newberg.
- I. Dispute Resolution – Mediation and/or arbitration will be used by parties if unable to settle design differences or if the design concept (e.g. aesthetically pleasing and substantive) is not met by the Habitat.

3. The City Council makes the following findings:

- A. Habitat is a qualifying non-profit corporation within the meaning of ORS 271.330 and is qualified for the city to relinquish the title of the property to it for the purpose of providing low-income housing. It is the goal of the City Council to provide low-cost/low-income affordable housing within the city.
- B. The purpose of the Habitat proposal is to provide low-cost/low-income affordable housing within the city which helps the city meets its goal of providing low-cost/low-income affordable housing within the city.
- C. This arrangement with Habitat provides for a good use of the property and the partnership with Habitat is the best way for the city to further its goal of providing low-cost/low-income affordable housing.
- D. The delegation of authority with direction to the city manager allows the city manager to work with Habitat in developing their proposal, finding financial resources for their proposal, and securing finances through grants or other means for the funding of the proposal. This flexibility is necessary to ensure efficient and timely response to the various avenues for developing the proposal.
- E. The city finds the property is no longer needed for public purposes by the city and relinquishing the title of the property to Habitat will allow Habitat to redevelop the property in accordance with the proposal submitted.
- F. The city had previously obtained an appraisal of this property in 2005. The appraisal is a part of the record in the public hearing. The value established for the property without the improvements was \$70,000.00. The city finds the appraisal is adequate to show the value of the property for purposes of this public hearing.

The city has the authority to relinquish the title of the property to Habitat and has met the criteria for doing so pursuant to ORS 271.330 and has followed the required procedure.

4. All documents, agreements, and other legal instruments such as deeds shall be approved as to form and content by the city attorney.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 21, 2013.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20<sup>th</sup> day of May, 2013.

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Norma I. Alley, MMC, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of May, 2013.

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Bob Andrews, Mayor

CITY OF NEWBERG CITY COUNCIL MINUTES  
MARCH 15, 2010  
7:00 P.M. MEETING  
PUBLIC SAFETY BUILDING TRAINING ROOM  
401 EAST THIRD STREET

Work Session was held prior to the meeting. A discussion on Budget prioritization occurred. No decisions were made.

**I. CALL MEETING TO ORDER**

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

**II. ROLL CALL**

Members

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

**EXCERPTS FROM MINUTES DEALING WITH PROPOSALS  
FOR RE-DEVELOPMENT OF CITY PROPERTY AT  
921 SOUTH BLAINE STREET IN CITY (SITE OF OLD ANIMAL SHELTER)**

**VIII. NEW BUSINESS**

1. Consider a motion directing the city manager to prepare a development agreement with a private developer to construct an affordable housing project at 921 South Blaine Street.

TIME – 8:00 PM

Mr. Mahr talked about whether or not Councilor Denise Bacon's position on the board of directors for Habitat for Humanity would be considered a conflict of interest. He stated that it would not be considered a conflict of interest because it is a non-profit organization; however, she may choose not to participate because of a possible appearance of bias.

Councilor Denise Bacon said she would choose not to be part of the hearing. No other conflicts of interest or bias were noted.

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

Councilor Bob Larson asked about reimbursement for the cost of land. Staff replied that neither applicant is proposing to purchase or pay for the property; as part of the development agreement the City planned to donate the land for an affordable housing project specifically, since land cost is a significant barrier in building affordably.

Councilor Marc Shelton asked the City Attorney if there would be any legal advantages to selling the lot for one dollar rather than giving it as a donation. Mr. Mahr said there would be no advantage to doing that.

**Exhibit "A"**  
**to Resolution 2013-3043**

Councilor Stephen McKinney added it would still be important to show a change of title when donating the land to show the City no longer owns it. Mr. Mahr agreed and said it would be part of the development agreement to follow through with that so the builder can use it as security to obtain loans, but if they do not follow through on their commitment, then the City could get the land back.

Councilor McKinney asked about the amount of parking on both proposed projects and expressed his belief that there needs to be a parking spot for every bedroom in order to prevent overflow issues that have not been addressed in the past.

Councilor Wade Witherspoon wished to ask a Habitat for Humanity representative how many people the units were designed to house.

Mr. Roy Powell, Habitat for Humanity staff member, approached and answered that the homes were designed around the families in need; for this project they are three bedroom units since one family has two kids and the other has four.

Councilor Larson asked him to address the parking question, noting that other affordable homes built with limited parking have ended up with twice as many cars as planned, which have overflowed onto the streets. Mr. Powell stated they do not encourage this and the projects were not designed for that.

Mr. Jared E. Jones, Chair of the Habitat for Humanity board of directors, stated he was here to represent the four-hundred some volunteers from Newberg and discussed the partnership between the City and community on these types of projects. He said if the City would not be donating the land, they would not be able to build for another two to three years because raising money is difficult for charity type projects. He spoke of grant writing and donations from churches as their primary funding options and to their unique ability to build on small parcels of land with very "green" building. He noted there were many board members present this evening as well as part-time employees and families who received homes through the organization.

Ms. Lory Albright said she has been a member of the Newberg community for thirty-five years and part of Habitat for Humanity for twenty years. As an educator in Newberg she often sees constant moving around as a problem for students and she feels they need safe homes and support to stay in those homes. She said there are benefits for families to be responsible homeowners and would rather have the Habitat home than apartments.

Mr. Rick Rogers, Habitat for Humanity, spoke of this being a fantastic and tangible moment in the history of afford housing in this community because it would demonstrate a way for a city and a non-profit organization to create a partnership. He spoke of the impact on children to build successful legacies by completing school and applying to college because the homes are built to create stability and opportunities for families they would not otherwise have. He also mentioned the plans were proposed as the zoning currently stands.

Councilor Shelton spoke of the traffic concerns and the unfinished road; he asked if Habitat for Humanity would be willing to help complete the roads as the other applicant suggested. Mr. Rogers stated they would be willing to be a partner in this as well.

Ms. Lisa Stephens stated, as an owner of a Habitat home, she was grateful and she spoke of the difference it made for her living in her own home rather than an apartment. She said she takes a lot more pride in her home because it belongs to her and not someone else and how it benefited her financially to keep her job and stay in the home.

Mr. William Sweat, a member of the Habitat for Humanity board of directors and Chair of the finance committee, spoke of Habitat creating the opportunity for homeownership and stability so kids can focus on

education, which correlates to kids getting out of poverty. He said the no interest loans allow owners to pull out of poverty because of the equity gained.

Ms. Joanne Duncan declined to speak.

Mr. Doug Bartlett spoke of people being caught in a bind without the resources to get ahead and being trapped in poverty even though they work hard. He said he is a fan of all affordable housing and appreciates the Council and staff considering this exciting model for many other places to copy. He said he was not opposed to affordable rental units, but he felt home ownership helps turn families' lives around.

Councilor Shelton asked staff to explain the completion of Blaine Street further as well as the issues of right-of-way with the railroad. Mr. Danicic said it would be done with a payment in-lieu which would be placed into the City bank account until the time comes for Blaine Street to be improved. The right-of-way is held by the County rather than the railway and a process has been initiated to declare it as a City right-of-way.

Councilor Rierson questioned the other applicant Mr. Roger Grahn about his proposal to improve the road.

Mr. Roger Grahn approached and answered that he planned to complete the road just in front of the property. Between Blaine Street and 9<sup>th</sup> Street it would remain undeveloped. He said he's been doing what he does for a long time now and he knows how to get more yield from a smaller area. He said both applicants have problems with finding land cheap enough to build affordable housing. If the land were not being donated by the City, he would be sniveling about the SDC charges; so he applauds this as a first step. He spoke of his belief that the lot is actually bigger than everyone thinks and about being able to do the street improvements cheaper than others. He spoke of the parking issue stating he did expect one or two of the tenants that will not have cars, so he did not see it as a problem.

Discussions followed concerning the issues surrounding the street. Staff spoke of adverse possession and working with the County, they did not feel there would be any issues with the paper mill property owners, and they felt they would be able to work with Chehalem Park and Recreation District (CPRD) concerning the entrance to the BMX track. The City Attorney spoke of the burden of maintenance and taking over jurisdiction of the road and annexing it. Improvements could be completed by a Local Improvement District (LID) or a half-street improvement, but CPRD has the strongest interest in the improvement.

Mr. Grahn said he is proposing to participate, although he wants to do the improvements himself because he can do it more cost efficient. Curb and gutter would need to be run around the corner of 11<sup>th</sup> Street; it would not be a full street, but it would be paved as far as it could go with a physical barrier to keep kids and cars from going around the rail and to get drainage for storm water.

Mr. Rogers said they plan to do what would be customary and mentioned their good working relationship with CPRD and with the contractors; he said they could do whatever the City felt was in the best interest of everyone to provide access to a busy park and alleviate other homeowners concerns about traffic in the area.

Mayor Andrews asked staff about supplying water to the site and if the current pipes were adequate to support this or if an upgrade would be required. Staff said they expected it was currently standard residential at ¾-inch and sewer is available as well to support either proposed plans.

Discussions continued concerning the assessed values of the proposed projects for tax purposes; Mr. Grahn's project was said to be assessed higher than the Habitat proposal with taxes estimated at \$6,800.00 per year. Mr. Rogers stated taxes are customarily \$2,000.00 a year for their homes. Both parties mentioned several times that it was difficult to compare the two projects because they were so very different.

**Exhibit "A"**  
**to Resolution 2013-3043**

Mayor Andrews asked if the applicants were going to request some other concessions, such as a waiver of SDC and permit fees.

Mr. Rogers stated the City has the ability to waive fees for two affordable housing units per year and because they are a non-profit organization, every dollar of waived fees or in kind donation is a dollar that does not have to be raised from the citizens.

Mr. Grahn replied the donation of the land is enough to make the project to be built affordably.

Councilor Witherspoon asked about the differences in size and shape of the lot from page 115 to page 129. Mr. Danicic replied that Mr. Grahn's plan included an additional portion of adjacent land that he would acquire to build his project; the example used in the Habitat for Humanity proposal is more accurate to what is currently owned by the City.

Councilor Shelton shared that he felt the details of the site and infrastructure were too overwhelming for him to make a good decision tonight; he wondered if the Council would consider tabling the topic to allow for diagramming and road improvement plans.

Councilor McKinney also agreed he was not prepared to make a decision and would like more details about the road improvement issue; he was reluctant to decide without these matters being worked out.

Councilor Larson argued he would like to decide tonight because he did not feel it would be a problem for either applicant to plan to include the necessary improvements.

Mayor Andrews discussed the acquisition of the additional property and if that would change plans for the Habitat for Humanity proposal. Mr. Rogers replied they would consider another unit if it was economically worthwhile, but the costs of the necessary zone change would be a determining factor.

Mr. Grahn added he would also be asking the City to do zone change, rather than paying for it himself. He has had difficulty with this in the passed and felt the City would have more success initiating the zone change.

Mayor Andrews recessed at 9:24 PM and reconvened at 9:35 PM. He reminded the Council they were being asked to give direction to the City Manager to negotiate the terms of the development agreement; they had to just choose which applicant he would be doing that with.

Councilor Shelton said he understood that there were items that have come up that were outside of the original Request for Proposal (RFP), but he finds it difficult to make a decision about things like the City being asked to take care of the expense of a zone change and other expenses that may come from road improvements.

Both applicants stated they agreed these were two very different approaches to affordable housing but the choice came down to whether the City wanted to see homeownership or low income rental housing on this piece of property. Then the development agreement process can begin, which would come back to the Council; if those issues cannot be resolved between the City and the chosen applicant then either party has the right to walk away.

Councilor Rierson commended the creativity of both projects and the applicants. He felt that either choice has pros and cons, but ultimately he would be more supportive of building the Habitat for Humanity project because of the resulting home ownership. He did not feel he was approving the actual development agreement tonight, he is just choosing to support initiating the agreement process with Habitat for Humanity.

**Exhibit "A"**  
**to Resolution 2013-3043**

Councilor Larson also felt he could decide tonight to go with Habitat for Humanity and the zoning and street issues could be resolved later.

**MOTION:** Larson/Witherspoon approving a motion directing the City Manager to negotiate a development agreement with Habitat for Humanity and meet the intent of the RFP and the proposal submitted. The City Manager is delegated, authorized, and empowered to negotiate, propose, and initiate any terms and conditions for the development agreement which will address the road improvements, needed public utilities, and all the details necessary for the development. The intent is to specify in the development agreement the details and obligations of each party. The final approval shall be with the City Council.



# PROPOSAL TO THE CITY OF NEWBERG 921 S BLAINE STREET





Newberg City Council  
PO Box 970  
414 E First Street  
Newberg, Oregon 97132

December 18, 2009

**Re: 921 S Blaine Street Affordable Housing Proposal**

Dear Mayor Andrews and Councilors Bacon, Larson, McKinney, Rierson, Shelton and Whitherspoon:

We believe Newberg Area Habitat for Humanity has the experience, expertise and resources to develop and build a project that will maximize the potential of the Blaine Street site while serving as a model to other affordable housing projects.

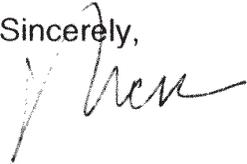
We believe this because our organization:

- 1) Has over 15 years local experience developing model affordable housing
- 2) Is backed by the expertise of Habitat for Humanity International
- 3) Is a community-based volunteer-driven non-profit
- 4) Maintains affordability through in-kind donations and volunteer labor
- 5) Demonstrates financial stability and secures financing through a partnership of sources
- 6) Addresses the specific needs highlighted in the Newberg Affordable Housing Action Plan
- 7) Develops the stability of homeownership which in turn adds to the tax rolls
- 8) Has the experience needed to successfully select and prepare families for homeownership
- 9) Recycles materials in the building of sustainable and efficient projects
- 10) Brings together divergent partners joined in goodwill
- 11) Is small enough to be focused while remaining flexible and responsive
- 12) And, Newberg Area Habitat for Humanity builds more than houses, we build community

Greater specifics on our organizations appear in the attached proposal. Thank you for this opportunity and for furthering the mission of affordable housing in our community.

Should you have any questions regarding our organization, please do not hesitate to contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Rogers", written over a light blue horizontal line.

Rick Rogers  
Executive Director



### Family Selection Criteria

1. Families live, work, or have some specific connection to the Newberg area (including Dundee, Dayton, St. Paul and Sherwood).
2. Need for adequate shelter
  - a. Current shelter has problems with heating, water, electricity, bathroom(s), kitchen, structure, environmental hazards, etc.
  - b. Overcrowded conditions determined by the number of persons, age, and sex of family members.
  - c. Unable to obtain a conventional or governmental assisted loan.
  - d. Excessive amount of income spent on housing.
  - e. Special needs of family member that cannot be met in current living circumstances.
3. Ability to pay
  - a. Family has a reliable source of income.
  - b. Family demonstrates the financial resources and ability to pay the monthly payment (including taxes and insurance) on a regular basis. Home ownership must not threaten household income or the ability to continue payments of monthly household expenses and/or current debt.
  - c. Family has a history of responsible payment of debt
  - d. Family's total gross annual income is not less than 25% and no greater than 50% of the median income of Yamhill County for their family size. (In 2009, the income range is \$17,500 to \$35,000 (hourly \$8.41 to \$16.82) for a family of four.) Exceptions may be made for exceptional need.
  - e. The combined total of the monthly mortgage payment and all monthly debt payments should not be greater than 36% of the family's gross monthly income. Exceptions in severe cases of need.
4. Willingness to partner with Habitat for Humanity
  - a. Family understands 500 hour sweat equity requirements and its demands and is willing to complete 100 hours before work begins on their own home and is willing to complete all 500 hours (250 hours with specified assistance from friends, neighbors, and community volunteers) prior to taking possession of their home.
  - b. Family is willing to attend Habitat's Family Support classes, which include financial counseling, home maintenance, and repairs.
  - c. Family is willing to receive home visits and interviews from family selection committee member(s) and media representatives for publicity purposes.
  - d. Most importantly, the family desires to be active participants in Habitat, helping others achieve home ownership by volunteering their time and continuing the circle of "a hand up."

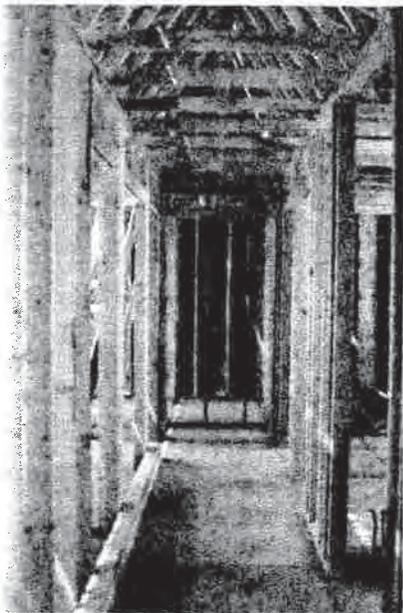
***Habitat for Humanity does not discriminate based on age, sex, race, ethnic background, national origin, or religion***



Construction Technologies

## House Design Criteria

*As stated in Habitat for Humanity's U.S. Affiliation Agreement, affiliates' construction practices should reflect the Habitat intent of building simple and decent houses as defined at right. New construction and rehabilitation projects may provide a set of circumstances with local code requirements or community covenants in which some of the guidelines cannot be met.*



**The following points define the criteria that affiliates should incorporate into their house designs:**

1. The living space provided—excluding stairwells (except to a basement) and exterior storage—should not exceed:
  - 900 square feet for a two-bedroom house
  - 1,070 square feet for a three-bedroom house
  - 1,230 square feet for a four-bedroom house
2. The basic house should have only one bathroom and should be accessible to persons with disabilities. The bathroom may be compartmentalized for increased usefulness. Three-bedroom houses may have an additional half bath. Houses with four bedrooms, or five or more people, may have an additional full bathroom.
3. Families should have an opportunity to choose decorative finishes for their house whenever possible.
4. A budget may be established with a predetermined limit (e.g., \$1,000) to allow the family to personalize their home with such features as appliances, fencing, shed, etc.
5. Each house should have a covered, primary entrance.
6. When feasible, at least one entrance to the house should be accessible to persons who have difficulty with mobility.
7. All passage doors, including the bathroom door, should be three feet (3') wide. Halls should be three feet and five inches (3' 5") wide from rough frame to rough frame. [Note: if there is a door in the hallway, the minimum width increases to three feet and seven inches (3' 7") from rough frame to rough frame.] These standards allow for simple access for persons with disabilities. Further adaptations may be needed if a family member is disabled.
8. Homes should not have garages or carports.

Plans that conform to these guidelines are available in the Habitat for Humanity Planbook, item #3998, on BuildBrand at <http://buildbrand.habitat.org> or by calling the US Support Center at (877) 434-4435.





**Proposed Sustainable Features**  
921 South Blaine Street, Newberg

**Site Features:**

- Rain gardens to capture all rainwater from site
- Run off swales and garden with native species
- Porous pavers in driveway/parking area with engineered base rock holding capacity
- Local and volunteer labor

**Energy Efficiency Features:**

- **Building**
  - Wrap foundation-structure connection with rigid insulation to avoid thermal bridging
  - Spray foam all cavities in walls created by outlets, plumbing, etc.
  - Exceed minimum insulation requirements in all areas (e.g R49 ceilings)
  - Roof trusses are designed with 'high heels' for better insulation
  - Low E Vinyl Energy Star® rated windows
  - Insulated window and door headers
  - Blower door test to pinpoint any sources of air transfer from the exterior
  - Care to avoid moisture soaking materials
  - Moisture removal post-construction
- **HVAC**
  - Low demand for heating/cooling allows for smaller heating system
  - Localized electric wall heaters
  - Spot ventilation Energy Star® rated
  - Low- or no-VOC (Volatile Organic Compounds) paints, finishes, and building materials
  - High efficiency gas hot water heater
- **Electrical Savings**
  - 100% Fluorescent lighting, 75% Energy Star®
  - Energy Star® rated appliances

**Environmental Features:**

- **Water Savings**
  - Dual-flush toilets
  - Low flow shower heads
- **Resource Efficiencies**
  - Advanced Framing techniques save 15% wood costs
  - Recycle demolition and job site debris
  - Use of recycled building materials

**Energy Star® & Earth Advantage® Features**

- Energy Star® - Lighting, Appliances and windows
- Energy Efficiency - frame
- Programmable thermostats
- High efficiency gas hot water heaters
- Improved indoor air quality
- Low VOC paints & finishes
- Moisture Tested Frame lumber
  - Blower door testing of shell

**Green Certifications**

- Energy Star®
- Earth Advantage®
- Oregon high performance home

<b><u>Site Features</u></b>	<b><u>Result</u></b>
Rain gardens to capture or delay all rainwater from site, with overflow going to adjacent ODOT parcel	Alleviates demand on city sewer system, lower bills for homeowners
Run off swales and garden with native species	Increases percolation and filters water. Habitat for insects and birds.
Rain Barrels	Detains run off for later irrigation use
Porous pavers in driveway/parking area with engineered base rock holding capacity	Allows rainwater to seep into ground, with detention of overflow to alleviate demand on city sewer system
Local and volunteer labor	Sense of united community supporting families

<b><u>Building Features</u></b>	<b><u>Result</u></b>
Wrap foundation-structure connection with rigid insulation to avoid thermal bridging	Reduce heat loss/gain, lower heating/cooling costs for homeowners
Spray foam all cavities in walls created by outlets, plumbing, etc.	Reduce heat loss/gain, lower heating/cooling costs for homeowners
Exceed minimum insulation requirements in all areas	R49 ceilings, R24 walls, R38 floors. Reduce heat loss/gain, lower heating/cooling costs for homeowners
Roof trusses are designed with 'high heels' for better insulation	Reduces thermal bridging
Low E Vinyl Energy Star® rated windows	Reduces thermal losses
Insulated window and door headers	Reduces thermal bridging
Blower door test to pinpoint any sources of air transfer from the exterior for further attention	Confirms tight shell
Care to avoid moisture soaking materials (i.e. Removal of surface ground water in crawl prior to installation of floor insulation)	Avoid mold issues later
Moisture removal post-construction	Avoid mold issues later
Use of recycled building materials from remodelers and contractors	Reduces waste and landfill usage
<b><u>HVAC Features</u></b>	<b><u>Result</u></b>
Low demand for heating/cooling allows for smaller heating system	Lower upfront cost for builder, lower heating/cooling costs for homeowners
Localize electric wall heaters	Put heating where it's needed
Spot ventilation Energy Star® rated	
Low- or no-VOC (Volatile Organic Compounds) paints, finishes, and building materials to avoid off-gassing after residents are in the dwelling	Healthier air for occupants
High efficiency gas hot water heater	Efficient and lower cost
<b><u>Electrical Saving Features</u></b>	<b><u>Result</u></b>
100% Fluorescent lighting. 75% Energy Star®	Lower energy bills for homeowners
Energy Star® rated appliances	Lower energy bills for homeowners
<b><u>Water Saving Features</u></b>	<b><u>Result</u></b>
Dual-flush toilets	Lower water consumption and bill for homeowners
Low flow shower heads	Save water
<b><u>Resource Efficiencies</u></b>	<b><u>Result</u></b>
Advanced Framing - 15% less wood	2 foot stud spacing, stacked framing, 2 stud corners, insulated headers, aligned opening, drywall clips
Recycle demolition and job site product	Less landfill



**Proposed Budget - 921 S Blaine**

**Income:**

In Kind

Land (City of Newberg)	120,000
Pre-Development	48,000
Construction Materials/Services	18,000
	<hr/>
	186,000

Community Gifts: 42,000

Grants Pending:		
	<i>Meyer Memorial Trust</i>	50,000
	<i>Softwood Lumber - HFHI</i>	17,000
	<i>Ford Family Foundation</i>	25,000
		<hr/>
		92,000

**Total Income:** 320,000

**Expense:**

Land Acquisition: (City of Newberg) 

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 120,000

Pre-Development:

Demolition/Testing	9,800
Surveying	2,500
Architect/Engineering	16,000
Fees/Permits	42,000
Notices, Other	2,500
	<hr/>
	72,800

Sub:

Construction:

Payroll	28,200
Insurance	5,000
Materials/Services	91,250
Miscellaneous	2,750
	<hr/>
	127,200

**Total Expense:** 

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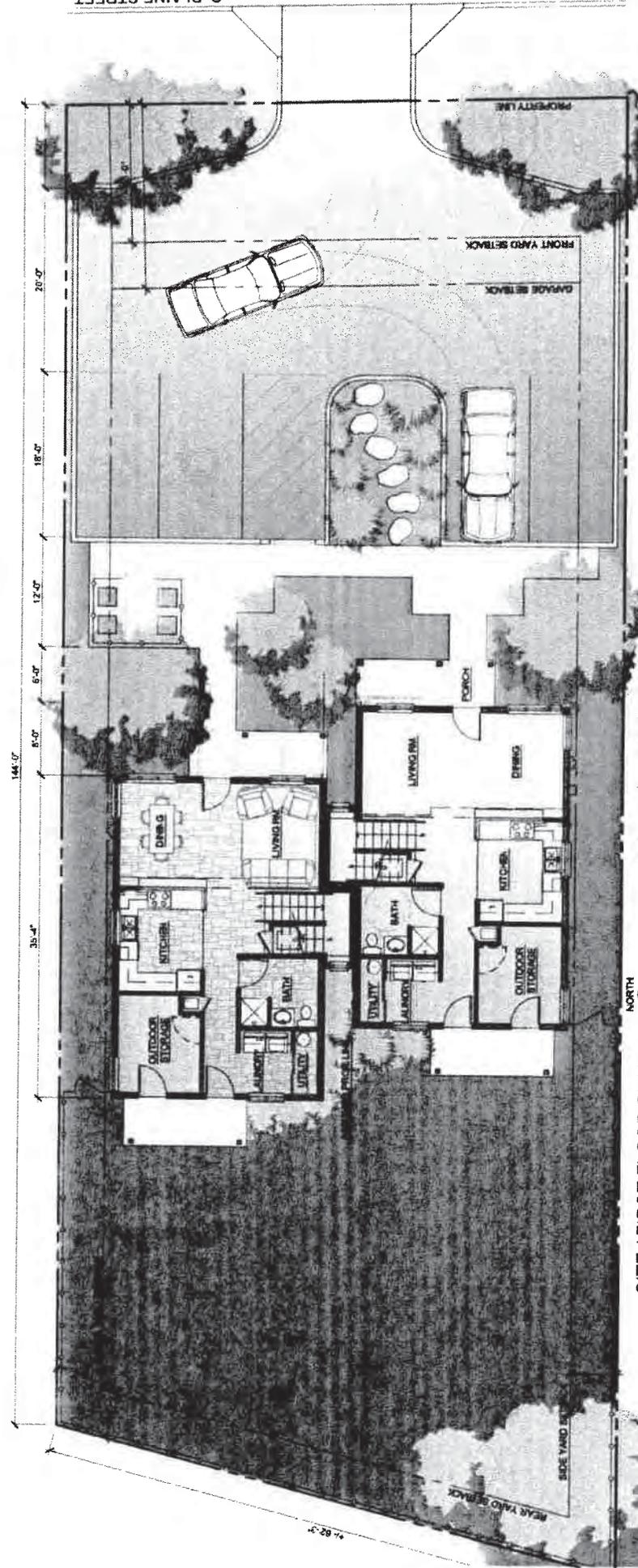
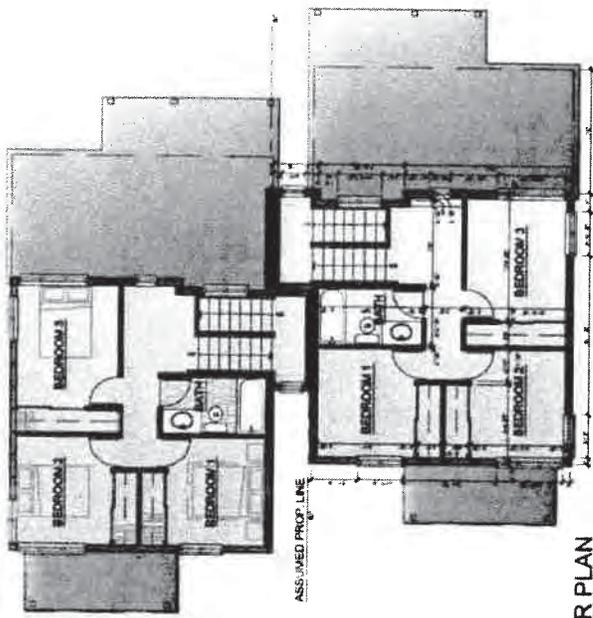
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 320,000

/rr

S. BLAINE STREET

scott edwards  
architecture



Habitat for Humanity - Newberg  
921 S. BLAINE STREET, NEWBERG, OREGON



SITE / FIRST FLOOR PLAN  
1/16" = 1'-0"

---

April 5, 2005

City of Newberg  
414 East First Street  
Newberg, Oregon  
97132

Property - 921 South Blaine Street  
Newberg, Oregon 97132  
Borrower - Newberg Animal Shelter Friends  
File No. - 05028  
Case No. -

Dear Mr Bennett:

In accordance with your request, I have made a Complete Appraisal and prepared a Summary Appraisal Report of the real property located at 921 South Blaine Street, Newberg, Oregon.

The purpose of the Summary Appraisal is to estimate the market value of the property described in the body of this report.

Enclosed, please find the Summary Appraisal which describes certain data gathered during our investigation of the property. The methods of approach and reasoning in the valuation of the various physical and economic factors of the subject property are contained in this report.

An inspection of the property and a study of pertinent factors, including valuation trends and an analysis of neighborhood data, led the appraiser to the conclusion that the market value, as of April 1, 2005 is :

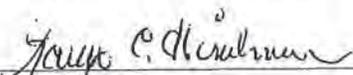
\$70,000

The opinion of value expressed in this report is contingent upon the Limiting Conditions attached to this report.

It has been a pleasure to assist you. If I may be of further service to you in the future, please let me know.

Respectfully submitted,

LARRY C HINDMAN APPRAISALS

  
\_\_\_\_\_  
Larry C. Hindman  
OR License #L000039

# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 20, 2013

Order \_\_\_      Ordinance XX      Resolution \_\_\_      Motion \_\_\_      Information \_\_\_  
No.              No. 2013-2761      No.

**SUBJECT:** Ordinance adopting revisions to the findings for the South Industrial UGB amendment and Economic Opportunities Analysis.

Contact Person (Preparer) for this  
Motion: Barton Brierley, AICP  
Dept.: Planning and Building  
File No.: UGB-09-001

HEARING TYPE:  LEGISLATIVE     QUASI-JUDICIAL     NOT APPLICABLE

## RECOMMENDATION:

Adopt Ordinance No. 2013-2761, which adopts minor revisions to the findings for the South Industrial UGB amendment and Economic Opportunities Analysis.

## EXECUTIVE SUMMARY:

The City Council already has adopted the South Industrial Urban Growth Boundary amendment. The city received a letter from the Oregon Department of Land Conservation and Development dated March 29, 2013 (Attachment 1), commenting on the proposal. The letter indicates that, with some caveats, the department believes Newberg has used the appropriate processes and has provided sufficient justification for the UGB amendment. The attached ordinance makes a few modifications to the UGB findings and justification to address those few caveats. The revisions do the following:

1.     **Specific Targeted Industrial Uses.** The revised findings clarify that the UGB amendment is needed to accommodate specific types of targeted industrial uses. The findings address each of these types of uses, and explain why those industries need sites with the characteristics listed in the Economic Opportunities Analysis (EOA).

The substantive revisions are in the UGB findings, pages 27 and 71-73, and the EOA (Appendix A) pages 67-73.

2.     **Transportation Proximity.** The revised findings investigate whether there are any sites near the Newberg UGB which are further than 1/8 mile but within 1/4 mile of an arterial street or state highway that would be suitable for industrial uses. The findings continue to recognize that close access to arterial streets or state highways is very important for targeted industrial uses. Studies show nearly all (92%) of comparable industrial areas in surrounding communities are adjacent to or within 1/8 mile of an arterial or state highway. All (100%) are with 1/4 mile. Broadening the investigation to include more distant sites (sites within 1/4 mile) did not result in any additional areas being found that are suitable for industrial uses.

The substantive revisions are in the EOA (Appendix A) on pages 61-62 and the UGB Findings page 34-37. The revisions also are reflected in the UGB Findings on pages 22-25, 40-45, Map 6, and various other pages.

3.     **Residential Compatibility.** The revised findings clarify compatibility requirements adjacent to rural residential neighborhoods. The findings continue to recognize that conflicts between adjacent industrial and residential uses occur whether the residential areas are inside or outside the UGB. The findings apply the

residential compatibility requirements to those residential areas zoned for or developed with 2.5 acre or smaller lot sizes. For example, the Oxberg Lake Estates and Benjamin Road neighborhoods are rural residential neighborhoods with 1 acre and 2.5 acre minimum lot sizes, and industrial development adjacent to these areas likely would create substantial conflicts. Also, the Dog Ridge Road neighborhood is 2.5 acre zoned area. It is adjacent to the South Industrial area, but is separated by a stream corridor, and no truck traffic passes through that area. Conflicts likely would be significant with this adjoining neighborhood if truck traffic were routed through the neighborhood and the stream corridor were not present. Although there are still compatibility issues near rural residential areas with larger lots, the revised findings do not exclude any potential industrial sites because of proximity to or truck traffic through rural residential neighborhoods zoned for and developed with greater than 2.5 acre minimum lot sizes. The clarification did not result in any additional areas being found that are suitable for industrial uses.

The substantive revisions are in the EOA Findings (Appendix C) page C-12. The revisions also are reflected in the UGB Findings pages 22-25, 37-45, Map 7, and various other pages.

4. **Industrial/Commercial Proximity.** The revised findings clarify and further investigate whether areas which are neither next to existing industrial nor commercial areas may be suitable for industrial uses. The findings continue to recognize that small, isolated industrial areas are atypical and do not provide the characteristics necessary for Newberg targeted industrial uses. Thus, industrial areas either need to be next to existing industrial or commercial uses, or in areas with sufficient buildable land to create adequate sized industrial districts. Studies show nearly all (92%) comparable industrial areas are adjacent to large commercial areas, are over 50 acres in size, or are both. The revised findings investigate whether areas not adjacent to existing industrial or commercial areas have adequate land that would allow further expansion and eventual creation of adequately sized independent industrial areas. The investigation did not result in any additional areas being found that are suitable for industrial uses.

The substantive revisions are in the EOA (Appendix A) on pages 56-58 and the UGB Findings page 34-37. The revisions also are reflected in the UGB Findings on pages 22-25, 40-45, Map 6, and various other pages.

5. **Agricultural Soil Class Analysis.** DLCD staff requested clarification on soil classifications in the study area and how those relate to priorities for including land in the UGB. The revised findings provide additional clarification, including an additional table and a revised map. The revision table is shown in the UGB findings on pages 47-48, 68-70, and the revised map is Map 10. Note that soil information also is shown on Map 9.

**FISCAL IMPACT:** Adopting the UGB amendment will have a significant positive impact on the city as it will facilitate economic development, job creation, and an improved tax base.

**STRATEGIC ASSESSMENT:** The proposed ordinance affirms the previous council approval of the UGB amendment. The industrial land will provide substantial economic benefits to the Newberg community, and achieve Council's adopted vision.

**ATTACHMENTS:**

Ordinance 2013-2761 with

Exhibit "A": UGB Expansion and Comprehensive Plan Amendment Report and Findings, with Appendices.

1. Letter from Angela Lazarean, DLCD, March 29, 2013
2. Letter from Dennis Gaibler, May 3, 2013



## ***ORDINANCE No. 2013-2761***

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**AN ORDINANCE ADOPTING REVISED FINDINGS IN SUPPORT OF THE SOUTH INDUSTRIAL URBAN GROWTH BOUNDARY AMENDMENT, REVISIONS TO THE ECONOMIC OPPORTUNITIES ANALYSIS, AMENDMENTS TO THE COMPREHENSIVE PLAN AND TRANSPORTATION SYSTEM PLAN, AND REPEALING CERTAIN ORDINANCES**

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### **RECITALS:**

1. Newberg's comprehensive plan states, "In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base."
2. Newberg has adopted a 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."
3. Newberg has a shortage of industrial land needed to meet these goals and visions.
4. The Ad Hoc Committee on Newberg's Future's Report to City Council recommends that the South Industrial area be added to the urban growth boundary to meet future industrial land needs.
5. The Newberg City Council has accepted the south industrial master plan as a vision for the south industrial area.
6. On June 15, 2010, the Newberg Urban Area Management Commission recommended adoption of the proposed urban growth boundary amendment.
7. On July 18, 2011, the Newberg City Council adopted the proposed urban growth boundary amendment and the revised Economic Opportunities Analysis. The Council further revised the amendment on August 20, 2012 through Ordinance No. 2012-2751, and on January 22, 2013 by Ordinance 2013-2759.
8. The proposal meets the goals and policies of the Newberg Comprehensive Plan and implementing ordinance, the Statewide Planning Goals, and statutes and rules.

### **THE CITY OF NEWBERG ORDAINS AS FOLLOWS:**

1. The South Industrial UGB Report and Findings shown in Exhibit "A", including its appendices, is hereby adopted and by this reference incorporated.
2. The Newberg Urban Growth Boundary is hereby amended to include that territory as shown on Map 12 of Exhibit "A".

3. The Newberg Comprehensive Plan Map is hereby amended as shown on Map 12 of Exhibit "A". This includes the following changes:
  - a. The comprehensive plan map designation of tax lot 3221-2600 and 3228BB-100 are changed from Medium Density Residential (MDR) to Industrial (IND).
  - b. The comprehensive plan map designation of parcels included in the UGB are changed from Yamhill County AFLH, AFSH, P, and IND to Newberg Industrial (IND) and Public/Quasi-Public (PQ) as shown on Map 12.
  - c. The stream corridor overlay and future park site designations as shown on Map 12 are hereby adopted.
4. The Newberg Economic Opportunities Analysis is hereby adopted as shown in Appendix A of Exhibit "A". This shall replace Chapter 12 of the Inventory of Natural and Cultural Resources.
5. The Newberg Comprehensive Plan Text is hereby amended as shown in Appendix B of Exhibit "A".
6. The Newberg Transportation System Plan is hereby amended to include the future transportation plan text and map for the south industrial area, as shown in Appendix G of Exhibit "A".
7. Ordinance No. 2010-2723, which adopted a revision to Newberg's Economic Opportunities Analysis, and Ordinances Nos. 2010-2740, 2012-2751, 2013-2759, which adopted further revisions to the Newberg Economic Opportunities Analysis and findings in support of the South Industrial UGB amendment, are hereby repealed.
8. Adoption of this ordinance is subject to adoption of corresponding amendments to the UGB and county comprehensive plan map by the Yamhill County Board of Commissioners.
  - **EFFECTIVE DATE** of this ordinance is the date on which corresponding amendments to the Newberg Urban Growth Boundary and Yamhill County Comprehensive Plan are adopted by Yamhill County, but no earlier than 30 days after the adoption date, which is: June 19, 2013.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20<sup>th</sup> day of May, 2013, by the following votes: **AYE:**      **NAY:**      **ABSENT:**      **ABSTAIN:**

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Norma I. Alley, MMC, City Recorder

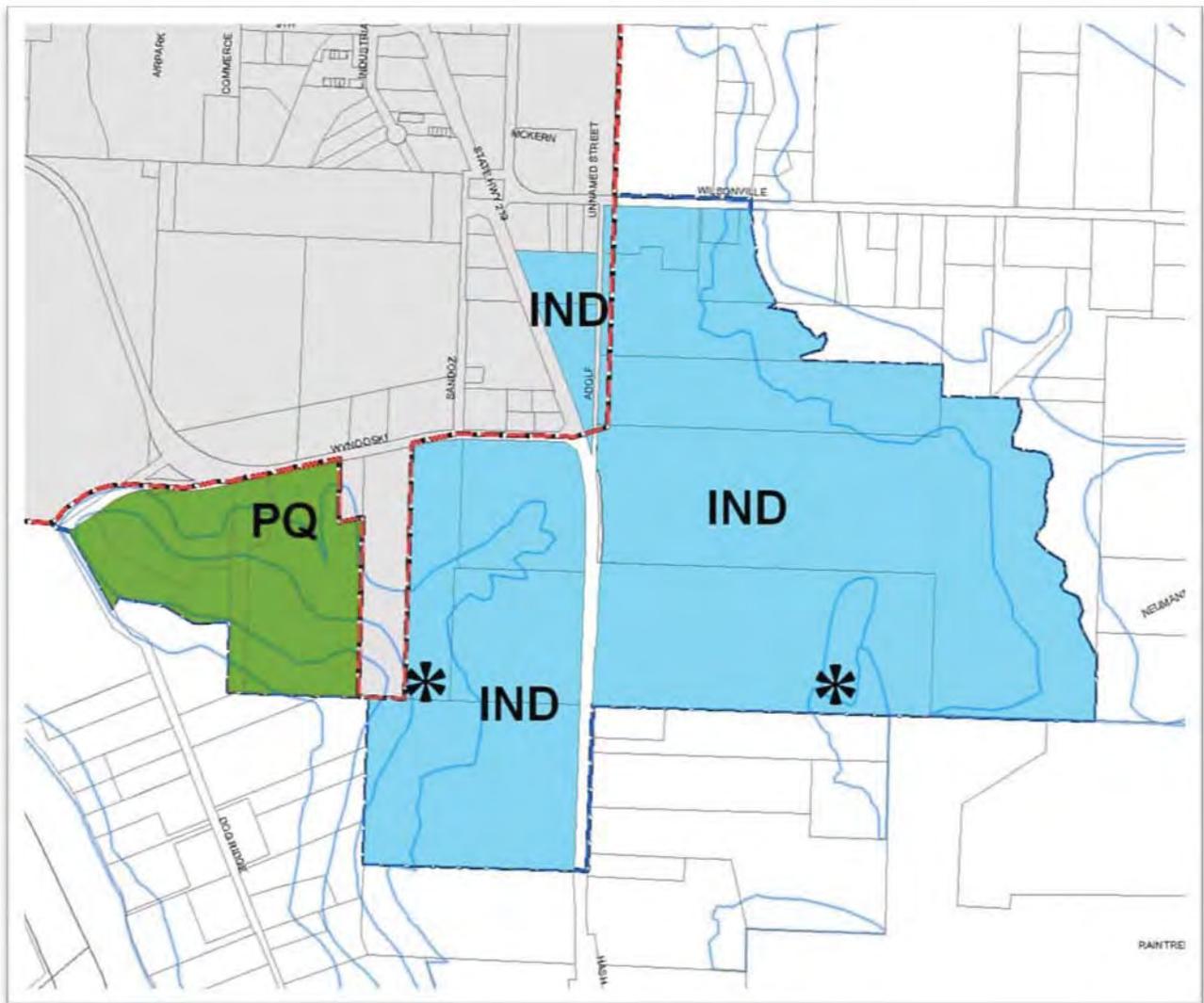
**ATTEST** by the Mayor this 25<sup>th</sup> day of May, 2013.

---

Bob Andrews, Mayor

# City of Newberg Industrial UGB Expansion and Comprehensive Plan Map Amendment

## Report and Findings



Draft Revision May 2013



# City of Newberg

## Industrial UGB Expansion and Comprehensive Plan Amendment Report and Findings

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### List of Background Studies

- *City of Newberg – Demand for Commercial and Industrial Land* (Johnson-Gardner, 2004)
- *Report and Recommendations to Newberg City Council* (Ad Hoc Committee on Newberg’s Future, 2005)
- *Newberg Water Features Inventory* (Winterbrook Planning, 2006)
- *Public Involvement and County Coordination Process for Newberg 2007 URA Expansion* (Newberg Community Development Department, March 2007)
- *City of Newberg Economic Opportunities Analysis* (2013)
- *City of Newberg Economic Opportunities Analysis* (2006)
- *Newberg Public Facilities Plan Capital Improvements – Water* (City of Newberg 1991)
- *Water Treatment Facilities Plan* (City of Newberg, 2002)
- *Letter from Tom Fox* (Oregon Business Development Department December 1, 2009)
- *Newberg South Industrial Area Master Plan* (WRG 2009)
- *M-4 Industrial Zoning District* (Adopted, Ordinance 2009-2720)
- *Typical Characteristics of Industrial Sites for Newberg Targeted Industries*

## Summary

Newberg is a thriving community that boasts a high quality of life, good jobs, good parks, schools and other institutions, and a strong sense of community. Newberg also is growing. Its population has grown 65% in the past two decades, and it is expected to continue to grow. In order to keep Newberg a community where citizens can “live here, work here, and shop here,” it must make strong efforts to retain and attract business that can employ its citizens and bring new resources to the community.

To achieve this goal, Newberg has adopted an economic development strategy that focuses both on retaining and growing existing businesses and on recruiting new businesses. Newberg has identified four primary existing business clusters that it can expect to expand and attract: manufacturing, health care, higher education, and the wine/tourism industry.

Unfortunately, Newberg finds itself with a severe shortage of industrial land within its Urban Growth Boundary (UGB) to retain and attract these types of industries, particularly in the manufacturing cluster.

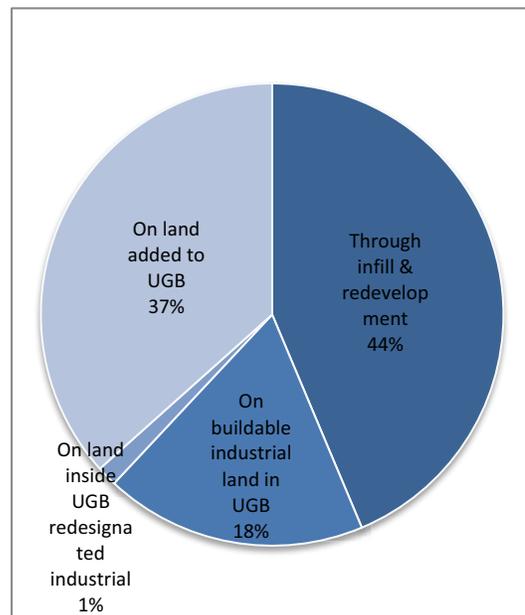
Newberg considered the infill and redevelopment potential of existing industrial sites to meet these needs. Infill, redevelopment, and intensification of uses can potentially accommodate needs for about 44 percent of expected firms. However, even with these considerations, Newberg will still need 134 gross buildable acres<sup>1</sup> of industrial and industrial type public/quasi-public land to meet its needs through 2032.

In conjunction with the Oregon Business Development Department, industry experts, professional literature, and local interviews, Newberg has determined the site sizes and characteristics needed to attract its targeted industries. In general, industries need sites that are large and level, have adequate access, and that are near existing industrial areas.

This study considers whether industrial needs could be met by redesignating land within the existing UGB to meet industrial land needs. Newberg studied 14 sites within the UGB that potentially could meet its industrial land need. Of these, only one site meets or could meet industrial land needs, and that site contains only 1 gross buildable acre of land.

The study then considered expanding the UGB to accommodate Newberg’s future land needs. The study considered 21 potential sites around the UGB that might be able to meet future industrial needs.

**Figure 1: Meeting Industrial Land Needs by Percent of Firms**



<sup>1</sup> Acreage figures in this report have been rounded to the nearest acre. For more detailed property by property calculations, see Table 13 on page 61.

Of these, only two sites meet the site suitability criteria needed for the target industries. All other sites failed to meet one or more of the industrial site suitability criteria. Both suitable sites are located on the south side of Newberg near Highway 219, Wynooski Road and Wilsonville Road. That area has large, level sites, has excellent access, is adjacent to existing industrial areas, and has natural buffers from residential areas.

Some of the land within one of the sites is within the Newberg Urban Reserve Area established in 1995. Some of the land is rural exception land. The remainder is on farm land, which is fourth priority for inclusion in a UGB. An inventory of suitable land found no higher priority lands that met the required site characteristics; thus, Newberg can justify inclusion of these fourth priority lands. In conjunction with including the south study area into the UGB, Newberg has identified some property in the area that would be appropriate for a water treatment plant and for designation as Public/Quasi-Public.

This report provides findings in support of two changes:

- Inclusion of 132 gross buildable acres (260 total acres) into the Newberg Urban Growth Boundary (UGB). Of the 132 gross buildable acres, 129 gross buildable acres would receive a comprehensive plan designation of Industrial (IND), and 3 gross buildable acres would be designated Public/Quasi-Public (PQ).
- Redesignation of 1 gross buildable acre (7 total acres) of land already in the Newberg UGB from Medium Density Residential (MDR) to Industrial (IND).

This report includes findings addressing the applicable state and local rules for amending the comprehensive plan map and urban growth boundary.

## Introduction

### Background

#### Description of Newberg

Newberg is a thriving, independent community in Yamhill County, located in the Willamette Valley. It is about 25 miles southwest of Portland, and about 30 miles north of Salem. Newberg is on Highway 99W, a major transportation corridor to Yamhill County, the western Willamette Valley, and the Oregon Coast. According to the 2010 Census, Newberg has a population of 22,068. The Newberg UGB has an estimated 2011 population of 22,730<sup>2</sup>.

Newberg's city limits encompass 5.8 square miles and the urban growth boundary includes 6.6 square miles. There are 0.9 square miles remaining in Newberg's urban reserve as established in 1995.

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<sup>2</sup> Source: *Population Research Center, Portland State University, Population Forecasts for Yamhill County, its Cities and Unincorporated Area, 2011-2035, 2012.*

The Newberg urban area is bounded on the south by the Willamette River. On the east is Parrett Mountain, and on the north is Chehalem Mountain. To the west is the Chehalem Valley, which includes more level farm and rural residential land. The City of Dundee is about two miles to the southwest.

Newberg is home to George Fox University, a private university with about 2,000 students. Portland Community College recently opened new campus in Newberg, which provides excellent vocational training services for local employers. The Newberg School District operates a high school and several other schools in Newberg. There are several other private schools that are successful in the area.

Newberg has a strong industrial base. According to the U.S. Census Bureau, Newberg has about 60 percent more than the national average in percentage of workforce in manufacturing employment. Major industrial employers include A-dec and several other dental equipment manufacturers, Climax Portable Machine Tools, SP Newsprint, and Harris Thermal Transfer Products.

## **Planning History**

### ***Comprehensive Plan Adoption***

Newberg's comprehensive plan was acknowledged by the State of Oregon on August 6, 1981. The plan included an urban growth boundary, which was estimated to contain sufficient land to meet needs through 2000. Newberg underwent Periodic Review in the early 1990's. At that time, Newberg determined that the UGB contained adequate land to meet needs through 2010.

### ***1995 Urban Reserve Adoption***

In 1992 and 1993, the Oregon state legislature and the Oregon Land Conservation and Development Commission (LCDC) adopted statutes and rules on urban reserves. These required Newberg and other cities to adopt an urban reserve area.

In 1995, the City of Newberg and Yamhill County jointly established Oregon's first urban reserve area (URA). The 1995 URA contained 750 gross buildable acres, which was estimated to accommodate growth needs through the year 2020, or 10 years beyond the urban growth boundary time frame (Newberg Ordinance 95-2397).

### ***Ad Hoc Committee on Newberg's Future***

By 2003, it was clear that the Newberg UGB no longer contained a 20-year supply of buildable land. Newberg decision makers faced a number of questions about the amount and direction of future growth of the city. To formulate a direction for the future of Newberg, the Newberg City Council established the Ad Hoc Committee on Newberg's Future (the committee) in 2003. The Council created the committee to provide a forum for citizen involvement in planning for Newberg's future land use patterns. The committee was asked to make recommendations that would help the City Council make future amendments to the Comprehensive Plan. In support of the committee's deliberations, the City undertook population, employment, housing and buildable lands studies. The City considered Newberg's future land use needs through the years 2025 and 2040.

The committee met from April 2004 to July 2005 and considered future population, employment and housing needs, and buildable land requirements for residential, institutional, industrial and commercial

development. The committee reviewed the supply of buildable land within the existing UGB, and evaluated land suitability in designated Urban Reserve Areas (URAs) and surrounding Urban Reserve Study Areas.

The committee received support from City staff and consultants, including Barry Edmonston, Johnson-Gardner Associates and Winterbrook Planning. The committee also sought and received input from state agencies and the general public, including residents, businesses, and property owners within the Newberg city limits and nearby. The committee provided for citizen involvement at 26 public meetings and two public open houses. The committee also conducted two surveys, received comments at each of their meetings, and reviewed scores of letters. As a result of this process, the committee made recommendations regarding future land needs, buildable lands, and the magnitude and direction of UGB and URA expansion. The committee presented its Report to Newberg City Council on July 21, 2005. The City Council unanimously accepted the committee's report.

A key recommendation of the committee was that Newberg should not simply be a bedroom community that provided housing but no new jobs. The committee felt strongly that the community needed to expand its industrial base so that existing and future residents could work in the community without commuting to other communities. A strong industrial base also would serve to bring wealth and stability to the community, and thus improve the quality of life for all residents.

The committee considered a number of general options for future industrial growth. After considering the existing supply of industrial land and various options for expansion, the committee concluded that the south study area was uniquely suited to meet the community's future industrial needs. The area has the site characteristics sought after by industries, has excellent access to transportation facilities, is adjacent to existing industrial areas, and has excellent separation from incompatible uses. The committee recommended including adequate land from the area into the urban growth boundary to meet the 20-year need for industrial land, and including the remainder of the area in the urban reserve to meet land needs through 2040.

### *Comprehensive Plan Amendments*

On August 1, 2005, the City Council adopted Resolution No. 2005-2590, directing City staff to undertake activities needed to implement the recommendations of the Ad Hoc Committee on Newberg's Future. The City Council subsequently adopted a series of ordinances based on this report as described below.

- Newberg Transportation System Plan (2005 Update – Ordinance 2005-2619)
- Newberg Comprehensive Plan (Revised Population Projection and Land Needs Assessment – Ordinance 2005-2626)
- Newberg Comprehensive Plan Policy Amendments (Ordinance 2006-2634)
- Newberg Economic Opportunities Analysis (Ordinance 2006-2635)
- Newberg Urban Growth Boundary Amendments (Ordinance 2006-2661) (added approximately 200 gross buildable acres, largely for residential use)

Each of the above amendments was acknowledged through the post-acknowledgment plan amendment process.

### ***2007 Urban Reserve Amendment***

In July 2008, the Newberg City Council and the Yamhill County Board of Commissioners approved the 2007 Urban Reserve Amendment package. This adoption was the result of an extensive public involvement process that began with Newberg Urban Area Management Commission (NUAMC) workshops in 2006. NUAMC held a series of hearings in 2007 to consider the plan. The Newberg City Council held hearings later in 2007 and into 2008. The Yamhill County Commissioners also held hearings on the plan in 2008. After extensive deliberation and some negotiation between the two bodies, both adopted the proposed urban reserve. Newberg adopted the urban reserve on July 7, 2008 through Ordinance 2008-2698. Yamhill County adopted the urban reserve on July 16, 2008 through Ordinance 828. The adopted URA included the south study area. Newberg submitted DLCDC notice of the adoption of the urban reserve, along with the record, on August 28, 2008.

On April 10, 2009, DLCDC issued Order No. 001767, remanding the urban reserve designation. In the decision, DLCDC raised concerns about Newberg's targeted industries list contained in the adopted and acknowledged EOA. The department also raised concerns about including land in an urban reserve to meet needs for specific identified land needs.

On May 1, 2009, Newberg appealed the DLCDC remand order to LCDC. Other parties also appealed. LCDC held hearings to consider the appeals on June 5, 2009 and July 21, 2009. In its July 9, 2009 supplemental report, page 9, the Department stated an opinion that:

*Finally, the city may well be able to demonstrate a need for large, relatively flat industrial lands based on its recent economic opportunities analysis. The course for adding such lands to the city's UGB is through a UGB amendment for that specific land need, not through the reserves process.*

At the hearing, Newberg agreed to a voluntary remand of the decision to address the issues raised. LCDC issued the remand order on April 22, 2010.

### ***Updated Economic Opportunities Analysis***

During the fall of 2009 and winter of 2010, Newberg drafted amendments to its 2006 Economic Opportunities Analysis (EOA) to address issues raised during the review of the 2007 URA, and to update the EOA with current information. The revised EOA explains how the City considered economic trends and its comparative advantages in developing a coherent economic development strategy. The revised EOA carefully spells out the City's economic vision and actions necessary to achieve it. The EOA, along with related comprehensive plan amendments, does the following:

- Analyzes economic trends, including national, state, regional, and local trends.
- Assesses the economic development potential of Newberg – it includes an analysis of Newberg's comparative advantages and disadvantages, and identifies special opportunities within the Newberg area.
- Identifies Newberg's specific targeted industries and industry clusters.
- Details Newberg's economic development strategy, including plans to capitalize on Newberg's comparative advantages and overcome its disadvantages.

- Identifies Newberg’s industrial and commercial land needs, and the site characteristics needed for businesses in the targeted industry clusters.
- Inventories existing buildable industrial and commercial land in the Newberg UGB, and measures that supply against the projected need.

The City Council adopted the revised Economic Opportunities Analysis through Ordinance 2010-2723 at their February 1, 2010 meeting. Several parties filed a notice of intent to appeal the decision to LUBA on February 22, 2010. LUBA heard the appeal, and on August 26, 2010 remanded the decision on several points. Two parties further appealed the remand to the Oregon Court of Appeals. On February 16, 2011, the Court of Appeals affirmed LUBA’s decision.

In 2013, the Newberg City Council will consider amendments to the Economic Opportunities Analysis to address the remand. This will be done in conjunction with this UGB amendment.

### *South Industrial Area Master Plan*

The Ad Hoc Committee on Newberg’s Future looked at a number of areas that potentially could meet future industrial needs. The committee ultimately recommended that Newberg look to the area along Highway 219 near Wynooski Road as a future industrial area. The area meets many of the identified needs for industrial development, including that it is a large flat area that can accommodate large industrial sites, has easy access to I-5 and the other regional highways, and is naturally buffered from surrounding uses by the stream corridor that borders the site on both sides. The committee recommended adding sufficient land from the area into the UGB to meet 20-year land needs, and include the remainder of the area in the urban reserve.

In order to determine which land in the area would be most appropriate to include in the UGB, and to investigate and plan for future land uses, transportation networks, and utility needs, Newberg initiated the South Industrial Area Master Plan. City staff kicked off the planning effort for the South Industrial area in early 2009 with the help of their consultant, WRG Design, Inc.

Through the months of March, April and May 2009, city staff and their project consultant met with the area property owners, engaged citizens at a community visioning meeting and a community open house, and met with their collaborative design team for the project to distill the public’s vision into a plan. Citizens gave a lot of positive feedback at the community events and reinforced the idea that they want Newberg to be able to provide adequate jobs for its citizens. The most commonly stated goal was that citizens want Newberg to be a place where all your needs are met – to be able to work, shop and play in the same place where you live – “live here, work here, shop here.”

The process resulted in creation of the South Industrial Area Master Plan. The plan was the result of public feedback from the community visioning meeting, the community open house, and the project’s collaborative design team. The layout contains many positive elements, including large lot flexibility, a comprehensive transportation network that is designed to function well both pre- and post- bypass construction, a park and trail network that will tie into future area trails as well as the future CPRD park to be located just south of the study area, and a small commercial area designed to serve the needs of the industrial park users. It includes a plan for serving the area with public utilities, including a proposed location for a future sewer pump station near the existing Wastewater treatment plant.

The City Council accepted the South Industrial Area Master Plan (SIAMP) as a vision plan for the area through Resolution 2009-2872 on November 2, 2009. In addition to accepting the SIAMP, the Newberg City Council also adopted a new M-4 Industrial zoning district and a new Interim Industrial (II) overlay zoning district (Ordinance 2009-2720). The M-4 zoning district includes standards for preservation of large lot industrial parcels (of 20+ acres), and requires a planned unit development for smaller developments or industrial parks. It also includes comprehensive landscape and design standards along all arterial and collector streets within the South Industrial area. The Interim Industrial overlay zoning district provides for limited industrial development in areas identified for future right-of-way acquisition for capital projects such as the future Newberg-Dundee Bypass.

With this very strong base of vision, technical planning, and public support, the natural next step is to propose bringing the first part of the South Industrial Area into the UGB.

### ***Updated Housing and Institutional Land Needs***

On April 5, 2010, the Newberg City Council adopted Ordinance 2010-2724, which amended the housing element of the comprehensive plan and to the residential and institutional land needs, including public facilities land needs. That ordinance reallocated the land needs from 2005-2025 and 2026-2040 time frames to 2010-2030 and 2031-2040 time frames, and updated the buildable lands inventories. Ordinance 2010-2724 was appealed to the Land Use Board of Appeals, which remanded the ordinance based on issues not related to the public facility land needs.

### ***Revised Population Forecast***

Newberg adopted population forecasts for the Newberg urban area in 2005. Following receipt of the 2010 Census information, Yamhill County has announced a desire to create a population study for the County and the urban areas within the county. Yamhill County used Portland State University's Population Research Center to develop forecasts for the county and each urban area in the county. The County adopted the forecasts from the study on November 8, 2012. This study forecasted a Newberg urban area 2032 population of 36,610. This population forecast is the basis of this UGB amendment.

### ***Newberg's Economic Development Strategy***

Newberg's revised Economic Opportunities Analysis describes its economic development strategy. Newberg's overall economic development efforts focus on two principal strategies: 1) retention and expansion of existing businesses, and 2) recruitment of new businesses. A major component of successful economic development efforts is analyzing Newberg's marketability in the regional marketplace to retain and attract its targeted industries. The revised EOA lists Newberg's comparative advantages and disadvantages along with strategies and actions to capitalize on and address them:

**Table 1: Newberg's Comparative Advantages and Disadvantages**

<b>Advantage</b>	<b>Strategy / Action</b>
<b>1. Small Town Quality of Life</b>	<ul style="list-style-type: none"> <li>• Continue to provide relatively affordable housing opportunities.</li> <li>• Minimize adverse impacts on existing and planned residential neighborhoods from conflicting employment opportunities.</li> <li>• Continue revitalization efforts of historic downtown.</li> <li>• Support organizations that foster “social capital”.</li> <li>• Work to improve the pedestrian/bicycle network in Newberg.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.p., 1.q., 3.a.)</i></p>
<b>2. Access to Quality Education and Skills Training</b>	<ul style="list-style-type: none"> <li>• Continue to support the Newberg School District, George Fox University, Portland Community College, and other public and private schools in their efforts to train and motivate the kind of workforce required by existing and future employers in Newberg.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f., 1.q.)</i></p>
<b>3. Strong Established and Growing Industry Clusters</b>	<ul style="list-style-type: none"> <li>• Provide sufficient land near existing industrial areas to allow for expansion.</li> <li>• Provide suitable sites with characteristics required by such industries to take advantage of industrial clusters in Newberg.</li> <li>• Encourage the reuse/redevelopment of properties in zones allowing business.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.b., 2.e., 2.g.)</i></p>
<b>4. Strong Local Support for Business and Employment Opportunities</b>	<ul style="list-style-type: none"> <li>• Continue to plan for future employment opportunities by providing suitable sites for industrial (export) and commercial uses.</li> <li>• Continue to work collaboratively with the State, Yamhill County, and local businesses to fund infrastructure and planning necessary to maintain and attract desired employment.</li> <li>• Continue to work with and support the Chehalem Valley Chamber of Commerce.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.m., 1.n., 1.o., 3.b.)</i></p>
<b>5. Proximity to Portland Metropolitan Region</b>	<ul style="list-style-type: none"> <li>• Continue to work with Metropolitan area partners in promoting the economic advantages of the region.</li> <li>• Provide opportunities for identified regional employment clusters in Newberg.</li> <li>• Continue to advocate for improved access to regional markets, via Highways 99W and 219 and the Interstate.</li> <li>• Continue to maintain rail and air access opportunities.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f., 1.o., 2.g.)</i></p>
<b>6. Future Newberg-Dundee Bypass</b>	<ul style="list-style-type: none"> <li>• Continue to work with the Oregon Legislature and State agencies to build political support and ensure funding for the Bypass.</li> <li>• Encourage support, funding and construction of the full Bypass project.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.o.)</i></p>
<b>7. Oregon’s Statewide Planning Goals</b>	<ul style="list-style-type: none"> <li>• Newberg has taken advantage of Oregon’s Economic Development Program (Goal 9) by identifying comparative advantages (and disadvantages), targeting export-based employment clusters, identifying and providing for the site requirements necessary to maintain and attract such clusters in Newberg, and coordinating with Yamhill County and affected state agencies to retain and provide services to suitable employment sites. Newberg will continue to coordinate with these agencies.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f.)</i></p>
<b>Disadvantage</b>	<b>Strategy / Action</b>

<b>1. Transportation and Access Issues</b>	<ul style="list-style-type: none"> <li>• Continue to work with the Oregon Legislature and State agencies to ensure funding for the Newberg-Dundee Bypass.</li> <li>• Continue to advocate for Highway 99W improvements to reduce congestion and maintain regional connectivity.</li> <li>• Continue to work with ODOT for review of all development proposals in areas that may impact a state highway facility.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.o.)</i></p>
<b>2. Lack of Suitable Employment Sites</b>	<ul style="list-style-type: none"> <li>• Newberg has considered local, regional, state and national economic trends and identified industry clusters that the City has a reasonable likelihood of attracting to the community.</li> <li>• Newberg has also researched and identified the site characteristics demanded by firms within these industry clusters. Newberg is actively planning for a future industrial area that will meet both the industrial site characteristics and the land needs of the city's population over the next 30 years.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 2.h., 2.g.)</i></p>
<b>3. Limited Suitable Land Supply Outside UGB</b>	<ul style="list-style-type: none"> <li>• After considering the potential for rural residential exception areas to meet identified site requirements, the City has selected sites on agricultural land that will be reserved for identified employment needs.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 2.e., 2.g.)</i></p>
<b>4. and 5. Stressed Commercial Sector and Retail Dollar Leakage</b>	<ul style="list-style-type: none"> <li>• Recruit businesses that can fulfill commercial needs that are currently being unmet locally.</li> <li>• Support small businesses that are adjusting these new retail realities by either focusing on high quality customer service and/or gearing their business plans toward niche markets.</li> <li>• Encourage local retail businesses to improve their online presence.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.c., 1.i.)</i></p>
<b>6. Market Pressures on SP Newsprint</b>	<ul style="list-style-type: none"> <li>• Newberg will continually look for opportunities to work with SP Newsprint to help reduce their operational costs.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 2.d.)</i></p>
<b>7. Oregon's Statewide Planning Goals</b>	<ul style="list-style-type: none"> <li>• Newberg will continue to pursue Urban Growth Boundary amendments and Urban Reserve expansions to provide adequate land for future uses.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f.)</i></p>

### Regional Focus

Newberg has worked extensively with the Mid-Willamette Valley Council of Governments and the Oregon Business Development Department for many years, and has recently developed relationships with economic development organizations in the metropolitan area. In 2004, the City joined the Association of Regional Economic Development Partners, Inc. (now the Greater Portland, Inc.). The Newberg City Council passed Resolution 2005-2554 in January 2005, stating the City's support for the framework of the Portland Regional Business Plan of the Regional Economic Development Partners. In addition, in January 2005, the Newberg City Council adopted the shared regional economic vision *Beyond the Vision: A Strategic Plan for the Chehalem Valley*.

### Locally Targeted Economic Development Industry Clusters

As stated above, Newberg's economic development strategy is two-pronged: 1) retention and expansion of existing businesses, and 2) recruitment of new businesses. In general, 80 percent of Newberg's economic development efforts are spent on the first part of the strategy and 20 percent on the second

part – it is far easier, effective, and efficient to maintain and expand the local economy through existing local industries than to attract new ones. Newberg has identified four business clusters that are the foundation of its economy: manufacturing, health care, higher education, and the wine/tourism industry. Table 2 below lists targeted business types within each business cluster that Newberg will focus economic development efforts on to expand and attract.

**Table 2: Newberg’s Targeted Industries**

<b>Business Cluster</b>	<b>Targeted Business Types</b>
<b>Manufacturing and Industry</b>	
High Tech Manufacturing	Semiconductors/silicon, imaging & display technology
	Nano & micro technology, cyber-security, health/medical information technology
	Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)
General Manufacturing	Dental equipment
	Metals, machinery, transportation equipment
	Lumber and wood products (value added)
	Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
	Distribution & logistics
	Sports apparel/recreation-related products
Aviation Related	Specialty aircraft equipment, aircraft repair, machine shops, small entrepreneur business
Agriculture	Wineries
	Specialty foods and food processing
	Nursery and agricultural products (value added)
Services	Professional services architecture, engineering, legal and financial services, etc.
	Creative services (advertising, public relations, film and video, web/internet content and design)
<b>Health Care</b>	
	Providence Medical Center Expansion, medical offices, senior services
<b>Higher Education</b>	
	Portland Community College campus, George Fox University expansion, high school vocational training and college preparedness, private post-secondary training
<b>Wine/Tourism</b>	
	Wineries and tasting rooms, restaurants, art studios, theater and entertainment, recreation (golf, bowling), conference facilities, specialty retail

### Other Supportive Economic Development Actions

The City of Newberg’s adopted Comprehensive Plan contains a list of goals and policies that help shape Newberg’s future economy (Section H. The Economy). In addition to the actions and strategies to specifically address Newberg’s comparative advantages and disadvantages, the economic development strategy includes supportive actions that help implement the goals and policies in the Comprehensive Plan. The following is a list of the supportive economic development actions and the Comprehensive Plan policies they support (from Section H).

1. Work with the State to “certify” industrial sites to shorten the development time of projects and provide certainty to a business that regulatory and permitting issues will not delay the project’s

timeline.

*Applicable Comprehensive Plan policies: 1.f., 2.g.*

2. Identify and implement cost and time saving measures that improve the development permitting process.  
*Applicable Comprehensive Plan policies: 2.d.*
3. Develop a financial incentives “toolbox” to recruit new businesses and encourage existing business expansions. The incentives should be applied only after a proposed project has been reviewed by a rigorous analysis that demonstrates a clear benefit to the City.  
*Applicable Comprehensive Plan policies: 1.b., 1.g.*
4. Maintain a useful economic development website that is easy to navigate and contains substantive content that meets the needs of business.  
*Applicable Comprehensive Plan policies: 1.a., 1.g.*
5. Work with local, regional and state educational and training resources (private and public) to assist with the workforce training needs of businesses and provide opportunities for workers to voluntarily upgrade their skills. The available workforce pool in the Newberg region is approximately 223,000. The regional workforce is estimated by using the assumption that a 23 minute mean commute time (2000 Census) draws workers from an approximately 15 mile radius from the center of Newberg Oregon is recognized for having an educated workforce, one with good basic work skill sets that allows them to be relatively easily trained.  
*Applicable Comprehensive Plan policies: 1.c., 1.f.*
6. Gauge the health of local businesses regularly and identify how the City can help resolve issues, when feasible. Focus should be on businesses of the traded-sector and local clusters. Anticipate local problem areas by keeping abreast of regional, national, and international business trends.  
*Applicable Comprehensive Plan policies: 1.p.*
7. Develop closer ties to organizations/businesses located within the Portland area with a similar interest in regional economic development (e.g. Regional Economic Development Partners, future Portland Economic Development District, etc). However, joining METRO will not be considered. Reevaluate current relationship with Mid-Willamette Valley Community Development Partnership.  
*Applicable Comprehensive Plan policies: 1.f.*
8. Develop a Downtown Revitalization Master Plan prior to the construction of the Newberg-Dundee Bypass. Identify funding sources necessary to implement the plan.  
*Applicable Comprehensive Plan policies: 3.a.*

## **Summary of Comprehensive Plan and Urban Growth Boundary Amendment Process**

In order to address this unmet land need, including amending the UGB to add additional industrial land, Oregon statutes and rules establish the following process.

### **First, Establish Need**

Before amending an urban growth boundary, a local government must establish the amount and type of land to be added to meet 20-year needs. The need must be based on a coordinated 20-year future population forecast, and on future employment forecasts (OAR 660-024-0030 & -0040). State rules

permit Newberg to specify site suitability characteristics for each type of identified land need (OAR 660-024-0060(5)).

Once needs are determined, the local government must determine whether any of that need can be met on lands already in the urban growth boundary. To do this, it must inventory the supply of buildable industrial land within the UGB<sup>3</sup>. Then, it must consider what amount of the need could be met through infill, redevelopment, and expanded use of existing land. Then it must determine whether any of the need could be met by redesignating land to meet the specified need. If so, it must present findings establishing addressing the applicable criteria to allow this change. After these steps, the local government establishes the amount and type of land that must be added to the urban growth boundary.

**Section 1** of this report follows this process and determines the amount and type of land needed to be added to the Newberg UGB to meet 2032 industrial and industrial type public/quasi-public needs.

### **Second, Determine Location of Urban Growth Boundary Expansion**

After establishing a *need* to expand the UGB under Step 1, a local government is to determine the *location* of the urban growth boundary using the following steps:

1. Inventory land adjacent to and in the vicinity of the urban growth boundary that meets the site suitability characteristics identified in Section 1 and thus is *suitable* for the identified use.
2. Determine whether any suitable land that meets the specified site characteristics exists within first priority *urban reserve area* land, and if so, include that land in the UGB.
3. If there is not sufficient suitable urban reserve land to meet the identified need, then determine whether any suitable land exists within second priority *adjacent rural exception areas*. If so, also include that land in the UGB.
4. If sufficient suitable rural exception land cannot be included in the UGB, then include suitable land within fourth priority *farm and forest resource land*.<sup>4</sup> Farm and forest land of lower soil quality must receive priority over land of higher soil quality.
5. At the priority stage that has more suitable land than needed to meet the identified need, the local government must apply the Goal 14 Location Factors, and determine which land of that priority best meets those factors, and then include that land.

Findings addressing the location of the urban growth boundary expansion are included in **Section 2** of this report.

### **Third, Make Findings in Support of an Urban Growth Boundary Expansion**

Finally, the local government must make findings for applicable statutes, rules, goals and comprehensive plans. Although several of the rules and statutes are addressed throughout Sections 1 and 2 of this

<sup>3</sup> For more information on the definition of “buildable land,” see page 20.

<sup>4</sup> No marginal land exists within Yamhill County, thus there is no third priority land.

report, **Section 3** will have detailed findings to the statutory and local requirements for Urban Growth Boundary and Comprehensive Plan map amendments. This includes findings addressing applicable goals and policies in the Newberg Comprehensive Plan and Yamhill County Comprehensive Plan.

## Section 1: Newberg's 2032 Industrial Land Need and Supply

### Introduction

Newberg adopted a revised Economic Opportunities Analysis (EOA) in conjunction with this UGB amendment that includes updated buildable land and supply information and updated economic projections. The land need and supply analysis concluded that Newberg has a substantial need for additional industrial land through 2032. The Newberg Comprehensive Plan also includes needs for additional buildable industrial type public/quasi-public (PQ) land for a new water treatment plant. The identified needs far exceed the amount of available land in the UGB. Thus Newberg will need to add industrial and industrial type PQ land to meet identified needs through 2032. This section will discuss how Newberg determined its land needs and how its land needs can best be met.

### Summary of Land Need Rules

Statewide Planning Goal 14, OAR 660-024-0040, and OAR 660, Division 9 prescribe the rules and process for determining industrial land needs. The main purpose of Goal 14 is “to provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.” Goal 14 requires that UGB expansions be based on a “(1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments; and (2) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, streets and roads, schools, parks or open space, or any combination of the need categories in this subsection.” Newberg has an adopted population forecast, coordinated with Yamhill County, that shows that the 2032 population will be 36,610 residents. This UGB expansion is meant to bring in land to meet Newberg’s long term employment needs as well as provide for a necessary public facility.

OAR 660-024-0040 echoes Goal 14 and requires cities to base their land need on their coordinated population forecast and to provide for needed uses over a 20-year planning period. Newberg projected that employment growth would be midway between the historic employment growth and the short term regional employment projections.

OAR 660, Division 9 establishes rules for creating an Economic Opportunities Analysis (EOA). OAR 660-009-0015 requires a review of trends, identification of required site types, an inventory of employment lands, and an assessment of economic development potential. OAR 660-009-0015 (2) states:

***The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies. Plans do not need to provide a different type of site for each industrial or other employment use. Compatible uses with similar site characteristics may be combined into broad site categories. Several broad site categories will provide for industrial and other employment uses likely to occur in most planning areas. Cities and counties may also designate mixed-use zones to meet multiple needs in a given location.***

## How Newberg Determined Its Land Needs

Newberg’s recently updated EOA determined the acres of buildable industrial land Newberg will need through 2032, including a determination of site sizes and site characteristics needed. The 2013 EOA thus provides the basis for Newberg’s industrial land needs.

The EOA determined land needs by first determining future industrial employment projections. Second, the EOA projected the proportion of future industrial firms in various small, medium, and large employment and site size categories. Third, the EOA allocates the future employment to the various firm and site size categories, and thus determines the total amount of buildable industrial land needed for the planning period. Finally, the EOA inventories buildable industrial land currently inside the UGB, and thus determines the unmet need for industrial land. The following information, drawn from Newberg’s EOA, details this process. See Appendix A: Newberg Economic Opportunities .

### Industrial Employment Projections

Newberg projected the proportion of employment utilizing industrial space according to the percentages shown in Table 3 below.

**Table 3: Industrial Land Using Employment Forecast Through 2032**

Industry	2010 Total Emp.	%Industrial Space	2010	2032
Construction	387	30%	116	200
Manufacturing	2,164	91%	1,969	3,390
Wholesale Trade	115	82%	94	162
Retail Trade	837	0%	-	-
Transportation, Warehousing & Utilities	119	82%	98	168
Information	51	40%	20	35
Financial Activities	253	0%	-	-
Professional & Business	370	14%	52	89
Education & Health Services	2,978	0%	-	-
Leisure & Hospitality	1,033	0%	-	-
Other Services	439	40%	176	302
Government	173	0%	-	-
<b>Total</b>	<b>8,919</b>	<b>28.3%</b>	<b>2,525</b>	<b>4,347</b>
Cumulative from 2010				1,822

Source: Newberg Economic Opportunities Analysis (2013)

### Determining Needs for Industrial Sites by Firm and Site Size

A variety of parcel sizes, building types, and land use designations are required to provide suitable sites to attract targeted industry clusters. The Economic Opportunities Analysis allocated the projected future employment by site size category as shown in Table 4 below. The data is based on the assumption that most sites under 10 acres will be located in industrial parks, which will require dedication of an average of 15% right-of-way for streets and utilities. For sites over 10 acres, the table assumes 5% of the area for streets and utilities. The table also includes assumptions that most (55%) of Newberg’s future industrial employment will be located on sites 10 acres or less, and that one-third of those future new industrial firms 2-10 acres in size, and one-half of firms under 2 acres in size, will find a site through infill, redevelopment or intensification of existing employment land uses. The table also assumes that for sites over 10 acres, one currently unoccupied site (Suntron) will be reoccupied, and that some infill will occur within existing larger sites.

**Table 4: Site Size Distribution by Firm Employment Through 2032**

Emps. per Firm	Percent of Emp.	Number of New Emps.	Number of Firms	Sites Needed	Size Range (Acres)	Ave. Site Size (Acres)	Ave. ROW Need (Acres)	Gross Buildable Acres Needed
0-9	15%	273	46	23	<2	1	0.15	26
				23	<i>infill &amp; redevelopment</i>		0	
10 to 74	40%	729	21	14	2 - 10	5	0.75	81
				7	<i>infill &amp; redevelopment</i>		0	
75 +	45%	820	2	2	10 - 30	20	1.00	42
			1	1	30 - 50	40	2.00	42
			1	1	<i>infill &amp; redevelopment</i>		0	
<b>Total</b>	<b>100%</b>	<b>1,822</b>	<b>71</b>	<b>71</b>				<b>191</b>

Source: Newberg Economic Opportunities Analysis (2013)

### Public/Quasi-Public Land Needs

Newberg’s comprehensive plan identifies a need for a new water treatment plant. See Appendix E: Newberg Water Treatment Plant Needs Information.

Newberg’s existing water treatment plant is located on a parcel outside the urban growth boundary. The site is very constrained in that it is located entirely within the perimeter of the SP Newsprint site. It is on a small footprint with no opportunities for expansion. Newberg’s Public Facilities Plan includes a need for a new water treatment plant on Wynooski Road. According to the *City of Newberg Water Treatment Facilities Plan*, Newberg should relocate the plant to a new site to allow upgrade and expansion. According to the plan and the Newberg Public Works Department, this site needs to include at least 3 gross buildable acres. Thus, needs through 2032 are for at least 3 additional gross buildable acres of industrial type PQ land. Additional industrial type PQ needs may be identified in the future.

### **Combined Industrial and Industrial Type Public/Quasi-Public Land Needs through 2032**

In summary, the total needs identified for industrial land and industrial type public/quasi-public land (water treatment plant) through 2032 is for 194 gross buildable acres (191 gross buildable acres of industrial and at least 3 gross buildable acres of industrial type PQ land).

### **Meeting Newberg’s Land Needs inside the UGB**

OAR 660-024-0050 (4) states, “Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB.” Thus, to determine how best to meet Newberg’s land needs, Newberg must look at the current buildable land supply, the possibilities for infill and redevelopment of existing industrial land (which includes re-use and intensification of use of existing developed sites), and the possibilities for redesignation of land in other categories to industrial. The result of this analysis will be Newberg’s unmet land need: the acreage that will need to be met through a UGB expansion.

### **Newberg’s Buildable Industrial Land Supply**

The comprehensive plan inventory of buildable industrial land was updated in 2012, consistent with the requirement in OAR 660-009-0015 (3) for an inventory of industrial and other employment land. The term “buildable industrial land” as used in this context means both suitable “vacant” and “developed” [i.e. redevelopable] land as those terms are defined in OAR 660-009-0005. Buildable industrial land:

- 1) Includes lots that have any “Industrial” comprehensive plan designation. This includes land in the “Employment” Springbrook District, specific plan industrial districts, and land in the MIX comprehensive plan district zoned industrial. It excludes publicly owned properties intended for city facilities such as the wastewater treatment plant expansion, which are counted in the “public/quasi-public” category.
- 2) Includes lots that are:
  - a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or
  - b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.
  - c) Non-vacant land that is likely to be redeveloped during the planning period. For this inventory, this included (but was not limited to),
    - i) Lots equal to or larger than one-half acre, and less than five acres likely to be redeveloped during the planning period.
    - ii) The undeveloped portion of a lot equal to or larger than five acres.
  - d) Excludes (unsuitable) portions of lots within stream corridors, with slopes over 10 percent, or currently occupied by buildings or industrial uses not likely to be redeveloped during the planning period, or contained within the Newberg-Dundee Bypass right-of-way as shown in the Tier 2 Preferred Alternative selected September 2010. See Appendix F: ODOT Build Alternative and Design Options – West Newberg to Hwy 219 Interchange

Table 5 shows the existing buildable industrial land in the UGB as of 2012. Map 1 at the end of this report shows the amount of buildable industrial land in the UGB in 2012.

**Table 5: Buildable Industrial Land in Newberg UGB (2012)**

Location	Potential Uses	Buildable Acres	Site Sizes				Total
			< 2 ac.	2-10 ac.	10-30 ac.	30-50 ac.	
Springbrook Employment	Light Manufacturing or Industrial Office	27		1	1		2
Sportsman Airpark <sup>5</sup>	Airport Industrial	22	2	4			6
Wynooski Industrial	Light Industrial	10	1	2			3
Elliot Road Industrial	Light Manufacturing or Industrial Office	1	1				1
<b>Total</b>		<b>60</b>	<b>4</b>	<b>7</b>	<b>1</b>		<b>12</b>

Source: Newberg Economic Opportunities Analysis (2013)

The current UGB has approximately 60 gross buildable industrial acres. Newberg’s existing industrial land supply is mostly contained within two industrial/employment park areas: approximately 27 gross buildable acres zoned SD/E (Springbrook District Employment) and adjacent to the A-dec campus in the Springbrook area and approximately 22 gross buildable acres near the Sportsman Airpark. The land near the Sportsman Airpark should provide sufficient land to provide opportunities for aviation related targeted industries. There are also about 11 gross buildable acres of industrial land scattered in other areas.

### **Infill and Redevelopment Possibilities**

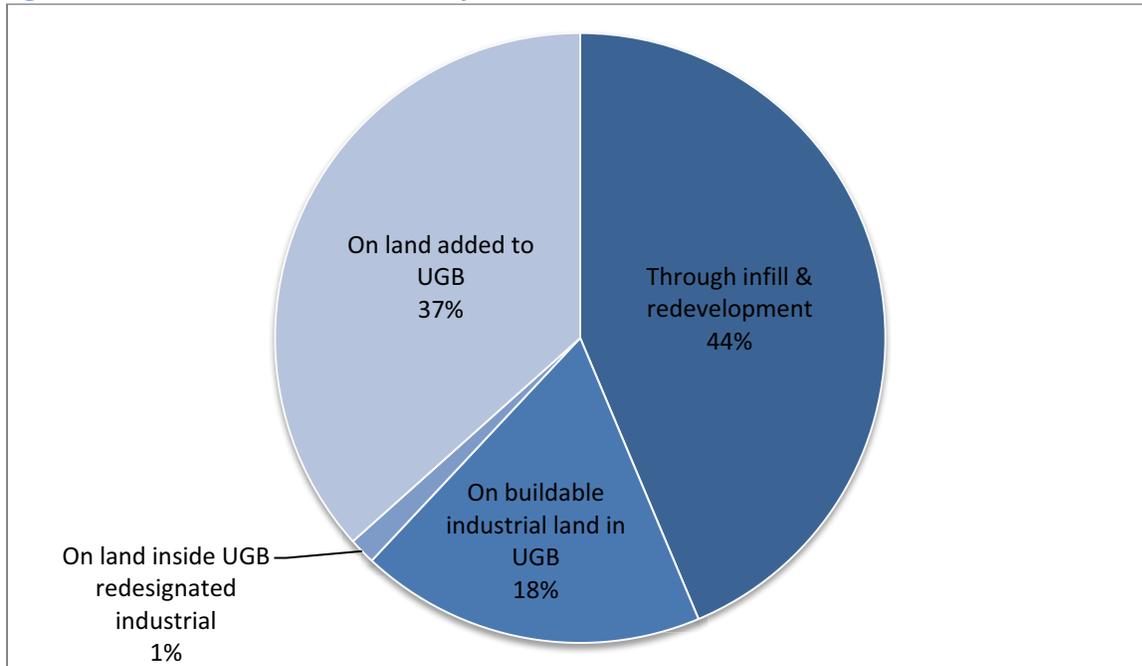
Newberg considered the infill and redevelopment potential of existing industrial sites to meet its industrial land needs. These areas are illustrated on Map 1. Table 4 on page 16 includes assumptions that most (55%) of Newberg’s future industrial employment will be located on sites 10 acres or less, and that one-third of those future new industrial firms 2-10 acres in size, and one-half of firms under 2 acres in size, will find a site through infill redevelopment or intensification of existing employment land uses. This could include some industrial uses that are able to locate outside a traditional industrial zone<sup>6</sup>. Those industrial uses not on Newberg’s targeted industry list but likely to locate in Newberg, including those in the “other services” category such as auto repair, retail repair and maintenance services, and

<sup>5</sup> The Sportsman Airpark contains one large 55-acre property that contains the existing airport, plus approximately 10.8 acres of buildable industrial land. The approved Sportsman Airpark Master Plan includes a plan for developing the buildable industrial land into an industrial park with aviation related uses. This site was counted in the 2-10 acre category, even though it contains slightly over 10 acres of buildable land, because the approved master plan envisions further division, and the aviation related uses are more likely to be separate smaller firms rather than one large firm.

<sup>6</sup> At the hearings, there was a suggestion that winery uses might be able to locate on hilly land outside traditional industrial areas. While there are winery uses in rural areas on larger acreages, this same rural type use does not necessarily translate to an urban site. Urban winery sites typically are smaller acreages, which gives fewer options for siting the actual facilities on level land within the site. They also have closer neighbors, which can lead to land use conflicts if sited outside industrial areas. For example, Dundee has several wineries, and all of them are on level sites in industrial areas. Newberg staff interviewed a user seeking to locate a winery within the Newberg UGB. That interviewee indicated he was seeking a site surrounded by other light industrial uses that is not close to residential areas. He indicated a winery is quiet most of the year but can be very busy for 6-8 weeks during the grape harvest, when trucks may be arriving early and late. If the site were near a residential area, he was concerned about limiting their operating hours because of noise, lights, or traffic. Nevertheless, not all urban wineries follow this typical industrial pattern, and the infill and redevelopment allowance here could include an urban winery located on a site not having the industrial site suitability characteristics.

self-storage facilities, are estimated to be able to be accommodated through infill and redevelopment or on buildable land already in the UGB. The table also assumes that for sites over 10 acres, one currently unoccupied site (Suntron) will be reoccupied, and that some infill will occur within existing larger sites. Figure 2 on page 19 illustrates the percentage of firms expected to locate through infill, redevelopment, and intensification versus constructing facilities on buildable industrial land.

**Figure 2: Percent of industrial firms by location of industrial land**



However, even with these considerations, Newberg will still need 131 additional gross buildable acres of industrial land to meet 2032 needs (191 gross buildable acre need minus 60 gross buildable acre current supply = 131 gross buildable acres unmet need).

### Redesignation Possibilities for Land in the UGB

One other option that must be considered is whether sites that already are in the UGB reasonably could be redesignated industrial to meet the employment needs. If a site is well suited for industrial use, then it may be appropriate to redesignate that site industrial. If that would require expanding the UGB to add additional land in the other category, this may be appropriate if the site characteristics needed for land in the current plan classification are more flexible than industrial, such as single family residential land. This may not be possible if the site suitability characteristics of the current designation are similar to industrial, such as commercial land, or if there is some unique characteristic of the property that makes it especially suited for the current planned use. This also would not be possible if the current property owner has some vesting in the current designation, such as an approved subdivision tentative plan, a development agreement, or site design review approval. In addition, ORS 195.305 (Measure 37/49) states,

“If a public entity enacts one or more land use regulations that restrict the residential use of private real property or a farming or forest practice and that reduce the fair

market value of the property, then the owner of the property shall be entitled to just compensation from the public entity that enacted the land use regulation or regulations as provided in ORS 195.310 to 195.314.”

According to the Yamhill County Assessor records, the average fair market value of residential land is higher than industrial land. Therefore, if the City or County were to redesignate residential land as industrial without the owner’s consent, then they may be required to provide just compensation to that property owner. With very limited local government budgets, direct financial compensation would very likely not be feasible. The other option would be to allow the residential use, which would negate the change to industrial. Therefore, in most cases such a redesignation would not be reasonable.

This report considers whether there is any buildable land currently in the UGB that reasonably could be redesignated industrial. This report first examines whether any land currently in the UGB meets the industrial site suitability characteristics established in Newberg’s Economic Opportunities Analysis. The report then examines the potential for redesignating that land from its current designation to industrial.

### *Specific Industrial Site Characteristics*

The impetus to create industrial site suitability criteria comes from OAR 660, Division 9 (Economic Development), from the following two sections:

*OAR 660-009-0015 Economic Opportunities Analysis - (2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses.*

*OAR 660-009-025 Designation of Lands for Industrial and Other Employment Uses – (1) Identification of Needed Sites. The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies.*

It also comes from the Goal 14 Land Need factors, which state:

*In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.*

Newberg’s Economic Opportunities Analysis includes all the background work of identifying land supply, land need, identification of needed sites (including necessary site characteristics), and assessment of community economic potential. The next step for cities is to identify which land can best meet the needs identified in the EOA through the urban growth boundary amendment process. The urban growth boundary process is prescribed by OAR 660, Division 24 (Urban Growth Boundaries), which states in part that “*If a local government has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified land need, the local government may limit its consideration to land that has the specified characteristics when it conducts the boundary location analysis...*” (OAR 660-024-0060(5)). Newberg has identified specific site characteristics in its EOA and thus is limiting its analysis to land with those characteristics.

The revised Newberg EOA specifically identifies required industrial site characteristics. These are shown in Table 6 below.

**Table 6: Required Industrial Site Suitability Characteristics**

Required Site Characteristic	Description
<b>Site Size</b>	<ul style="list-style-type: none"> <li>• Inventory to include a sufficient number of sites within each site category to meet identified needs (&lt;2 buildable acres, 2 to 10 buildable acres, 10 to 30 buildable acres, and 30 to 50 buildable acres).</li> <li>• Site contains a parcel or group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres (or smaller if adjacent to existing industrial district).</li> </ul>
<b>Topography</b>	Exclude: <ul style="list-style-type: none"> <li>• Slopes of 10% or greater,</li> <li>• Sites that are not predominantly less than 5% slope within buildable areas, and</li> <li>• Areas within stream corridors and wetlands.</li> </ul>
<b>Proximity</b>	Include parcels or contiguous group of parcels: <ul style="list-style-type: none"> <li>• Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.</li> <li>• Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.<sup>7</sup></li> <li>• That have suitable truck access to a state highway or arterial street within 1/4 mile.</li> </ul>
<b>Compatibility</b>	Exclude sites that: <ul style="list-style-type: none"> <li>• Abut residential neighborhoods<sup>8</sup> on more than 25% of the site perimeter unless effective topographical buffers are present, such as a stream corridor, arterial street, state highway, rail line, or park.</li> <li>• Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.</li> </ul>

Source: Newberg Economic Opportunities Analysis (2013)

This analysis inventoried existing sites within the UGB that may have these characteristics. The analysis first looked for parcels or groups of parcels in close proximity with buildable land that contain at least 20 buildable or industrially developed acres, or parcels adjacent to existing industrial districts. This analysis yielded 14 groups of properties in various areas within the UGB. Exact boundaries of these groups were not defined, as these boundaries could be refined for sites. These 14 sites are shown on Map 2, and are

<sup>7</sup> If an area is not adjacent to an existing commercial or industrial area, the area will need to allow initial creation or future expansion of an industrial district to be at least 50 acres and preferably larger in order to have the benefits of industrial/commercial proximity.

<sup>8</sup> For these purposes, "residential neighborhood" includes land that is within urban residential comprehensive plan or zoning district, and rural residential zoned land with a 2.5 acre or smaller minimum lot size or developed predominantly with residential lots of 2.5 acres or less.

designated with roman numerals I-XIV. The study then applies the site suitability criteria to these sites, considers the current designation for each site and any prior commitment, then determines whether redesignating that site to industrial would be a reasonable alternative.

### *Public/Quasi-public site suitability characteristics*

The City and public facility needs identified in the comprehensive plan have siting requirements that vary depending on the specifics of the use. For this application, the City is seeking to locate public/quasi-public land to site a water treatment plant. This use is an industrial type use, and has site suitability characteristics that are similar to and compatible with industrial site suitability characteristics. In addition, a critical criterion is that the site has ready access to the Newberg's water source.

Newberg's primary water source is a series of wells located south of the Willamette River. The city has two transmission mains from this well field: one on the old Highway 219 bridge near SP Newsprint, and under the Willamette River ending near Dog Ridge Road. This second pipe is the long term transmission source, and the new plant must be readily accessible to this line.

### *Analysis of sites within the UGB for redesignation as industrial*

Below is analysis of non-industrial sites within the UGB to determine whether they reasonably could be redesignated industrial. The analysis considers whether these sites meet the industrial site suitability characteristics and other factors to determine whether the site could reasonably accommodate industrial uses.

**Site I** is at the intersection of North Valley Road and Chehalem Drive. This area includes about 40 buildable acres, including some 5-10 acre parcels. It is not adjacent to an industrial or commercial area. The site is predominantly over 5% slope, with large areas over 10% slope. The area is bisected by a stream corridor. It abuts residential areas on more than 25 percent of its perimeter. Truck traffic would need to travel by residential neighborhoods to reach the closest state highway or arterial: Highway 219. Even if any new arterials were created to serve this area, truck travel would have to go by residential neighborhoods. Thus, *Site I is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

**Site II** is near the intersection of Hwy 219 and Bell Road. This area includes approximately 25 buildable acres in non-contiguous parcels. It is predominantly over 5% slope with much of the area over 10% slope. Part of the site has access to Highway 219. The site abuts residential areas on about 25 percent of its perimeter. A portion of the site is owned by the North Valley Friends Church. The Church has a development agreement with the City regarding development of a church and school on the property<sup>9</sup>. The remainder of the site is committed to non industrial use through its inclusion in the Northwest Newberg Specific Plan (1993), which plans for future residential uses on this site. Thus, *Site II is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

**Sites III, IV, and V** are along Mountainview Drive and Crestview Drive. These sites have an approved master plan and development agreement: the Springbrook Master Plan. The master plan envisions a

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<sup>9</sup> Executed May 5, 2003.

variety of uses including commercial, multi-family, and other residential uses for these areas. The master plan does designate an employment area just south of Site IV that is included in the buildable industrial land inventory. The sites have an approved and recorded subdivision plat for the entire acreage<sup>10</sup>. *Thus Sites III, IV, and V could not reasonably accommodate industrial needs.*

**Site VI** is between Zimri Drive and N. Springbrook Road. While this area does include about 30 buildable acres, it is not adjacent to industrial or commercial areas. It is adjacent to a resort hotel. There would be many conflicts between the dust, noise, smell, and truck traffic of an industrial area and the quiet peace resort users are seeking. It lacks proximity to an arterial or state highway. The closest access would be on Zimri Drive, which still would be over ¼ mile distant from the nearest arterial (unless access was through a site with a historic home, which would not be reasonable). Truck traffic on Zimri would have to go past a residential neighborhood. Truck access from Springbrook Road would be even more distant. Zimri and Springbrook both go north through hilly terrain with grades in excess of 10%, and end at Bell Road, which is narrow, hilly, and windy. So neither reasonably could be redesignated an arterial. *Thus, Site VI is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

**Site VII** is on the north side of Highway 99W. It does include nearly 40 buildable acres. It is not adjacent to an industrial or commercial area (it is a commercial area). It is across the street from Providence Newberg Medical Center. It is adjacent to and can access Highway 99W at the Providence Drive intersection. It abuts residential areas on more than 25 percent of its boundary. There is an approved commercial/residential subdivision tentative plan on a part of the property. It is the only commercial site in the Newberg UGB with large parcels suitable for a community commercial center and high access and visibility to Highway 99W. Newberg has a lack of commercial land. *Thus, Site VII is suitable for commercial employment and residential uses, and is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

**Site VIII** is along Providence Drive and is just south of Providence Medical Center, and west of the existing medical center. It contains about 25 buildable acres. The property west of the medical center is planned for expansion of the medical center. The property to the south is planned for construction of medical office or medical service uses according to the adopted Springbrook Oaks Specific Plan. This land would meet many of the community's employment needs as the health care industry expands. It does abut a residential neighborhood on more than 25 percent of its border. There is one industrially zoned property adjacent. Redesignating this parcel industrial would deplete the supply of needed commercial and office employment land, which is uniquely appropriate near Providence Medical Center. *Thus, Site VIII is appropriate for health care type institutional uses, and is not suitable for redesignation as industrial.*

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<sup>10</sup> This is significant, because ORS 92.040 (2) and (3) states,

(2) *After September 9, 1995, when a local government makes a decision on a land use application for a subdivision inside an urban growth boundary, only those local government laws implemented under an acknowledged comprehensive plan that are in effect at the time of application shall govern subsequent construction on the property unless the applicant elects otherwise.*

(3) *A local government may establish a time period during which decisions on land use applications under subsection (2) of this section apply. However, in no event shall the time period exceed 10 years, whether or not a time period is established by the local government.*

**Sites IX** is on the east side of Brutscher Street between West Coast Bank and the former Suntron Building. It is approximately 1.6 acres. This site meets the site suitability criteria for both commercial and industrial land. The proximity to the Fred Meyer shopping center site and proximity to Brutscher and 99W make this site attractive for commercial development. Redesignating this lot as industrial would increase the shortage of commercial land in the UGB. Thus, *Site IX is appropriate for its current commercial designation, and could not reasonably be changed to accommodate needed industrial uses.*

**Site X** is located on both sides of Hayes Street at Springbrook Road. The site includes approximately 8 buildable acres; however, the site is bisected by the stream corridor, an area of steep slopes. The site has access to Springbrook Road, a major arterial, and is within 1/8 mile of Highway 99W. It has commercial uses on the north and west sides and an industrially designated parcel (but not used as industrial) on the south side. However, the site is included within the adopted Springbrook Oaks Specific Plan area and is planned to accommodate commercial and multi-family uses. An apartment complex recently was approved on a portion of the site. Newberg lacks commercial land. Thus, *Site X is suitable for the already planned for commercial and multi-family residential uses envisioned in the Springbrook Oaks Specific Plan and should not be redesignated to industrial.*

**Site XI** consists of non-contiguous lots under 5 acres in existing commercial areas. It is on the north side of Hancock Street between Sitka Avenue and Deborah Road. It includes about 8 buildable acres on a few parcels ranging from less than 1 acre to just over 3 buildable acres. These sites meet the site suitability criteria for both commercial and industrial land. Redesignating these lands as industrial would increase the shortage of commercial land in the UGB. Thus, *Site XI is appropriate for its current commercial designations, and could not reasonably be changed to accommodate needed industrial uses.*

**Site XII** is along South Springbrook Road. While the site does access South Springbrook Road, a major arterial, it also abuts residential areas along more than 25 percent of its boundary. It abuts one industrial use to the south and one across South Springbrook Street; however, it also abuts manufactured dwelling parks across the street, and residential uses to the north. Thus the site does not meet the industrial site suitability characteristics.

The site is designated mostly High Density Residential and part Medium Density Residential. The Newberg UGB currently has a very meager supply of multi-family residential land, especially high density residential land. Newberg has been actively seeking to increase the supply of multi-family residential land in the UGB. The Ad Hoc Committee on Newberg's Future and the Affordable Housing Committee both recommended this site remain as residential, and even be considered for redesignation as all High Density Residential. The site is well suited to multi-family residential use. Newberg Comprehensive Plan Policy I.2.a, states, "Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces." The area is within walking distance to shopping, trails, a community college, and transit. If this were redesignated industrial, finding suitable replacement high-density residential land would be very difficult to do, as was demonstrated in recent hearings on a zone change to High Density Residential on Meridian Street. In addition, redesignation as industrial could result in

Measure 37/49 claims for restricting the residential use. Thus, *Site XII is appropriate for multi-family residential use, is not suitable for redesignation as industrial, and could not reasonably accommodate the needed industrial uses.*

**Site XIII** is along Adolf Road. It includes about 7 total acres of property. However, since the property is crossed by the Newberg-Dundee Bypass corridor, most of the property is not buildable. The site could be suited to some interim industrial use, such as storage. This actually would be more appropriate, and likely more valuable, than constructing multi-family residential uses on the site under the current Medium Density Residential (MDR) designation, where residences would only be removed upon bypass construction. If land across Adolf Road also is included in the UGB as industrial, this land could be part of group of more than 20 buildable acres that is adjacent to an existing industrial area. The site fronts Highway 219, though actual access is through Wilsonville Road/Highway 219. The highway would act as a buffer from the manufactured housing park across the highway. The total boundary with residential is less than 25%. Future access could be via a new frontage road to Highway 219, as envisioned in the South Industrial Area Master Plan. Thus, *Site XIII is appropriate for interim industrial use, provided additional land on Adolf Road is brought into the UGB and designated industrial.* These findings include redesignating this land to industrial.

**Site XIV** is along Waterfront Street. This area is a part of Newberg's Riverfront Master Plan. It includes one residentially designated parcel crossed by the Newberg-Dundee bypass, and one former landfill site envisioned as a future park. The site is more than a mile from a state highway or arterial street. Industrial access would have to go through existing residential neighborhoods. Thus, *Site XIV is not suitable for redesignation as industrial, and could not reasonably accommodate industrial needs.*

### ***Redesignation of Land Conclusion***

Two parcels in the UGB along Adolf Road should be redesignated industrial, provided additional land along Adolf Road is included in the UGB and designated industrial. This would add approximately 1 buildable acre of industrial land to the Newberg industrial land supply. No other sites within the UGB meet the industrial site suitability characteristics and could reasonably accommodate the identified industrial needs. The two parcels are currently designated as Medium Density Residential (MDR) in the Newberg Comprehensive Plan. Although there is currently a deficit of Medium Density Residential land to meet future needs, this redesignation is appropriate because of the following:

- Although there is a deficit of residential land, there is also a deficit of industrial land, and this area is better suited to meet that need.
- The two parcels are located in between two roads, one of them a major highway, that does not provide a welcoming environment for residential development. The area is distant from parks, shopping areas, schools, or trails that would make that area suitable for residential uses. In addition, if the land on the other side of Adolf Road is brought into the UGB with an industrial designation, the parcels would be between Highway 219 and industrial development.
- It is far more difficult to find land that meets the industrial site suitability characteristics than that meets criteria for residential development. As stated elsewhere in this report, the industrial site suitability criteria are quite specific and are not met except where noted.

## Land Needs That Only Can Be Met by UGB Expansion

As shown in Table 7, Newberg has an unmet need for one 30- to 50-acre site, one 10- to 30-acre site, 51 acres of 2- to 10-acre sites, and 20 acres of sites under 2 acres in size.

**Table 7: Industrial Land Supply and Need through 2032**

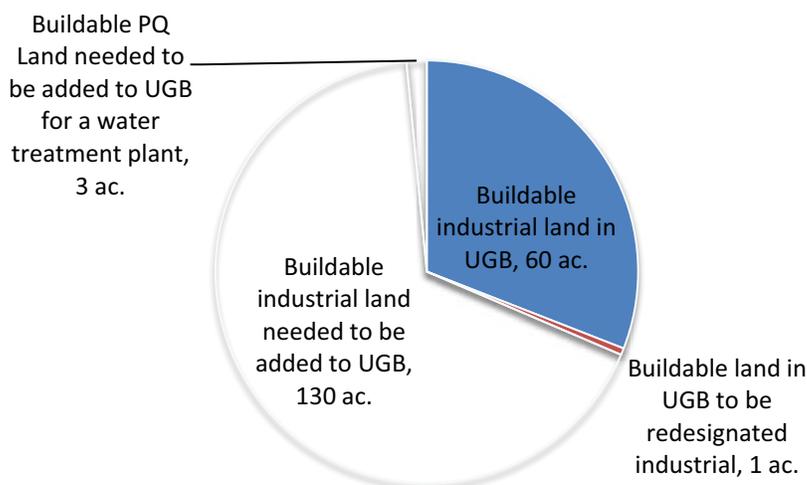
Size Range (Acres)	Number of Sites - 2012 UGB	Buildable Acres - 2012 UGB	2032 Needed Buildable Sites	2032 Needed Gross Buildable Acres	2032 Deficit # of Sites	2032 Deficit Buildable Acres
<2	5	6	23	26	(18)	(20)
2 to 10	7	30	14	81	(7)	(51)
10 to 30	1	24	2	42	(1)	(18)
30 to 50	0	0	1	42	(1)	(42)
<b>Total</b>	<b>13</b>	<b>60</b>	<b>40</b>	<b>191</b>	<b>(27)</b>	<b>(131)</b>

Source: City of Newberg

This means Newberg will need to include 131 additional buildable industrial acres within the UGB. In addition, there is a need for at least 3 additional gross buildable acres of industrial type public/quasi-public land beyond that already in the UGB, for a total need of 134 gross buildable acres. One acre of this need can be met by redesignating land along Adolf Road as industrial. The remaining land need must be met by expanding the UGB by 133 gross buildable industrial acres to include:

- 1) A 30- to 50-acre site;
- 2) A 10- to 30-acre site; and
- 3) Industrial park sites totaling approximately 70 gross buildable acres.
- 4) 3 gross buildable acres of industrial type Public/Quasi-Public land.

**Figure 3: Meeting Buildable Industrial Land and PQ-WTP Needs through 2032**



Note: Numbers are gross buildable acres.

The sites are needed to accommodate opportunities for the targeted industries listed below:

High Tech Manufacturing:

- Semiconductors/ silicon, imaging & display technology
- Nano & micro technology, cyber-security, health/medical information technology
- Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)

General Manufacturing:

- Dental equipment
- Metals, machinery, transportation equipment
- Lumber and wood products (value added)
- Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
- Distribution & logistics
- Sports apparel/ recreation-related products

Agriculture businesses:

- Wineries (excluding small boutique wineries)
- Specialty foods and food processing (excluding small boutique processors)
- Nursery and agricultural products (value added)

Services businesses:

- Architecture, engineering, or similar construction or manufacturing related services that require industrial storage areas, construction equipment yards, equipment or product testing.
- Creative services (advertising, public relations, film and video, web/internet content and design) that require industrial production equipment, large data centers, production studios, industrial telecommunication equipment or towers.

The needed sites must have the industrial site suitability characteristics shown in Table 6 on page 21.

## Section 2: Urban Growth Boundary Location Analysis

### Summary of Boundary Location Analysis Rules and Process

Section 1 of these findings establishes the need to expand the Newberg UGB for industrial land, including industrial type public/quasi-public land, and established site characteristics that the industrial land needs to meet. Findings in Section 2 will determine which land should be included in the UGB to meet that identified industrial land need.

Three main statutes and rules govern the boundary location process:

1. **ORS 197.298 Priorities.** This statute states:

***§ 197.298 Priority of land to be included within urban growth boundary***

***(1) In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities:***

***(a) First priority is land that is designated urban reserve land under ORS 195.145 (Urban reserves), rule or metropolitan service district action plan.***

***(b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Second priority may include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710.***

***(c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247 (1991 Edition).<sup>11</sup>***

***(d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both.***

***(2) Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.***

***(3) Land of lower priority under subsection (1) of this section may be included in an urban growth boundary if land of higher priority is found to be inadequate to***

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<sup>11</sup> No marginal land exists within Yamhill County, so this priority is not applicable.

*accommodate the amount of land estimated in subsection (1) of this section for one or more of the following reasons:*

*(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;*

*(b) Future urban services could not reasonably be provided to the higher priority lands due to topographical or other physical constraints; or*

*(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands.*

2. **Goal 14 Location Factors.** Goal 14 establishes the following “location factors” governing UGB amendments:

*The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:*

*(1) Efficient accommodation of identified land needs;*

*(2) Orderly and economic provision of public facilities and services;*

*(3) Comparative environmental, energy, economic and social consequences; and*

*(4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the urban growth boundary.*

3. **OAR Chapter 660, Division 024.** This rule further clarifies the UGB amendment process. 660-024-0060 (1) states:

***Boundary Location Alternatives Analysis***

*(1) When considering a UGB amendment, a local government must determine which land to add by evaluating alternative boundary locations. This determination must be consistent with the priority of land specified in ORS 197.298 and the boundary location factors of Goal 14, as follows:*

*(a) Beginning with the highest priority of land available, a local government must determine which land in that priority is suitable to accommodate the need deficiency determined under OAR 660-024-0050.*

*(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, a local government must apply the location factors of Goal 14 to choose which land in that priority to include in the UGB.*

**(c) If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, a local government must determine which land in the next priority is suitable to accommodate the remaining need, and proceed using the same method specified in subsections (a) and (b) of this section until the land need is accommodated.**

**(d) Notwithstanding subsection (a) to (c) of this section, a local government may consider land of lower priority as specified in ORS 197.298(3).**

**(e) For purposes of this rule, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.**

Put together, these statutes and rules provide that, after establishing a *need* to expand the UGB (See Section 1), a local government is to determine the *location* of the urban growth boundary using the following steps:

1. Inventory land adjacent to and in the vicinity of the urban growth boundary that meets the site suitability characteristics identified in Section 1 and thus is *suitable* for the identified use.
2. Determine whether any suitable land that meets the specified site characteristics exists within an *urban reserve area*.
  - a. If there is *no* suitable land in the urban reserve, proceed to consideration of the next priority land.
  - b. If there is *some* suitable land in the urban reserve, but this amount is less than or equal to the identified need, then include all the suitable urban reserve land into the UGB. Exclude land that cannot reasonably be served by public facilities and services. Include non-urban reserve land where maximum efficiency requires including that land to include the urban reserve land. Then proceed to consideration of the next priority land.
  - c. If there is *more* suitable land in the urban reserve than needed to meet the identified need, then apply the Goal 14 Location Factors to determine which of the suitable urban reserve lands to include in the UGB. Include those lands that best meet the location factors. Again, exclude land that cannot be serviced, and include lower priority land where maximum efficiency requires it.
3. If there is not sufficient suitable urban reserve land to meet the identified need, then determine whether any suitable land exists within *adjacent rural exception areas*. Process the results similar to steps a. b., and c. under step 2.

4. If sufficient suitable rural exception land cannot be included in the UGB, then determine what suitable land exists within *lower quality farm and forest resource land*.<sup>12</sup> Again, process the results similar to steps a. b., and c. under step 2.
5. If sufficient suitable lower quality farm or forest land cannot be included in the UGB, then determine what suitable land exists within *higher quality farm or forest resource land*. Again, process the results similar to steps a. b., and c. under step 2.

This section follows the steps above to determine which lands to include in the urban growth boundary to meet the identified needs for industrial land.

## Inventory of Land Suitable for Industrial Use Adjacent to the UGB

### Study Area

As stated earlier, the first part of the locational analysis is to inventory land adjacent to the UGB that meets the site characteristics determined in Section 1. According to OAR 660-024-0060 (4):

***In determining alternative land for evaluation under ORS 197.298, "land adjacent to the UGB" is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.***

This report used the land shown in Map 3 as the study area. This study area coincides with the study area approved by the Ad Hoc Committee for Newberg's Future in 2004 for analyzing growth alternatives. The study area includes about 10 square miles of rural land that *potentially* could accommodate Newberg's Year 2032 industrial land needs. Thus, the study area includes many times more land than needed to accommodate planned Year 2032 industrial growth. The rationale for determining the boundaries of each study area is described in the committee's *Report to Newberg City Council – Recommendations for Newberg's Future* (pp. 21-24). In general, the study area includes all land within ½ to ¾ mile of the UGB. Thus, it includes many areas that may not be "adjacent to" the UGB. It includes all lands within the 1995 Newberg Urban Reserve that have not already been included in the UGB. The study area excludes lands south of the Willamette River and on Ash Island. Due to the locations within the floodplain and inaccessibility, these lands are not suitable for industrial use. Map 3 also shows whether land within the study area is an Urban Reserve Area, an Exception Area or Resource Land.

### *Specific Industrial Site Characteristics*

As noted in Goal 14 itself:

***In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.***

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<sup>12</sup> No marginal land exists within Yamhill County, thus there is no third priority land.

In addition, OAR 660-024-0060 (5) states

***(5) If a local government has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need, the local government may limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS 197.298.***

The Newberg Economic Opportunities Analysis establishes site suitability characteristics for industrial lands. These are shown in Table 6 on page 21. The suitability characteristics cover four areas:

- Site Size
- Topography
- Proximity
- Compatibility

### **Application of Site Characteristics to Inventory Suitable Lands**

The remainder of this section applies these industrial site characteristics to land within the study area to determine which sites have the required site characteristics.

#### **Site Size Criteria**

The Newberg EOA establishes the following industrial site size suitability criteria:

- *Inventory to include a sufficient number of sites within each site category to meet identified needs (<2 buildable acres, 2 to 10 buildable acres, 10 to 30 buildable acres, and 30 to 50 buildable acres).*
- *Site contains a parcel or group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres (or smaller if adjacent to existing industrial district).*

To address the site size suitability criteria, the study first inventoried buildable land<sup>13</sup> in the study area. These are shown on Map 4. The map categorizes parcels by amount of buildable land: < 5 acres, 5 to 10 acres, 10 to 30 acres, and 30+ acres. This allows identification of areas that may be sufficient size to meet site needs for each size category. As can be seen, this includes a very large number of properties in many areas surrounding the UGB, and most notably in the northwest and southeast.

Second, the study considered areas where groups of parcels group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres could be found together. This analysis yielded 21 groups of properties in various areas surrounding the UGB. Exact boundaries of these groups were not defined, as these boundaries could be refined for sites generally meeting the suitability criteria. These 21 sites are shown on Map 4.

<sup>13</sup>This report uses the term “buildable land” to refer to land that could be developed over the planning period if included in the UGB and provided adequate public facilities and services. For employment land, it includes “vacant land” as defined in OAR 660-000-0005 (14), and “developed land” as defined in OAR 660-000-0005 (1). This should not be confused with the term “buildable land” in OAR 660-008-0005(2), because that rule specifically applies only to residential land. For more information, see page 20.

Of note, each of the areas with the 1995 Urban Reserve area was carefully considered. Site 11 includes land in the Wynyoski Road URA. Site 12 is in the South Springbrook Road URA. Site 18 includes land in the Klimek Lane URA. Site 20 is located within the North Hills URA.

### **Topography Criteria**

The Newberg EOA establishes the following topography suitability criteria:

*Exclude:*

- *Slopes of 10% or greater,*
- *Sites that are not predominantly less than 5% slope within buildable areas, and*
- *Areas within stream corridors and wetlands.*

Map 5 depicts lands with slopes of 5% and 10% or greater, stream corridors and wetlands.

Site 1 is predominantly over 5% slope, and much of the site is over 10% slope. Thus, *Site 1 does not meet the topography criteria.*

Sites 2, 3, 4 all contain large contiguous blocks of topographically suitable land and are carefully considered in the analysis to follow. *Sites 2, 3, and 4 meet the topography criteria.*

Sites 5, 6, 7, and 8 all contain small acreage rural residential parcels. The slopes of these sites are all predominantly less than 5% slope. They are bordered by stream corridors. *Sites 5, 6, 7, and 8 meet the topography criteria.*

Site 9 is on a knoll that is predominantly over 5% slope, and contains slopes over 10%. Thus, *Site 9 does not meet the topography criteria.*

Site 10 is within the floodplain of the Willamette River. The site is predominantly over 5% slopes, and contains many areas of over 10% slope. Thus, *Site 10 does not meet the topography criteria.*

Sites 11 through 14 are all predominantly less than 5% slope outside stream corridors. Thus *Sites 11 through 14 meets the topography criteria.*

Site 15 is predominantly less than 5% slope on the north side of Wilsonville Road. The area on the south side of Wilsonville Road is predominantly over 10% slope. Thus, *only the north side of Site 15 meets the topography criteria.*

Sites 16 contains a mixture of slopes <5%, 5-10%, and >10%. The site is not predominantly less than 5% slope. *Site 16 does not meet the topography criteria.*

Site 17 is on a hillside with slopes > 10%. *Site 17 does not meet the topography criteria.*

Site 18 is predominantly over 5% slope, and contains large areas > 10% slope. It has stream corridors interspersed within the site. *Site 18 does not meet the topography criteria.*

Site 19 is predominantly >5% slope. Thus, *Site 19 does not meet the topography criteria.*

Site 20 is the North Hills URA. This site is predominantly over 5% slope, and has many areas >10% slope. Thus, *Site 20 does not meet the topography criteria.*

Site 21 is largely in land with over 10% slope, thus *Site 21 does not meet the topography criteria.*

### *Proximity*

The Newberg EOA establishes the following proximity suitability criteria:

*Include parcels or contiguous group of parcels:*

- *Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.*
- *Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.*
- *That have suitable truck access to a state highway or arterial street within 1/4 mile.*

Map 6 shows the location of each of the study sites, and assesses them according to the proximity criteria.

Site 1 is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district. While the parcel does touch Highway 219, the topography is over 10% near that portion of the highway. This exceeds the typical slope required by industrial uses for access. Because of that, truck access would have to be to North Valley Road. Via that route, it is over 1/4 mile to state highway. Thus, *Site 1 does not meet the transportation proximity criterion.*

Site 2 is 1/3 to 3/4 miles from the UGB, and there is intervening farm land. Thus, it could not be immediately added to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. Truck traffic would have to travel about a mile to reach the nearest major road: Highway 219. Thus, *Site 2 does not meet the UGB proximity and transportation proximity criteria.*

Site 3 is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. However, it is about 3/4 mile to the nearest major arterial or state highway. Thus, *Site 3 does not meet the transportation proximity criterion.*

Site 4 also is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. If access were taken through Old Yamhill Highway to Highway 240, it would have access with 1/4 mile. Thus, *Site 4 meets the proximity criteria if access is taken to Highway 240 via Old Yamhill Highway.*

Site 5 is 1/3 to 2/3 mile from the UGB, and thus is not adjacent to the UGB, and could not be part of a group of parcels that could immediately be added to the UGB. It is not adjacent to an industrial or commercial area, and interspersed residential development would make it very difficult or impossible to create or expand the district to provide the needed benefits of industrial/commercial proximity. It does

have close access to Highway 240. Thus, *Site 5 does not meet the UGB proximity and industrial/commercial proximity criteria.*

Site 6 is adjacent to the UGB. It is not adjacent to an industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area. It has access to Highway 240. Thus, *site 6 does not meet industrial/commercial proximity criterion.*

Site 7 is adjacent to the UGB, though it is separated by a stream corridor, and extension of utilities would be very problematic. It is not adjacent to an industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area. It does not have access to a state highway or major arterial within 1/4 mile. Thus, *site 7 does not meet the industrial/commercial proximity or transportation proximity criteria.*

Site 8 is 1/3 to 3/4 miles from the UGB, and thus is not adjacent to the UGB. The area is separated from the UGB by the Chehalem Creek Canyon, which would make extension of facilities to the site very problematic. For example, previous studies showed that two miles of wastewater lines and a new wastewater pump station, or a new wastewater treatment plant would be needed to serve this area. Thus, it could not reasonably be added to the UGB in conjunction with adjoining properties. There are three small non-contiguous parcels in the area with county industrial zoning. It does have close access to Highway 99W, though access restrictions along that stretch of highway may prevent access directly to the highway. The future connection to the bypass between Newberg and Dundee might provide access. Thus, *Site 8 does not meet the UGB proximity criterion.*

Site 9 is adjacent to the UGB, although it is separated from the urbanizable area by a stream corridor, which would make serving the site with utilities very difficult. The site is not adjacent to an existing industrial or commercial area, and does not contain sufficient buildable land to allow expansion of the district to provide the same benefits. While it is adjacent to Highway 99W, actual access is restricted due to an intervening rail line. The only other access is Dayton Avenue, which is not an arterial, and has access issues on both ends. Thus, *site 9 does not meet the industrial/commercial proximity or transportation proximity criteria.*

Site 10 is adjacent to the UGB, but is separated from the urbanizable area by a stream corridor, which would make serving the area with utilities very difficult. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It does not have access to a state highway or major arterial within 1/4 mile. Thus, *Sites 10 does not meet the transportation proximity criteria.*

Site 11 is adjacent to the Newberg UGB. The site is adjacent to the existing industrial areas in south Newberg, and thus would benefit greatly from the synergy, short travel times, and compatibility with these areas. It abuts and has access to Highway 219. Thus, *Site 11 meets the proximity criteria.*

Site 12 is adjacent to the Newberg UGB. It touches one industrial property. It is close to Springbrook Road, a major arterial. Access could be created within 1/4 mile. Thus, *Site 12 meets the proximity criteria.*

Site 13 is not adjacent to the UGB. Farm land intervenes, so it is not a part of an area that could be immediately added to the UGB. It is not adjacent to any existing industrial or commercial areas. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It does have access to Wilsonville Road, a minor arterial. *Thus, Site 13 does not meet the UGB proximity criterion.*

Site 14 is technically adjacent to the UGB along the northern boundary, and practically within about 1/8 mile of the UGB to the west. Properties to the west across Springbrook Creek are within the urban reserve area. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It has access to Wilsonville Road, a minor arterial. *Thus, Site 14 meets the proximity criteria.*

Site 15 is not adjacent to UGB. Intervening land is farm land, so it is not part of an area that could immediately be added to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. It abuts and has access to Wilsonville Road, a minor arterial. *Thus, Site 15 does not meet the UGB proximity criteria.*

Site 16 is contiguous to the UGB. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district to provide the same benefits. However, it is not adjacent or close to a major arterial or state highway. *Thus, Site 16 does not meet the transportation proximity criterion.*

Site 17 is generally about 1/5 to 1 mile from the UGB, with farm land intervening. The site is not adjacent to an existing industrial or commercial area, but the site has sufficient buildable land to allow expansion of the district, though much of that land is over 10% slope. While it does front Highway 99W, access to the highway is either restricted or very problematic because of the slope of Rex Hill. *Thus, Site 17 does not meet the proximity criterion.*

Site 18 is close to the UGB (less than 1/8 mile). It may technically be possible to assemble enough adjacent land to include the property in the UGB, though access to the site is a major issue. The site is not adjacent to any existing Newberg industrial areas, and is across the highway from a commercial area. The site abuts Highway 99W, though the only current access is at Corral Creek Road and Veritas Lane. Neither of these accesses is suitable for industrial traffic. *Thus, Site 18 does not meet the transportation proximity criterion.*

Site 19 is adjacent to the UGB. It is adjacent to a commercial area. It is close to Highway 99W, though actual access would need to be from the Providence Drive/Crestview Drive intersection, with travel over 1/3 mile through a commercial/residential area. *Site 19 does not meet the transportation proximity criterion.*

Site 20 is within the Newberg urban reserve area, and is close enough to the UGB that an assembly of parcels could be added. The site is not adjacent to an existing industrial or commercial area. The site has sufficient buildable land to allow expansion of the district, though much of that land is sloped. The site is not near a state highway or arterial. *Thus, Site 20 does not meet the transportation proximity criterion.*

Site 21 almost touches the UGB at one point, but is generally ¾ mile distant. It is not adjacent to existing industrial areas or commercial areas; assembling sufficient buildable land to allow expansion of the district would be very difficult. The site does not have any close access to an arterial or state highway. Thus, *Site 21 does not meet the transportation proximity criterion.*

### **Compatibility**

As noted in ORS 197.712(2)(d): “Comprehensive plans and land use regulations shall provide for compatible uses on or near sites zoned for specific industrial and commercial uses.” The Newberg EOA establishes the following compatibility criteria:

*Exclude sites that:*

- *Abut residential neighborhoods on more than 25% of the site perimeter unless effective topographical buffers are present, such as a stream corridor, arterial street, state highway, rail line, or park.*
- *Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.*

This study investigated each identified site to determine whether it met the compatibility criteria. The results also are shown on Map 7.

Site 1 is adjacent to a residential neighborhood on its south side. The truck access would be to North Valley Road. The nearest arterial or state highway is College Street (Highway 219). Truck travel on North Valley Road would travel adjacent to residential areas to reach College Street. *Thus, Site 1 does not meet the truck travel compatibility criterion.*

Site 2 is largely separated from residential areas. However, truck traffic would have to travel through residential areas, such as those along North Valley Road to reach College Street (Highway 219), or those along Chehalem Drive to reach Highway 240. *Thus, Site 2 does not meet the compatibility criteria.*

Site 3 abuts urban residential areas to the east and somewhat to the south. The overall boundary is over 25%. However, truck traffic would have to travel through residential areas along Chehalem Drive to reach the closest major road: Highway 240. *Thus, Site 3 does not meet the compatibility criteria.*

Site 4 abuts residential neighborhoods along the entire east and south side of the area. Truck traffic would pass through residential neighborhoods on Old Yamhill Highway (a local street) or Chehalem Drive to reach Highway 240, the nearest major road. *Thus, Site 4 does not meet the compatibility criteria.*

Sites 5 and 6 abut residential neighborhoods on all sides. There is a stream corridor buffer on the south and a highway buffer on the north, but the overall boundary still exceeds 25%. Both areas have access to Highway 240. *Thus, Sites 5 and 6 fail to meet the residential separation criterion.*

The majority of Site 7 is developed with residential. While there are stream corridors on the north and south side, it still would not be possible to establish an industrial area with a residential boundary of less

than 25%. Truck travel would have to go through residential areas on Sunnycrest Road to reach Highway 99W, the nearest major road. *Thus, Site 7 does not meet the compatibility criteria.*

Site 8 is unbuffered from residential development to the north and west. The area abuts Highway 99W, but actual truck access may be restricted and may need to travel adjacent to a residential area. *Site 8 does not meet the residential separation criterion.*

Site 9 abuts Highway 99W on the north, a stream corridor on the east, a residential areas on the south and west. A hillside splits this area. It may theoretically be possible to establish an industrial area with less than 25% boundary with residential areas. However, access to the nearest major road, Highway 99W, is restricted due to a rail line and access controls. Thus, industrial development in this area would result in truck traffic on Dayton Avenue, which is largely residential. *Thus, Site 9 does not meet the truck travel compatibility criteria.*

Site 10 is agricultural land. It is bounded by the Willamette River on the south, Chehalem Creek on the west, a stream corridor and the future Newberg-Dundee bypass on the north, and farm land on the west. However, the only access would be through residential areas in Dundee. *Thus, Site 10 does not meet the truck travel compatibility criterion.*

Site 11 has excellent stream corridor buffers on both the east and west side. It abuts industrial land on the northwest side. It has a limited border with agricultural land on the south that is owned by the Chehalem Parks and Recreation District. Thus, it meets the residential separation compatibility criterion. Truck traffic could access Highway 219 and connect to I-5 or the Portland area without traveling through residential areas. *Thus, Site 11 meets the compatibility criteria.*

Site 12 abuts residential land on the west, and is across the street from residential on the north. Thus, the site has abuts residential on more than 25% of its perimeter. Truck travel would be to Fernwood Road, adjacent to residential areas, or across properties to Springbrook Road, again through residential areas. At the southeastern part of Site 12 is a parcel that will be split by the Newberg-Dundee Bypass. The portion on the west is adjacent to a manufactured dwelling park, and does not meet the compatibility criteria. The portion of that parcel east of the future bypass contains approximately 4.5 acres. It would access Wilsonville Road on the south. The bypass could serve as a future buffer to the residential uses on the west. However, that portion abuts residential on the east on more than 25% of its boundary, and therefore this part of the site does not meet the compatibility site characteristic. *Thus Site 12 does not meet the compatibility criteria.*

Part of Site 13 is developed with residential. It does have an arterial street to the north, farm land to the east, and a stream corridor to the south. It may be possible to create an industrial area with less than 25% of the border adjacent to residential. Truck travel could be on Wilsonville Road, an arterial street, though it would still be adjacent to a residential area. *Thus, Site 13 meets the compatibility criteria.*

Site 14 has stream corridor buffers on the north and west side, and farm land on the east side. It is across the street from a residential area on the south, but this is across Wilsonville Road, a minor arterial. Thus, the site meets the residential separation criterion. Truck traffic could access Wilsonville

Road, and reach Highway 219 and connect to I-5 or the Portland area. *Thus, Site 14 meets the compatibility criteria.*

Site 15 abuts agricultural land and has a small stream corridor buffer on the north side. It abuts agricultural land across the street on the east side, and along the south side. The west side is agricultural/forest small holding area. Truck traffic would be to Wilsonville Road, a minor arterial. *Site 15 meets the compatibility criteria.*

Site 16 has some topographic features that could serve as buffers. The Chehalem Glenn Golf Course and a hillside are on the west side. Hills are along the east side across Corral Creek Road, though these include residential neighborhoods. A small stream is on the south side. A hill separates sites 16 and 18. However, all truck travel would be directed to Fernwood Road, and would have to pass through residential areas to reach either Springbrook Road or Highway 219. *Thus, Site 16 does not meet the truck travel compatibility standard.*

Site 17 is on the hill east of sites 16 and 18. It is within an agricultural/forest small holding area. All truck travel would be directed to Fernwood Road, and would have to pass through residential areas to reach either Springbrook Road or Highway 219. *Thus, Site 17 does not meet the truck travel compatibility criterion.*

Site 18 has good buffers from residential areas. However, all truck travel would be directed to Fernwood Road, and would have to pass through residential areas to reach either Springbrook Road or Highway 219. *Thus, Site 18 does not meet the truck travel compatibility criterion.*

Site 19 is adjacent to residential areas on the north and west without adequate buffers. All truck travel would be directed to Highway 99W, and would have to pass adjacent to residential areas to reach the highway. *Thus, Site 19 does not meet the compatibility criteria.*

Site 20 borders a residential area on the south. It is within an agricultural/forest small holding area. All truck traffic would have to travel through residential areas to reach the nearest arterial street, Mountainview Drive. *Thus, Site 20 does not meet the truck travel compatibility criterion.*

Site 21 is in the middle of an agricultural small holding area with many residences. All truck traffic would have to travel through or adjacent to residential areas to reach an arterial or state highway. *Thus, Site 21 does not meet the truck travel compatibility criterion.*

### ***Summary of Industrial Site Suitability Analysis***

Table 8 on page 40 summarizes the industrial site suitability analysis. The symbols are interpreted as follows:

☺ means site meets the criteria in the column.

☺ means site could meet the criteria under some conditions or mitigation.

☹ means the site does not meet the criteria in the column.

**Table 8: Summary of Industrial Site Suitability Analysis**

Site	Size	Topography	Proximity	Compatibility	Suitable for Industrial?
#1: North Valley Rd.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☹ Most of site >5% slope, with large areas >10% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Not within 1/4 mile of state highway or arterial	☹ Would require truck travel adjacent to residential areas.	☹ No
#2: North Valley Rd. /Tangen Rd.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☺ Site is predominantly < 5% slope	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion. Not within 1/4 mile of state highway or arterial	☹ Would require travel adjacent to and through residential areas.	☹ No
#3: Chehalem Dr.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☺ Site is predominantly < 5% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Not within 1/4 mile of state highway or arterial	☹ Unbuffered from residential to east and some to south. Would require truck travel adjacent to and through residential areas.	☹ No
#4: Chehalem Dr./Cullen Ln.	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☺ Site is predominantly < 5% slope	☺ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Could be within 1/4 mile of Highway 240 if access via Old Yamhill Highway	☹ Unbuffered from residential to west, south ,and east. Would require truck travel adjacent to and through residential areas.	☹ No

Site	Size	Topography	Proximity	Compatibility	Suitable for Industrial?
#5: Highway 240 West	☺ Interspersed residential development would make it a challenge to assemble group of parcels with buildable land and > 20 acres total.	☺ Site is predominantly < 5% slope	☹ Not adjacent to UGB, nor immediately be added to UGB. Not adjacent to industrial or commercial area, and interspersed residential development would make it very difficult or impossible to initially create or expand the district	☹ Surrounded by residential	☹ No
#6: Honey Ln.	☺ Interspersed residential development would make it a challenge to assemble group of parcels with buildable land and > 20 acres total.	☺ Site is predominantly < 5% slope	☹ Adjacent to the UGB and within 1/4 mile of Highway 240. Not adjacent to industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area	☹ Unbuffered from residential to east, south and west.	☹ No
#7: Sunnycrest Rd.	☹ Interspersed residential development would make it a challenge to assemble group of parcels with buildable land and > 20 acres total.	☺ Site is predominantly < 5% slope outside stream corridor	☹ Not within ¼ mile of state highway or arterial. Not adjacent to industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area	☹ Site is within developed residential area. Would require truck travel adjacent to and through residential areas.	☹ No

Site	Size	Topography	Proximity	Compatibility	Suitable for Industrial?
#8: Fox Farm Rd.	☺ Group of parcels with > 20 buildable acres. Contains some parcels with > 10 buildable acres	☺ Site is predominantly < 5% slope	☹ Not adjacent to UGB, nor immediately be added to UGB. Adjacent to Highway 99W, however direct highway access may not be allowed by ODOT. Adjacent to county industrial area.	☹ Unbuffered from residential to north and west	☹ No
#9: Dayton Ave. North	☺ Group of buildable parcels with > 20 acres.	☹ Site is >5% and >10% slopes	☹ Although the area is close to Highway 99W, there is no direct access, so highway or major arterial access would be further than 1/4 mile. Not adjacent to industrial or commercial area, and there is not enough buildable land in the area to allow expansion of the industrial district to provide the benefits of proximity to an industrial or commercial area (commercial/industrial area across highway and rail line).	☹ It may be possible to establish industrial area with buffers from residential. Would require truck travel through residential areas.	☹ No
#10: Riverfront West	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres	☹ Much of site has slopes over 10%	☹ Adjacent to UGB but separated by the stream corridor. Site has sufficient buildable land to allow expansion. No access to state highway or arterial street within 1/4 mile.	☹ Buffered from residential areas by stream corridors. Would require truck travel through residential areas in Dundee.	☹ No

Site	Size	Topography	Proximity	Compatibility	Suitable for Industrial?
#11: Highway 219/Wynooski	☺ Site contains > 20 buildable acres, includes parcels > 30 buildable acres, 10-30 buildable acres, 5-10 buildable acres.	☺ Site is predominantly < 5% slope outside stream corridor	☺ Adjacent to the UGB. Site is adjacent to industrial district. Abuts and has access to Highway 219.	☺ Buffered from residential by stream corridors.	☺ Yes
#12: S. Springbrook URA	☺ Site contains about 20 buildable acres and touches one industrial property.	☺ Site is predominantly < 5% slope outside stream corridor	☺ Adjacent to UGB. Site touches one industrial property. Access to Springbrook Road arterial street within 1/4 mile.	☹ Unbuffered from residential on the north and west. Would require travel adjacent to and through residential areas to reach arterial.	☹ No
#13: Wilsonville Rd. South	☺ Site contains > 20 buildable acres with 2 parcels of about 10 acres.	☺ Site is predominantly < 5% slope outside stream corridor	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion.	☺ Adjacent to residential on west side – boundary is < 25%. Would require truck travel adjacent to residential area only on arterial street.	☹ No
#14: Wilsonville Rd. Northwest	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres and 10-30 buildable acres	☺ Site is predominantly < 5% slope outside stream corridor	☺ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Abuts and has access to Wilsonville Rd. (minor arterial).	☺ Stream corridors on north and west side Residential area across Wilsonville Road, and along west side. Boundary is < 25%. Would require truck travel adjacent to residential area only on arterial street.	☺ Yes

Site	Size	Topography	Proximity	Compatibility	Suitable for Industrial?
#15: Wilsonville Rd. Northeast	☺ Site > 20 buildable acres, includes parcels > 30 buildable acres and 10-30 buildable acres	☺ Area north of Wilsonville Rd. is predominantly < 5% slope; area south of Wilsonville Rd. is predominantly >10% slope.	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion. Abuts and has access to Wilsonville Rd. (minor arterial).	☺ Not adjacent to residential areas. Would require truck travel adjacent to residential area only on arterial street.	☹ No
#16: Corral Creek Rd. South	☺ Site > 20 buildable acres, includes parcels 10-30 buildable acres and 5-10 buildable acres	☹ Site is mixture of <5% slopes, 5-10% slopes, and steeper slopes.	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. No access to arterial street or state highway within 1/4 mile.	☹ Would require travel adjacent to and through residential areas.	☹ No
#17: Parrett Mountain	☺ Site > 20 buildable acres, includes parcels 30+ buildable acres, 10-30 buildable acres and 5-10 buildable acres	☹ Slopes over 10% do not allow for industrial development.	☹ Not adjacent to UGB, nor part of area that could immediately be added to UGB. Site has sufficient buildable land to allow expansion, but that land is sloped. No truck access to arterial street or state highway within 1/4 mile.	☹ Would require travel adjacent to and through residential areas.	☹ No
#18: Corral Creek Rd. North	☺ Site has about 60 buildable acres. Has some parcels with about 10 buildable acres.	☹ Much of the area is > 5% slope, with large areas > 10% slope	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion. Corral Creek Rd. access to Highway 99W not suitable for truck traffic.	☹ Would require truck travel adjacent to and through residential areas to reach highway or arterial.	☹ No

Site	Size	Topography	Proximity	Compatibility	Suitable for Industrial?
#19: Benjamin Rd.	☺ Site > 20 buildable acres.	☹ Large part of site is > 5% slope, with some areas > 10% slope	☹ Adjacent to UGB. No truck access to arterial street or state highway within 1/4 mile. Site adjacent to commercial area.	☹ Residential to north and west. Would require truck travel adjacent to and through residential areas.	☹ No
#20: North Hills URA	☺ Site > 20 acres. Includes sites with 10-30 buildable acres.	☹ Site is predominantly >5% and >10% slopes	☹ Adjacent to UGB. Site has sufficient buildable land to allow expansion, though some of that land is sloped. No truck access to arterial street or state highway within 1/4 mile.	☹ Abuts residential on south side. Would require truck travel adjacent to and through residential areas.	☹ No
#21: Bell Rd.	☺ Site > 20 acres. Includes sites with 10-30 buildable acres.	☹ Slopes over 10% do not allow for industrial development.	☹ Except on west side, area is not adjacent to UGB. Assembling sufficient land to allow the benefits of industrial/commercial proximity would be very difficult due to slopes. Western part has truck access to arterial street or state highway within 1/4 mile.	☹ Would require truck travel adjacent to residential areas	☹ No

### **Suitable Land Conclusion**

Site 11, the Highway 219/Wynooski site, has all the industrial site suitability characteristics and thus is suitable for industrial use.

Site 14, the Wilsonville Road Northwest site, also meets the site suitability characteristics.

No other sites within the study area meet the industrial site suitability criteria.

Thus, Site 11 and Site 14 are then the only sites that are advanced to the boundary location analysis.

### **Urban Growth Boundary Location Analysis**

After determining which adjacent sites are suitable for industrial land, the next step is to select which land in those sites to include in the UGB. In order to do this, local governments must determine the ORS 197.298 priority of each suitable site, and designate land according to those priorities. When a priority class is reached and there is more land in that priority class than is needed to meet the projected needs, then the local government applies the Goal 14 locational factors to determine which land in that priority to include in UGB.

As noted, only two sites meet the industrial site suitability criteria: Sites 11 and 14. A more detailed view of these sites is on Map 8. These sites are made up of a combination of first, second, and fourth priority sites. The fourth priority agricultural sites consist of lower and higher priority sites also. See Map 9. Thus, various parts of these sites must be considered differently according to the priorities. For ease of analysis, these sites have been further divided into subsites numbered Site 11.1 through 11.9, and Site 14.1 through 14.3. These are shown on Map 10.

### **First Priority Urban Reserve Area Sites**

Newberg designated urban reserves in 1995. Several of these urban reserves have since been included in the urban growth boundary. One parcel in the Wynooski Road Urban Reserve was included as industrial land – the remaining were added to meet residential, commercial, or institutional needs.

Sites 11.2 and 11.3 are within the urban reserve area. These consist of four parcels on Wynooski Road (Tax lots 3229-400 & 500, 3228-1200 & 1700).

Site 11.2 along with Site 11.1 is the anticipated site of the future water treatment plant. A water line under the Willamette River has been extended near this area in anticipation of the relocation of the water plant to these parcels. The two sites contain 3 gross buildable acres. Thus, *Site 11.2 should be included in the UGB and designated Public/Quasi-Public. This should be considered in conjunction with Site 11.1.*

Site 11.3 includes a solid waste transfer facility. It includes 3 gross buildable acres. Including it in the UGB would facilitate connecting the site to municipal sewer and water, which would be useful to some of the operations. *Sites 11.3 should be included in the UGB.*

No parcels in Site 14 are within the urban reserve area.

The four parcels in Sites 11.2 and 11.3 total 47 total acres. However, they include only 6 gross buildable acres, as the sites are largely in the stream corridor or in industrial use. Thus the total industrial and public/quasi-public land needs are far from being met on these sites. Thus, Newberg must look to second priority rural exception sites.

### Second Priority Rural Exception Areas Sites

Site 11.1, 11.9, and 14.1 are rural exception sites.

Site 11.1 consists of three parcels on Wynooski Road (Tax Lots 3229-202 (part), 600 & 2200). These are part of the anticipated future water treatment plant site, and thus are suited for Public/Quasi-Public designation. This site along with Site 11.2 contains 3 gross buildable acres. *Site 11.1 should be included in the UGB and designated Public/Quasi-Public.*

Site 11.9 and Site 14.1 are along Wilsonville Road near the Springbrook Creek crossing. Neither of sites independently contain 20 acres for industrial uses – they only should be included if adjacent parcels also are included as industrial. Otherwise, they would fail to meet the industrial district size suitability characteristic. Site 11.9 (Tax lots 3221-5200 & 5300 on the west side of the creek) contains 5 total acres, but only 1 gross buildable acre. *Site 11.9 should be included in the UGB only if adjoining properties in Site 11.8 also is included in the UGB.* Site 14.1 (Tax lot 3221-4900, 4901 & 5100 on the east side of the creek) contains 9 total acres, but only 1 gross buildable acre. *Site 14.1 should be included in the UGB only if Site 14.2 also is included in the UGB.*

Even if all these sites were included in the UGB, they do not come close to meeting future industrial land needs. Thus, Newberg must look toward lower priority lands.

### Third Priority Marginal Land

No marginal land exists in Yamhill County, thus no third priority land exists.

### Fourth Priority Agricultural Land

The remaining parcels in Site 11 and Site 14 are designated agricultural. According to ORS 197.298(2):

***Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.***

Thus, the remaining parcels in Site 11 and Site 14 are to be compared according to their soil types. Map 9 shows the soil classification in these sites. Both of these sites are comprised primarily of Class II soils. Each has Class III – VI soils, primarily located within stream corridors<sup>14</sup>. Sites 11.6 and 14.2 contain some Class I soils. Therefore, these two subsites should receive lower priority (See Map 10 and Table 9 on page 48). The remaining subsites have similar enough soil characteristics that they can be considered the same priority. See Table 9 on page 48. These sites are 11.4, 11.5, 11.7, 11.8<sup>15</sup>, and 14.3. These sites

<sup>14</sup> The stream corridors serve very important functions as buffers and amenities for the adjacent industrial development. They are only needed to be included in the UGB if the adjoining upland portion also is included.

<sup>15</sup> Site 11.8 contains approximately 1 acre in Class I soils, a portion of which is under two buildings. If Site 11.8 is included, the small area of Class I soil should be included under the "maximum efficiency" exception under ORS 197.298 (3)(b).

consist of 16 parcels containing approximately 166 gross buildable acres (269 total acres). This exceeds the total need for industrial land for the 20-year planning period through 2032. Thus, the decision on which of these sites to include in the UGB (Sites 11.4, 11.5, 11.7, 11.8 and/or 14.3) depends on the Goal 14 Location Factor Analysis below.

**Table 9: Priority of Agricultural Sites by Soil Class**

Site	Soil Class In Buildable Areas	Soil Class Inside and adjacent to Soil Class Outside Buildable Areas (Stream corridors, wetlands, sloped areas) <sup>16</sup>	Priority
11.4	Class II	Almost all Class III, small amount of Class II	4 - Medium
11.5	Class II	Class II and Class III	4 - Medium
11.6	About half Class I and half Class II	Class VI	4 - Low
11.7	Class II	Class III and Class VI	4 - Medium
11.8	Class II with a pocket of Class I <sup>17</sup>	Class III and Class VI	4 - Medium
14.2	About half Class I and half Class II	Class III and Class VI, small amount of Class I and Class II	4 - Low
14.3	Class II	Class III and Class VI, small amount of Class I and Class II	4 - Medium

**Goal 14 Location Factor Analysis**

The decision on which suitable sites of the same priority class (Sites 11.4, 11.5, 11.7, 11.8 and/or 14.3) should be included in the UGB is determined using the Goal 14 Location Factors. The four Goal 14 location factors are:

- (1) Efficient accommodation of identified land needs;***
- (2) Orderly and economic provision of public facilities and services;***
- (3) Comparative environmental, energy, economic and social consequences; and***
- (4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.***

<sup>16</sup> The soil map is based on very generalized and dated aerial photography, so boundaries should not be considered precise. The stream corridor map is based on more advanced LIDAR mapping which is substantially more accurate but still should not be considered precise. It is quite likely that the soil classification boundaries were intended to follow the same features as the stream corridor boundaries.

<sup>17</sup> The pocket of Class I should be included under the “maximum efficiency” exception under ORS 197.298 (3)(b)

The local government is to evaluate alternative boundary locations of properties in the same priority class, and determine which boundary alternative best meets the factors listed.

OAR 660-024-0060 (3) states:

***(3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the UGB location, a local government must show that all the factors were considered and balanced.***

Thus the factors are not criteria that are either met or not met: they are comparative factors to determine which alternative best meets the factors. They must be considered together, and no one factor may be given decisive weight without considering the others. Also note that they are used only to determine which suitable land of a particular priority should be included in the UGB. Thus, lower priority land cannot be included even though it may better meet the factors, and higher priority land need not be included if it is not suitable. Finally, note that the factors have a significant amount of overlap. For example, the cost of providing services to an area is directly an element of Factor 2 (economic provision of services), but also an element of Factor 1 (efficient accommodation of land needs), and Factor 3 (economic consequences). This is simply a matter of how the factors are written, and there is no indication in the rule that such elements should not be included in each factor.

#### Boundary Alternatives

The agricultural parcels in Site 11 and Site 14 were compared and arranged in three alternative Boundary Locations. All three boundary alternative assume that land along Adolf Road already in the UGB is changed to industrial, and that Site 11.1, 11.2 are included and designated Public/Quasi-Public, and that Site 11.3 is included and designated industrial. The boundary alternatives are shown on Map 11.

**Boundary Alternative A:** This boundary alternative would extend the UGB along Wilsonville Road for industrial uses. This alternative includes sites 11.8, 11.9, 14.1, 14.2, and 14.3. Site 14.2 includes some Class I soils, so this would be included under the “maximum efficiency” exception under ORS 197.298 (3)(b).

**Boundary Alternative B:** This boundary alternative would extend the UGB along Highway 219 and Adolf Road for industrial uses. This alternative includes sites 11.4, 11.7, 11.8, and 11.9.

**Boundary Alternative C:** This boundary alternative would extend the UGB south on Highway 219 for industrial uses, and not include properties on the east side of Adolf Road. This alternative includes sites 11.4, 11.5, and 11.7. Site 11.6 would be excluded, since it includes some Class I soils.

As shown in Table 10 below, all three alternatives contain between 125 and 128 gross buildable acres. All options would meet all but a few acres of the remaining buildable industrial land needs through 2032.

**Table 10: Buildable Acres in Boundary Alternatives**

	Alternative A	Alternative B	Alternative C
Buildable Acres	128	125	126
10-30 ac. sites	2	2	2
30-50 ac. sites	2	2	2

**Location Factor 1: Efficient accommodation of identified land needs**

Boundary Alternative B would accommodate industrial land needs very efficiently. It is adjacent to the Newberg UGB. It contains level land within mostly large parcels. It contains adequate land to meet all the 2032 large site industrial land needs. It includes a few rural home sites, an existing agricultural industrial plant, and a large riding stable. Sewer and water service are nearby. Sewer service to the area can be provided via a planned east side sewer pump station. All the buildable land in this area is estimated to be able to flow by gravity to this station. This alternative is crossed by the bypass corridor. Upon construction of the bypass, Wilsonville Road will need to be relocated through this area. This would provide some efficiency.

Boundary Alternative C would accommodate industrial land needs, but somewhat less efficiently than Alternative B. This site contains mostly level land, though there is some more sloping land at the southeast corner. It is adjacent to the existing Wynooski Road industrial area. It also includes pre-existing home sites, and the same agricultural industrial plant as Alternative B. Because Site 11.6 would be excluded, the back part of several lots would not be included, resulting in some inefficiency. Sewer and water could be extended to this area, though they would need to be extended a somewhat greater distance than for Boundary Alternative B.

Boundary Alternative A would accommodate industrial land needs the least efficiently of the three alternatives. The site does include level land with mostly large parcels, and contains enough land to meet 2032 large site industrial needs. It is the furthest from the existing industrial areas along Wynooski Road. Because it contains land on the east side of Springbrook Creek, an additional sanitary sewer pump station would be needed to provide services. This would add to the cost of providing services and increase inefficiency.

**Location Factor 2: Orderly and economic provision of public facilities and services**

As noted in OAR 660-024-0060:

***(7) For purposes of Goal 14 Boundary Location Factor 2, "public facilities and services" means water, sanitary sewer, storm water management, and transportation facilities.***

***(8) The Goal 14 boundary location determination requires evaluation and comparison of the relative costs, advantages and disadvantages of alternative UGB expansion areas with respect to the provision of public facilities and services needed to urbanize alternative boundary locations. This evaluation and comparison must be conducted in coordination with service providers, including the Oregon Department of Transportation with regard to impacts on the state transportation system.***

***"Coordination" includes timely notice to service providers and the consideration of***

**evaluation methodologies recommended by service providers. The evaluation and comparison must include:**

**(a) The impacts to existing water, sanitary sewer, storm water and transportation facilities that serve nearby areas already inside the UGB;**

**(b) The capacity of existing public facilities and services to serve areas already inside the UGB as well as areas proposed for addition to the UGB; and**

**(c) The need for new transportation facilities, such as highways and other roadways, interchanges, arterials and collectors, additional travel lanes, other major improvements on existing roadways and, for urban areas of 25,000 or more, the provision of public transit service.**

As stated in the Goal 9 Rule (OAR 660-009-0005(9)):

***“Serviceable” means the city or county has determined that public facilities and transportation facilities, as defined by OAR Chapter 660, Divisions 011 and 012, currently have adequate capacity for development planned in the service area where the site is located or can be upgraded to have adequate capacity within the 20-year planning period.***

### *Findings*

Among other things, the South Industrial Area Master Plan looked carefully at existing urban facilities in the south part of Newberg and how these facilities can be economically extended to serve the Highway 219/Wynooski study area (Sites 11.1 through 11.9) . The plan was carefully coordinated with a number of service providers, including the Newberg Public Works Department (sewer, water, and storm drainage); Yamhill County Public Works (County roads and rural storm drainage); and the Oregon Department of Transportation (State highways).

With regard to access, the plan notes that:

***Primary access to the plan area is taken from Highway 219 which runs north/south through the middle of the plan area. Highway 219 is the highest order street that runs through the immediate vicinity of the plan area. The western portion of the site currently has secondary access through several local streets that connect to properties within the plan area. There are no major roads or access points on the eastern side of the plan area. A portion of the northwest section of the plan area is identified on the Newberg-Dundee Bypass Project map as the approved corridor location for the Newberg Oregon 219 interchange. The following table describes the both the existing improvement and the City’s current improvement plans for roadways within the plan area:***

<b>Street Name</b>	<b>Functional Classification</b>	<b>Existing Improvement</b>	<b>Preliminary Improvement Plans</b>
<b>State Highway 219</b>	<b>Minor Arterial</b>	<b>3 Lanes</b>	<b>5 Lanes</b>
<b>Springbrook Road</b>	<b>Minor Arterial</b>	<b>2 Lanes</b>	<b>3 Lanes</b>
<b>Wilsonville Road</b>	<b>Minor Arterial</b>	<b>2 Lanes</b>	<b>3 Lanes</b>
<b>Wynooski Road</b>	<b>Major Collector</b>	<b>2 Lanes</b>	<b>3 Lanes</b>

The South Industrial Area Master Plan makes the following findings with respect to providing sewer, water, storm drainage and transportation services to Sites 11.1-11.9:

**UTILITIES:** *The storm, wastewater, and water utility connections are all located near the west and northwest borders of the plan area.*

**Water:** *An eighteen-inch water line runs east-west along Wynooski Road to intersect with Sandoz Road. The eighteen-inch line continues along Sandoz Road to Springbrook Road. Several six-inch lines spur off of the Sandoz line to serve local development. A twelve-inch line runs along Wynooski Road from the Wynooski-Sandoz intersection up to dead end around Highway 219.*

**Wastewater:** *A 36-inch wastewater line runs from the intersection of Wynooski Road and Dog Ridge Road, it continues along Dog Ridge, and connects to the Treatment Plant located to the northwest of the plan area. Both 24-inch and 36-inch sections run from the northwest portion of the plan area along Wynooski Road to the north. A 36-inch line runs along Sandoz Road.*

**Stormwater:** *The storm sewer system borders the plan area in a more continuous manner. It runs south along both sides of Highway 219 to the intersection of Wynooski Road and Adolf Road where it turns west and continues down the northern side of Wynooski Road for approximately 1,300 feet. It also runs east along Wilsonville Road and terminates at the 28805 Wilsonville Road property.*

**Recycled Water:** *The City of Newberg provides recycled water for irrigation use in an effort to reduce the amount of demand on the potable water system. It also reduces the amount of treated effluent that is directly discharged into the Willamette River. Wastewater is treated at the City of Newberg Wastewater Treatment Plant and conveyed through a “purple pipe” to private properties. The purple pipe currently runs east under Wynooski Road, north under Sandoz Road, east under Highway 219 and east along Wilsonville Road to the S-turn, then north through the golf course.*

The South Industrial Area Master Plan goes on to describe how services can be provided in an orderly and economic manner to Site 11 while enhancing service to areas already within the UGB:

**UTILITIES:** *The plan area rests on a prominent plateau of approximately 375 acres that is bounded by Hess Creek on the west and Springbrook Creek on the east. Elevations of*

*this plateau range from slightly above 170-feet of elevation to 110-feet along the incised drainages at the boundaries of the plan area. Natural existing soils of the Chehalem Valley consist predominately of clays with incidence of perched water tables; these soils typically have very low infiltration rates.*

*Water: The City of Newberg Water System Master Plan states that a 24-inch main should be extended to the site from the water treatment plant to allow for further extension up Springbrook Road. The existing water system has adequate quantity and pressure sufficient to serve the area. It is assumed that water pressures would be high enough to warrant pressure reduction. Extension of water mains within the alignments of the proposed street will provide adequate service and redundancy to the plan area. Further demand analysis should be implemented with each development to ensure adequate volume and pressure is available for the needs of each individual user.*

*Sewer: Sanitary sewer service to the master plan area can be provided by siting a pump station on property south of Wyooski Road across from the existing waste water treatment plant. This location may require the acquisition of additional land to accommodate the pump station and connection. This pump station should be of significant depth to allow a large diameter trunk line to be extended from the head works of the pump station at a depth of 20 to 22 feet. At this depth the sanitary sewer trunk line can be extended east along Wyooski Road to Highway 219 and south along Highway 219 at a minimum slope.*

*This sanitary sewer trunk line along with the pump station will provide the backbone for sanitary sewer service to the area and provide a basis for systematic extension of facilities and services from Highway 219 to the boundaries of the plan area.*

*Installation of interceptor and service mains from this backbone infrastructure can be further extended along the alignments of Street "A", Street "B", Street "C", the proposed realignment of Wyooski Road and within optional or local service roads to provide sanitary sewer service to the master plan area. The ten acre area east of Highway 219 at the southern end of the planning area will require a small local lift station to address the 50-foot drop in elevation.*

*Recycled water should be extended to the master plan area to extend the benefits that this service provides. Recycled water can be extended from the waste water treatment plant or a connection could be made to the main that serves the Chehalem Glenn Golf Course in the area of Springbrook Road. Location of the connection to the existing system and transmission main sizes should be determined from further investigation into availability of reclaimed water and demand estimates for the plan area. Currently recycled water is only available on demand and is conveyed via a non-pressurized distribution system. Potential customers would need to work closely with the City of*

***Newberg to address Oregon Department of Environmental Quality standards and requirements.***

Thus, public facilities and services can be extended orderly and efficiently to the areas in Boundary Alternatives B and C. Relatively speaking, extending services to Boundary Alternative B would be more orderly than Alternative C. Sewer and water services will first need to be extended to near the intersection of Wyooski Road and Highway 219. From there, they can be extended in an orderly and economic manner north to serve Sites 11.8 and 11.9, and south to serve 11.4 and 11.7. Alternative C would require a longer extension past 11.4 and 11.7 to serve Site 11.5, making this alternative less orderly and efficient than Alternative B.

The area in Alternative A also could be served with transportation, sewer, water, and storm drainage facilities. Wilsonville Road would need to be upgraded to an urban arterial standard. The Springbrook Creek crossing would need to be upgraded before any industrial development could occur. This would add an upfront cost that would be less orderly and economic than the other options. Upon construction of the Newberg-Dundee Bypass, the Wilsonville Road connection would be terminated at the bypass. Thus, a new road would have to be constructed to the south to connect to Highway 219. This new road would pass through Site 11.8. Sewer service also would need to be extended first through or past Site 11.8, 11.9, 14.1, and 14.2 to reach Site 14.3. A new sanitary sewer pump station would be needed at the crossing of Springbrook Creek. Again, this would make it more orderly and efficient to include Alternative B or C.

**Location Factor 3: Comparative environmental, energy, economic and social consequences**

***Environmental Consequences***

All the boundary alternatives are bordered by stream corridors. These provide excellent buffers from nearby agricultural land and rural residential areas. The buffers limit intrusion of noise, dust, vibration, or other environmental considerations to neighboring uses. Boundary Alternative A only has such a buffer on the north side. The south boundary is Wilsonville Road, which provides a minimal buffer from residential uses on the south side. Thus, this boundary alternative would be less effective in buffering environmental impacts to surrounding uses.

Of course including stream corridors at the edge of an industrial area also has some risks of negative impacts to the water resources. The South Industrial Area Master plan shows that all of these areas will be protected from urban industrial use. Limited trail uses will be encouraged to provide access to these riparian corridors. The South Industrial Area Master Plan also calls for sustainable design and building practices to minimize impacts from run-off and development on these important natural features.

***Energy Consequences***

The main energy consequences include (a) vehicle miles traveled for employees; (b) vehicle miles travelled for truck traffic associated with industrial clusters that choose to locate or expand in Newberg.

The energy consequence of *not* providing basic employment opportunities in Newberg are that Newberg area residents will need to commute to Portland, Salem, Hillsboro, McMinnville or elsewhere for employment opportunities. Since the Highway 219/Wyooski area best meets identified industrial siting

requirements, it's reasonable to conclude that this site will have the highest likelihood of success in attracting and maintaining traded-sector employment opportunities in Newberg.

All alternatives are relatively accessible for Newberg residents and for those commuting to Newberg to work. Other locations would require driving through the congested downtown area, or spending more time on congested Highway 99W, where mileage efficiency (due to stop-and-go travel) would likely decrease.

Alternative B is closest to Newberg's largest industrial area and the Sportsman Airpark, which means that travel between industry clusters would be reduced when compared with other potential sites.

Alternatives B and C offer the most direct route to I-5 and regional markets, when compared with other sites. Alternative C is slightly closer to I-5, but slightly further from Newberg than Alternative B.

Thus, Alternative B would have the most positive and fewest negative energy consequences of the study alternatives, followed closely by Alternative C and lastly by Alternative A.

### *Economic Consequences*

Newberg has developed an economic strategy, listed targeted industrial clusters that will help implement this strategy, and identified site characteristics necessary to be successful in attracting these industrial clusters to the community. Based on analysis found in the EOA and in these findings, the City has concluded that only Sites 11 (Highway 219/Wynooski) and 14 (Wilsonville Road Northwest) have the characteristics necessary for Newberg to be competitive in attracting targeted industrial clusters.

Inclusion of any alternatives for urban industrial purposes would marginally reduce the amount of agricultural land in production. On the other hand, including this industrial land will provide land for processing agricultural products and other industrial needs of the agricultural economy. Several agricultural industries are included in the Newberg's targeted industry list, including wineries, specialty foods and food processing, and nursery and agricultural products (value added). Note that inclusion of agricultural land within a UGB does not mean that this land will immediately be lost to agricultural production; the City anticipates that this land will develop gradually over a 20-year period, and that land will stay in agricultural use until needed for planned industrial development<sup>18</sup>.

As noted in the findings under Location Factor 2, public facilities and services can most efficiently be provided to Boundary Alternative B. Sewer, water, storm drainage, and transportation facilities all are close by and can be extended economically.

Alternative A would require an additional sanitary sewer pump station. Alternative A would also require immediate reconstruction of the Springbrook Creek crossing, adding costs. Thus there are more positive economic consequences to including Alternative B or C than Alternative A. Alternative B, being closer to existing services, would have the best economic consequences.

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<sup>18</sup> Recent experience has shown this to be the case. For example, the undeveloped industrial land on Mountainview Drive remains in a filbert orchard, which continues to produce crops, even though the area was included in the UGB in 1979. Much of the undeveloped farm land in the Springbrook master plan area remains in commercial agricultural production. In addition, the undeveloped portions of the Springbrook Oaks area remained in commercial agricultural production until about 80% of the area was developed.

### *Social Consequences*

Including Alternative B would have a number of positive social consequences:

- (1) It would provide industrial land that would meet the needs of future industrial users, thus providing jobs and economic resources for the community. It would increase the local tax base, and provide resources for other important facilities such as parks, schools, and quality urban neighborhoods.
- (2) The site has effective buffers from existing residential uses through two large stream corridors.
- (3) An important social consequence is the perception of Newberg as people enter. This area is at the south gateway to Newberg. The Newberg South Industrial Area Master Plan included streetscape and design requirements for the Highway 219 frontage, so the appearance of this gateway could actually be enhanced.

Including Alternative C would provide similar social benefits of jobs and economic resources as Alternative B. Alternative C has less of a buffer from agricultural use due to the exclusion of Site 11.6. Alternative C would extend the entrance to Newberg further to the south than Alternative B.

Boundary Alternative A lacks this type of buffer on the south side, which could result in negative consequences to residences south of Wilsonville Road. Alternative C would be on the Wilsonville Road entrance to Newberg as opposed to the Highway 219 entrance.

All three alternatives include some existing rural home sites which could be affected by the conversion to industrial uses.

Overall, the most positive and fewest negative social consequences would come from including Alternative B, followed by Alternative C.

### *EEES Conclusion*

Table 11 below summarizes the EEES findings above. As can be seen, Alternative B has the most positive and least negative consequences of all the alternatives.

**Table 11: EEES Consequences Summary**

	<b>Alternative A</b>	<b>Alternative B</b>	<b>Alternative C</b>
Environmental Consequences	3 <sup>rd</sup>	Best (tie)	Best (tie)
Energy Consequences	3 <sup>rd</sup>	Best	2 <sup>nd</sup> Best
Economic Consequences	3 <sup>rd</sup>	Best	2 <sup>nd</sup> Best
Social Consequences	3 <sup>rd</sup>	Best	2 <sup>nd</sup> Best
<b>Overall</b>	<b>3<sup>rd</sup></b>	<b>Best</b>	<b>2<sup>nd</sup> Best</b>

#### **Factor 4: Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the urban growth boundary**

The interface between agriculture uses and industrial uses does not pose the same compatibility issues as with other urban uses. For example, siting residential uses near agricultural lands can create conflicts as farmers plow fields, spray chemicals, and operate farm machinery near houses. Conducting these same farming practices near industrial land does not necessarily generate conflicts. Having nearby industrial land can in fact enhance the farm activities, as farmers can have a nearby location to store and

process agricultural products, and to store equipment. Conflicts can arise, but they generally are not as severe as for other urban uses.

All three boundary alternatives have minimal borders with agricultural land. There is little significant difference between the three alternatives.

Boundary Alternative A would border agricultural land on the south side of Site 11.8, and on the east side of 14.3. Overall, this alternative has the least border with agricultural land of the three alternatives.

Boundary Alternative B would border agricultural land only on the south side.

Boundary Alternative C would border agricultural land on the both the north and south side, and adjacent to Site 11.6. This has the longest border of the three alternatives.

### Location Factor Conclusion

Table 12 contains a summary of the findings relative to the boundary location factors for each of the three boundary alternatives. As can be seen, Alternative B best meets the Goal 14 Location factors:

- Alternative B can most efficiently accommodate industrial land uses.
- Public Facilities and Services can be provided most efficiently and economically to Alternative B.
- Alternative B would have effective buffers from residential uses, thus minimizing negative environmental consequences.
- Alternative B is close to existing industrial areas, close to the Newberg center, and has close access to I-5. This results in the most positive energy consequences of all options.
- Including Alternative B would have a number of very positive economic consequences, including providing sufficient land for future employers.
- Including Alternative B would have the most positive and fewest negative social consequences. Including the area would provide land for jobs for Newberg area citizens and it has effective buffers from residential uses.
- Alternative B has a slightly larger border with agricultural land than Alternative C, but overall the difference is negligible.

**Table 12: Location Factor Summary**

Location Factor	Alternative A	Alternative B	Alternative C
Factor 1: Efficient Accommodation of Land Needs	3 <sup>rd</sup>	Best	2 <sup>nd</sup> Best
Factor 2: Efficient Public Facilities	3 <sup>rd</sup>	Best	2 <sup>nd</sup> Best
Factor 3: ESEE Consequences	3 <sup>rd</sup>	Best	2 <sup>nd</sup> Best
Factor 4: Compatibility with Farm/Forest Uses	Best	2 <sup>nd</sup> Best	3 <sup>rd</sup>
<b>Overall</b>	<b>3<sup>rd</sup></b>	<b>Best</b>	<b>2<sup>nd</sup> Best</b>

Thus, the land within Boundary Alternative B best meets the Goal 14 Location Factors and should be included in the UGB.

## Urban Growth Boundary Location Analysis Summary and Conclusion

The Urban Growth Boundary location as shown in Map 12 complies with the UGB amendment priorities of ORS 197.298, the Goal 14 Needs Factors, and the requirements of OAR Chapter 660, Division 24.

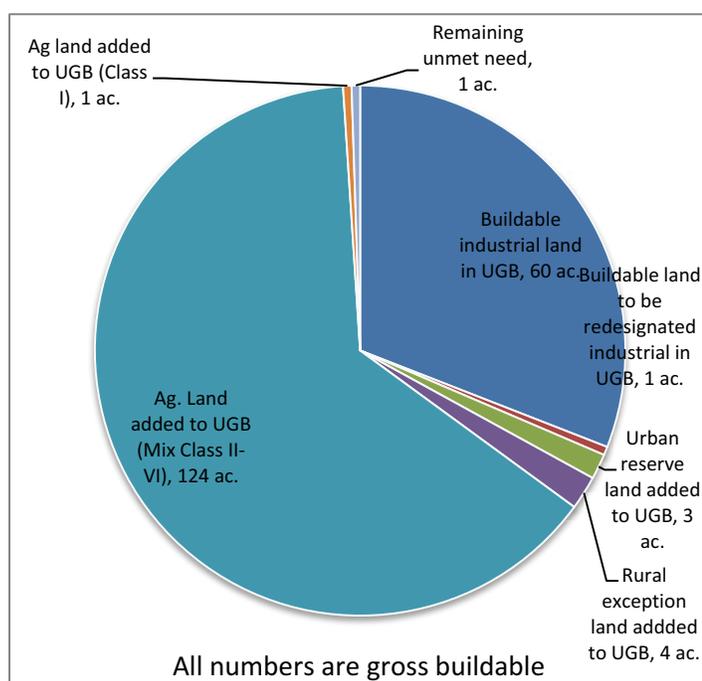
The findings examined a study area extending ½ to ¾ miles from the UGB. Within this study area, the finding identified 21 sites for potential UGB expansion. Of the potential industrial areas within the study area, only the Highway 219/Wynooski Site (Site 11) and the Wilsonville Road Northwest Site (Site 14) meet the industrial site suitability criteria.

Because the land within these two sites contains more land than is needed for 2032 industrial land needs, and because the sites include property under several different priorities under ORS 197.298, the sites were segregated into several subsites.

**Figure 4: Meeting Buildable Industrial and PQ Land Needs through 2032**

The findings applied the ORS 197.298

priorities to these subsites to include urban reserve and rural exception land in the UGB. Because these higher priority lands did not contain sufficient land to meet 2032 industrial land needs, the findings then looked toward fourth priority agricultural lands. The findings applied the Goal 14 locational factors to three boundary alternatives within Sites 11 and 14. The analysis concluded that Boundary Alternative B, shown on Map 10, should be included. The selected UGB boundary best meets the Goal 14 Needs factors. The site provides the type of industrial land needed by Newberg's targeted industries. Including that land will be an economic and social benefit to



the community. The site is well buffered from adjoining residential and agricultural uses by stream corridors. The South Industrial Master Plan's green street and environmentally friendly drainage systems will ensure compatibility with the natural environment. Overall, the site will provide jobs in Newberg, thus lessening the need for commuting outside the community to work, and benefitting the community and state environmentally, economically, socially, and energy-wise.

Thus, in summary, the subsites shown in Table 13 below should be included in the UGB. A detailed map of the properties to be included is on Map 13, and a list shown in Table 14 below.

**Table 13: Sites included in UGB by Priority Class**

<b>Priority</b>	<b>Total Acres</b>	<b>Buildable Acres<sup>19</sup></b>
<b>1<sup>st</sup>: Urban Reserve</b>	<b>47</b>	<b>6</b>
Site 11.2	23	3
Site 11.3	24	3
<b>2<sup>nd</sup>: Rural Exception</b>	<b>19</b>	<b>1</b>
Site 11.1	14	0
Site 11.9	5	1
<b>4<sup>th</sup>: Agricultural</b>	<b>194</b>	<b>125</b>
Site 11.4	44	25
Site 11.7	113	85
Site 11.8	37	14
<b>Grand Total</b>	<b>260</b>	<b>132</b>

<sup>19</sup> Numbers are rounded to the nearest acre. For a more detailed acreage per property, see Table 13: Properties Redesignated Industrial or Included in UGB

**Table 14: Properties Redesignated Industrial or Included in UGB**

Site	Tax Lot	Property Address	Owner	Total Acres	Buildable Acres	Priority	Current Comp. Plan	Proposed Comp. Plan	Industrial Site Size Category	Notes
In UGB	3221-2600	NE St. Paul Hwy.	Taufest, Wayne C.	3.05	0.00	UGB	AFSH (County), MDR (City)	IND		Property is within planned bypass ROW
11.9	3221-5200	28740 NE Wilsonville Rd.	Haggerty, Robert & Lois	1.08	0.00	Rural Exception	AFSH (County)	IND		
11.9	3221-5300	28730 NE Wilsonville Rd.	Sovey, Lloyd H. & Carol M.	3.51	0.69	Rural Exception	AFSH (County)	IND	< 2	
11.7	3228-1000	9150 NE St. Paul Hwy.	Schmidt, Charles M. Living Trust 1/2	40.46	34.26	Agricultural	AFLH (County)	IND	30 to 50	Includes potential wetland of approximately 5 acres. Wetland to be included in future park site.
11.4	3228-1100	9195 NE St. Paul Hwy.	Lajoie, Merlin A. & Sandra K.	14.49	12.34	Agricultural	AFLH (County)	IND	10 to 30	
11.3	3228-1200	9475 NE St. Paul Hwy.	Lajoie, Merlin A. & Sandra K.	13.32	3.32	URA	P (County)	IND		
11.3	3228-1700	Wynoooski	Lajoie, Merlin A. & Sandra K.	10.50	0.00	URA	P (County)	IND		Property is currently developed
11.4	3228-1900	NE St. Paul Hwy.	Walker, Curtis D. 1/2	29.30	13.06	Agricultural	AFLH (County)	IND	10 to 30	
11.8	3228-800	28570 NE Wilsonville Rd.	Hodgdon, Donald E. Jr.	4.17	1.48	Agricultural	AFLH (County)	IND	< 2	The western approximately 65 feet appear to be already in the UGB.

Site	Tax Lot	Property Address	Owner	Total Acres	Buildable Acres	Priority	Current Comp. Plan	Proposed Comp. Plan	Industrial Site Size Category	Notes
11.8	3228-801	9690 Adolf Rd.	Church, Rick	20.13	8.25	Agricultural	AFLH (County)	IND	2 to 10	East boundary of UGB is centerline of creek. The western approximately 65 feet appear to be already in the UGB.
11.8	3228-802	10100 Adolf Rd.	Clay, Timothy A. & Laurie S.	13.16	4.59	Agricultural	AFLH (County)	IND	2 to 10	East boundary of UGB is centerline of creek. The western approximately 65 feet appear to be already in the UGB.
11.7	3228-900	9680 Adolf Rd.	Gaibler Family Farms LLC	72.28	50.60	Agricultural	AFLH (County)	IND	30 to 50	
In UGB	3228BB-100	Adolf Road	Nicklous, Martin T. & Katherine R.	3.53	1.13	UGB	AFSH (County), MDR (City)	IND	< 2	Property is within planned bypass ROW
11.1	3229-202		Southeast Paper Manufacturing Co.	0.10	0.00	Rural Exception	IND (County)	PQ		UGB amendment includes small portion of property south of Dog Ridge Road not already in UGB.
11.1	3229-200	1301 Wynooski	Southeast Paper Manufacturing Co.	5.57	0.00	Rural Exception	IND (County)	PQ		Parcel is entirely within stream corridor
11.2	3229-400	2608 Wynooski	Southeast Paper Manufacturing Co.	19.22	2.05	URA	IND	PQ		
11.2	3229-500	2600 Wynooski	Southeast Paper Manufacturing Co.	4.17	0.72	URA	IND	PQ		
11.1	3229-600	2412 Wynooski	Southeast Paper Manufacturing Co.	8.32	0.45	Rural Exception	IND (County)	PQ		

## Section 3: Findings for Applicable Statutes, Rules, Goals, and Comprehensive Plans

This section makes findings addressing the applicable Oregon Statutes, the Oregon Administrative Rules, the Statewide Planning Goals, Newberg and Yamhill County Comprehensive Plan policies. These findings are in addition to detailed findings shown in Section 1 dealing with land needs, and Section 2 dealing with the UGB location.

### State Statutory and Rule Requirements

#### **ORS 195.036 Area population forecast; coordination.**

*The coordinating body under ORS 195.025 (1) shall establish and maintain a population forecast for the entire area within its boundary for use in maintaining and updating comprehensive plans, and shall coordinate the forecast with the local governments within its boundary.*

#### **OAR 660-024-0040 Population Forecasts**

*(1) Counties must adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county consistent with statutory requirements for such forecasts under ORS 195.025 and 195.036. Cities must adopt a 20-year population forecast for the urban area consistent with the coordinated county forecast, except that a metropolitan service district must adopt and maintain a 20-year population forecast for the area within its jurisdiction. In adopting the coordinated forecast, local governments must follow applicable procedures and requirements in ORS 197.610 to 197.650 and must provide notice to all other local governments in the county. The adopted forecast must be included in the comprehensive plan or in a document referenced by the plan.*

*(2) The forecast must be developed using commonly accepted practices and standards for population forecasting used by professional practitioners in the field of demography or economics, and must be based on current, reliable and objective sources and verifiable factual information, such as the most recent long-range forecast for the county published by the Oregon Office of Economic Analysis (OEA). The forecast must take into account documented long-term demographic trends as well as recent events that have a reasonable likelihood of changing historical trends. The population forecast is an estimate which, although based on the best available information and methodology, should not be held to an unreasonably high level of precision.*

*(3) For a population forecast used as a basis for a decision adopting or amending a UGB submitted under ORS 197.626, the director or Commission may approve the forecast if they determine that a failure to meet a particular requirement of section (2) of this rule is insignificant in nature and is unlikely to have a significant effect on the needs determined under OAR 660-024-0040.*

***(4) A city and county may apply one of the safe harbors in subsections (a), (b), or (c) of this section, if applicable, in order to develop and adopt a population forecast for an urban area:***

***(a) If a coordinated population forecast was adopted by a county within the previous 10 years but does not provide a 20-year forecast for an urban area at the time a city initiates an evaluation or amendment of the UGB, a city and county may adopt an updated forecast for the urban area consistent with this section. The updated forecast is deemed to comply with applicable goals and laws regarding population forecasts for purposes of the current UGB evaluation or amendment provided the forecast:***

***(A) Is adopted by the city and county in accordance with the notice, procedures and requirements described in section (1) of this rule; and***

***(B) Extends the current urban area forecast to a 20-year period commencing on the date determined under OAR 660-024-0040(2) by using the same growth trend for the urban area assumed in the county's current adopted forecast.***

***(b) A city and county may adopt a 20-year forecast for an urban area consistent with this section. The forecast is deemed to comply with applicable goals and laws regarding population forecasts for purposes of the current UGB evaluation or amendment provided the forecast:***

***(A) Is adopted by the city and county in accordance with the notice, procedures and requirements described in section (1) of this rule;***

***(B) Is based on OEA's population forecast for the county for a 20-year period commencing on the date determined under OAR 660-024-0040(2); and***

***(C) Is developed by assuming that the urban area's share of the forecasted county population determined in subsection (B) of this rule will be the same as the urban area's current share of county population based on the most recent certified population estimates from Portland State University and the most recent data for the urban area published by the U.S. Census Bureau.***

***(c) A city may adopt a revised 20-year forecast for its urban area by following the requirements in ORS 195.034.***

**Finding:** Yamhill County has adopted a population forecast for the county as well as each urban area in the county for 2032. That forecast shows a 2032 Newberg urban area population of 36,610. Newberg has adopted this forecast.

Notice of this amendment was provided to all other local governments in the Yamhill County. The amendment was adopted into the Newberg Comprehensive Plan as part of the Economic Opportunities Analysis 2013 adoption. It was adopted into the Yamhill County Comprehensive Plan through Ordinance 878 on November 8, 2012.

***OAR 660-024-0040 – Land Need: (1) The UGB must be based on the adopted 20-year population forecast for the urban area described in OAR 660-024-0030, and must provide for needed housing, employment and other urban uses such as public facilities, streets and roads, schools, parks and open space over the 20-year planning period consistent with the land need requirements of Goal 14 and this rule. The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.***

**Finding:** This proposed UGB expansion is based on the 20-year population forecast adopted in conjunction with this UGB amendment. The 20-year period is through 2032. In this case, the UGB expansion will provide for needed industrial employment uses and an industrial type public/quasi-public use. It also includes some land for streets and riparian buffers. Local governments are permitted to bring in land for one (or more) land needs without needing to take all land needs into consideration (OAR 660-024-0040(3)). Sections 1 and 2 of this report contain detailed findings to the requirements of Goal 14 as they relate to this UGB expansion. City staff used the latest data from the Oregon Employment Department along with historic employment growth data for Newberg to determine the 20-year employment land need for the City. These were adopted as part of the EOA.

***660-024-0040 – Land Need: (2) If the UGB analysis or amendment is conducted as part of a periodic review work program, the 20-year planning period must commence on the date initially scheduled for completion of the appropriate work task. If the UGB analysis or amendment is conducted as a post-acknowledgement plan amendment under ORS 197.610 to 197.625, the 20-year planning period must commence either:***

***(a) On the date initially scheduled for final adoption of the amendment specified by the local government in the initial notice of the amendment required by OAR 660-018-0020; or***

***(b) If more recent than the date determined in subsection (a), at the beginning of the 20-year period specified in the coordinated population forecast for the urban area adopted by the city and county pursuant to OAR 660-024-0030, unless ORS 197.296 requires a different date for local governments subject to that statute.***

**Finding:** The urban growth boundary amendment is conducted as a post-acknowledgement plan amendment. The review is being conducted in the manner of periodic review, pursuant to ORS 197.626. The 20-year period specified in the coordinated population forecast is to 2032, so the 20-year period is 2012-2032.

***660-024-0040 – Land Need: (3) A local government may review and amend the UGB in consideration of one category of land need without a simultaneous review and amendment in consideration of other categories of land need.***

**Finding:** This urban growth boundary amendment is only in consideration of industrial and public/quasi-public land needs. It does not review or consider other categories of land need.

**660-024-0040 – Land Need: (5) Except for a metropolitan service district described in ORS 197.015(13), the determination of 20-year employment land need for an urban area must comply with applicable requirements of Goal 9 and OAR chapter 660, division 9, and must include a determination of the need for a short-term supply of land for employment uses consistent with OAR 660-009-0025. Employment land need may be based on an estimate of job growth over the planning period; local government must provide a reasonable justification for the job growth estimate but Goal 14 does not require that job growth estimates necessarily be proportional to population growth.**

**Finding:** The City of Newberg is not located within a Metropolitan Planning Organization (MPO). OAR 660-009-0025(3) encourages but does not require local governments outside an MPO have policies regarding a short-term supply of industrial land. The City will adopt a revised and updated Economic Opportunities Analysis that meets the requirements set forth in Goal 9 and OAR chapter 660, Division 9 in conjunction with this amendment. Employment land need is based on an estimate of job growth over the planning period. This estimate considers both historic job growth in Newberg, and regional employment projections published by Oregon Employment Department. The plan did not establish specific targets for a short-term supply of land.

**660-024-0040 – Land Need: (7) The determination of 20-year land needs for transportation and public facilities for an urban area must comply with applicable requirements of Goals 11 and 12, rules in OAR chapter 660, divisions 11 and 12, and public facilities requirements in ORS 197.712 and 197.768.**

**Finding:** The City has adopted Public Facilities Plans in accordance with the requirements of Goal 11 and OAR chapter 660, Division 11. One project identified in the capital improvements project list is a new water treatment plant on Wynooski Street. This UGB expansion includes 3 gross buildable acres for public/quasi-public land to allow for the future construction of a new water treatment plant. The City of Newberg *Water Treatment Facilities Plan* further discusses the need, cost, layout and alternative sites of the future new plant. The *Water Treatment Facilities Plan* was adopted by Council in June 2002 by Resolution 2002-2365.

Goal 12 and OAR chapter 660, Division 12, don't apply to this application

**660-024-0050 – Land Inventory and Response to Deficiency: (1) When evaluating or amending a UGB, a local government must inventory land inside the UGB to determine whether there is adequate development capacity to accommodate 20-year needs determined in OAR 660-024-0040...For employment land, the inventory must include suitable vacant and developed land designated for industrial or other employment use, and must be conducted in accordance with OAR 660-009-0015.**

**Finding:** The adopted Economic Opportunities Analysis contains an inventory of industrial land within the UGB, and was conducted in accordance with OAR 660-009-0015. The inventory included suitable vacant and developed land designated for industrial or other employment use. The Economic

Opportunities Analysis land inventory analysis showed that there were 60 existing gross buildable acres of industrial land in the UGB but a 20-year need for 191 acres. Therefore, there is a deficit of 131 buildable acres of industrial land within the UGB to meet Newberg's 20-year land need. Section 1 of this report contains a map and a description of the existing buildable industrial land within the UGB. In addition, there is an unmet need for at least 3 additional gross buildable acres of industrial type Public/Quasi-Public land for a water treatment plant.

***660-024-0050 – Land Inventory and Response to Deficiency: (4) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197.296 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB, changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and OAR 660-024-0060.***

**Finding:** As stated above, the City's industrial land inventory shows an inadequate capacity of land to meet the 20-year need. The City projects a need for 191 gross buildable acres of industrial land through 2032. The Economic Opportunities Analysis (EOA) takes infill and redevelopment into account, and projects that out of 46 needed sites of less than 2 acres, 23 sites will be made up through infill and redevelopment. Similarly, the EOA projects that 7 out of 21 needed sites of 2-10 acres will be made up through infill and redevelopment. One existing site over 10 acres, the Suntron site, also is projected to accommodate new employment. In addition, it's possible that some of the need for sites of 10-50 acres will be met through infill and redevelopment or through a higher density of employees per site. Table 4 on page 16 and Figure 2 on page 19 illustrates this concept.

In Addition, Newberg's Comprehensive Plan identifies a need for a new water treatment plant. See Appendix E: Newberg Water Treatment Plant Needs Information. Newberg's existing water treatment plant is located on a parcel outside the urban growth boundary. The site is very constrained in that it is located entirely within the perimeter of the SP Newsprint site. It is on a small footprint with no opportunities for expansion. Newberg's Public Facilities Plan includes a need for a new water treatment plant on Wynooski Road. According to the *City of Newberg Water Treatment Facilities Plan*, Newberg should relocate the plant to a new site to allow upgrade and expansion. According to the plan and the Newberg Public Works Department, this site needs to include at least 3 gross buildable acres. Thus, needs through 2032 are for at least 3 additional gross buildable acres of industrial type PQ land. Additional industrial type PQ needs may be identified in the future.

Newberg's analysis has determined that 60 gross buildable acres of this need can met inside current industrial designated land inside the UGB, and one buildable acre of this need can be met by redesignating land already in the UGB. The UGB must be expanded to include the 133 gross buildable

acres necessary to meet the 20-year industrial and the public/quasi-public need for a water treatment plant. The proposed UGB expansion includes 132 gross buildable acres to meet most of these needs. Section II of this document includes detailed findings to the Goal 14 and OAR 660-024-0060 boundary location requirements.

***ORS 197.298 – Priority of Land to be Included within Urban Growth Boundary***

***(1) In addition to any requirements established by rule addressing urbanization, land may not be included within an urban growth boundary except under the following priorities:***

***(a) First priority is land that is designated urban reserve land under ORS 195.145 (Urban reserves), rule or metropolitan service district action plan.***

***(b) If land under paragraph (a) of this subsection is inadequate to accommodate the amount of land needed, second priority is land adjacent to an urban growth boundary that is identified in an acknowledged comprehensive plan as an exception area or nonresource land. Second priority may include resource land that is completely surrounded by exception areas unless such resource land is high-value farmland as described in ORS 215.710 (High-value farmland description for ORS 215.705).***

***(c) If land under paragraphs (a) and (b) of this subsection is inadequate to accommodate the amount of land needed, third priority is land designated as marginal land pursuant to ORS 197.247 (1991 Edition).***

***(d) If land under paragraphs (a) to (c) of this subsection is inadequate to accommodate the amount of land needed, fourth priority is land designated in an acknowledged comprehensive plan for agriculture or forestry, or both.***

***(2) Higher priority shall be given to land of lower capability as measured by the capability classification system or by cubic foot site class, whichever is appropriate for the current use.***

***(3) Land of lower priority under subsection (1) of this section may be included in an urban growth boundary if land of higher priority is found to be inadequate to accommodate the amount of land estimated in subsection (1) of this section for one or more of the following reasons:***

***(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;***

***(b) Future urban services could not reasonably be provided to the higher priority lands due to topographical or other physical constraints; or***

***(c) Maximum efficiency of land uses within a proposed urban growth boundary requires inclusion of lower priority lands in order to include or to provide services to higher priority lands. [1995 c.547 §5; 1999 c.59 §56]***

***660-024-0060 – Boundary Location Alternatives Analysis: (1) When considering a UGB amendment, a local government must determine which land to add by evaluating alternative boundary locations. This determination must be consistent with the priority of land specified in ORS 197.298 and the boundary location factors of Goal 14, as follows:***

***(a) Beginning with the highest priority of land available, a local government must determine which land in that priority is suitable to accommodate the need deficiency determined under OAR 660-024-0050.***

***(b) If the amount of suitable land in the first priority category exceeds the amount necessary to satisfy the need deficiency, a local government must apply the location factors of Goal 14 to choose which land in that priority to include in the UGB.***

***(c) If the amount of suitable land in the first priority category is not adequate to satisfy the identified need deficiency, a local government must determine which land in the next priority is suitable to accommodate the remaining need, and proceed using the same method specified in subsections (a) and (b) of this section until the land need is accommodated.***

***(d) Notwithstanding subsection (a) to (c) of this section, a local government may consider land of lower priority as specified in ORS 197.298(3).***

***(e) For purposes of this rule, the determination of suitable land to accommodate land needs must include consideration of any suitability characteristics specified under section (5) of this rule, as well as other provisions of law applicable in determining whether land is buildable or suitable.***

**Finding:** Section 2 of this report has detailed findings regarding the boundary location analysis and priority of land to be included in the UGB. In summary, Newberg first applied the identified site suitability characteristics to the potential sites in the study area. Newberg identified two sites that met the industrial site suitability criteria. The city applied the priority factors to the two sites, and designated land according to the priorities. This included first priority urban reserve land, second priority rural exception land, and fourth priority agricultural land. Fourth priority agricultural land was designated with higher priority given according to soil classification. The Goal 14 location factors were applied to agricultural land to determine which of that suitable land to include in the urban growth boundary. Table 15 below shows how land was designated by priority.

**Table 15: UGB Designation by Priority**

	<b>Gross Buildable Acres</b>		
Need through 2032 (Industrial and PQ)	194		
Land already in UGB		60	
Redesignate land in UGB		1	
<i>Priority 1 Urban Reserve Land</i>			3
<i>Priority 2 Rural Exception Land</i>			4
<i>Priority 4 Agricultural Land</i>			125
<b>Total Added to UGB</b>			<b>132</b>
Remaining Need	1		

The analysis of agricultural land gave higher priority to land of lower agricultural capability class. Of the suitable agricultural sites, two subsites contain large amounts of Class I soils: Sites 11.6 and 14.2. Neither of these sites was included in the UGB. The remaining sites have Class II soils on the upland portion of the site and a mixture of Class II, III, and VI in or adjacent to the stream corridor portions, and thus were considered to the same priority class. See Table 16 below. An exception is about one acre of land within site 11.8 which has a sliver of Class I soils. See Map 9. That small portion actually has a house, two outbuildings and a parking area built on it. It would be very inefficient to exclude this sliver of land, as it would be sandwiched between industrial land on either side and would very much limit the usefulness of the future industrial site in that area, would limit extension of utilities or roads through that site. Thus, maximum efficiency of land use requires including that sliver.

**Table 16: Priority of Agricultural Sites by Soil Class**

Site	Soil Class in Buildable Areas	Soil Class Outside Buildable Areas (Stream corridors, wetlands, sloped areas) <sup>20</sup>	Priority	Included in UGB?
11.4	Class II	Almost all Class III, small amount of Class II	4 - Medium	Yes
11.5	Class II	Class II and Class III	4 - Medium	No
11.6	About half Class I and half Class II	Class VI	4 - Low	No
11.7	Class II	Class III and Class VI	4 - Medium	Yes
11.8	Class II with a pocket of Class I <sup>21</sup>	Class III and Class VI	4 - Medium	Yes
14.2	About half Class I and half Class II	Class III and Class VI, small amount of Class I and Class II	4 - Low	No
14.3	Class II	Class III and Class VI, small amount of Class I and Class II	4 - Medium	No

**660-024-0060 – Boundary Location Alternatives Analysis: (3) The boundary location factors of Goal 14 are not independent criteria. When the factors are applied to compare alternative boundary locations and to determine the UGB location, a local government must show that all the factors were considered and balanced.**

**Finding:** Section 2 of this report has detailed findings regarding the boundary location factors and how they were applied to all of the potential alternative sites to determine the best location for future industrial land. All factors were considered and balanced.

**660-024-0060 – Boundary Location Alternatives Analysis: (4) In determining alternative land for evaluation under ORS 197-298, “land adjacent to the UGB” is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified needs deficiency.**

**Finding:** These findings considered sites not only abutting the UGB, but those sites within a study area extending about ¾ miles from the UGB. Newberg relies on OAR 660-024-0060(5), which states that local

<sup>20</sup> The soil map is based on very generalized and dated aerial photography, so boundaries should not be considered precise. The stream corridor map is based on more advanced LIDAR mapping which is substantially more accurate but still should not be considered precise. It is quite likely that the soil classification boundaries were intended to follow the same features as the stream corridor boundaries.

<sup>21</sup> The pocket of Class I should be included under the “maximum efficiency” exception under ORS 197.298 (3)(b)

governments may specify certain characteristics, including proximity, necessary for land to be suitable for an identified need. One of Newberg’s industrial site suitability characteristics is proximity, and it specifies that parcels be “Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.” Sites within the study area not abutting the UGB were evaluated to determine if intervening land also reasonably could be included in the UGB. Therefore, Newberg’s boundary location alternatives analysis includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified needs deficiency.

***ORS 197.298 (3)(a) Land of lower priority under subsection (1) of this section may be included in an urban growth boundary if land of higher priority is found to be inadequate to accommodate the amount of land estimated in subsection (1) of this section for one or more of the following reasons:***

***(a) Specific types of identified land needs cannot be reasonably accommodated on higher priority lands;***

***660-024-0060 – Boundary Location Alternatives Analysis: (5) If a local government has specified characteristics such as parcel size, topography, or proximity that are necessary for land to be suitable for an identified need, the local government may limit its consideration to land that has the specified characteristics when it conducts the boundary location alternatives analysis and applies ORS 197.298.***

**Finding:** The statute and rule work together to provide that land included in a UGB for specific types of uses in fact is suitable for those uses, and thus meets legislative directives and LCDC goals and rules to provide economic development opportunities. In this process, local governments identify specific types of needed employment uses using Goal 9 and OAR 660 Division 9. Next, local governments specify characteristics that are necessary for land to be suitable for those specific types of employment uses, again using Goal 9 and OAR 660 Division 9. These specific employment uses with the specified characteristics are the “specific types of identified land needs” cited in ORS 197.298. Local governments then must identify land with the UGB that can reasonably accommodate the need. If land within the UGB is not sufficient, then the local government is to expand the UGB using the ORS 197.298 hierarchy. If higher priority land exists, but does not have the identified site characteristics, then the local government may “limit its consideration to land that has the specified characteristics” under OAR 660-024-0060, and include land in the next lower priority class because “specific types of identified land needs cannot be reasonably accommodated on higher priority lands” under ORS 197.298 (3)(a).

Newberg has identified specific targeted industries in its Economic Opportunities Analysis. It has identified specific types of industrial uses that are to locate in industrial areas, and for which all of the need cannot be accommodated within the existing UGB. This list includes land that would accommodate the following targeted industries:

High Tech Manufacturing:

- Semiconductors/ silicon, imaging & display technology

- Nano & micro technology, cyber-security, health/medical information technology
- Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)

General Manufacturing:

- Dental equipment
- Metals, machinery, transportation equipment
- Lumber and wood products (value added)
- Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
- Distribution & logistics
- Sports apparel/ recreation-related products

Agriculture businesses:

- Wineries (excluding small boutique wineries)
- Specialty foods and food processing (excluding small boutique processors)
- Nursery and agricultural products (value added)

Services businesses:

- Architecture, engineering, or similar construction or manufacturing related services that require industrial storage areas, construction equipment yards, equipment or product testing.
- Creative services (advertising, public relations, film and video, web/internet content and design) that require industrial production equipment, large data centers, production studios, industrial telecommunication equipment or towers.

Newberg has specified characteristics necessary for industrial land in its Economic Opportunities Analysis, and used those characteristics to guide the required boundary location alternatives analysis. The industrial site suitability characteristics are listed in detail in Table 6: Required Industrial Site Suitability Characteristics on page 21.

Newberg then conducted a detailed search for land that met those site characteristics adjacent to and near the UGB. It found that, while some higher priority land exists, an insufficient amount of that land has the required site suitability characteristics for the specific types of industrial land needs identified. Therefore Newberg is justified under OAR 660-024-0060(5) ORS 197.298 (3)(a) in not including the urban reserve, rural exception land, and lower quality agricultural land that does not meet the site suitability characteristics and instead including the rural exception, lower quality agricultural land and some of the higher priority agricultural land that does have the required site characteristics.

In addition, the *City of Newberg Water Treatment Facilities Plan* identifies specific areas and characteristics for consideration of land suitable for a new water treatment plant; the identified public/quasi-public land proposed for inclusion in the UGB meets these criteria. Section 2 of this report has detailed boundary location alternatives analysis findings that apply the site suitability characteristics.

***660-024-0060 – Boundary Location Alternatives Analysis: (6) The adopted findings for UGB adoption or amendment must describe or map all of the alternative areas evaluated in the boundary location alternatives analysis. If the analysis involves more than one parcel or area within a particular priority category in ORS 197.298 for which circumstances are the same, these parcels or areas may be considered and evaluated as a single group.***

**Finding:** Section 2 of this report has detailed findings that describe all of the alternative areas evaluated through the boundary location alternatives analysis. In addition, all of the alternative areas have been mapped and may be seen on Map 4 and Map 11.

## **Statewide Planning Goals and the Newberg Comprehensive Plan**

As required by State Senate Bill 100, the Newberg Comprehensive Plan addresses and is consistent with the established statewide planning goals and guidelines. Each of the goals and/or policies within the Comprehensive Plan corresponds with an applicable statewide planning goal and implements the goal in conjunction with local needs and desires. Because an Urban Growth Boundary amendment is also a Comprehensive Plan amendment, it must be found that “the proposed change is consistent with and promotes the goals and policies of the Newberg Comprehensive Plan and this Code (Development Code)” (NMC 15.302.030 (2)(a)).

### ***660-024-0020 Adoption or Amendment of a UGB***

***(1) All statewide goals and related administrative rules are applicable when establishing or amending a UGB, except as follows:***

***(a) The exceptions process in Goal 2 and OAR chapter 660, division 4, is not applicable unless a local government chooses to take an exception to a particular goal requirement, for example, as provided in OAR 660-004-0010(1);***

***(b) Goals 3 and 4 are not applicable;***

***(c) Goal 5 and related rules under OAR chapter 660, division 23, apply only in areas added to the UGB, except as required under OAR 660-023-0070 and 660-023-0250;***

***(d) The transportation planning rule requirements under OAR 660-012-0060 need not be applied to a UGB amendment if the land added to the UGB is zoned as urbanizable land, either by retaining the zoning that was assigned prior to inclusion in the boundary or by assigning interim zoning that does not allow development that would***

***generate more vehicle trips than development allowed by the zoning assigned prior to inclusion in the boundary;***

***(e) Goal 15 is not applicable to land added to the UGB unless the land is within the Willamette River Greenway Boundary;***

***(f) Goals 16 to 18 are not applicable to land added to the UGB unless the land is within a coastal shorelands boundary;***

***(g) Goal 19 is not applicable to a UGB amendment.***

**Finding:** As noted above, statewide planning goals 3, 4, 15, 16, 17, 18, and 19 do not apply to this application. The remaining goals are addressed through the applicable Comprehensive Plan goals and policies below.

***Citizen Involvement (Statewide Planning Goal 1). NCP Goal: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.***

**Finding:** The overall goal is for all governing bodies to develop and maintain a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process. Public and agency involvement is addressed in *Public Involvement and County Coordination Process for Newberg 2007 URA Expansion* (Newberg Community Development Department, 2007) and the South Industrial Study (WRG, 2009). In addition, Newberg and Yamhill County will be holding public hearings on the UGB expansion with adequate public notice for participation. Coordination with DLCD, OBDD and the Governor's ERT occurred in putting together revisions to the EOA and in developing industrial site selection criteria.

Newberg has a citizen involvement strategy through Ordinance 91-2297. Part of the evaluation of the current program notes that, in addition to other avenues of citizen participation, "involvement is also encouraged through citizen involvement at public meetings". The analysis section of the report also noted that "the City of Newberg has a sound and comprehensive citizen involvement program" (ORD 91-2297). Newberg is currently using the same citizen involvement program as described and analyzed by Ordinance 91-2297.

***Land Use Planning (Statewide Planning Goal 2). NCP Goal: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.***

**Finding:** This goal provides for creating and maintaining a Comprehensive Plan for the city. The statewide goal further states that "city...plans and actions related to land use shall be consistent with the comprehensive plans...adopted under ORS Chapter 268". This report serves to determine the compliance of the proposal with the City's adopted Comprehensive Plan and statewide goals. In addition, Goal 2 requires an adequate factual base, the consideration of alternatives, and coordination with Yamhill County and affected state agencies. This report, the South Industrial Area Master Plan,

and the Newberg Economic Opportunities Analysis provide the principal factual bases for this UGB amendment.

***Agricultural Lands (Statewide Planning Goal 3 – Goal 3 does not apply to UGB amendments). NCP Goal: To provide for the orderly and efficient transition from rural to urban land uses.***

***Applicable Comprehensive Plan Policies: 1) The conversion of urbanizable land from agricultural to urban land uses shall be orderly and efficient; 2) Agriculture is a part of our heritage, uniqueness, culture and future. Inclusion of lands in agricultural use within the Urban Growth Boundary is recognition of a commitment to future urbanization, as such lands are necessary to meet long-range population and economic needs, based on criteria outlined in the statewide Urbanization Goal. Urbanization of agricultural land shall be carefully considered and balanced with the needs of the community as a whole.***

**Finding:** The south study area is an appropriate place for future industrial development because it would result in an orderly and efficient transition from agricultural uses to urban uses. This area is located near industrially zoned and developed land already, minimizing conflicts with adjacent residential or other agricultural lands, and can be easily served with city and private infrastructure. Newberg has a severe shortage of employment lands, a deficit that can only be remedied by choosing an appropriate place for future employment that meets the industrial site suitability criteria in the adopted Economic Opportunities Analysis.

***Wooded Areas (Statewide Planning Goal 4 – Goal 4 does not apply to UGB amendments). NCP Goal: To retain and protect wooded areas.***

***Applicable Comprehensive Plan Policies: 2) Development in drainageways shall be limited in order to prevent erosion and protect water quality. Trees provide needed protection from erosion and should be maintained.***

**Finding:** The City has regulations governing development within mapped stream corridors, including the protection of vegetation. The south study area is ringed by natural riparian areas with deep stream corridors. Because the subject properties are located outside of the current Urban Growth Boundary, the City does not yet have the stream corridors mapped throughout the study area. Stream corridors on these properties will be designated through this amendment as shown on Map 12. Any future development on the study parcels will have to go through review to ensure that wetlands are protected.

***Air, Water, and Land Resource Quality (Statewide Planning Goal 6). NCP Goal: To maintain, and where feasible, enhance the air, water and land resource qualities within the community.***

***Applicable Comprehensive Plan Policies: 1) Development shall not exceed the carrying capacity of the air, water or land resource base; 5) New industry should be located in***

***areas which minimize impacts upon the air, water, and land resource base, as well as upon surrounding land uses.***

**Finding:** This UGB expansion is for industrial and public/quasi-public land. The south study area is an appropriate place for industrial development as it is located adjacent to other industrially zoned and developed parcels, is adjacent to a major road network with access to the interstate, and can be adequately served with sewer and water. The western portion of the south study area is an appropriate place for public/quasi-public land because it is adjacent to the City's existing treatment plants, meets the site suitability criteria for public/quasi-public land, and was identified in the adopted *Water Treatment Facilities Plan (2002)* as the appropriate location for a new water treatment plant. As noted above, any site development would have to comply with the city's stream corridor regulations to protect the natural vegetation and the quality of water in the stream corridor. The corridors themselves will serve to minimize impacts on surrounding land uses.

***Areas Subject to Natural Disasters and Hazards (Statewide Planning Goal 7). NCP Goal: To protect life and property from natural disasters and hazards.***

***Applicable Statewide Goal 7 Standards: A.2. (Natural Hazard Planning) Natural hazards for purposes of this goal are: floods (coastal and riverine), landslides, earthquakes and related hazards, tsunamis, coastal erosion, and wildfires. Local governments may identify and plan for other natural hazards; B.4. (Guidelines - Implementation) When reviewing development requests in high hazard areas, local governments should require site-specific reports, appropriate for the level and type of hazard prepared by a licensed professional.***

**Finding:** Many of the properties in the south study area have portions of a natural stream corridor across or along them. FEMA has mapped flood plains in the area. The maps, with effective date March 2, 2010, show all flood plains are contained within the mapped stream corridors (Map 5). Yamhill County's flood plain management regulations will apply prior to annexation, and Newberg's flood plain management regulations will apply upon annexation.

***Open Space, Scenic, Natural, Historic and Recreational Resources (Statewide Planning Goals 5 & 8). NCP Goals: 1) To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected; 2) To provide adequate recreational resources and opportunities for the citizens of the community and visitors; 3) To protect, conserve, enhance and maintain the Willamette River Greenway.***

***Applicable Comprehensive Plan Policies: 1.e) The floodplains and natural drainageway areas in Newberg should be preserved with a largely open character to provide a basic open space framework for the community. The capacities of these areas shall be maintained to provide a natural stormwater and natural drainage system, as well as to continue to provide a natural habitat for local fish and wildlife. Natural drainageways should be kept in open space uses. Bicycle and pedestrian pathways***

*might be included in these areas. Care should be taken to minimize disturbances in these often erosive and steep areas. All uses should be compatible with the specific sites.*

**Applicable Statewide Goal 5 Standards:** *Local governments shall adopt programs that will protect natural resources and conserve scenic, historic, and open space resources for present and future generations.*

**Applicable Statewide Goal 8 Standards:** *To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.*

**Finding:** In accordance with Goal 5, Newberg has adopted stream corridor regulations to protect and conserve the area within the stream corridor as open space for the city. Many of the properties within the south study area have a portion of stream corridor across or along them. The west corridor is a portion of the Hess Creek stream corridor. These are shown on Map 12. The east corridor is part of the Springbrook Creek stream corridor. Newberg’s comprehensive plan includes detailed Goal 5 ESEE findings regarding these two corridors. The same findings apply to the portions of these corridors included in the present UGB amendment. Any development on the properties would have to comply with the stream corridor regulations. The stream corridor regulations restrict any development or mechanized removal of vegetation and seek to minimize any disturbance in the corridor area.

The south study area for the industrial UGB expansion is within the study area for the South Industrial Area Master Plan. The stream corridor areas are necessary to include within the UGB, not only to provide compatibility and buffering in accordance with other Goal requirements, but also to fulfill the provisions of the South Industrial Area Master Plan (SIAMP). The stream corridor areas provide the necessary buffering and industrial amenities required and envisioned by the SIAMP. When discussing the master plan design concept, the plan states:

*“The plan district edges are designated as conservation corridors to protect existing natural areas and to provide a buffer to other surrounding uses in the immediate vicinity. The plan district design includes two parks to provide recreational access to the conservation areas and to complement the employment uses. The parks are located on each side of the plan area to ensure that recreational accessibility is evenly distributed across the employment district. The plan envisions a trail/multi-use path network within the conservation areas to create an integrated system that links this plan district to existing and planned city-wide and regional trail networks.” (SIAMP, p. 28)*

The plan goes into more detail about the conservation corridors and the industrial amenities on the following pages, noting that *“The conservation corridor provides a distinctive edge to the plan district while also providing an effective buffer between planned land uses and existing uses in the immediate vicinity.”* (SIAMP, p. 30) The plan also states that *“Park and recreational amenities are envisioned to contribute to the daily health and quality of life for those working within the plan*

*districts and living nearby.” (SIAMP, p. 30) The SIAMP was developed through an extensive public process and reflects the desires of the community to have a well-planned, attractive industrial area as the gateway to the city. The Newberg City Council accepted the South Industrial Area Master Plan on November 2, 2009 through Resolution 2009-2872.*

Including the stream corridor areas within the UGB clearly meet the requirements of the Comprehensive Plan Goals as well as Goals 5 and 8. As stated above, Newberg has effective stream corridor regulations to protect and conserve the areas as open space. In addition, the corridors may provide some passive recreation benefits to the city and to the future industrial area as envisioned by the SIAMP, as well as provide the necessary buffering from adjacent properties.

***The Economy (Statewide Planning Goal 9). NCP Goal: To develop a diverse and stable economic base.***

***Applicable Comprehensive Plan Policies: 2.a) Industrial expansion shall be located and designed to minimize impacts on surrounding land uses; 2.c) Newberg shall actively pursue the inclusion of large industrial sites within the urban growth boundary; 2.d) The City shall undertake specific activities to encourage the growth of existing businesses, to encourage a diversity of businesses, and to attract new businesses to the community in industries that will provide local employment opportunities consistent with community needs and goals; 2.f) Concerted community efforts should be made to see that industrial development expands outward from existing areas rather than occurring in haphazard patterns; 2.g) The City shall identify land that will provide for expansion of existing businesses and/or attract new businesses and shall reserve that land for future industrial development that is consistent with community needs and goals; 2.h) Where areas have been planned for large industrial sites, zoning regulations shall be developed and maintained to keep those sites intact. Such sites shall not be further divided except to create planned industrial parks that support a specific industry.***

**Finding:** The site suitability criteria for industrial land take compatibility into account, an important principle stated multiple times in the Comprehensive Plan policies. The south study area is the only area that meets all the site suitability criteria, including the compatibility criterion. The south study area is located adjacent to other industrially zoned and developed parcels, ensuring that future industrial development will expand outward from an existing industrial area rather than occurring in a haphazard or leapfrog type of pattern. The City’s Economic Opportunities Analysis contains Newberg’s economic development strategy for how to retain existing businesses and allow them to expand while at the same time providing enough land for new businesses to locate here. This overall process was spurred by the work of the Ad Hoc Committee for Newberg’s Future, which identified a need for large industrial sites within the City and gave the direction to try to remedy that problem. Part of the overall process included the South Industrial Area Master Plan (SIAMP). The SIAMP identified a layout that would preserve large lot availability for future industrial development. The large lot availability was preserved further through the adoption of the M-4

Industrial zoning district requiring either a minimum of 20-acre parcels or Planned Unit Developments for smaller acreages (Ordinance 2009-2720).

***Housing (Statewide Planning Goal 10). NCP Goal: To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.***

**Finding:** Inclusion of properties in the south study area in the Newberg Urban Growth Boundary will not help provide housing as prescribed by this goal. However, it will provide additional industrial land which in turn will provide jobs, helping City residents afford housing. In addition, industrial land provides a stable tax base for the city that generally doesn't use many City resources (Police, Fire). Therefore, inclusion of industrial land in the Urban Growth Boundary, and eventually annexing it into the city, may be beneficial to the housing goals and policies of the City.

***Urban Design. NCP Goals: 1) To maintain and improve the natural beauty and visual character of the City; 2) To develop and maintain the physical context needed to support the livability and unique character of Newberg.***

***Applicable Comprehensive Plan Policies: 1.e) Developments should respect the natural ground cover of their sites to the extent possible and plans should be made to preserve existing mature, non-hazardous trees in healthy condition; 1.h) Landscaping shall be required along street frontage strips within the street right-of-way in order to soften the appearance of commercial and industrial developments; 2.a) Industrial development should be encouraged to located in industrial parks offering good access, buffering and landscaping.***

**Finding:** The south study area is located near other industrially zoned and developed properties, making properties within it a good choice to add to the Urban Growth Boundary. The study area would have to comply with applicable City landscaping and buffering regulations, and the landscape provisions of the South Industrial Area Master Plan upon site development. In addition, development on many of the properties would have to comply with the City's stream corridor regulations to preserve and protect trees and other vegetation within the stream corridor.

***Public Facilities and Services (Statewide Planning Goal 11). NCP Goal: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.***

***Applicable Comprehensive Plan Policies: 2.b) The extension of publicly-owned facilities and services into currently undeveloped areas shall occur only in accordance with the Public Facilities and Service Plan; 2.d) Services shall be planned to meet anticipated community needs.***

***Applicable Statewide Goal 11 Standards: A.1) Plans providing for public facilities and services should be coordinated with plans for designation of urban boundaries,***

***urbanizable land, rural uses and for the transition of rural land to urban uses; A.5) A public facility or service should not be provided in an urbanizable area unless there is provision for the coordinated development of all the other urban facilities and services appropriate to that area.***

**Finding:** The UGB expansion includes land designated as public/quasi-public, in part to allow for construction of a new water treatment Plant for Newberg. The City has an adopted *Water Treatment Facilities Plan* (2002) that designates the site, the layout, and the estimated cost of the new plant.

The South Industrial Area Master Plan includes plans for future sewer, water, storm drain, and transportation improvements to serve the UGB expansion area.

***Transportation (Statewide Planning Goal 12). NCP Goals: 1) Establish cooperative agreements to address transportation based planning, development, operation and maintenance; 2) Establish consistent policies which require concurrent consideration of transportation/land use system impacts; 3) Promote reliance on multiple modes of transportation and reduce reliance on the automobile; 4) Minimize the impact of regional traffic on the local transportation system; 5) Maximize pedestrian, bicycle, and other non-motorized travel throughout the City; 6) Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.); 7) Minimize the capital improvement and community costs to implement the transportation plan; 8) Maintain and enhance the City's image, character and quality of life; 9) Create effective circulation and access for the local transportation system; 10) Maintain the viability of existing rail, water and air transportation systems; 11) Establish fair and equitable distribution of transportation improvement costs; 12) Minimize the negative impact of a Highway 99 bypass on the Newberg community.***

***OAR 660-024-0020 (1)(d) The transportation planning rule requirements under OAR 660-012-0060 need not be applied to a UGB amendment if the land added to the UGB is zoned as urbanizable land, either by retaining the zoning that was assigned prior to inclusion in the boundary or by assigning interim zoning that does not allow development that would generate more vehicle trips than development allowed by the zoning assigned prior to inclusion in the boundary;***

**Finding:** Overall, this UGB amendment will provide significant benefits to the transportation system by reducing the number of workers that need to commute out of Newberg to work. According to information from the U.S. Census, approximately 58% of workers in Newberg commute outside the community to go to work.<sup>22</sup> Creating opportunities for local employment will have an overall beneficial effect of lessening per capita vehicle miles traveled on area roads.

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<sup>22</sup> Source: U.S. Census Bureau, 2005-2009 American Community Survey

The Transportation System Plan (TSP) will be amended as part of this request to include the proposed road network identified and planned for in the South Industrial Area Master Plan (SIAMP) (See Appendix G: Newberg South Industrial Area Master Plan – Transportation Plan). ODOT, Yamhill County Road Department, Marion County Public Works/Planning, and Newberg Planning Division and Public Works Engineering Division were all active participants in the planning and design of the SIAMP, including the proposed road network through the area. More study will be done in the future to determine potential impacts to the local and regional transportation system; the City is not required at this time to address the Transportation Planning Rule under OAR 660-012-0060 until the zoning changes on the properties, allowing for uses that would generate more vehicle trips than currently permitted (OAR 660-024-0020(1)(d)). The SIAMP designated several new major collector and local roadways throughout the south study area; the TSP currently requires all major collector streets to be built with bike lanes, and both types of roadway will have sidewalks on both sides. In addition, a pedestrian and bicycle network of paths is being planned throughout the stream corridor areas of the SIAMP plan area.

The south study area is the most appropriate place for future industrial development because it is the area with the fewest potential impacts on the existing transportation system:

- ◆ Development is not likely to result in increased big truck traffic through downtown Newberg – due to its location, truck traffic will access I-5 via Highway 219 or will use the future 99W bypass route to travel westbound.
- ◆ The area has good existing access to I-5 via Highway 219.
- ◆ The area is located adjacent to existing industrially zoned and developed properties so much of the traffic through the area is already industrial in nature – there will not be new conflicts with existing residential traffic.

In reviewing the Marion County Rural Transportation System Plan 2005 Update (MCRTSP), it is clear that the UGB amendment is consistent with and promotes the goals contained in the plan. The MCRTSP identifies Highway 219 and Ehlen/McKay Road as a “Strategic Intra/Inter- County Corridors” (See Appendix H: Marion County Rural Transportation System Plan Figure 7-1, Strategic Intra/Inter-County Corridors), and designates them as “freight routes.” Chapter 10 of the RTSP (Transportation Policies) has the following policies:

- *Policy 11: The County recognizes the importance of facilitating freight movement. With this in mind, the strategic routes designated in Figure 7-1 are also hereby designated freight routes. Effort will be made to facilitate freight movement on freight routes. (10.3.1 Transportation System Planning Policies)*

In their 20-year strategy, Goal 2 is to “Provide an Accessible, Efficient, and Practical Transportation System.” The following objectives of that Goal provide favorable achievement of Strategy 3, Inter-County Mobility:

*Facilitate goods movement into and out of area, increase freight mobility, and intermodal transfer.*

*Facilitate shipping of goods by the most efficient and least impactful means possible.*

*Address changing characteristics of trucking, aviation, agriculture, and rail industries.*

*Facilitate system connections as needed to improve efficiency and access.*

#### 10.3.7 Urban Growth Management Framework Coordination Policies, Policy 6 is:

*Improve key freight routes.*

The plan also makes the following statement:

*The Aurora/Donald Interchange serves the communities of Aurora and Donald, St. Paul, Canby, Barlow, Butteville, connects to the Aurora State Airport, and **provides a good connection to Newberg** and the Hwy 18/99W corridor, which connects to Yamhill County and the Coast. (RTSP, pg. 12-9, emphasis added)*

It is clear that Newberg's UGB amendment is consistent with the planned function of these routes, and the goals and policies contained in the Marion County RTSP.

Newberg will coordinate future transportation analysis studies for the south industrial area with Yamhill County, Marion County, and the communities of St. Paul and Donald.

***Energy (Statewide Planning Goal 13). NCP Goal: To conserve energy through efficient land use patterns and energy related policies and ordinances.***

***Applicable Comprehensive Plan Policies: 1.a) The city will encourage energy-efficient development patterns. Such patterns shall include the mixture of compatible land uses and a compactness of urban development.***

***Applicable Statewide Goal 13 Standards: B.1) Land use plans should be based on utilization of the following techniques and implementation devices which can have material impact on energy efficiency: a. lot size, dimension, and siting controls; b. building height, bulk and surface area; c. density of uses, particularly those which relate to housing densities; d. availability of light, wind and air; e. compatibility of and competition between competing land use activities; and f. systems and incentives for the collection, reuse and recycling of metallic and nonmetallic waste.***

**Finding:** The properties in the south study area are adjacent to existing and planned major transportation facilities (Highway 219 and the future Newberg-Dundee Bypass), and are adjacent to other industrially zoned and developed properties. By including these properties in the Urban Growth Boundary with an Industrial designation, the City would be encouraging energy-efficient development patterns. Any industrial development on these properties could have a symbiotic relationship with surrounding industrial uses, and would not require supply and delivery trucks to travel far off the main transportation facilities.

In addition, any industrial development on the properties would have to comply with the Newberg Development Code standards (once annexed) for lot dimensions, density, bulk, and other similar standards in accordance with statewide Goal 13.

This UGB amendment includes land that is currently used for the Newberg Garbage & Recycling Transfer site. Bringing this land into the UGB with its existing use may also provide for greater collaboration with future surrounding industrial uses for the collection, reuse and recycling of metallic and nonmetallic waste.

One of Newberg's target industries includes alternative energy equipment manufacturing. Including the land in the UGB will opportunities to develop new equipment to harness wind, solar, and other energy sources.

A very important component is providing adequate land for local employment. Newberg's past population growth has been strong, and this growth is expected to continue. If adequate employment land is not available, these residents will have to travel outside the community for jobs, greatly increasing energy usage.

***Urbanization (Statewide Planning Goal 14). NCP Goals: 1) To provide for the orderly and efficient transition from rural to urban land uses; 2) To maintain Newberg's identity as a community which is separate from the Portland Metropolitan Area; 3) To create a quality living environment through a balanced growth of urban and cultural activities.***

***Applicable Comprehensive Plan Policies: 1.a) The conversion of lands from rural to urban uses within the Urban Growth Boundary will be based on a specific plan for the extension of urban services; 1.b) The City shall oppose urban development outside the city limits but within the Newberg Area of Influence; 1.c) The City shall encourage urban development within the city limits; 1.d) The Urban Growth Boundary shall designate urbanizable land; 1.e) The City will support development within the areas outside the city limits but within the Newberg Urban Growth Boundary or Urban Reserve Area based on the following standards or restrictions: ....New commercial or industrial uses will generally be discouraged within the UGB and Urban Reserve Area; 1.f) In expanding or otherwise altering the Urban Growth Boundary, the Boundary shall follow road rights-of-way, lot lines, or natural features;3.b) The City shall coordinate planning activities with the County in order that lands suitable for industrial use but not needed within the planning period are zoned in a manner which retains these lands for future industrial use.***

***Applicable Goal 14 Standards:***

***Land Need – Establishment and change of urban growth boundaries shall be based on the following: 1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local***

*governments; and 2) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, street and roads, schools, parks or open space, or any combination of the need categories in this subsection (2). In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need. Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary.*

**Boundary Location** – *The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors: 1) Efficient accommodation of identified land needs; 2) Orderly and economic provision of public facilities and services; 3) Comparative environmental, energy, economic and social consequences; and 4) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.*

**Applicable Goal 14 Guidelines:** *A.1) Plans should designate sufficient amounts of urbanizable land to accommodate the need for further urban expansion, taking into account (1) the growth policy of the area; (2) the needs of the forecast population; (3) the carrying capacity of the planning area; and (4) open space and recreational needs. A.2) The size of the parcels of urbanizable land that are converted to urban land should be of adequate dimension so as to maximize the utility of the land resource and enable the logical and efficient extension of services to such parcels. B.1) The type, location and phasing of public facilities and services are factors which should be utilized to direct urban expansion.*

**Finding:** Section 1 of this report has detailed land need findings for Goal 14, and Section 2 of this report has detailed findings for the boundary location requirements of Goal 14.

The identified stream corridors are an important component of the overall urbanizable area for the future industrial area, and including them fulfills the requirements of the Newberg Comprehensive Plan and Goal 14. First, including them meets the Comprehensive Plan Goal to “create a quality living environment through a balanced growth of urban and cultural activities.” That goal illustrates the aim of the South Industrial Area Master Plan – to create a quality, attractive and balanced working environment for the workers in that area. In this way, the stream corridors meet this goal by providing some respite and green space for the workers, as well as helping to create an attractive industrial area that is buffered from adjacent uses. Including the stream corridor areas as shown on Map 12 also meets the Comprehensive Plan policy that says, “In expanding or otherwise altering the Urban Growth Boundary, the Boundary shall follow road rights-of-way, lot lines, or natural features.” The proposed boundary of the UGB follows lot lines wherever practical, and follows the centerline of the creek on those lots where land on the other side of the stream corridor (on the same parcel) can be used in the future for another use.

Goal 14 requires cities to show a demonstrated need for livability. It goes on to say that local governments may specify characteristics necessary for land to be suitable for an identified need. The South Industrial Area Master Plan shows the stream corridors as meeting needs for livability for the future industrial area, both as buffers and amenities for the industrial uses. Therefore, there is an inherent need for those things that can only be met through inclusion of the stream corridors. The boundary location requirements direct that you take into account “efficient accommodation of identified land needs” when deciding which land can meet the need. In this case, a need for buffering (for livability of both the industrial area employers and workers as well as adjacent residents) for the future industrial area cannot be met in other areas not immediately adjacent to the future industrial area.

## **Yamhill County Comprehensive Plan Goals and Policies**

### **A. URBAN AREA DEVELOPMENT GOAL STATEMENT**

- 1. To encourage the containment of growth within existing urban centers, provide for the orderly, staged, diversified and compatible development of all of the cities of Yamhill County, and assure an efficient transition from rural to urban land use.**

#### **Policies**

- a. Yamhill County will, in cooperation with the cities and special districts of the county, encourage urban growth to take the form of a series of compact, balanced communities, each with its own business and community center and each related to industrial areas and other centers of employment.**
  - b. Yamhill County will cooperate and coordinate with each of the cities in the development of urban growth boundaries and will adopt an urban area growth management agreement with each city which outlines a growth management plan for unincorporated areas within the boundary and the means by which the boundary can be modified.**
  - c. Yamhill County will recognize the lands within established urban growth boundaries as the appropriate and desired location for urban development.**
- 2. To encourage the containment of urban services and facilities and other public capital improvements within existing urbanizing areas in order to achieve an orderly pattern of urban growth.**

#### **Policies**

- a. Yamhill County will continue to seek full cooperation and coordination among the cities, the school districts, other special-purpose districts of the county and the county itself in jointly planning and programming all land use, urban services and facilities and other public improvements having an impact on the rate and direction of urban growth.**

**Finding:** The proposed UGB amendment to include identified large site needs within a master-planned industrial area is consistent with Statewide Planning Goals 9 and 14, ensuring both an adequate supply of industrial sites over the planning period and a compact and efficient urban form. In addition, it meets the above policy (A.1.a.) of encouraging urban growth to be compact and have industrial areas and other centers of employment, as opposed to having dispersed industrial

development throughout the city. Having a central, planned industrial area located adjacent to existing industrial development will assure an efficient transition from rural to urban land use due to the ability to share resources such as high wattage power substations, sewer pump stations, and transportation infrastructure. The cost to extend utilities to industrial development can better be shared by many similar users as well. This helps meet Goal 2 above as well by encouraging capital improvements within urbanizing areas to achieve an orderly pattern of growth.

The proposed UGB amendment extends Newberg’s UGB to the southeast – avoiding infringement upon neighboring communities.

Upon adoption, urban services and facilities will be contained within the amended UGB, as required by County and City comprehensive policies, and the NUAGMA. These policies are met.

## **B. CITY GROWTH AND DEVELOPMENT POLICIES**

- a. All urban growth boundaries in the county will be delineated as shown on the plan map and no extension of urban land uses or city water and sewer services beyond the designated urban growth boundaries will be undertaken without concurrent amendments to both the respective city and county comprehensive plans.*
- b. Yamhill County will encourage major land uses or functional areas and domestic water supply and sanitary sewer service areas in the cities to develop progressively outward and to be extended on a staged basis until they become coextensive with and fully service the designated urban area.*

**Finding:** Newberg can efficiently provide the proposed UGB amendment area with urban services, as documented by the South Industrial Area Master Plan. No extension of urban services will occur until the UGB amendments are adopted. These policies are met.

## **C. ECONOMIC DEVELOPMENT GOAL STATEMENT**

- 1. To maintain a rate and pattern of economic growth sufficient to prevent recurring high levels of unemployment and under-employment in the county, balance the real property tax base of the various cities, and strengthen local economic bases.*

### **Policies**

- a. Yamhill County will, in cooperation with the cities, the local chambers of commerce and affiliated industrial promotion groups, and State agencies concerned with State and regional economic development, encourage a diversified employment base, the strengthening of trade centers, and the attraction of both capital and labor intensive enterprises, consistent with the needs of each community and the county as a whole.*
- b. Yamhill County will encourage economic development projects which do not conflict with the predominant timber and agricultural character of the county.*

**Finding:** The proposed UGB amendment provides suitable sites for Newberg’s targeted industries, consistent with Statewide Planning Goal 9 (Employment). Adoption of the UGB amendment would encourage jobs, strengthen trade centers, and attract capital enterprises consistent with Yamhill County’s economic development objectives. These policies are met.

#### **D. AGRICULTURAL LANDS GOAL STATEMENT**

- 1. To conserve Yamhill County's farm lands for the production of crops and livestock and to ensure that the conversion of farm land to urban use where necessary and appropriate occurs in an orderly and economical manner.**

**Finding:** ORS 197.296 priorities effectively implement Yamhill County's goal to protect farm lands where possible. As described in Sections 1 and 2, Newberg looked first to land inside the UGB, then land in urban reserve areas, then to exception areas, before determining that targeted industry site needs could only be met on farm lands in two potential areas. The selected UGB expansion site contains lower quality agricultural soils than the alternatives.

The proposed UGB amendment will be buffered from agricultural uses to the east by natural constraints – slope breaks and riparian areas – and from agricultural uses to the south by a planned road. The South Industrial Area Master Plan ensures orderly and economical development..

Overall the Urban Growth Boundary is designed to preserve farm lands outside the boundary. A UGB only is effective in achieving this goal if there is adequate land inside the boundary to accommodate future urban land uses. This UGB amendment will help achieve the goal of conserving farm lands outside the boundary.

#### **E. TRANSPORTATION GOAL STATEMENT**

- 1. To provide and encourage an efficient, safe, convenient and economic transportation and communication system, including road, rail, waterways, public transit and air, to serve the needs of existing and projected urban and rural development within the county, as well as to accommodate the regional movement of people and goods and the transfer of energy, recognizing the economic, social and energy impacts of the various modes of transportation.**

**e. Yamhill County will cooperate with and support the State Highway Division, the Mid-Willamette Valley Council of Governments, and any other county or regional transportation agency in an effort to establish a viable and productive regional transportation planning process and operations system geared to identifying, prioritizing and resolving both present and future transportation needs, with special reference to our county and regional network.**

**k. All county transportation-related decisions will be made in particular consideration of energy efficiency and conservation.**

**o. All transportation-related decisions will be made in support of the efficient and economic movement of people, goods, and services throughout the region, and will be based on the location and adequacy of facilities for such goods and services.**

**Finding:** The Yamhill County Road Department was an active participant during the City's South Industrial Area Master Plan process, including during the planning of the future road network through the study area. The City of Newberg, Yamhill County, and other county or regional partners

will continue to work cooperatively to plan and implement the future road network for the proposed industrial area. As previously discussed above in the Goal 12 finding, the south study area is the best location for future industrial development as it is the most efficient location for existing and planned transportation networks and will have the least impact on surrounding uses.

***F. AIR, WATER AND LAND RESOURCES QUALITY GOAL STATEMENT***

- 1. To conserve and to protect natural resources, including air, water, soil and vegetation and wildlife, from pollution or deterioration which would dangerously alter the ecological balance, be detrimental to human health, or compromise the beauty and tranquility of the natural environment.***

**Findings:** The Newberg Comprehensive Plan includes policies that address air, water and land resources quality as development occurs within the Newberg UGB. LCDC has acknowledged these policies as adequate to address state and federal environmental standards. The City of Newberg will protect identified riparian areas within the proposed UGB expansion when this land is annexed and developed in accordance with City standards.

## **Newberg Urban Area Growth Management Agreement**

*The Newberg Urban Area Growth Management Agreement (NUAGMA) is a joint agreement between Newberg and Yamhill County for coordination and cooperation in the management of growth in and around the Newberg Urban Area. The NUAGMA covers Urban Growth Boundary agreements and says that decisions must be made based on the following factors:*

- a. Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals;*
- b. Need for housing, employment opportunities, and livability;*
- c. Orderly and economic provision for public facilities and services;*
- d. Maximum efficiency of land uses within and on the fringe of the existing urban area;*
- e. Environmental, energy, economic and social consequences;*
- f. Retention of agricultural land as defined, with Class I being the highest priority for retention and Class VI the lowest priority; and,*
- g. Compatibility of proposed urban uses with nearby agricultural activities.*

**Finding:** As demonstrated previously in this report, the City has a demonstrated need for employment land to meet our long-range population requirements. The south study area is the most appropriate place for future industrial lands as it is in a location where public infrastructure may be extended in an orderly and efficient manner. The south study area is located adjacent to the existing wastewater treatment plant and the water treatment plant; the South Industrial Area Master Plan identifies a location for a new sewer pump station to serve the proposed industrial area and water can easily be brought to the area from Wynooski Road. The south study area is also located adjacent to other industrially zoned and developed properties, making it an efficient place to locate new industrial developments with minimal conflicts with adjacent non-industrial uses. In addition, the south study area is naturally buffered from other nearby agricultural uses by a natural stream corridor ringing the area. Criteria e and f are addressed in more detail in Section 2 of this report.

## Comprehensive Plan Map Amendment

Section 151.122(B) (2) of the Newberg Development Code has criteria for Comprehensive Plan map amendments. This UGB amendment package includes two different Comprehensive Plan Amendments:

1. Amend the Comprehensive Plan Map to include 132 gross buildable acres, including 129 gross buildable acres of Industrial (IND) land and 3 gross buildable acres of Public/Quasi-Public (PQ) land.
2. Change the Comprehensive Plan designation of 2 parcels of Medium Density Residential (MDR) land along Adolf Road to Industrial (IND) – a net gain of 1 buildable acre of industrial land.

§151.122(B) (2) Amendment Criteria. The City must demonstrate:

- (a) *The proposed change is consistent with and promotes the objectives of the Newberg Comprehensive Plan and this code;*
- (b) *There is a public need for a change of the kind in question;*
- (c) *The need will be best served by changing the classification of the particular piece of property in question as compared with all other available property.*
- (d) *Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.*

**Finding:** This report has detailed findings in support of the Comprehensive Plan amendment that would expand the UGB; therefore, this finding will focus on the second Comprehensive Plan amendment listed above. The properties in question are bounded by Highway 219, Wilsonville Road, and Adolf Road, in a triangular configuration (See Map 12). The area is not an appropriate place for residential development as it is bounded by busy roads, adjacent to future industrial uses, and is located in the future right-of-way alignment of the Newberg-Dundee Bypass. The Comprehensive Plan Goal for Housing is: *“To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.”* Although this amendment would remove land from the housing designation, including it in the industrial designation is a better fit for these reasons:

- ◆ Because the triangular area is located in the future Bypass interchange area, there is only approximately one gross buildable acre. Any housing units on this land still would be heavily affected by a bypass interchange ramp.
- ◆ By including the land in industrial use instead, the land has the ability to provide jobs in the interim time before the Bypass interchange is constructed. Local jobs provide residents with the income to afford other housing in Newberg and otherwise contribute to the community.

The Transportation section of the Comprehensive Plan includes two relevant policies to this amendment:

***2.a) Transportation improvements shall be used to guide urban development and shall be designed to serve anticipated future needs; and 2.b) The city shall adopt zoning and development overlay regulations to manage land uses and access in the vicinity of Newberg-Dundee Bypass interchanges that are consistent with the primary function of the bypass to serve through traffic and that are consistent with the Oregon Highway***

***Plan. Highway oriented development and retail commercial shall be precluded at proposed access points.***

The future Newberg-Dundee Bypass right-of-way and interchange planned for the area around Wilsonville Road/Wynooski Road/Highway 219 should be used to guide the form of urban development in the nearby area. Appendix F: ODOT Build Alternative and Design Options – West Newberg to Hwy 219 Interchange. For this reason, the City seeks to redesignate the parcels from residential to industrial, and include an interim industrial overlay that further restricts the types of uses available to the properties. As previously stated in this report, the City has a demonstrated need for industrial land, and this triangular area is in an optimal location for restricted industrial uses, and meets site suitability criteria as listed previously in this report. Because the designation of the property would further restrict the available uses, the Transportation Planning Rule does not apply in this case.

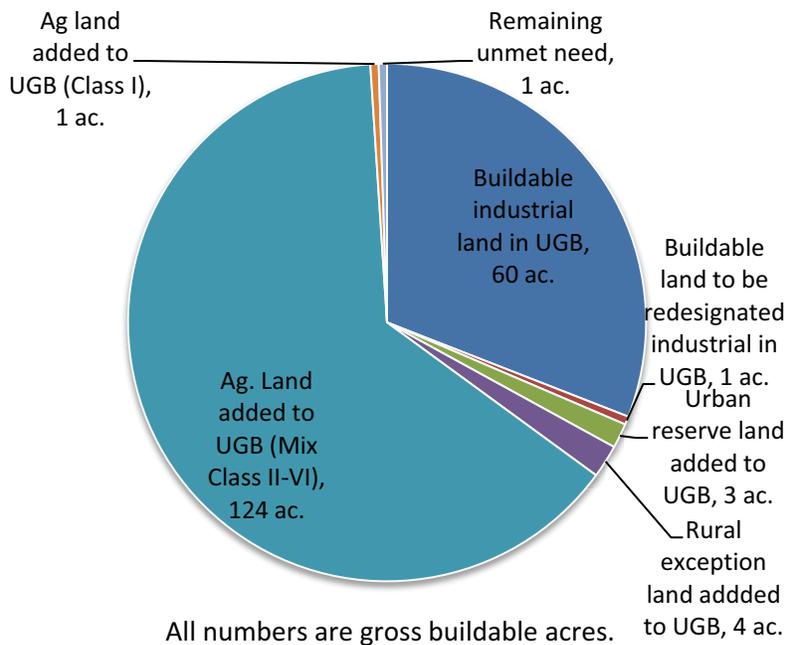
**Conclusion**

Based on the findings in Sections 1-3, the proposed UGB amendment complies with applicable Oregon Administrative Rules, Oregon Revised Statutes, Oregon Statewide Planning Goals and provisions of the Newberg and Yamhill County Comprehensive Plans, the Newberg Urban Area Growth Management Agreement, and the Newberg Development Code.

**Overall Conclusion and Actions**

The proposed urban growth boundary amendment would meet most the needs for industrial land and a part of the need for public/quasi-public land for the Newberg Urban Area through 2032. Figure 5 summarizes the land needs met by this expansion.

**Figure 5: Meeting Industrial and Industrial Type PQ Needs through 2032**



The proposed urban growth boundary amendment and comprehensive plan amendment meet the applicable state statutes and rules, and comply with City and County comprehensive plan policies. Thus, this report contains findings that support the following Newberg and Yamhill County actions:

- (1) Amend the comprehensive plan map to change the designation of two parcels (tax lots 3221-2600 & 3228B-100) with 1 gross buildable acre (7 total acres) from Medium Density Residential (MDR) to Industrial (IND)
- (2) Amend the UGB to include 132 gross buildable acres of land as shown on Map 13.
- (3) Designate the properties included in the UGB as Industrial (IND) or Public/Quasi-Public (PQ) as shown on Map 12.
- (4) Designate a stream corridor overlay as shown on Map 12.
- (5) Amend the Newberg Transportation System Plan to include the road network as shown in Appendix G: Newberg South Industrial Area Master Plan – Transportation Plan.

## Section 4: Maps

# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

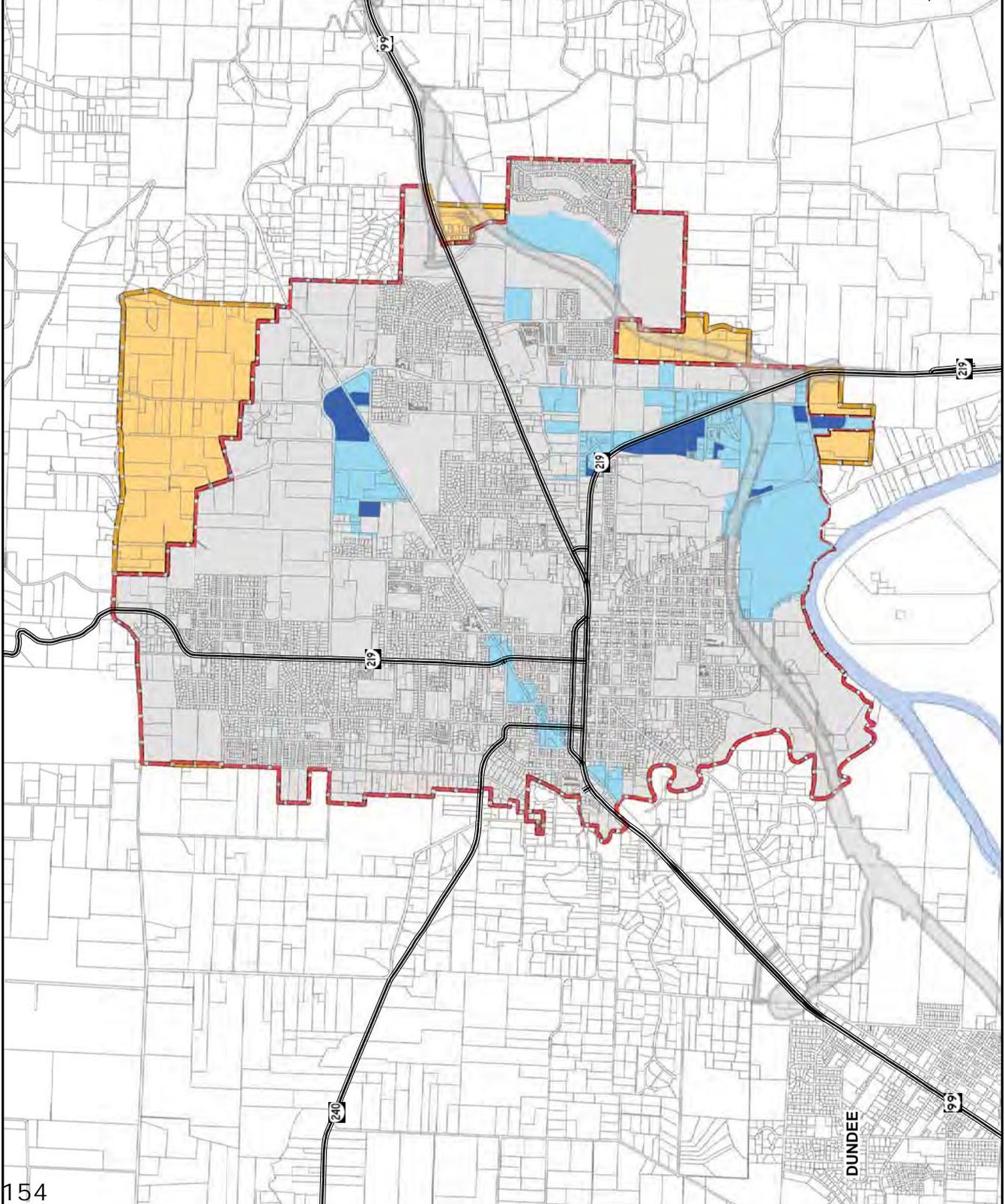
## MAP 1

### City of Newberg Industrial Land Supply

- Legend**
- Planned Bypass Corridor
  - Industrial Districts
  - Buildable Industrial
  - Existing UGB
  - Urban Reserve Area



0 0.25 0.5 1 Miles



# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

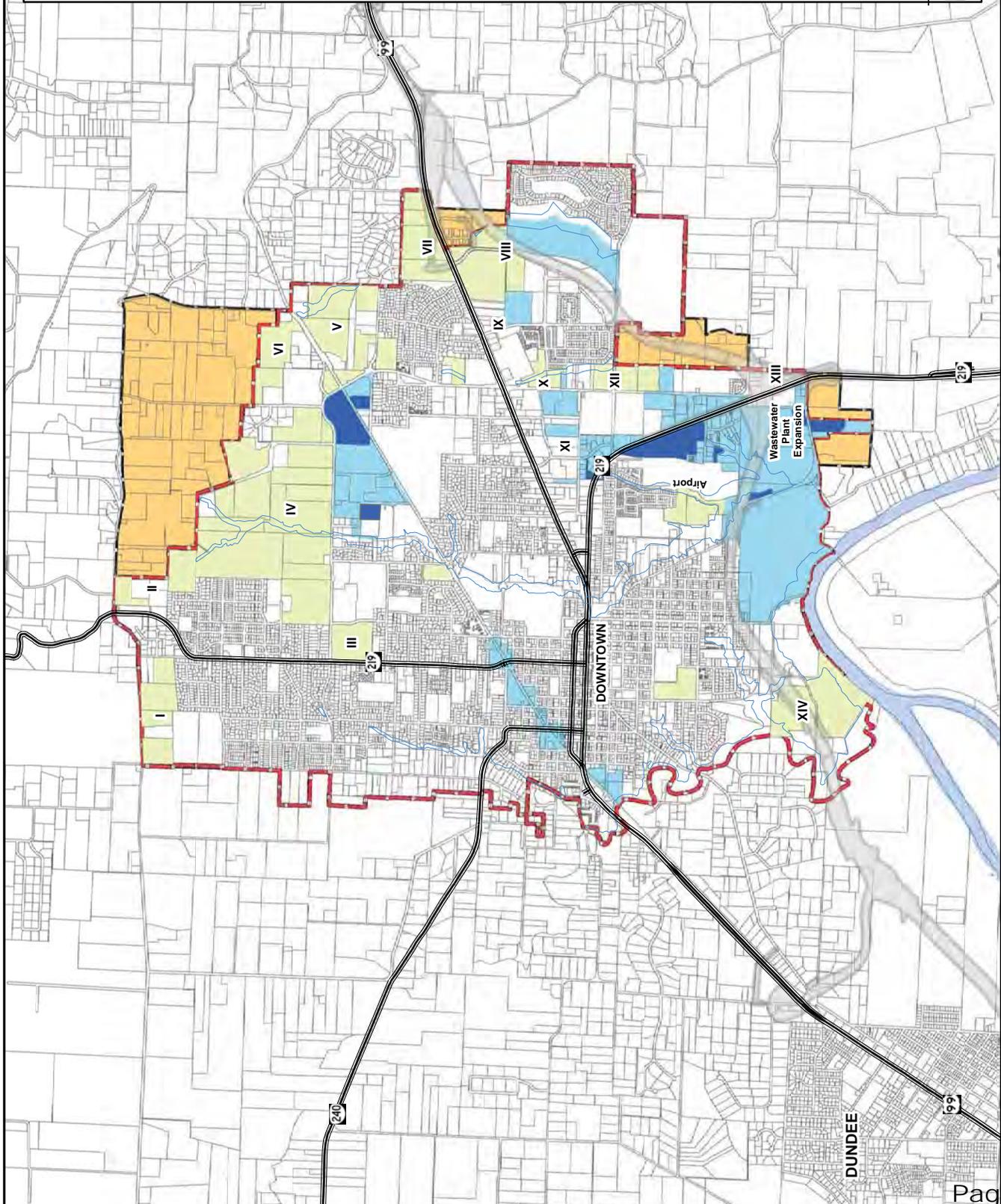
## MAP 2

Sites in UGB Studied  
For Change to Industrial

### Legend

-  Parcel w/ 5+ buildable ac.
-  Planned Bypass Corridor
-  Industrial Districts
-  Buildable Industrial Land
-  Existing UGB
-  Urban Reserve Area
-  Stream Corridor
-  VIII Sites studied for change to industrial

VIII Sites studied for change to industrial



# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 3

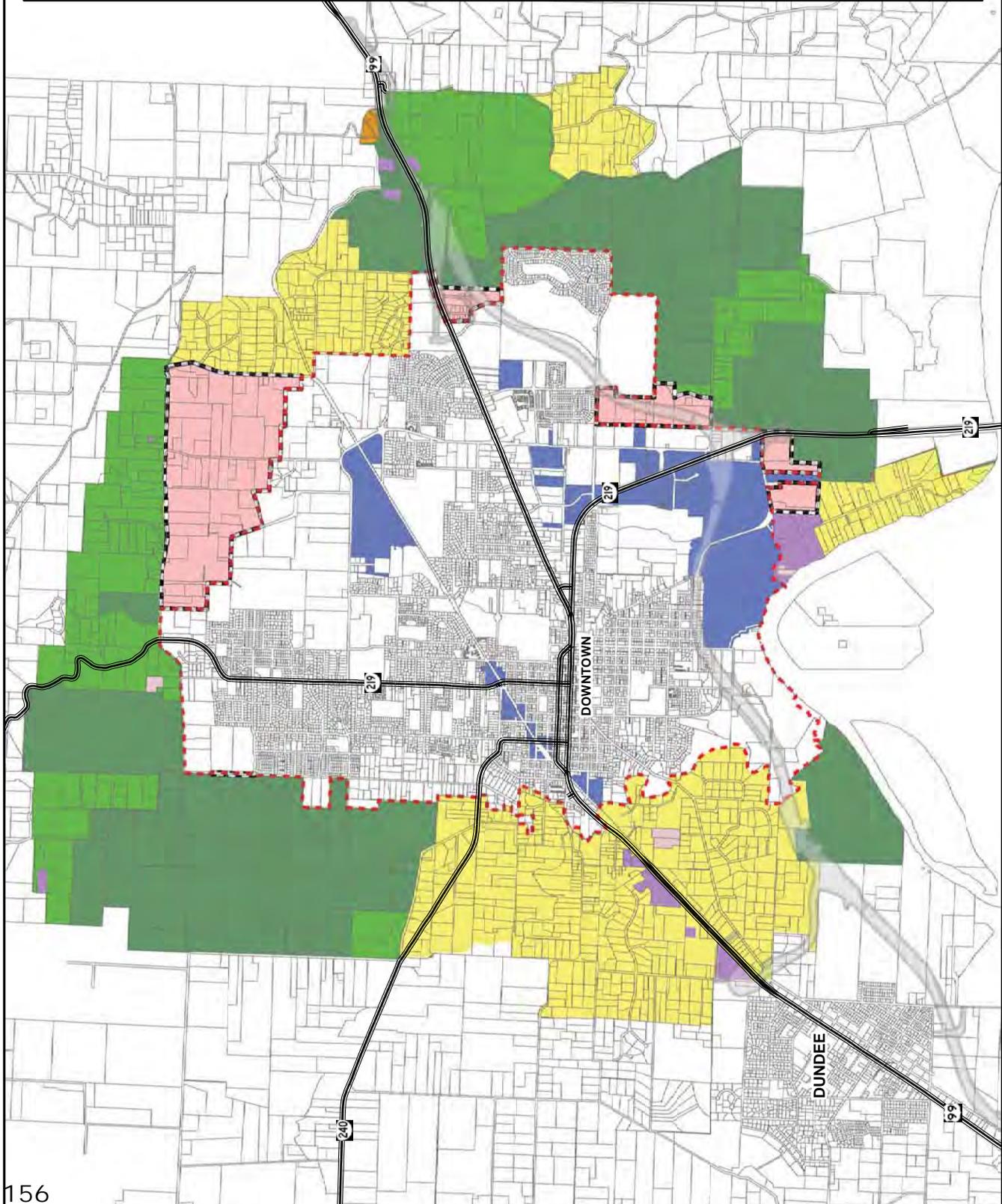
Study Areas with Yamhill County Zoning Designations

### Legend

-  Planned Bypass Corridor
-  Existing UGB
-  Urban Reserve Area
-  Industrial Areas in UGB
-  Yamhill County General Zoning
-  Ag Forest Small Holding Exception
-  Agriculture/Forest
-  Mineral Resource
-  Residential Exception Area
-  Employment Exception Area
-  Public Facility Exception Area



0 0.25 0.5 1 Miles



# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 4 Newberg Study Areas Parcels with Buildable Land By Parcel Size

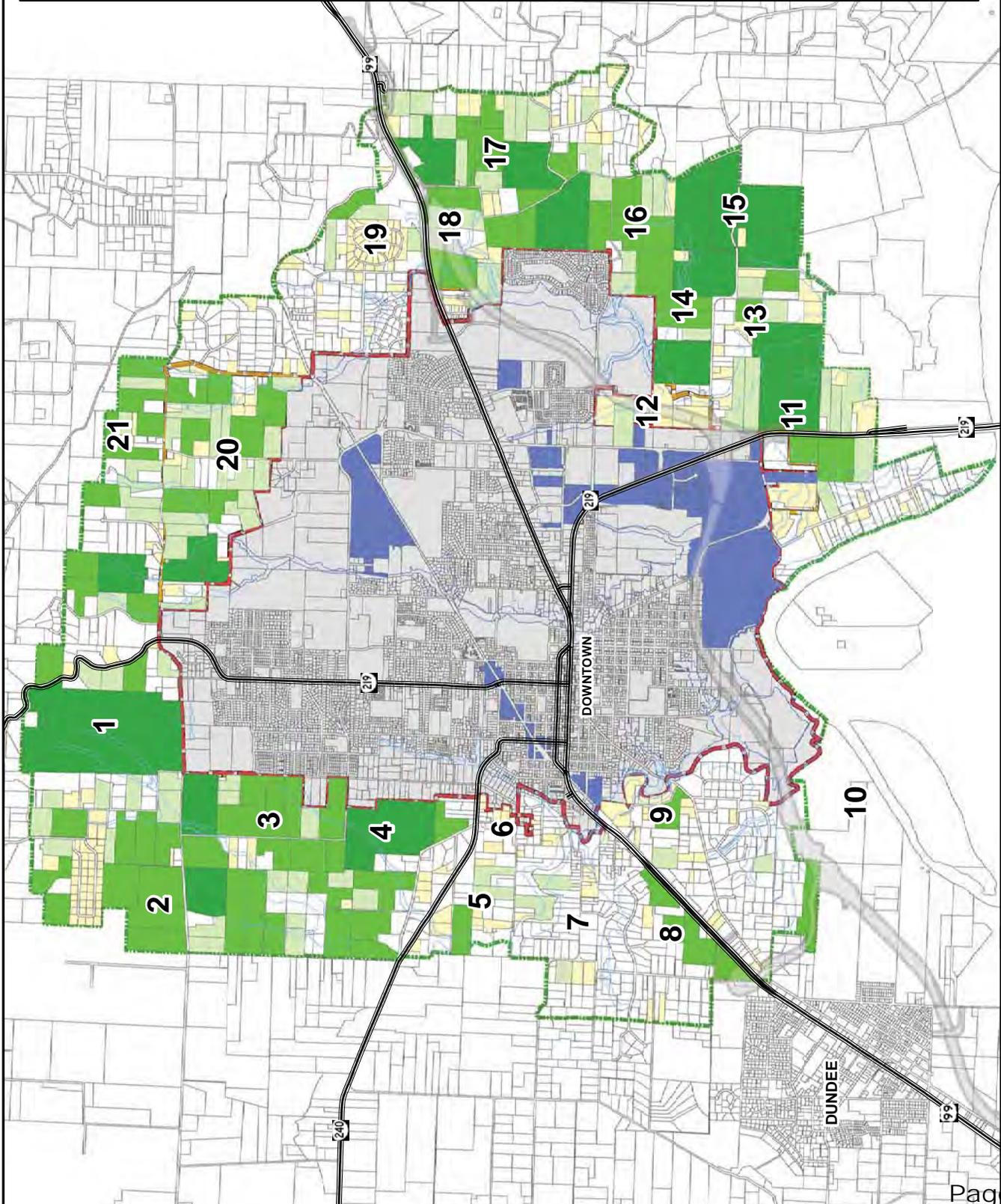
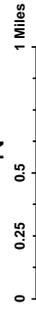
This map identifies groups of parcels in close proximity with buildable land that contain at least 20 acres (or smaller if adjacent to existing industrial district).

This map also identifies sites by size category.

### Legend

- Planned Bypass Corridor
- Buildable < 5 ac.
- Buildable 5+ and <10 ac.
- Buildable 10 - 30 ac.
- Buildable > 30 ac.
- Existing UGB
- Urban Reserve Area
- UGB Study Area
- Industrial Areas in UGB
- Streams and Water Features

**14** Study Site



## MAP 5

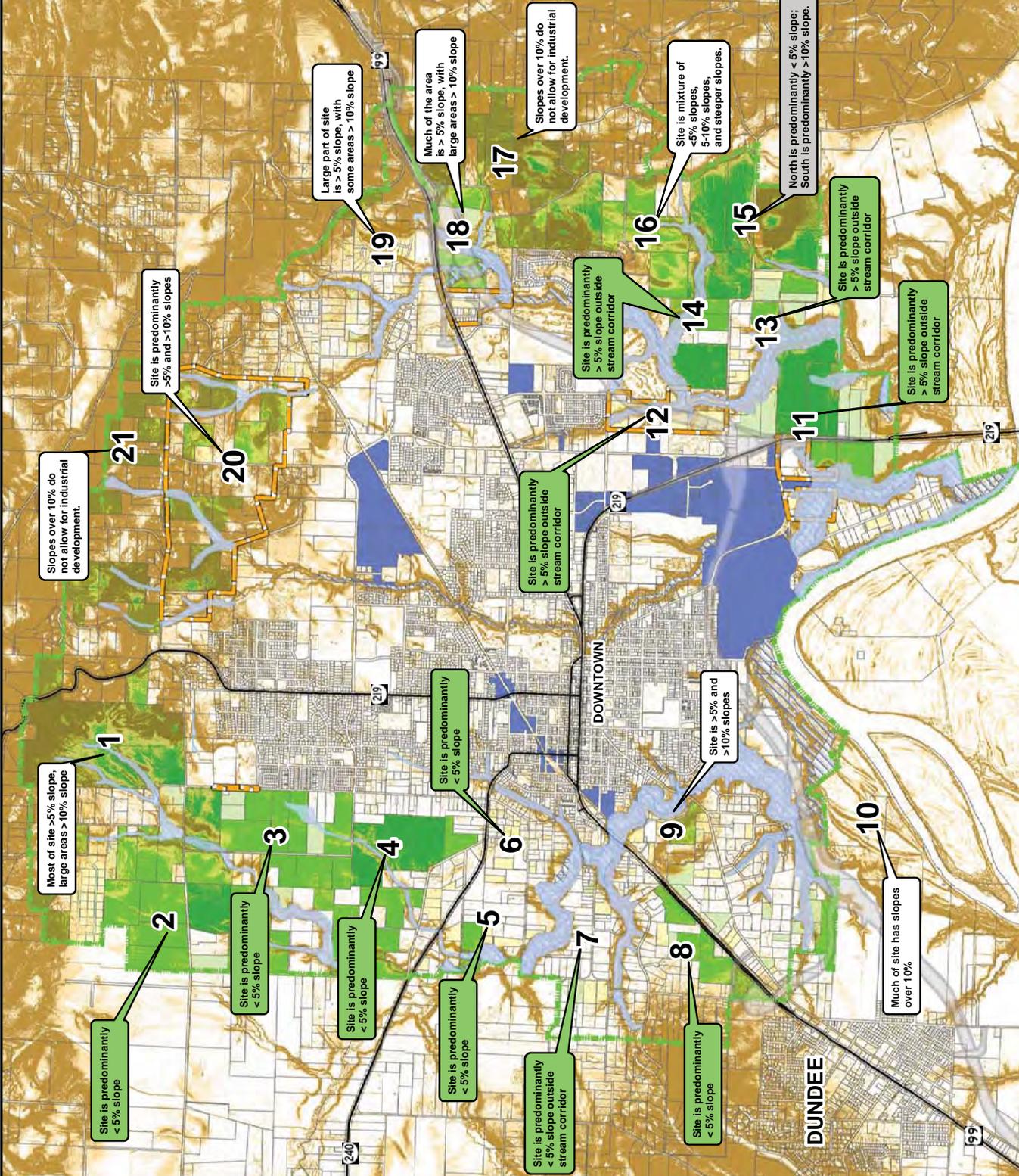
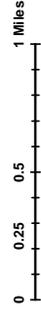
### Newberg Study Areas Topographic Suitability

#### Topographical Requirements Exclude:

- Slopes of 10% or greater,
- Sites that are not predominantly less than 5% slope within development areas, and
- Areas within stream corridors and wetlands.

#### Legend

- Planned Bypass Corridor
  - UGB\_Study\_Area
  - Urban Reserve Area
  - Buildable < 5 ac.
  - Buildable 5 - < 10 ac.
  - Buildable 10 - 30 ac.
  - Buildable > 30 ac.
  - Water Features
  - Floodplain
- Slope Percent**
- 0% - 5%
  - 5% - 10%
  - > 10%



## MAP 6

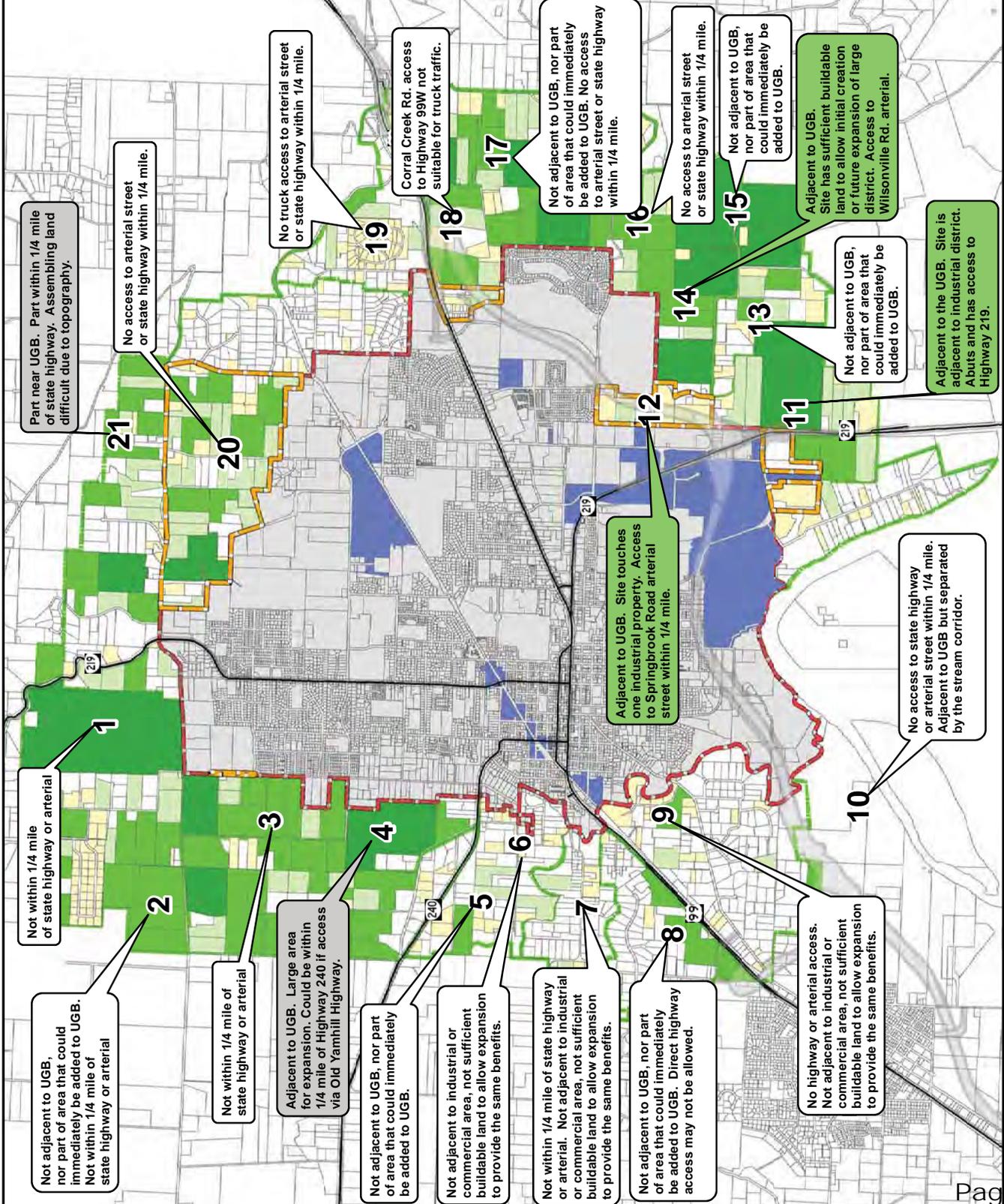
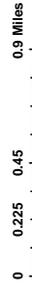
### Newberg Study Areas: Industrial Proximity Requirements

Include parcels or contiguous group of parcels:

1. Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.
2. Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.
3. That have suitable truck access to a state highway or arterial street within 1/4 mile.

#### Legend

- Planned Bypass Corridor
- Existing UGB
- Urban Reserve Area
- Industrial Areas in UGB
- Buildable < 5 ac.
- Buildable 5+ and <10 ac.
- Buildable 10 - 30 ac.
- Buildable > 30 ac.
- UGB Study Area



# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 7 Newberg Study Areas: Compatibility Requirements

Exclude sites that:

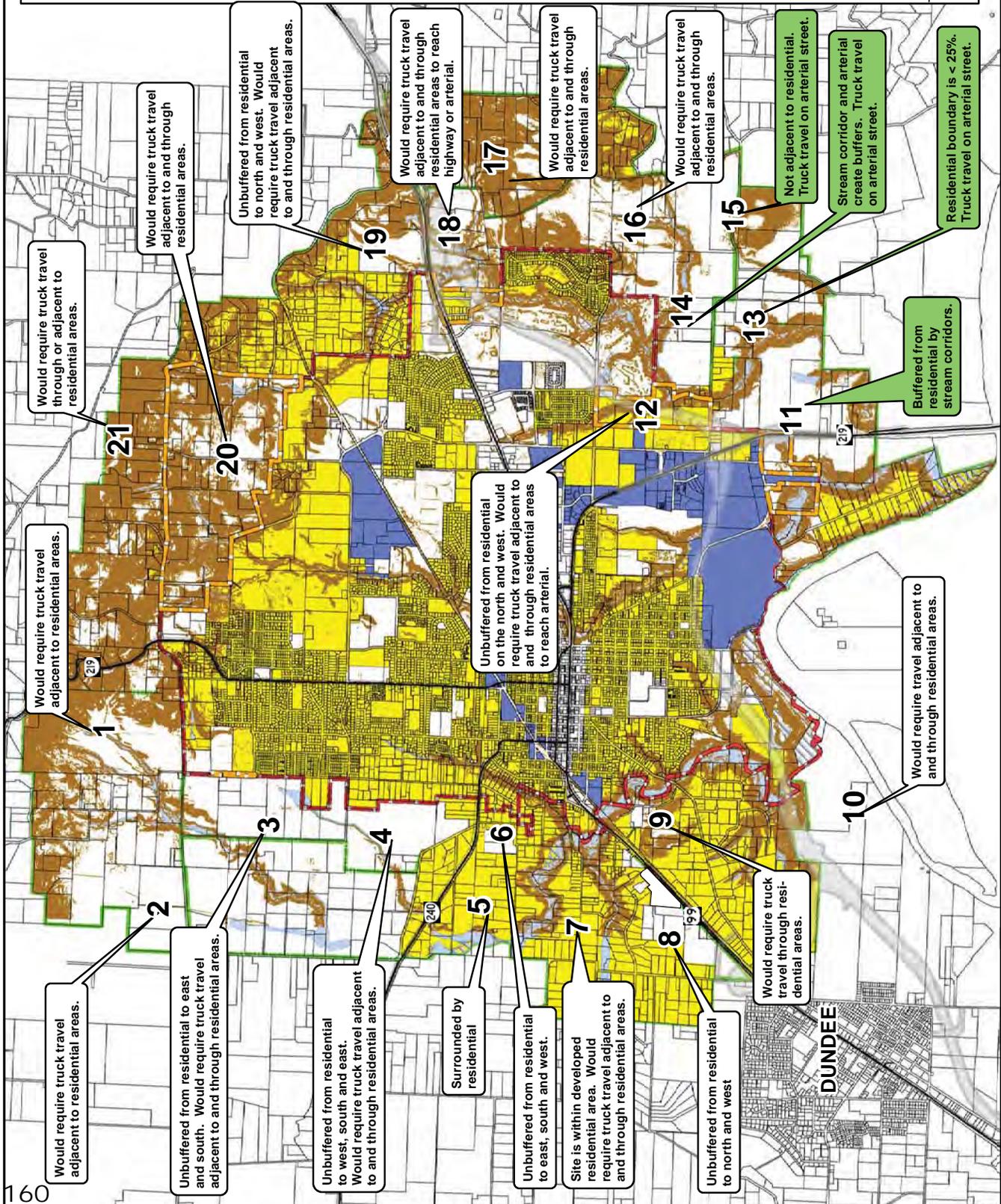
1. A but residential neighborhoods on more than 25% of the site perimeter unless effective topographical buffers are present.
2. Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.

### Legend

- parcel selection 2
- UGB Study Area
- Existing UGB
- Urban Reserve Area
- Industrial Areas in UGB
- Residential Areas
- Water Features
- 10% Slopes or Greater
- Planned Bypass Corridor



0 0.225 0.45 0.9 Miles



# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

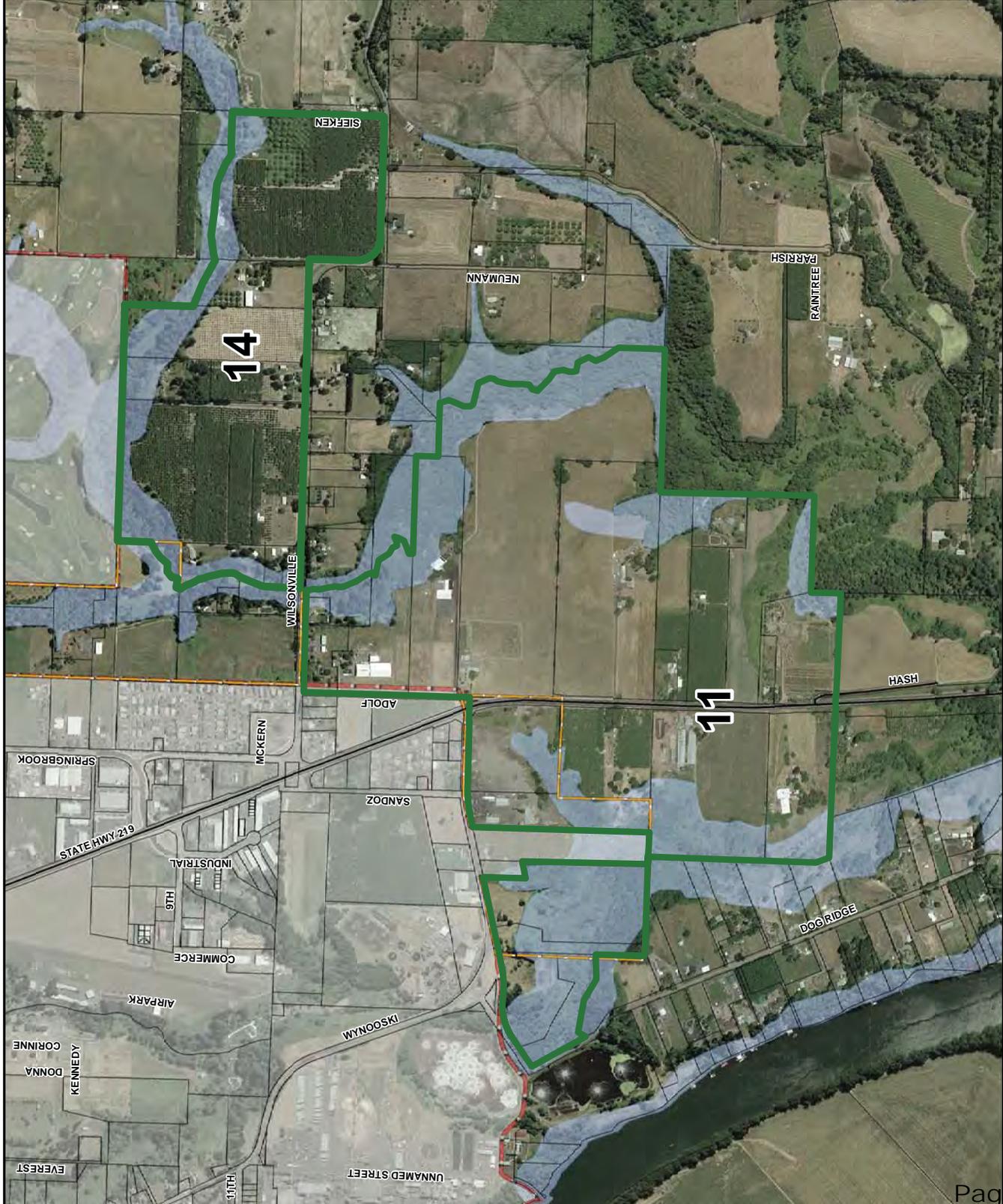
## MAP 8

Sites 11 and 14  
with Aerial Photo

- Legend**
- Site 11
  - Site 14
  - Existing UGB
  - Urban Reserve Area
  - Water Features
  - 14 Site

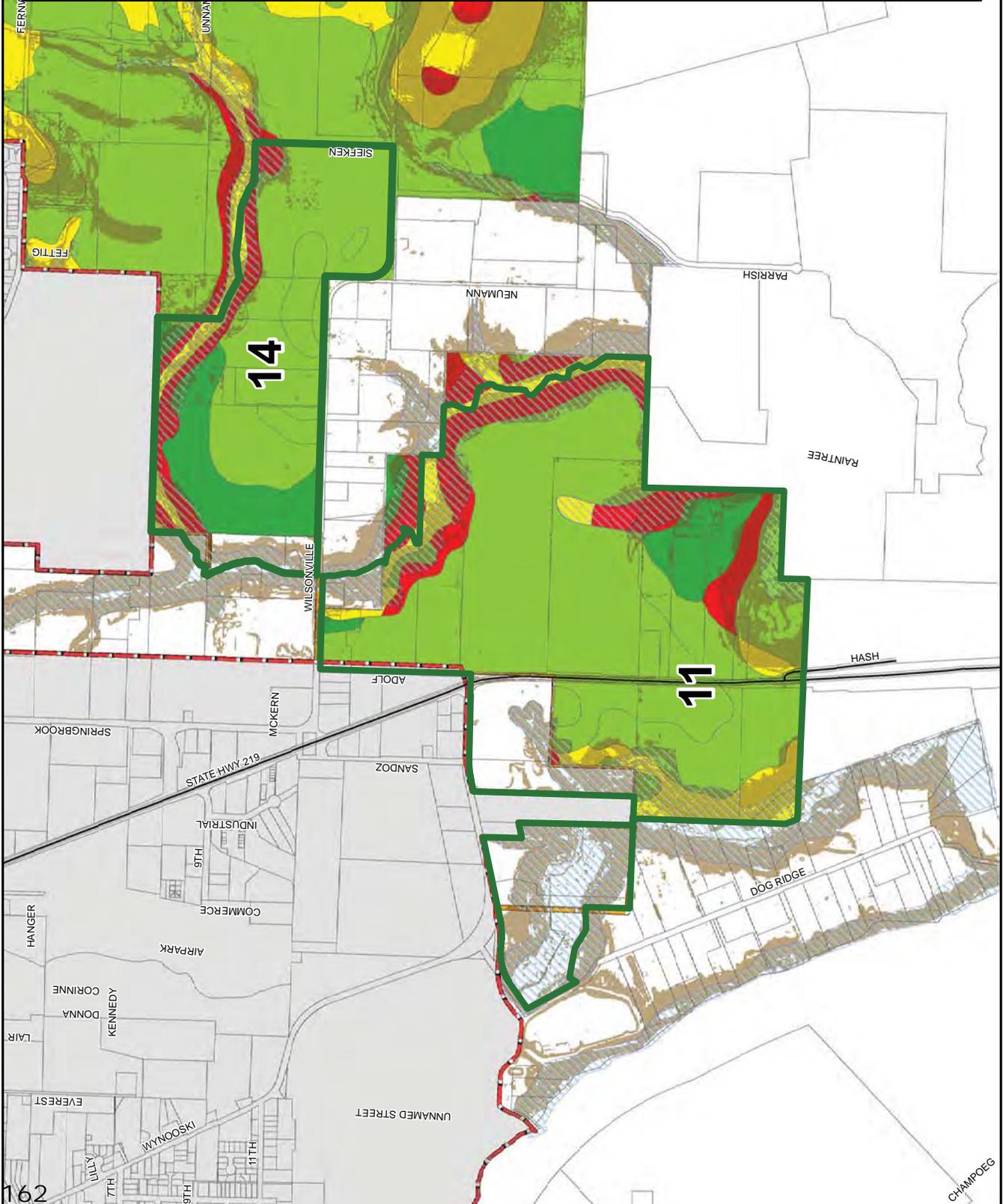
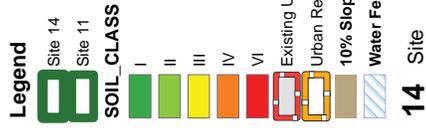


0 400 800 1,600 Feet



# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 9 Sites 11 and 14 with Soil Class in Agricultural Planned Areas



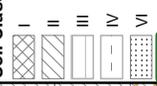
# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 10

Sites 11 and 14  
with Subsites and  
Priority Classes

### Legend

#### Soil Class

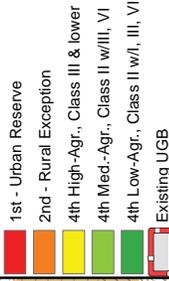


#### Site 11

#### Site 14

### Priority Class

#### Priority



#### Urban Reserve Area

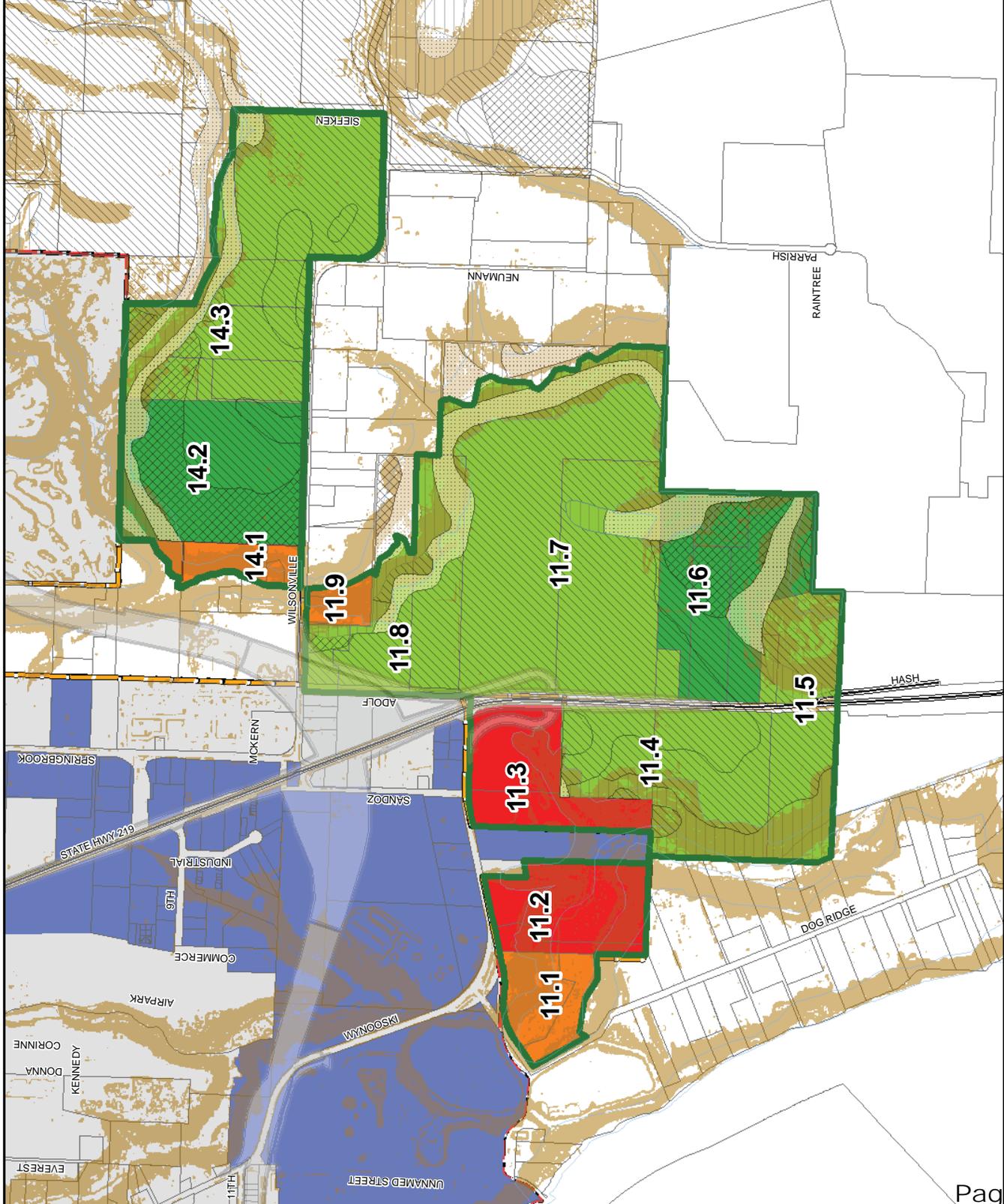
#### Industrial Areas in UGB

#### Planned Bypass Corridor

#### 10% Slopes or Greater

#### Water Features

### 14.1 Subsite





# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 12

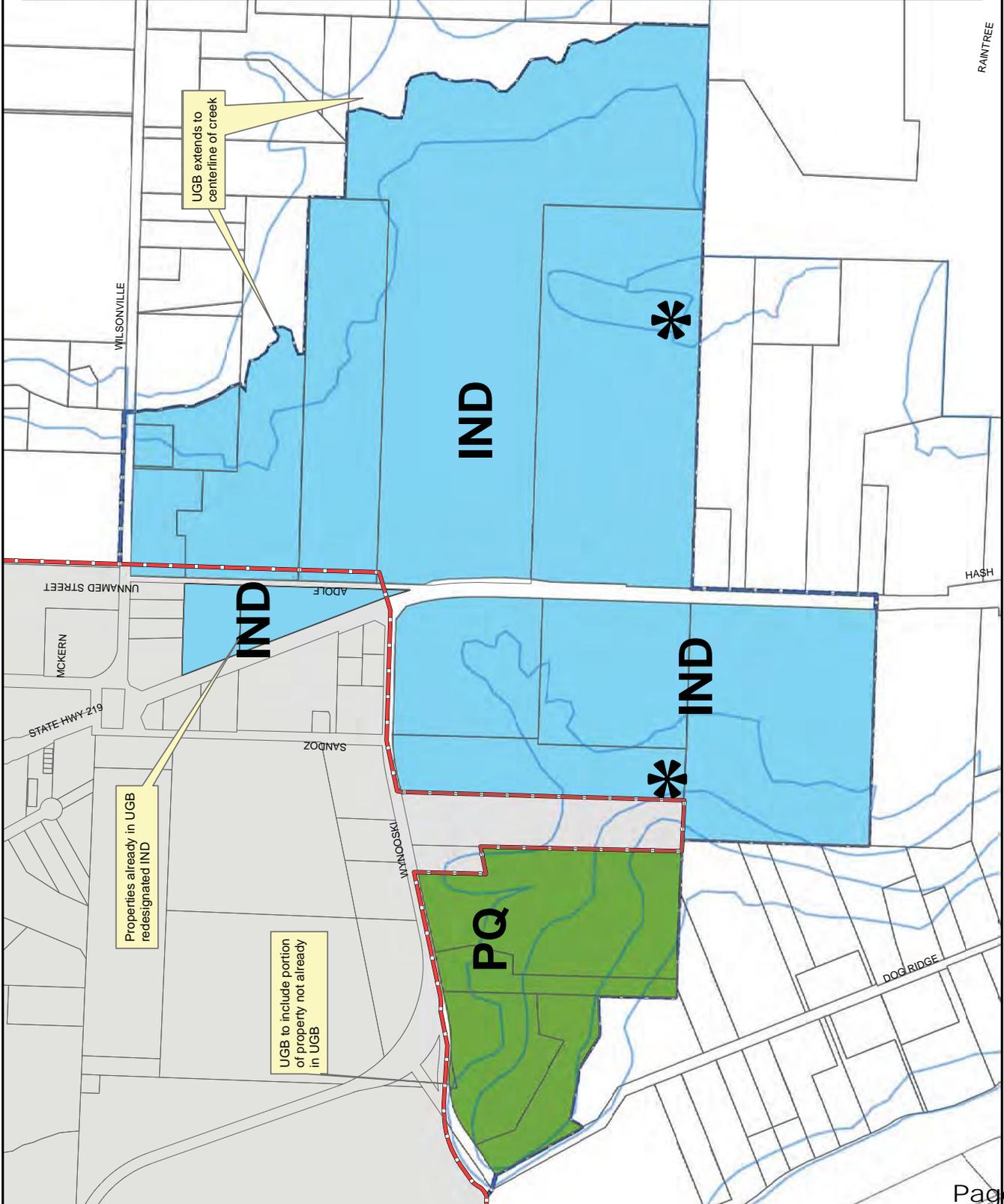
**Selected UGB Amendment and Comprehensive Plan Map Amendment Area with Proposed Comprehensive Plan Designations**

### Legend

-  Expanded UGB
-  Affected Properties
- Proposed Plan Designation**
-  PQ Public/Quasi-Public
-  IND Industrial
-  Existing UGB
-  Stream Corridor Overlay
-  Future Park Site



0 250 500 1,000 Feet

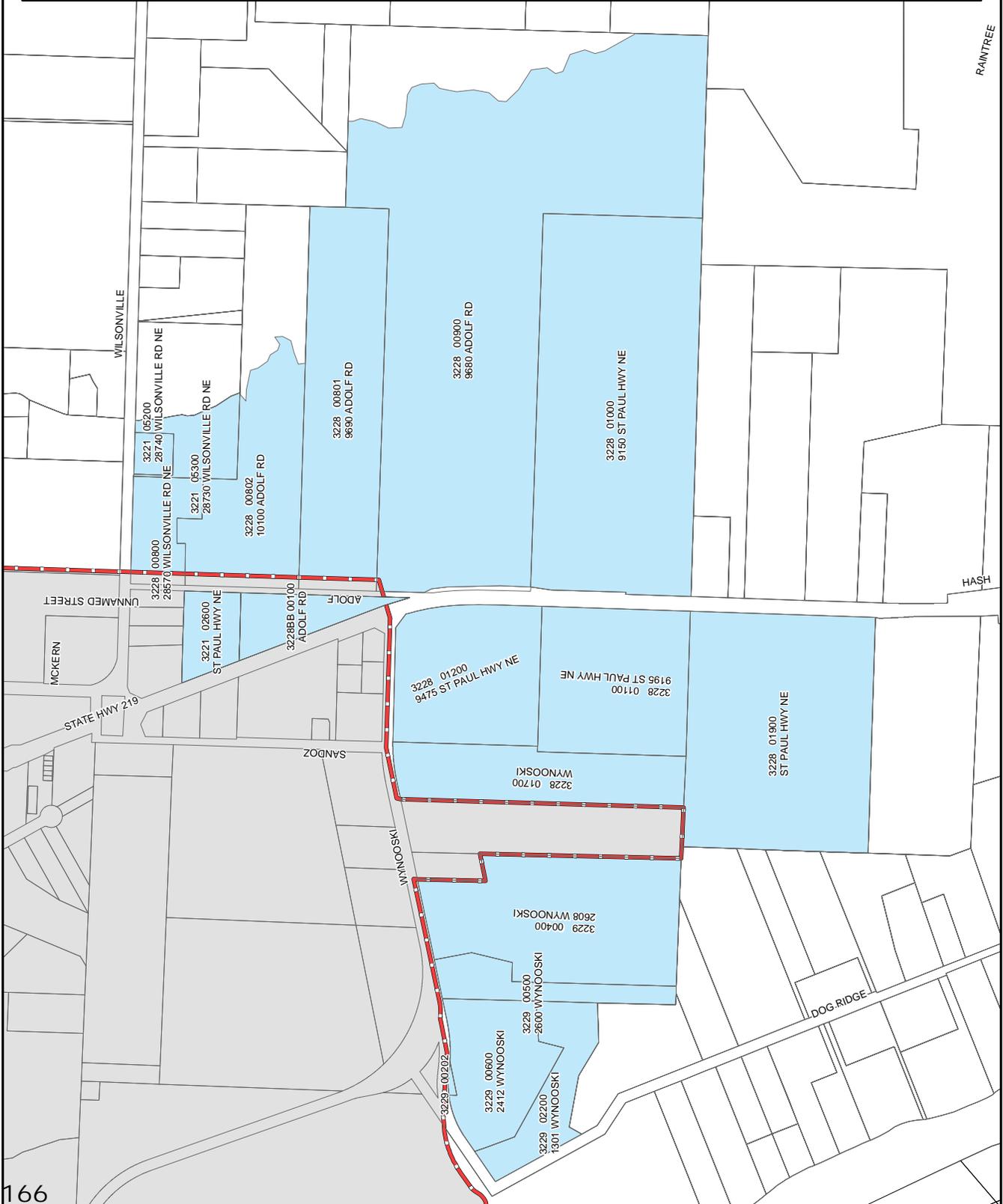


# City of Newberg Industrial Lands Analysis - 2012 UGB Expansion

## MAP 13

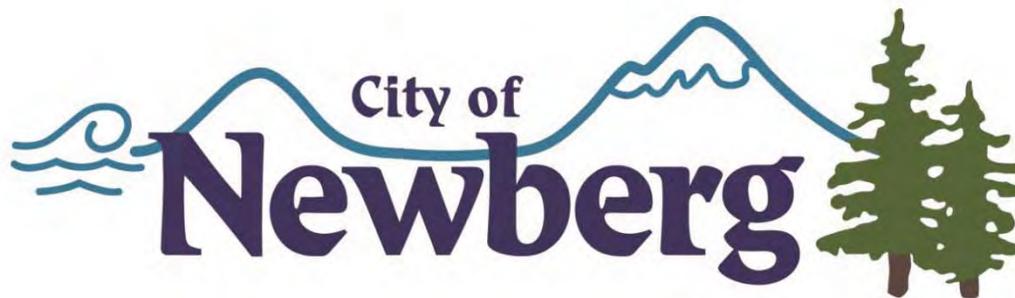
### Property Information

- Legend**
- Affected Properties
  - Existing UGB



## Appendices

## Appendix A: Newberg Economic Opportunities Analysis (2013)



# Economic Opportunities Analysis

Section 12 of Newberg Inventory of Natural and Cultural  
Resources

Originally Adopted by Newberg City Council January 3, 2006 (Ordinance No. 2006-2635)  
Draft Revision May 2013

## City of Newberg Economic Opportunities Analysis

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## I. Introduction

Newberg has a strong economy based on manufacturing, health care, education, tourism, agriculture, and retail. As the city with the second largest population in Yamhill County, Newberg serves as the commerce center for the eastern portion of the county's primarily agricultural economy. Over the past few decades, Newberg's economic base has become more diversified. Several of its home-grown industries have evolved into national and international leaders in their respective fields.

This trend toward growth and diversification is likely to continue as the growth of the Portland metropolitan area increasingly influences Newberg. However, our city is one steeped in history, and is a community that possesses a strong sense of place. The citizens of Newberg highly value these characteristics and wish to maintain its unique identity. To do so, Newberg must strengthen its economic base. Newberg must support its existing businesses while nurturing new enterprises.

Newberg has identified four business clusters that are the foundation of its economy: manufacturing, health care, higher education, and the wine/tourism industry. Ensuring the vitality of these business clusters is key to the economic health of our community

Like most communities, Newberg's economic development efforts focus on two principal strategies:

1. Retention and Expansion of Existing Businesses. Newberg has been extremely fortunate in having strong commercial and industrial sectors. Newberg has an unwavering commitment to its existing businesses and industries. This commitment is underscored by the positive attitude of appointed and elected officials to meeting the needs of the business community – in terms of providing public facilities and services necessary for businesses to grow and prosper, and in listening to the business community in its long-range planning processes and regulatory review.
2. Recruitment of New Businesses. A substantial portion of Newberg's Economic Opportunities Analysis is devoted to attracting new traded-sector industrial and service-based industries that will bring new resources to maintain and improve the livability of the community. To ensure that Newberg's economic development efforts are successful, we have carefully assessed economic trends and our comparative economic advantages and disadvantages, as required by Statewide Planning Goal 9 (Economy of the State).

The City has worked closely with the Portland-Vancouver Regional Partners Council for Economic Development, the Oregon Business Development Department (OBDD), and the Department of Land Conservation and Development (DLCD) in defining the types of industry clusters that can be reasonably attracted to our community. Newberg also has determined the size and characteristics of sites required for Newberg to be competitive -- from a regional perspective -- in attracting our targeted businesses to the community.

Critical to Newberg's economic development efforts is the availability of developable land for businesses, as redevelopment opportunities are limited. The City closely monitors the supply of

these types of lands to ensure that opportunities for economic growth can be capitalized upon as they arise.

As for Newberg’s targeted industrial clusters, most of these businesses require relatively flat sites, with a minimum of conflicting land uses, such as residential areas, and close access to a major highway or arterial without travel through land with conflicting uses. Most will benefit tremendously by the construction of the Newberg-Dundee Bypass and its connection to Highway 219, which is planned in the Oregon Highway Plan.

The City also has considered the site characteristics required to attract targeted industrial clusters when considering Newberg relative to other Northwest communities. Newberg has identified four types of industrial development to focus on:

- Large site light industrial (individual sites reserved for single users);
- Airport light industrial (within the Sportsman Airpark Land Use Master Plan);
- Infill light industrial that takes advantage of remaining industrial sites within the existing UGB; and
- Master planned light industrial parks that provide a range of medium to small sites in a master planned setting.

The Oregon Business Development Department has made it very clear that providing large industrial sites for traded-sector employment opportunities in a master planned park setting with close access to Interstate 5 will put Newberg at a distinct advantage when compared with other Northwest communities.

Newberg has relatively little suitable industrial land left within its UGB. After considering a range of alternatives both in and outside of the existing UGB, Newberg has concluded that the South Industrial Area best meets the site requirements of targeted industrial clusters. This area:

- Has large, flat “suitable” sites (i.e., meeting identified site requirements) with close access to Highway 219. The area has access within 15 minutes to I-5, with no intervening urban areas. It has close access to the Highway 99W corridor, which will be further enhanced with construction of the Newberg-Dundee Bypass;
- Has natural buffers from adjacent agricultural and rural residential land that enhances the attractiveness of the area for traded-sector industrial use;
- Has immediate access to electrical, natural gas, sewer and water services;
- Is a natural extension of Newberg’s existing light industrial and airport-related industrial areas.

Newberg’s other primary existing business clusters (health care, higher education, wine/tourism) also must have opportunities for expansion if they are to remain vital. These businesses are usually located on lands zoned for commercial and/or institutional development.

Higher education institutions in Newberg include George Fox University and Portland Community College. While the University currently owns sufficient land to satisfy its physical needs for the foreseeable future, much of that land is expected to be redeveloped to satisfy their

programmatic needs. Portland Community College constructed a campus in Newberg as a result of a bond measure that was passed in 2008.

The foundation of the local healthcare industry is Providence Newberg Medical Center, which is located at the east end of Newberg directly on Highway 99W. The hospital is located on land that will accommodate its expansion plans for the foreseeable future. Land to accommodate development of ancillary private medical services that would benefit from close proximity to the hospital is available.

The wine/tourism industry in Newberg is principally involved in the retail and service business sectors. Growing of the wine grapes and processing them into wine is done outside of Newberg's city limits. Further development of this industry will likely be accommodated through two mechanisms. First, Newberg's historic downtown buildings/land will continue to be reused and redeveloped for businesses of this industry, including direct sales of wine, restaurants, antiques, arts and crafts stores, etc. Second, the Springbrook Master Plan has a commercial node that is expected to include businesses that will cater to the needs of wine tourists. Moreover, this commercial node will be located next to the newly constructed Allison Inn and Spa, a high-end resort that targets wine tourists. Additional opportunities for manufacturing, processing, and storing wine could be made available if Newberg had adequate industrial land.

Finally, a community's economic development strategy must consist of more than ensuring the availability of an adequate land supply for future growth. The community also must commit to comprehensive set of actions that support local businesses. Included in this analysis is a list of recommended economic development actions that are intended to help Newberg assist its local economic partners.

## II. Economic Trends Analysis

The EOA addresses local and regional trends (660-009-0015 (1)) on the following pages, concluding that Newberg's future employment growth will be dependent on regional economic clusters. The trends analysis results in identification of future industrial uses – the “Targeted Industrial Clusters” for Newberg.

### ***National, State and Regional Trends***

Economic development in Newberg over the next 20 years will occur in the context of long-run national trends.<sup>1</sup> The most important of these trends include:

The aging of the baby boom generation, accompanied by increases in life expectancy. The number of people age 65 and older will more than double by 2050, while the number of people under age 65 will grow only 22 percent. The economic effects of this demographic change include a slowing of the growth of the labor force, an increase in the demand for healthcare services, and an increase in the percent of the federal budget dedicated to Social Security and

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<sup>1</sup> National trends courtesy of ECONorthwest.

Medicare.<sup>2</sup>

Baby boomers are expecting to work longer than previous generations. An increasing proportion of people in their early to mid-50s expect to work full-time after age 65. In 2004, about 40% of these workers expect to work full-time after age 65, compared with about 30% in 1992.<sup>3</sup> This trend can be seen in Oregon, where the share of workers 65 years and older grew from 2% of the workforce in 1992 to 3% of the workforce in 2002, an increase of 64%. Over the same ten-year period, workers 45 to 64 years increased by 70%.<sup>4</sup>

Tightening labor force: Slower population growth and a decreasing over-all labor force participation rate are expected to contribute to a slowdown in labor force growth. The rate of labor force growth is projected to decrease by about 4%. The projected 8% percent increase for the 2008-18 period is less than the 12% growth that occurred between 1998 and 2008. The total labor force is projected to grow by 12.6 million between 2008 and 2018, to 166.9 million persons. From 2008-2018 the number of women in the labor force will grow at a slightly faster rate (9 percent) compared to men (7.5 percent).<sup>5</sup>

Need for replacement workers. Although economic growth will create a substantial number of job openings over the 2008–18 projection period, the majority are expected to come from replacement needs. Replacement needs are projected to account for 67% of the approximately 50.9 million job openings between 2008 and 2018. Professional and related occupations are projected to have the largest number of total job openings, 11.9 million, and 56% of those will be due to replacement needs. Replacement needs generally are greatest in the largest occupations and in those with relatively low pay or limited training requirements. As a result, service occupations are projected to have the greatest number of job openings due to replacements, about 7.6 million.<sup>6</sup>

Increases in labor productivity. Worker productivity, the amount of product created per hour of labor, is on the rise. This is in large part due to increases in efficiency gained by better machinery and technology. The Bureau of Labor Statistics reports that business productivity rose 11 percent from 2005 to 2010. Productivity in manufacturing rose nearly 14 percent during the same period.<sup>7</sup> While this bodes well for employers trying to increase profits, it also is an ominous sign for workers, as fewer are needed for the same output.<sup>8</sup> Manufacturing and other industries are seeing a corresponding increase in the ratio of floor area per employee, as more

<sup>2</sup> The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2008, *The 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, April 10, 2008.

<sup>3</sup> “The Health and Retirement Study,” 2007, National Institute of Aging, National Institutes of Health, U.S. Department of Health and Human Services.

<sup>4</sup> “Growing Numbers of Older Workers in Oregon,” Oregon Employment Department.

<sup>5</sup> Employment Projections 2008-2018, Bureau of Labor Statistics

<sup>6</sup> *Occupational Outlook Handbook, 2010-11 Edition*, Bureau of Labor Statistics; Alan Lacey and Benjamin Wright, *Monthly Labor Review* 2009.

<sup>7</sup> “Productivity and Costs, Fourth Quarter and Annual Averages 2010, Revised,” Bureau of Labor Statistics, (March 3, 2011).

<sup>8</sup> Davidson, Paul, “Higher productivity cuts jobs now, pays off in long term,” *USA Today* (February 23, 2011).

floor space is used by machine and less by workers.<sup>9</sup>

Continued trend towards domestic outsourcing. Businesses continue to outsource work to less expensive markets. Outsourcing generally falls into two categories: (1) moving jobs from relatively expensive areas to less expensive areas within the U.S. and (2) moving jobs outside of the U.S. to countries with lower labor costs. About three-quarters of layoffs in the U.S. between 1995 and 2004 were the result of domestic relocation, involving movement of work within the same company. The industries with the largest amounts of domestic outsourcing were: manufacturing, retail trade, and information.<sup>10</sup>

Continued growth in global trade and the globalization of business activity. With increased global trade, both exports and imports rise. Faced with increasing domestic and international competition, firms will seek to reduce costs through implementing quality- and productivity-enhancing technologies, such as robotics or factory automation. In addition, production processes will continue to be outsourced offshore.<sup>11</sup>

Continued shift of employment from manufacturing and resource-intensive industries to the service-oriented sectors of the economy. Increased worker productivity and the international outsourcing of routine tasks lead to declines in employment in the major goods-producing industries. Projections from the Bureau of Labor Statistics indicate that U.S. employment growth will continue to be strongest in healthcare and social assistance, professional and business services, and other service industries. Construction employment will also grow but manufacturing employment will decline.<sup>12</sup>

The importance of high-quality natural resources. The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. Increases in population and household income, combined with changes in tastes and preferences, have dramatically increased demands for outdoor recreation, scenic vistas, clean water, and other resource-related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.<sup>13</sup>

Continued westward and southward migration of the U.S. population. Although there are some exceptions at the state level, the 2009 American Community Survey shows continued regional

<sup>9</sup> Schectman, Joel. "Rise of the Machines," *Newsweek* (December 17, 2010)

<sup>10</sup> Sharon P. Brown and Lewis B. Siegel, "Mass Layoff Data Indicate Outsourcing and Offshoring Work," *Monthly Labor Review*, August 2005, pp. 3-10.

<sup>11</sup> Eric B. Figueroa and Rose A. Woods, 2007, "Industry Output and Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 53-85.

<sup>12</sup> Eric B. Figueroa and Rose A. Woods, 2007, "Industry Output and Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 53-85.; Arlene Dohm and Lyn Shniper, "Occupational Employment Projections to 2016," *Monthly Labor Review*, November 2007, pp. 86-125.

<sup>13</sup> For a more thorough discussion of relevant research, see, for example, Power, T.M. and R.N. Barrett. 2001. *Post-Cowboy Economics: Pay and Prosperity in the New American West*. Island Press, and Kim, K.-K., D.W. Marcouiller, and S.C. Deller. 2005. "Natural Amenities and Rural Development: Understanding Spatial and Distributional Attributes." *Growth and Change* 36 (2): 273-297.

population movement from the Northeast and Midwest to the South and West.<sup>14</sup>

The growing importance of education as a determinant of wages and household income. Level of education largely determines employment, which largely determines income level. Completion of a four-year college degree paves the way for a professional or managerial occupation in the information-based economy, which on average yields higher incomes than service jobs or menial labor. According to the Bureau of Labor Statistics, the majority of the fastest growing occupations over the next decade will require an academic degree: computer software application engineers, elementary school teachers, and accountants and auditors. Service jobs, (e.g., retail sales person, food preparation workers, and home care aides) will account for about half of all jobs by 2016.<sup>15</sup>

Continued increase in demand for energy. Despite short-term fluctuations, energy prices and total demand are forecast to remain at relatively high levels through 2035. Growth in U.S. energy use is linked to population growth through increases in demand for housing, commercial floorspace, transportation, manufacturing, and services. This affects not only the level of energy use, but also the mix of fuels and consumption by sector. Although total demand is forecast to increase, energy consumption per person has declined sharply during the recent economic recession. Energy use per capita increases slightly as the economy rebounds, then begins declining in 2013 as higher efficiency standards for vehicles and lighting begin to take effect. From 2013 to 2035, energy use per capita declines by 0.3 percent per year on average.<sup>16</sup>

Impact of rising energy prices on commuting patterns. Energy prices may continue to be high (relative to historic energy prices) or continue to rise over the planning period<sup>17</sup> which may impact willingness to commute long distances. There is some indication that increases in fuel prices have resulted in decreased suburban housing demand which has resulted in decreased prices, especially in large urban areas (e.g., Los Angeles or Chicago) and suburbs far from the center city. If this pattern continues, the area in Oregon most likely to be most impacted is Portland, which has the largest area of urban and suburban development in the state.<sup>18</sup>

Possible effect of rising transportation and fuel prices on globalization. Increases in globalization are related to the cost of transportation: When transportation is less expensive, companies move production to areas with lower labor costs. Oregon has benefited from this trend, with domestic outsourcing of call centers and other back office functions. In other cases, businesses in Oregon (and the nation) have “off-shored” employment to other countries, most frequently

<sup>14</sup> U.S. Census Bureau, 2005-2009 American Community Survey. Table S0702. Movers Between Regions.

<sup>15</sup> In 2006, the national median income was about \$32,000. Workers with some college education earned slightly less than median, while workers with a bachelor’s degree earned \$45,000. Workers who only had a high school diploma earned \$26,000 a year, while workers without a high school degree only earned \$19,000 a year. Workers in Oregon experience the same patterns as the nation, however, notably, pay is generally lower in Oregon than the national average. (Source: “Growing Number of Older Workers in Oregon,” Oregon Employment Department and American Community Survey, U.S. Census, 2006.)

<sup>16</sup> *Annual Energy Outlook 2010 with Projections to 2035*. U.S. Energy Information Administration.

<sup>17</sup> Energy Information Administration, 2008, *Annual Energy Outlook 2008 with Projections to 2030*, U.S. Department of Energy, DOE/EIA-0383(2008), April

<sup>18</sup> Cortright, Joe. “Driven to the Brink: How the Gas Price Spike Popped the Housing Bubble and devalued the Suburbs,” May 2008.

manufacturing jobs.

Likewise, increases in either transportation or labor costs may impact globalization. When the wage gap between two areas is larger than the additional costs of transporting goods, companies are likely to shift operations to an area with lower labor costs. Conversely, when transportation costs increase, companies may have incentive to relocate to be closer to suppliers or consumers. This effect occurs incrementally over time and it is difficult to measure the impact in the short-term. If fuel prices and transportation costs decrease over the 20-year planning period, businesses may not make the decision to relocate (based on transportation costs) because the benefits of being closer to suppliers and markets may not exceed the costs of relocation.

Growing opportunities for “green” businesses. Businesses are increasingly concerned with “green” business opportunities and practices. These business practices are concerned with “the design, commercialization, and use of processes and products that are feasible and economical while reducing the generation of pollution at the source and minimizing the risk to human health and the environment.”<sup>19</sup>

Green business opportunities historically have been at the mercy of feasibility and economics; if a firm ignores feasibility and economics while trying to be green, the firm may not be able to afford to operate long enough to learn how to make green businesses feasible. However, growing popularity in “eco-friendly” products and green development has caused the green market to become cost-competitive with the conventional market. The three types of green business opportunities are products, processes, and education.

*Producing green products.* In general, green products consume fewer resources, and create less pollution, which in turn, is beneficial to human health. For example, hybrid vehicles (which use a mixture of power or fuel sources), use less gasoline to operate and add fewer pollutants to the air, while still providing the same transportation services as a traditional vehicle. Another example is bamboo fencing and lumber, which is considered a “rapidly renewable” material.<sup>20</sup> Unlike traditional building materials, rapidly renewable materials, by virtue of a more consistent harvesting cycle, may sustain a community over a longer period of time than the steady and eventual depletion of finite resources or the degradation of a productive ecosystem.<sup>21</sup>

*Providing education about green practices or products.* Green education is often closely related to producing green products and is often done by consultants or nonprofit organizations. One example of a company involved in green education is the U.S. Green Building Council, a 501(c)(3) non-profit, which provides third-party verification that a building or community was designed and built using strategies aimed at improving environmental performance (LEED certification), provides numerous education resources and commissions studies geared to advance the green building movement. Another example is a consulting firm that writes a green plan for a city or business.

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<sup>19</sup> Urban Green Partnership at [urbangreenpartnership.org](http://urbangreenpartnership.org)

<sup>20</sup> Rapidly renewable materials are considered to be an agricultural product, both fiber and animal that takes 10 years or less to grow or raise, and to harvest in an ongoing and sustainable fashion. Bamboo is the fastest-growing plant on Earth.

<sup>21</sup> New Construction and Major Renovation LEED Reference Guide, Version 2.2, U.S. Green Building Council (September 2006).

*Using green business practices.* Green business practices are alternative methods of doing business that promote resource conservation, prevent or reduce pollution, or have other beneficial environmental effects. Examples of green business processes include: buying products locally to reduce shipping distance, recycling waste products (where possible), or maximizing the use of natural lighting to reduce use of electricity and light bulbs.

Potential impacts of global climate change. There is growing support for but not a consensus about whether global climate change is occurring as a result of greenhouse gas emissions. There is a lot of uncertainty surrounding global climate change, including the pace of climate change and the ecological and economic impacts of climate changes. In the Pacific Northwest, climate change may result in the following changes: (1) increase in average temperatures, (2) shift in the type of precipitation, with more winter precipitation falling as rain, (3) decrease in mountain snow-pack and earlier spring thaw and (4) increases in carbon dioxide in the air.<sup>22</sup> Assuming that global climate change is occurring and will continue to occur over the next 20 years, a few broad, potential economic impacts for the nation and Pacific Northwest include:<sup>23</sup>

*Potential impact on agriculture and forestry.* Climate change may impact Oregon’s agriculture through changes in: growing season, temperature ranges, and water availability.<sup>24</sup> Climate change may impact Oregon’s forestry through increase in wildfires, decrease in the rate of tree growth, change in mix of tree species, and increases in disease and pests that damage trees.<sup>25</sup>

*Potential impact on tourism and recreation.* Impacts on tourism and recreation may range from: (1) decreases in snow-based recreation if snow-pack in the Cascades decreases, (2) negative impacts to tourism along the Oregon Coast as a result of damage and beach erosion from rising sea levels,<sup>26</sup> (3) negative impacts on availability of water summer river recreation (e.g., river rafting or sports fishing) as a result of lower summer river flows, and (4) negative impacts on the availability of water for domestic and business uses.

*Potential changes in government policies.* There is currently no substantial national public policy response to global climate change. States and regional associations of states are in the process of formulating policy responses to address climate change including: increasing renewable energy generation, selling agricultural carbon sequestration credits, and encouraging

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<sup>22</sup> “Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

<sup>23</sup> The issue of global climate change is complex and there is a substantial amount of uncertainty about climate change. This discussion is not intended to describe all potential impacts of climate change but to present a few ways that climate change may impact the economy of cities in Oregon and the Pacific Northwest.

<sup>24</sup> “The Economic Impacts of Climate Change in Oregon: A preliminary Assessment,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

<sup>25</sup> “Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

<sup>26</sup> “The Economic Impacts of Climate Change in Oregon: A preliminary Assessment,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

energy efficiency.<sup>27</sup> Without clear indications of future government policy, it is impossible to assess the impact of government policies on the environment and subsequently, the economy. However, the impending issue of global climate change will also offer economic *opportunities*. The search for alternative energy sources may result in increased investment and employment in “green” energy sources, such as wind, solar, and bio-fuels. Firms in the Northwest are well positioned to lead efforts on climate change mitigation, which may result in export products, such as renewable technologies or green manufacturing.<sup>28</sup>

Short-term national trends will also affect economic growth in the region, but these trends are difficult to predict. At times these trends may run counter to the long-term trends described above. A recent example is the downturn in economic activity starting in 2007 following declines in the housing market and the mortgage banking crisis. The result of the economic downturn has been a decrease in employment related to the housing market, such as construction and real estate. Employment in these industries will recover as the housing market recovers and will continue to play a significant role in the national, state, and local economy over the long run. This report takes a long-run perspective on economic conditions (as the Goal 9 requirements intend) and does not attempt to predict the impacts of short-run national business cycles on employment or economic activity.

The national trends discussed above inform many of the emerging and targeted industry clusters identified in this EOA. They also underscore the importance of concentrating traded-sector industries in Newberg to reduce energy consumption and reliance on commuting. It’s important to note that, despite national trends, Newberg has maintained a relatively high percentage of manufacturing jobs within the community and supports continuing to do so.

### ***Regional Economic Development Industry Clusters and Targeted Industries***

Industry clusters of a region are its principal economic drivers. The Portland Regional Business Plan identifies specific, traded-sector industry clusters that should be supported to enhance the economic base of the region. The Plan defines a cluster as follows:

*A cluster is a group of firms that, though their interactions with each other and with their customers and suppliers, develop innovative, cutting-edge products and processes that distinguish them in the market place and from firms in the same industry found elsewhere. The competitiveness of an industry cluster is determined by the presence of highly specialized pools of skills, technology and infrastructure tailored to the needs of the cluster firms. The presence of sophisticated and demanding customers in a cluster pressures firms to innovate on a continuing basis....*

*Those industry clusters that compete nationally and internationally are the core of this region’s economy and what distinguishes it from other regions. The industry cluster that exist and that are emerging in the metropolitan area are built on the distinctive*

<sup>27</sup> Pew Center on Global Climate Change website: [http://www.pewclimate.org/what\\_s\\_being\\_done/in\\_the\\_states/](http://www.pewclimate.org/what_s_being_done/in_the_states/)

<sup>28</sup> “The Economic Impacts of Climate Change in Oregon: A preliminary Assessment,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

*knowledge competencies of the region, and the strengths that currently enable the region to compete globally for economic activity and investment. Additionally, industries that sell their products and services nationally and internationally have greater long-term growth potential since their opportunities for growth are not constrained by the size of this region's market. For these reasons, focusing on industry clusters is both a more efficient and effective use of this region's efforts and resources.*

The Plan identifies the following industry clusters that the Portland region should focus on in their economic development efforts. Because of Newberg's proximity to the region, Newberg also has good likelihood of attracting these industries, and also should focus on attracting them. These include:

1. Established
  - a. High Tech (Semiconductors/Silicon, Imaging & Display Technology)
  - b. Metals, Machinery, Transportation Equipment
  - c. Nursery Products
  - d. Specialty Foods and Food Processing
  - e. Lumber and Wood Products
  
2. Emerging
  - a. High Tech (Nano & Micro Technology, Cyber-Security, Health/Medical Information Technology)
  - b. Creative Services (Advertising, Public Relations, Film and Video, Web/Internet Content and Design)
  - c. Sports Apparel/Recreation-Related Products
  
3. Targeted (clusters desired to create and establish)
  - a. Biotech/Bioscience (Medical Devices, Bioinformatics, Pharmaceuticals, Genomics, Anti-Virals)
  - b. Sustainable Industries (Renewable Energy, Resource Efficiency Technologies, Sustainable Building Materials, Green Chemistry)
  - c. Professional Services (Architecture, Engineering, Legal and Financial Services, etc.)
  - d. Distribution & Logistics

Newberg should provide opportunities for these industries to expand and locate within the Newberg UGB over the 20-year planning period. In addition, costs of doing business in Newberg (e.g. real estate, taxes) can often be significantly lower than in much of the Portland metro area. Our community offers a unique quality of life compared to others in the region, one that will attract those who believe their business will benefit from being located here. If Newberg provides suitable sites for these industry clusters, there is a reasonable likelihood that they will choose our community.

### ***Yamhill County Agri-Business***

In June 2009, Barney & Worth, Inc. prepared the *Yamhill County Agri-Business Economic and Community Development Plan: Summary Report* for Yamhill County. The plan assessed the existing state of agriculture and agri-tourism in the County, and assessed future opportunities for

growth. According to the report, Nursery and Greenhouse Crops comprise 45.2% of the value of agricultural production in the county.

**Table 12- 1: Yamhill County Value of Agricultural Production, 2007**

Yamhill County Value of Agricultural Production, 2007	Value (\$000)	Percent of Total
<b>All Crops</b>		
Nursery & Greenhouse Crops	\$133,724	45.2%
Grass & Legume Seeds	\$56,889	19.2%
Nuts & Tree Fruit	\$24,684	8.3%
Small Woodlots and Christmas Trees	\$13,204	4.5%
Grain & Hay	\$9,600	3.2%
Vegetable & Truck Crops	\$3,185	1.1%
Other Crops (Wine Grapes)	\$13,387	4.5%
Sub total	\$254,673	86.0%
<b>All Livestock</b>		
Dairy Products	\$20,482	6.9%
Poultry	\$9,780	3.3%
Cattle	\$6,267	2.1%
Other Animal Products	\$4,903	1.7%
Sub total	\$41,432	14.0%
<b>All Crops and Livestock</b>	<b>\$296,105</b>	

Source: Oregon Agricultural Information Network.

The report also recognizes great opportunities in the agri-tourism sectors. Key findings from the report include:

*For 150 years and longer, Yamhill County has benefitted from its strong agricultural base. Even now, the agriculture sector produces \$300 million in annual sales (not including food processing and wine). The great strength of Yamhill County agriculture is its diversity. Local agricultural production remains strong in many profitable sub-sectors, with fast growing horticulture accounting for nearly half of total sales. The future for Yamhill County agriculture looks bright.*

*Alongside horticulture and traditional crops, the Yamhill County wine industry has emerged over the past 30 years to become headline news nationally and internationally. Yamhill's name – like Napa, Sonoma, Bordeaux and Burgundy – has become synonymous with its wine. With the wine sector continuing to flourish, new wineries opening each year, more acres planted with grapes, this trend will also be sustained in Yamhill County.*

*Coupled with the area's scenic beauty (thanks in part to agriculture!), the wineries assure that Yamhill County will continue to host many visitors. Estimates already place that number at 1.5 million per year who visit local wineries. Half of*

*those visitors come from the Portland area, and the other half are from the western states and all over the U.S. and world.*

...

*Yamhill County – with its solid agricultural base, wine destination status, proximity to the metro area, and stunning beauty – also appears to be on the verge of something great. With the opening of the Allison resort in Newberg, along with other new attractions, there’s an opportunity just now to pick priorities and adopt strategies that move the community forward.<sup>29</sup>*

The plan identifies a number of key ingredients to secure the future for Yamhill County’s agriculture and tourism sectors:

*Shared vision for Yamhill County’s future. Yamhill County communities and citizens need to reach agreement on values and priorities for the future. Tourism is here to stay – now is the critical time to plan, safeguarding quality of life for local residents and maximizing the potential for community benefits.*

*More lodging facilities. To capture the economic benefits of the estimated 1.5 million annual visitors to wine country, Yamhill County must have more high amenity overnight accommodations.*

*More attractions. Wineries and hotels alone aren’t enough to hold every visitor’s attention and assure repeat visits. Wine tourism is seasonal and cyclical, and other destinations and attractions will be needed to complement Yamhill County wine country and fill out the tourism calendar: arts and culture, entertainment, historic sites, parks and trails, golf, outdoor adventures, shopping.*

*Rezoning to accommodate prototype development projects. Analysis has revealed the types of representative projects needed to support agriculture and tourism lack adequate sites. Rezoning enables communities to place these projects where they “fit” and provide benefits to the community.*

*Site assembly. Preparing land for development, from initial site selection through planning and marketing, is site assembly. To assure job growth and allow for new investment, communities will need to be proactive in identifying an adequate supply of properly sized, suitably zoned development sites and be active participants in the development process.*

*County-wide infrastructure strategy. The most pressing problem for every community is infrastructure. Regional cooperation in Yamhill County to jointly plan for the future and secure adequate drinking water supplies can be a model*

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<sup>29</sup> *Yamhill County Agri-Business Economic and Community Development Plan: Summary Report* Prepared for: Yamhill County, Oregon, Barney & Worth, Inc., in association with Globalwise, Inc., E.D. Hovee & Company, LLC, and Spencer & Kupper, page 41.

*for cost saving inter-agency arrangements for other services. Moving ahead with a reprisal solution for drinking water is critical for many Yamhill County communities.*

*Coordinate opportunity sites / services. The shortage of suitable development sites and scarcity of funds require strategic thinking. Which key sites and development opportunities must have adequate services available?<sup>30</sup>*

## **Regional Industrial Land Availability**

In January 2009, Metro published its *Urban Growth Report, 2009-2030*. That study made a number of findings.

- The Metro area anticipates captures 73% to 75% of the Portland-Vancouver MSA’s employment growth. The lowest capture rates were in manufacturing (52% to 62%), retail (62% to 63%), and accommodation and food service (62% to 63%).
- As for availability of land, the report states, *The current employment demand forecast and the analysis of employment capacity within the UGB do not indicate a need to add land to the boundary for industrial or non-industrial purposes at the regional level to maintain sufficient capacity to support the region’s forecasted employment at the low end of the demand range. However, the analysis does show a need for additional capacity through investments, policy changes, or expansions to support the high end of the demand range for non-industrial employment. Further analysis of preferences for large lots and the current inventory results in a small potential gap in the land needed to support current preferences for large lot formats for single and multi-tenant users.*
- The study also concluded that one-quarter of the metro industrial land supply was only “Fair” or “Poor” considering development readiness and development constraints.

The report did not inventory industrial land outside Metro but within the MSA. The report’s findings suggest significant opportunities for industrial and employment growth outside Metro, including those targeted by Newberg.

In 2011, Metro added a 330-acre area north of Hillsboro for the purposes of attracting future large-site industrial employers.

Business Oregon, along with the Port of Portland, Metro, NAIOP, and the Portland Business Alliance presented their *Regional Industrial Lands Inventory Findings* in November 2011. Those findings considered the quantity and quality of available industrial lands in the region, and the demand for that land. The report concluded:

- 25% of Business Oregon leads were seeking sites of over 25 acres.
- There was consistent interest in 50+ and 100+ acre sites, even during the current economic downturn.

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<sup>30</sup> Barney & Worth, Inc., page 43.

- Diversity of site sizes is critical to traded sector industries and competitiveness.
- Aggregate large lot, industrial land supply within the Metro region is constrained on a number of fronts
- The region had few Tier 1 market ready sites and choices for traded-sector opportunities.

The report's findings suggest there should be additional economic opportunities for industrial users, particularly large lot industrial users, outside the metro area, such as in Newberg.

## ***Newberg Population Profile***

### **Historic and Future Growth Trends**

Newberg has grown steadily through the last few decades. Table 12- 2 shows the population growth over time since 1960.

**Table 12- 2: Newberg Census Populations**

<b>Year</b>	<b>Population</b>
1960	4,204
1970	6,507
1980	10,394
1990	13,086
2000	18,064
2010	22,068

Source: U.S. Census Bureau

Portland State University estimated Newberg's July 1, 2011 population to be 22,230. Newberg's UGB population in 2011 is estimated to be 22,730.<sup>31</sup>

Between 1990 and 2010, Newberg grew at an average annual growth rate of 2.65%. Between 2000 and 2010, Newberg grew 18%. In comparison, Newberg's growth rate was greater than the Portland Metropolitan area's at 13%, the state of Oregon at 11%, and Yamhill County's at 14%.<sup>32</sup> It should be noted that Yamhill County, where Newberg is located, is part of the Portland Metropolitan Statistical Area (PMSA).

Newberg adopted population forecasts for the Newberg urban area in 2005. Following receipt of the 2010 Census information, Yamhill County has announced a desire to create a population study for the county and the urban areas within the county. Yamhill County used Portland State University's Population Research Center to develop forecasts for the county and each urban area in the county. The County adopted the forecasts from the study on November 8, 2012. This study forecasted a Newberg urban area 2032 population of 36,610. Newberg subsequently adopted this population forecast.

<sup>31</sup> Population Research Center, Portland State University, *Population Forecasts for Yamhill County, its Cities and Unincorporated Area, 2011-2035*, 2012.

<sup>32</sup> U.S. Census Bureau

**Table 12- 3: Newberg Urban Area Population Forecast**

	<b>Population Forecast 2032</b>	<b>Population Forecast 2035</b>
Newberg UGB	36,610	38,490

Source: Yamhill County Comprehensive Plan, 2012

## Age Characteristics

Table 12- 4 below compares Newberg’s population by age categories with the populations of Yamhill County, the Portland Metropolitan Statistical Area (PMSA), and the state of Oregon. The table also compares the median age for each geographical area.

**Table 12- 4: Comparative Age Characteristics**

<b>Age Categories</b>	<b>Newberg</b>	<b>Yamhill County</b>	<b>PMSA</b>	<b>Oregon</b>
<b>Under 5 years</b>	7.40%	6.80%	6.80%	6.40%
<b>5 to 9 years</b>	6.10%	7.00%	6.60%	6.30%
<b>10 to 14 years</b>	5.80%	6.90%	6.50%	6.30%
<b>15 to 19 years</b>	8.40%	7.70%	6.40%	6.70%
<b>20 to 24 years</b>	9.00%	6.80%	6.10%	6.80%
<b>25 to 29 years</b>	9.40%	7.00%	8.00%	7.10%
<b>30 to 34 years</b>	8.20%	6.40%	7.70%	6.60%
<b>35 to 39 years</b>	6.90%	6.90%	7.50%	6.80%
<b>40 to 44 years</b>	6.00%	6.20%	7.30%	6.60%
<b>45 to 49 years</b>	7.30%	7.20%	7.50%	7.20%
<b>50 to 54 years</b>	4.60%	7.20%	7.30%	7.40%
<b>55 to 59 years</b>	6.20%	6.40%	6.50%	6.90%
<b>60 to 64 years</b>	4.20%	4.90%	5.00%	5.70%
<b>65 to 69 years</b>	3.10%	3.40%	3.20%	4.00%
<b>70 to 74 years</b>	1.90%	2.70%	2.40%	2.90%
<b>75 to 79 years</b>	1.20%	2.30%	1.80%	2.40%
<b>80 to 84 years</b>	1.30%	1.80%	1.60%	2.00%
<b>85 years and over</b>	2.90%	2.20%	1.60%	2.00%
<b>Median Age (years)</b>	32.9	35.9	36.2	37.9

Source: 2007-2009 American Community Survey

The data shows that Newberg’s population is younger than the comparative populations, especially in the 20 to 34 year old categories. This is likely due to the presence of students attending George Fox University. In general, our population over 45 years of age is somewhat lower than the comparative populations.

## Educational Attainment and Income

Table 12- 5 below compares the educational attainment of the Newberg population over 25 years of age compared with Yamhill County, the PMSA, and the state of Oregon. Newberg has a lower number of high school graduates than Yamhill County, the PMSA, or Oregon. Newberg also has fewer residents with a Bachelor's degree or higher when compared to the PMSA and the state. This may indicate that, although Newberg has a strong workforce in many areas, it does not have as many of the highly skilled professional jobs available that would require a Bachelor's degree.

**Table 12- 5: Comparative Educational Attainment**

	<b>Newberg</b>	<b>Yamhill County</b>	<b>PMSA</b>	<b>Oregon</b>
<b>Less than 9th grade</b>	4.59%	5.36%	3.47%	3.71%
<b>9th to 12th grade, no diploma</b>	4.36%	6.26%	5.47%	6.17%
<b>High school graduate, GED, or alternative</b>	19.34%	24.42%	20.35%	22.45%
<b>Some college, no degree</b>	23.04%	23.22%	22.84%	23.06%
<b>Associate's degree</b>	7.94%	6.71%	6.95%	7.14%
<b>Bachelor's degree</b>	15.50%	12.90%	19.22%	16.09%
<b>Graduate or professional degree</b>	7.83%	7.43%	10.54%	9.04%
<b>Percent High School Graduate or Higher</b>	73.64%	74.69%	79.90%	77.79%
<b>Percent Bachelor's Degree or Higher</b>	23.33%	20.33%	29.77%	25.13%

Source: 2007-2009 American Community Survey 3-Year Estimates

Table 12- 6 below compares the household income levels of the Newberg population over 25 years of age compared with the state of Oregon, Yamhill County and the PMSA. Newberg has a higher percentage of households in the \$20,000 - \$25,000, \$35,000 - \$40,000, and \$45,000 - \$50,000 ranges. These are likely due to the number of Newberg workers with jobs in the manufacturing, retail, and educational services sectors. Newberg also has a higher percentage of households in the \$60,000 - \$100,000 range. This may be due to local workers with management level jobs, and may also be attributable to higher wages earned by workers living in Newberg and working in other cities. As seen in Figure 12- 2 on page 22, Newberg has a high percentage of workers commuting out of Newberg to jobs in other cities.

Table 12- 6: Comparative Household Income

Household Income*	Newberg	Yamhill County	PMSA	Oregon
Less than \$10,000	5.96%	5.14%	5.73%	7.20%
\$10,000 to \$14,999	5.81%	5.80%	4.54%	5.63%
\$15,000 to \$19,999	5.95%	6.21%	4.69%	5.72%
\$20,000 to \$24,999	5.55%	4.48%	4.72%	5.78%
\$25,000 to \$29,999	4.14%	5.30%	4.86%	5.61%
\$30,000 to \$34,999	3.46%	4.52%	4.98%	5.64%
\$35,000 to \$39,999	6.16%	5.94%	4.87%	5.40%
\$40,000 to \$44,999	4.42%	5.14%	4.91%	5.08%
\$45,000 to \$49,999	6.94%	5.42%	4.53%	4.55%
\$50,000 to \$59,999	6.86%	8.67%	8.92%	8.95%
\$60,000 to \$74,999	15.70%	12.73%	11.40%	10.89%
\$75,000 to \$99,999	15.30%	14.03%	13.57%	12.26%
\$100,000 to \$124,999	8.25%	7.30%	8.70%	7.17%
\$125,000 to \$149,999	2.61%	3.79%	5.16%	3.93%
\$150,000 to \$199,999	2.90%	3.28%	4.50%	3.27%
\$200,000 or more	0.00%	2.25%	3.93%	2.92%

\*In 2009 Inflation-Adjusted Dollars

Source: 2007-2009 American Community Survey 3-Year Estimates

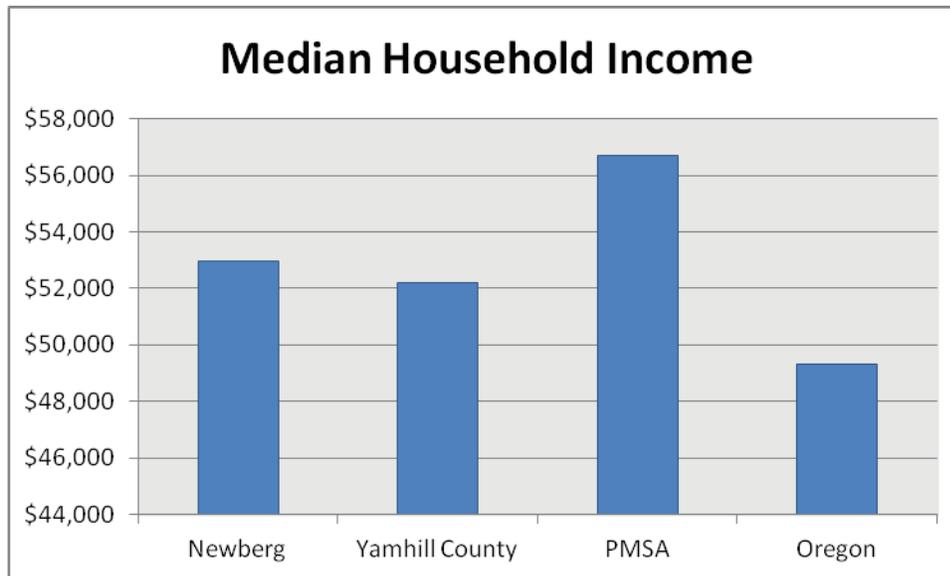
Table 12- 7 compares the median household income for Newberg, Yamhill County, the PMSA, and the state of Oregon. Figure 12- 1 graphically shows that Newberg's median household income is higher than that of Yamhill County and the state, and slightly lower than that for the PMSA.

Table 12- 7: Comparative Median Household Income

	Newberg	Yamhill County	PMSA	Oregon
Median Household Income	\$52,948	\$52,206	\$56,689	\$49,325

Source: U.S. Census Bureau, 2007-2009 American Community Survey

Figure 12- 1: Comparative Median Household Income



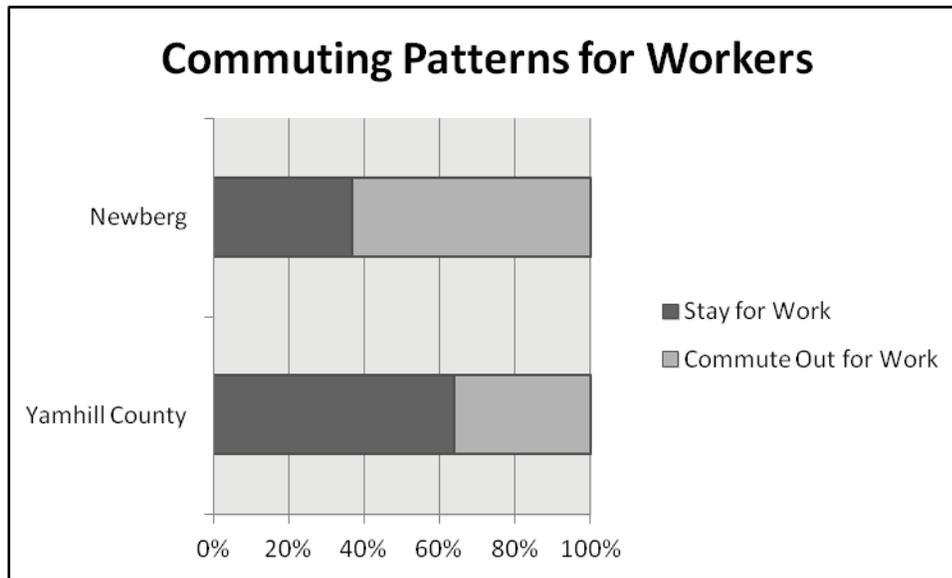
Source: U.S. Census Bureau, 2007-2009 American Community Survey 3-Year Estimates

Comparing the previous education and income tables reveals a very interesting profile of the Newberg community. The Newberg population has a smaller percentage of 4-year college and graduate degrees than the state or the PMSA; however, Newberg is also home to George Fox University. This indicates that George Fox University graduates are not remaining in Newberg, whether by choice or by other factors such as limited available job opportunities. Newberg's median household income is slightly higher than that for Yamhill County, but lower than that for the PMSA. As shown in Figure 12- 3 on page 24, Newberg has a high percentage of workers in educational services and manufacturing jobs, both historically lower-paying professions (with the exception of highly skilled manufacturing jobs).

### Commuting Patterns

The 2007-2009 American Community Survey 3-Year Estimates indicate that approximately 63% of workers over age 16 that live in Newberg travel outside of Newberg for work. The data indicates that the mean travel time for a worker leaving Newberg for work is approximately 25 minutes. Given Newberg's relatively close proximity to the Portland metropolitan area, it is reasonable to assume that many of the workers leaving Newberg for work are going to one of the nearby Portland suburbs (which are located in Washington, Multnomah and Clackamas Counties). Figure 12- 2 below shows this commuting pattern.

Figure 12- 2: Commuting Patterns for Workers



Source: 2007-2009 American Community Survey 3-Year Estimates

Approximately 36% of all workers that live in Yamhill County commute to the nearby Portland metropolitan area counties (Washington, Multnomah and Clackamas Counties); a statistic that is similar to the number of Newberg workers commuting out to these counties. The Newberg number is likely higher due to its proximity to these neighboring counties relative to the rest of the Yamhill County population.

Reasons for these commuting patterns are likely to be manifold, and may include:

- Lower housing costs in Newberg compared to the Portland area.
- More employment opportunities in the Portland area.
- Desire to live in a community like Newberg with a high quality of life and sense of community, rather than a “same as everywhere else” type of Portland area suburb.

Newberg would like to provide more local employment opportunities, thus reducing travel time and distance for existing and future residents. In short, Newberg would like to reverse trends towards “bedroom community” status by providing a greater variety of local employment opportunities. To achieve this objective, Newberg must provide industrial sites with characteristics that capitalize on Newberg’s comparative economic advantages.

## ***Newberg Employment Characteristics***

### **Historic Economy**

Settlement of our region by people of European ancestry began a mostly agricultural economy for the area. As the region developed, Newberg slowly became the commercial center for the eastern end of Yamhill County and it remains so to this day. Evidence of this development is expressed through Newberg’s Central Business District, which consists of many early twentieth century buildings constructed in a high-density pattern.

The advent of the car as a primary mode of transportation for people brought about commercial development pattern of a lower density. Most of this type of development is situated along Highway 99W in the eastern section of the city.

Employment growth in Newberg has been strong and steady over the past several decades. Table 12- 8 shows Newberg employment growth from 1978 to 2010.

**Table 12- 8: Newberg Employment 1978-2010**

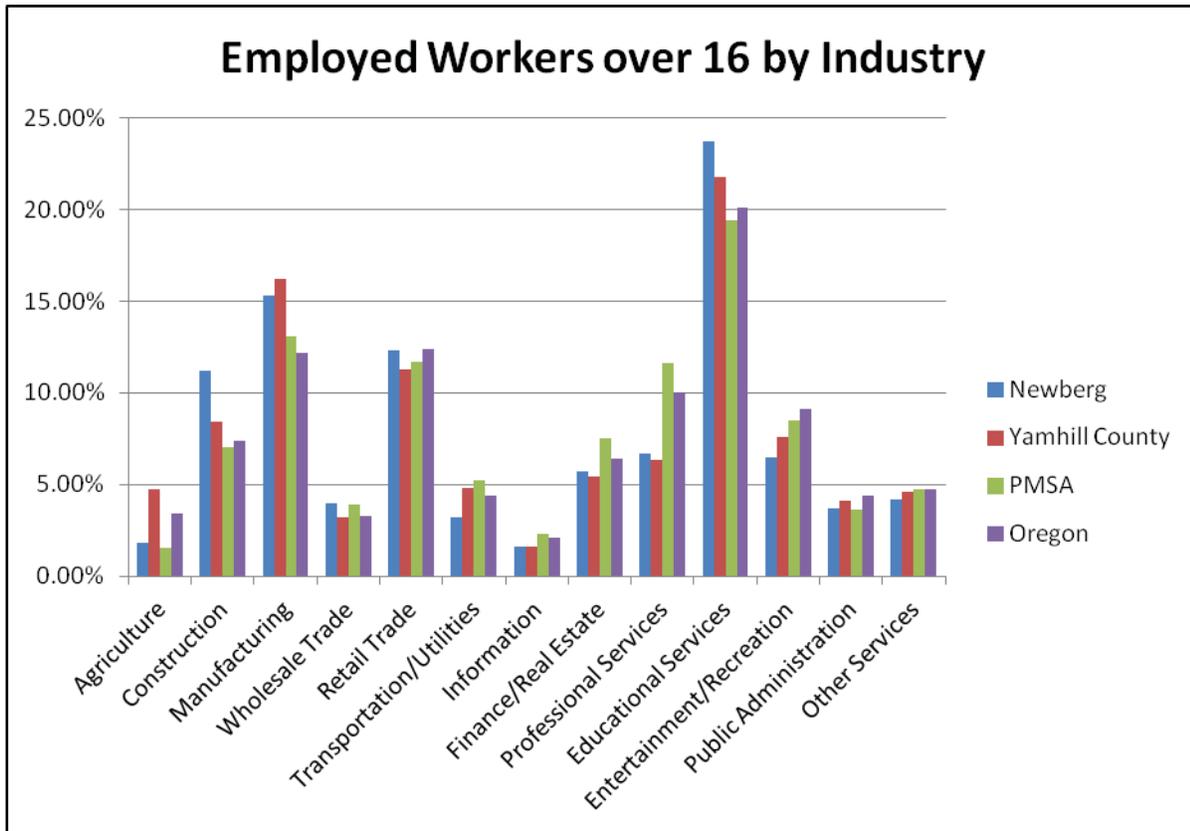
Year	Employment	AAGR
1978	3,250	
1992	4,645	2.6%
2010	8,053	3.1%

Sources: Newberg Inventory of Natural and Cultural Resources, 1978, Newberg Transportation System Plan 1994, Oregon Employment Department 2011

### Current Economy

Newberg has a diverse economic base. This diversity, along with the types of businesses, has provided Newberg with a reasonably stable economy. Figure 12- 3 shows how Newberg compares with Yamhill County, the PMSA and the state for percentage of workers by industry. As the chart shows, Newberg has a high percentage of workers in construction, manufacturing, retail trade, and educational services.

Figure 12- 3: Employed Workers over 16 by Industry



Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates

Table 12- 9 shows the estimated Newberg employment by industry in 2010.

Table 12- 9: Estimated Newberg Employment by Industry 2010

Industry	City	Urban Area
Construction	197	387
Manufacturing	1,763	2,164
Wholesale Trade	81	115
Retail Trade	830	837
Transportation, Warehousing & Utilities	79	119
Information	45	51
Financial Activities	245	253
Professional & Business Services	310	370
Education & Health Services	2,170	2,193
Leisure & Hospitality	1,014	1,033
Other Services	381	439
Government	938	958
<b>Total</b>	<b>8,053</b>	<b>8,919</b>

Source: Oregon Employment Department, Newberg Planning Division<sup>33</sup>

<sup>33</sup> Certain data is confidential at the city level, including management and utilities employment. This data was

The following is a list of the top employers located within the urban growth boundary of Newberg in 2010.

**Table 12- 10: Newberg Top Employers 2010**

<b>Employer</b>	<b>Average Employment</b>	<b>Product Description</b>	<b>Industry Cluster</b>
A-dec	952	Dental equipment	Manufacturing
Newberg Public Schools	566	K-12 Education	Education
Providence Newberg Medical Center	545	Health Care	Health Care
George Fox University	412	Higher Education	Higher Education
SP Newsprint Company	265	Newsprint	Manufacturing
Fred Meyer, Inc.	240	Groceries, retail	Retail
City of Newberg	196	Government	Government
Friendsview Retirement Center	175	Continuing care retirement community	Health Care
The Allison Inn and Spa	165	Hotel and spa	Wine/Tourism
Climax Portable Machine Tools	131	Portable machine tools	Manufacturing
Marus Dental	100	Dental Equipment	Manufacturing
Hazelden Springbrook	80	Alcohol and drug treatment	Health Care
Chehalem Youth & Family Services	80	Child and family services	Health Care
Harris Thermal Transfer Products	68	Heat exchanger manufacturing	Manufacturing
Dental Components, Inc.	60	Dental equipment	Manufacturing
Ushio Oregon, Inc.	56	High intensity lamps	Manufacturing
Safeway	56	Groceries, pharmacy	Retail
PPM Technologies	54	Food processing machinery	Manufacturing
A.R.E. Manufacturing	35	Dental equipment and boat parts	Manufacturing

Source: Chehalem Valley Chamber of Commerce; Reuters; Manta.com

Newberg has a higher than average manufacturing employment base. The list of companies in the table above shows that many of the community's businesses are industrial in nature. Education (e.g. George Fox University) and health care (e.g. Providence Newberg Medical

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imputed based on other available information, such as Yamhill County data.

Center) are also big components of Newberg’s economic structure. With the addition of the Allison Inn & Spa, the wine industry is beginning to make a larger impact, along with the associated tourism industry: bed and breakfasts, restaurants, art shops, wine-tasting rooms.

## Retail Conditions

Newberg’s close proximity to the Portland metro area and relatively low retail opportunities results in retail dollar “leakage” from the community. This means that fewer retail dollars stay in the community and continue to circulate within the local population. Support for this assertion of retail dollar leakage can be demonstrated through some simple calculations. By taking the total annual retail sales numbers of area, divided by the area’s population, one gets a total annual retail spending per capita in that community. Using this formula, the following is a list of the annual retail sales per capita of similarly sized and situated cities in Oregon.

**Table 12- 11: Population and Retail Sales (2007)**

Geographic Area	Sales (\$1,000)	Population	Annual Retail Sales Per Capita
Wilsonville	\$873,067	18,814	\$46,405
Roseburg	\$781,574	20,906	\$37,385
Sandy	\$255,974	8,643	\$29,616
Medford	\$2,045,693	72,186	\$28,339
Bend	\$2,087,937	74,563	\$28,002
Grants Pass	\$862,526	33,171	\$26,002
Klamath Falls	\$498,773	19,662	\$25,367
Woodburn	\$441,704	22,044	\$20,037
Redmond	\$438,042	23,769	\$18,429
McMinnville	\$518,669	30,899	\$16,786
Pendleton	\$248,230	16,477	\$15,065
Sherwood	\$250,150	17,219	\$14,528
Oregon	\$50,370,919	3,747,455	\$13,441
<b>Newberg</b>	<b>\$289,314</b>	<b>22,193</b>	<b>\$13,036</b>
United States	\$3,917,663,456	301,621,157	\$12,989
Ashland	\$224,419	21,299	\$10,537
Canby	\$162,723	15,602	\$10,430
Forest Grove	\$116,579	20,402	\$5,714
Central Point	\$90,777	16,447	\$5,519

Source: U.S. Census Bureau, 2007 Economic Census

Newberg’s local retail spending is slightly below the state average. McMinnville’s retail spending is higher than Newberg, but it also has more shopping opportunities. Ashland and Medford’s relationship is much like Newberg’s with the Portland metro area, with many Ashland retail dollars likely to be going to Medford businesses. Other commercial centers around Oregon, especially those geared toward retail and tourism such as Wilsonville, Bend, and

Woodburn, also attract more retail dollars per capita than the state average.

It is acknowledged that this calculation is simplistic. Many other variables would affect a more thorough analysis, such as total income, disposable income, geographic boundaries and population dispersion. However, it is probable that the biggest factor in retail dollar leakage remains the fact that small towns with limited shopping opportunities will always lose retail dollars to nearby urban centers.

Outside of Newberg, agriculture is still an important industry to the area's economy. The wine/tourism industry has an especially large impact upon Newberg. Many new businesses such as restaurants, bed and breakfasts, art galleries, and gift shops, have been established with the recognition that tourists would be a principal customer. The Yamhill Valley (consisting of portions of Yamhill and Polk counties) is the heart of Oregon's \$576 million wine industry, with about 200 vineyards and 85 of Oregon's 200 wineries.<sup>34</sup> The wine industry in Yamhill County has grown exponentially over the last few decades.

### **III. Assessment of Community Economic Development Potential**

This section, Assessment of Community Economic Development Potential (OAR 660-009-0015-4), determines the types and amounts of industrial and other employment uses likely to occur in the planning area, relating to the results of the Trends Analysis and Inventory, and considers the planning area's economic advantages and disadvantages.

#### ***State Employment Forecast***

In December 2011, the Oregon Employment Department released its forecast for employment statewide for the period 2010-2020. The department forecasts that total state employment will grow at an average annual rate of 1.7% during that period. The forecast is shown in Table 12- 12 below.

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<sup>34</sup> *News-Register*

Table 12- 12: Statewide Employment Forecast, 2010-2020

Industry	2010	2020	Change	% Change	AAGR
Natural resources and mining	50,900	58,900	8,000	16%	1.5%
Construction	67,600	86,100	18,500	27%	2.4%
Manufacturing	164,200	189,100	24,900	15%	1.4%
Trade, transportation, and utilities	309,300	359,400	50,100	16%	1.5%
Information	32,200	36,800	4,600	14%	1.3%
Financial activities	92,600	104,700	12,100	13%	1.2%
Professional and business services	182,300	231,400	49,100	27%	2.4%
Educational and health services	228,600	296,100	67,500	30%	2.6%
Leisure and hospitality	162,300	193,900	31,600	19%	1.8%
Other services	57,200	66,400	9,200	16%	1.5%
Government	298,900	321,300	22,400	7%	0.7%
<b>Total payroll employment</b>	<b>1,646,100</b>	<b>1,944,100</b>	<b>298,000</b>	<b>18%</b>	<b>1.7%</b>

Source: Oregon Employment Department, 2011

### ***Regional Employment Forecast***

In December 2011, the Oregon Employment Department also issued employment forecasts for 2010-2020 for the regions surrounding Newberg. The forecasts projects that employment growth in the region will exceed the state average. The Employment Department forecasts that employment in the region will increase by 20 percent over the coming decade. Table 12- 13 below shows the combined employment projections for Region 2 (Multnomah and Washington Counties), Region 3 (Marion, Yamhill, and Polk Counties), and Region 15 (Clackamas County). The combined projection was used because Newberg is almost centrally located within this six county region.

**Table 12- 13: Combined Nonfarm Employment Projection for Regions 2, 3, and 15, 2010-2020 (Multnomah, Washington, Marion, Polk, Yamhill, & Clackamas Counties)**

Industry	2010	2020	Change	% Change	AAGR
Construction	42,280	55,530	13,250	31%	2.8%
Manufacturing	105,810	121,260	15,450	15%	1.4%
Wholesale Trade	51,360	62,140	10,780	21%	1.9%
Retail Trade	101,160	117,130	15,970	16%	1.5%
Transportation, Warehousing & Utilities	32,560	39,120	6,560	20%	1.9%
Information	20,810	24,630	3,820	18%	1.7%
Financial Activities	61,230	69,950	8,720	14%	1.3%
Professional & Business Services	123,610	158,870	35,260	29%	2.5%
Education & Health Services	140,380	184,060	43,680	31%	2.7%
Leisure & Hospitality	92,400	112,380	19,980	22%	2.0%
Other Services	35,070	40,990	5,920	17%	1.6%
Government	161,030	174,110	13,080	8%	0.8%
<b>Total</b>	<b>967,700</b>	<b>1,160,170</b>	<b>192,470</b>	<b>20%</b>	<b>1.8%</b>

Source: Oregon Employment Department, 2011.

### ***Newberg Employment Forecast***

Newberg's employment forecast is based on the historic employment growth rate for Newberg, and the Oregon Employment Department's regional employment forecast. As noted in Table 12-8 on page 23, employment growth in Newberg historically has been strong and steady.

Employment from 1992-2010 had an average annual growth rate of 3.1%. As noted in Table 12-13 above, the Oregon Employment Department projects overall employment in the region to grow at an average annual rate of 1.8% from 2010-2020.

It is reasonable to forecast that the future employment growth rate in Newberg will be close to the middle of these two rates. Newberg's comparative advantages listed in this report indicate that Newberg's historically strong employment growth should continue into the future.

However, the regional growth projections suggest that, at least for the short term, Newberg's employment growth will not reach the historic rate of 3.1%. Long term employment growth should be higher than the projected shorter term regional growth rate for a number of reasons, including:

- Regional growth projections for the period through 2020 consider a slow but steady recovery from the recession from the late '00s. It is reasonable to assume that longer term growth will shake off the lingering effects of this recession.
- Over 80 percent of jobs are located in cities<sup>35</sup>, so much more job growth can be expected

<sup>35</sup> *Oregon Blue Book*, "City Government in Oregon", 2011.

within cities than in the rural areas of the region

- Newberg’s comparative advantages suggest that it is poised to capture more than its proportional share of regional employment growth, especially in sectors such as leisure and hospitality, manufacturing, education and health services, and construction.

Newberg forecasts that future employment in the Newberg urban area will grow at an average annual rate of 2.5%, which is midway between the historical employment growth rate and the regional forecasted growth rate. The employment projections are consistent with Newberg’s economic development goals to bring more family-wage jobs to the area and to avoid becoming a bedroom community. The forecasted employment is shown in Table 12- 14.

**Table 12- 14: Newberg Urban Area 2032 Employment Forecast**

Year	2010	2032
Employment	8,919	15,355

### Employment by Land Use Type

Newberg’s future employment was allocated by land use type. Employment was divided into three land use types:

1. Industrial. This type typically includes uses such as manufacturing, repair and maintenance, truck yards, contractor storage, and warehousing. These typically would use land with some type of Industrial comprehensive plan designation.
2. Commercial. This type includes uses such as medical offices, business offices, beauty salons, hotels, some auto repair, various types of retail businesses, and restaurants. These uses would typically be located in a Commercial comprehensive plan district, but may also be found in Institutional, Residential-Professional, or other comprehensive plan districts.
4. Other. This type typically includes schools, churches, government water and waste water plants, on-site construction, and home occupations. These may be located in Residential, Public/Quasi-Public, or other comprehensive plan districts.

The projected percentage of employment in each of these land use types is shown in Table 12-15 below.

**Table 12-15: Projected Distribution of Newberg Employment by Land Use Type**

Industry	Percent of Employment in Industry	Land Use Type			Total
		Industrial	Commercial	Other	
Construction	4.30%	30%	10%	60%	100%
Manufacturing	24.30%	91%	5%	4%	100%
Wholesale Trade	1.30%	82%	5%	13%	100%
Retail Trade	9.40%	0%	99%	1%	100%
Transportation, Warehousing & Utilities	1.30%	82%	18%	0%	100%
Information	0.60%	40%	50%	10%	100%
Financial Activities	2.80%	0%	90%	10%	100%
Professional & Business Services	4.10%	14%	82%	4%	100%
Education & Health Services	33.40%	0%	40%	60%	100%
Leisure & Hospitality	11.60%	0%	95%	5%	100%
Other Services	4.90%	40%	40%	20%	100%
Government	1.90%	0%	35%	65%	100%
<b>Total</b>	<b>100.00%</b>	<b>28.30%</b>	<b>44.50%</b>	<b>27.20%</b>	<b>100%</b>

Source: Newberg Planning Division 2011

This distribution was developed by the Newberg Planning Division. The percent of employment in each industry was determined using the estimated Newberg employment. To determine the percent of employment in each land use type, Newberg Planning staff used two sources: first, it used the 2004 Johnson-Gardner *City of Newberg – Demand for Commercial and Industrial Land* report, which determined land uses types by percentage and industry; and second, Newberg Planning staff reviewed Newberg business license data from 2010, and adjusted the percentages from the Johnson-Gardner report based on observations from that data. Note that the business license data does list employment that is exempt from business licensing, such as the School District, but the data is limited because it does not list employment counts. Newberg Planning staff was able to make some estimates using the business license data. The observations from the business license data include:

1. More construction employment uses office space than the Johnson-Gardner estimate.
2. Other services is a broad category including things such as auto repair, equipment repair, beauty salons, and religious institutions. It appears this employment is split approximately 40% industrial, 40% commercial, and 20% other.
3. Government employment is largely City of Newberg employment. Future needs for future public works facilities are accounted for in Public/Quasi-Public land needs projections, so they were included in the “other” category rather than industrial to prevent duplication.

Also, note that the Johnson-Gardner report in some areas projects employment will use land in more than one category. While this was professional judgment, the table above adjusted the counts so employment appears in only one category.

## ***Newberg's Comparative Advantages and Disadvantages***

### **Comparative Advantages**

1. Small town quality of life
  - a. Relatively affordable housing.
  - b. Attractive rural setting in heart of wine country.
  - c. Attractive historic downtown.
  - d. Full service city separate from Portland metropolitan area with deep sense of community and history.
  - e. High level of community engagement.
  
2. Access to quality education and skills training
  - a. George Fox University is very highly regarded. George Fox is listed among the top 100 colleges in the United States in *Forbes'* 2009-10 ranking of "America's best colleges." *U.S. News and World Report* named the University on its list of "Best National Universities," and was the only Christian college in the Pacific Northwest to make this list. The *Report* also cited an academic reputation survey of high school counselors that ranked George Fox University among the top 100 national universities. Moreover, it reported that more Portland-area valedictorians and straight-A seniors enroll at George Fox University than at any other private college in Oregon. *The Princeton Review* lists George Fox as a "Best in the West" selection.
  - b. Portland Community College recently passed a bond measure that funded construction of a branch campus in Newberg. The College began to offer classes in the community in the fall of 2010. The College offers a wide range of academic and technical skills training that serve the needs of local citizens and businesses alike.
  - c. The Newberg School District has a higher percentage of Newberg students that meet or exceed state standards in reading, mathematics, writing and science than state averages. Average student SAT scores are 1567 compared to Oregon average of 1550 and national average of 1511.
  
3. Established and growing industry clusters
  - a. The percentage of employment in the manufacturing sector in Newberg is higher than the state average. The average wage is high in this sector.
  - b. Dental equipment manufacturing cluster is very strong, including a world leader in this industry.
  - c. The new \$68.5 million Providence regional medical center has created hundreds of highly-skilled, well-paying job and solidified health care as one of Newberg's targeted industries. The hospital has also spurred development of retirement and health care facilities for seniors.

- d. The wine/tourism industry in Yamhill County is world-renowned. Given Newberg’s strategic location as the eastern gateway to the area’s wine country from the Portland metropolitan region, this industry is expected to experience continued strong growth. Total direct spending for tourism in Yamhill County has gone from \$29.1 million in 1991 to \$60.7 million in 2003.<sup>36</sup> Businesses such as restaurants, bed and breakfasts, wine shops, and art galleries are benefiting from this rising industry and are actively pursuing these customers. In particular, Newberg’s historic downtown has experienced significant revitalization in recent years, much of it due to the increasing impacts of this industry. In 2009, The Allison, a large luxury inn and spa targeting wine tourists, was opened. This development was a significant investment in this local industry and a very demonstrative statement in its future.
4. Strong local support for business and employment opportunities
    - a. Newberg commits staff resources to retain existing business and recruit new businesses.
    - b. Newberg is committed to planning “shovel ready” industrial sites.
      - i. Sportsman Airpark Master Plan preserves the functional aspects of this airport. It also reserves developable industrial land for businesses that would benefit from having close access to airport services.
      - ii. The South Industrial Area Master Plan provides for the development of new industrial sites of various sizes that have good transportation access, especially to Interstate 5.
    - c. The Chehalem Valley Chamber of Commerce has high membership and is very active in supporting members, business, and industry in the community.
    - d. Coordination with Yamhill County ensures that land outside city limits is reserved for intended employment uses and not converted to residential or commercial uses.
  5. Proximity to Portland metropolitan region
    - a. Newberg has access to large market area, including the Portland-Vancouver area. This also provides access to other regions, including Seattle, the Bay area and even Asian markets.
    - b. Newberg has access to major state highways: Highway 99W and Highway 219, and as short as a 15 minute commute to Interstate 5.
    - c. Newberg has access to national/international transportation facilities, including air and water transportation facilities, at the Port of Portland.
    - d. Newberg has strong relationships with other economic development organizations in the region.
  6. Future Newberg-Dundee Bypass
    - a. The Newberg-Dundee Bypass is included in Oregon’s Highway Plan. The location EIS has been approved. Plans are currently underway to construct a first segment of the bypass in the mid 2010’s.

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<sup>36</sup> Dean Runyan Associates

- b. The Bypass will provide improved transportation facilities that will benefit existing industrial users (airport, Highway 219) in south Newberg by allowing traffic from those areas to access Highway 99W and SW Portland area markets without routing truck traffic through downtown.
  - c. The Bypass will provide improved access to Newberg and the Portland region from I-5 (via Highway 219).
  - d. The Bypass will reduce traffic in downtown Newberg and facilitate the objective of having a pedestrian-oriented city with a strong retail center.
  - e. The Bypass will provide improved transportation facilities near flat serviceable land in south Newberg.
7. Oregon's Statewide Planning Goals. Economic development in Oregon is strongly influenced by many of these goals. In particular, Goal 9 requires cities to identify comparative advantages, targeted employment opportunities and site requirements and to reserve land for long-term industrial uses. Compared to national and international competitors, this required planning work can help ensure that Newberg's efforts in the retention and recruitment of businesses is targeted, efficient and effective.

## Comparative Disadvantages

The global economy provides strong competition for local, regional and national manufacturers. Many other countries, such as China and India, are attracting manufacturing facilities through a growing, trained workforce with lower, average wages than this region. Some of Newberg's disadvantages in competing in a regional and national marketplace include:

- 1. Transportation and access issues:
  - a. Congestion on Highway 99W and travel times to Metro area markets slows shipments of goods and material, employees, and customers.
  - b. Truck traffic on Highway 99W prevents Newberg's historic downtown from achieving its full potential by creating an environment that is less-than pedestrian friendly.
  - c. Although Newberg has easy access to I-5 via Highway 219 and McKay Road, the Donald/Aurora Interchange at I-5 has access and capacity issues that will likely require a reconfiguration or some other interchange redesign to handle increased traffic capacity from future development in the region.
  - d. The Newberg-Dundee Bypass is a significant future advantage to Newberg. However, ODOT may want to limit development near the Bypass interchange with Highway 219 in the future to ensure that adequate volume and capacity standards are met. Development limitations may require trip caps or a restriction on certain high-traffic generating uses.
- 2. In 2012, Newberg lacks suitable industrial sites to meet needs of targeted employment opportunities:
  - a. Many existing industrially zoned parcels are constrained by size, topography, or height restrictions.
  - b. Some formerly viable sites have been lost due to needs for Bypass right-of-way acquisition.

- c. Some existing sites are being reserved for future expansion of adjoining industrial users.
  - d. Cost of infrastructure to serve sites can be prohibitive.
  - e. Newberg lacks master planned industrial and business parks that allow for immediate development when industrial firms consider locating in the area.
3. Highly parcelized land outside the UGB limits alternatives for meeting identified site requirements. Prior to the full implementation of Goal 3 and 4 measures to protect agricultural land outside of the Newberg UGB, considerable rural residential development was permitted outside the Newberg city limits. As such, the small parcel sizes and rural homes and businesses outside of the Newberg UGB limit the availability of suitable employment sites in rural residential exception areas.
  4. Newberg’s commercial sector has been under considerable stress as retail paradigms have changed over the last few decades. Regional malls and the more recent development of “big-box” stores are strong competitors to Newberg businesses. While the volume sales model of these types of stores bring lower costs to consumers for goods, this pattern has had a negative impact on the relatively smaller retailers of the local economy. In addition, the ease of shopping through internet sales is being utilized by growing numbers of customers. Many locally-owned businesses find it difficult to compete under this new paradigm, a situation that has forced many of them to go out of business.
  5. In addition, Newberg’s close proximity to the Portland metro area and relatively low retail opportunities results in retail dollar “leakage” from the community. This means that fewer retail dollars stay in the community and continue to circulate within the local population.
  6. Despite major investments in the last few years, SP Newsprint is experiencing financial pressures due to changing market conditions. The financial pressures on SP Newsprint are mostly on the macroeconomic scale, significantly reducing Newberg’s ability to positively impact this situation.
  7. Oregon’s Statewide Planning Goals. Economic development in Oregon is strongly influenced by many of these goals. Balancing of these goals often creates a planning process for local economic development that is long, expensive, and uncertain: a process that is frequently incompatible with needs of an ever-increasingly fast-paced business world. The process can prevent including suitable industrial and employment sites when needed.

### ***Special Opportunities***

Beyond the regional economic markets, Newberg has several special opportunities to capitalize on its unique niche geographically and in the market place. These are discussed below.

#### **Dental Equipment Cluster**

Newberg is the home of A-dec, one of the largest dental equipment manufacturers in the world.

This also has spurred other dental equipment companies, such as DCI International and Beaverstate Dental, and several other industries that supply machined parts, electrical supplies, or other equipment. The dental industry is an expanding market, especially in Asian markets where dental care is increasing. There are over 30 billion teeth in China: if Newberg suppliers can capitalize on even a small part of this market, they could expand substantially.

## Alternative Energies

As concerns of peak oil, global warming, and carbon emissions rise, so do opportunities for the alternative energy industry. Several Newberg firms already have begun to capitalize on this industry. Harris Thermal constructs heat exchange equipment that is used in the manufacture of biofuels. Climax Portable Machine Tools constructs equipment that is used in the maintenance of wind power turbines. Local companies such as Voltair are manufacturing wind turbines for private sale. The Newberg area has an expanding wind energy cluster of suppliers, manufacturers, and technicians. Newberg has excellent opportunities to capitalize on this market.

## South Industrial Area

As noted in the discussion of regional industrial land availability on page 16, the region has a significant lack of suitable industrial sites. In particular, the region lacks large, flat industrial sites with good transportation access and available utilities. In addition, the state's Industrial Lands Advisory Committee found,

*Land located at existing freeway interchanges, such as the Stafford District at I-205 and Stafford Road, Langdon Farms at the I-5 and Charbonneau exit, and the I-5 Donald/Aurora exit are logical market driven locations for large scale industrial and employment intensive development.*<sup>37</sup>

However, they also found:

*Donald-Aurora I-5 Interchange—The Donald-Aurora interchange on I-5 is approximately 20 miles south of Portland. Although this is a prime location for industrial development when viewed from a market perspective, the land surrounding the interchange is zoned Exclusive Farm Use (EFU) and is in not within any jurisdiction's UGB. Given current land use laws these are substantial obstacles to development.*<sup>38</sup>

Newberg's South Industrial area is along Wynooski Road and Highway 219. Newberg recently prepared the *South Industrial Area Master Plan*, which envisions utilizing the area along Highway 219 south of Wynooski Road by including several large, flat parcels for future industrial use. The South Industrial Area is uniquely posed to accommodate industrial users in the region:

<sup>37</sup> *Industrial Lands Advisory Committee Report*, December 15, 2003

<sup>38</sup> *Industrial Lands Advisory Committee Report*, December 15, 2003

- It contains large, level sites. The area can accommodate employers needing sites of 10 acres up to 100 acres.
- The area is adjacent to Newberg’s existing industrial areas, and is a logical extension of that area.
- It has excellent access. The area is a less than 15 minute drive to I-5 without traveling through any intervening urban areas. The future Newberg-Dundee bypass will travel east to the Portland metro area through no traffic lights until the Portland UGB. It will allow travel west to the Oregon Coast through only one stop light, and to the Mid-Willamette Valley with few stops.
- Newberg has the utility capacity to serve the area with relatively short extensions.
- The area has excellent riparian buffers consisting of two stream corridors between the proposed future industrial area and conflicting uses. No travel would be required through residential or commercial areas.

Were the area included in the Newberg Urban Growth Boundary, it certainly would attract the targeted industries Newberg is seeking.

### **Aviation Related Industry**

Newberg is home to the Sportsman Airpark. This is a private/public use airport in the Urban Growth Boundary. The Sportsman Airpark Industrial District is situated next to the landing strip. The Sportsman Airpark District has three important advantages over other airport related industrial areas:

- Industrial land can be owned by individual users. In most industrially zoned districts near airports, land can only be leased to users, and “through the fence” use of adjacent industrial land is not allowed.
- All adjacent land is within the UGB.
- The airpark is adjacent to the Airpark Residential Zone, which allows business owners and entrepreneurs to live in close proximity to their planes.

With these advantages, the airpark presents excellent opportunities for small to medium industrial users. It can accommodate aircraft related industries, such as manufacture of airplane parts or aircraft maintenance. It can also attract entrepreneurial businesses that need to use a plane for business travel, visiting clients, or delivering goods. A good example of this is a new company in town, Voltair, which is constructing a new facility in the Airpark Industrial area. Voltair is a manufacturer of wind turbines and their location in the Airpark Industrial area will allow for quick access for maintenance crews to fly to eastern Oregon to service turbine installations.

### **Nursery and other Agricultural Products**

As noted in the section *Yamhill County Agri-Business* on page 13, Yamhill County has developed the *Yamhill County Agri-Business Economic and Community Development Plan*. Of particular note in the plan is the predominance of the nursery and greenhouse crop industry in Yamhill County, following by the grass seed and fruit and nut products. All of these are present in the Newberg area. The plan identified needs for processing

facilities in the County for these and other agricultural products. The plan includes several strategies to promote the agricultural industrial. Of particular relevance to Newberg are the following recommended strategies:

*Rezoning to accommodate prototype development projects. Analysis has revealed the types of representative projects needed to support agriculture and tourism lack adequate sites. Rezoning enables communities to place these projects where they “fit” and provide benefits to the community.*

*Site assembly. Preparing land for development, from initial site selection through planning and marketing, is site assembly. To assure job growth and allow for new investment, communities will need to be proactive in identifying an adequate supply of properly sized, suitably zoned development sites and be active participants in the development process.*

*County-wide infrastructure strategy. The most pressing problem for every community is infrastructure. Regional cooperation in Yamhill County to jointly plan for the future and secure adequate drinking water supplies can be a model for cost saving inter-agency arrangements for other services. Moving ahead with a reprisal solution for drinking water is critical for many Yamhill County communities.<sup>39</sup>*

Newberg has the infrastructure capable to support such processing facilities. The South Industrial area provides adequate sized sites that would accommodate small and large processing facilities.

Of course converting agricultural land to other uses should not be taken lightly, as that land is important to the agricultural industry. Newberg can assist in this respect by maintaining an urban growth boundary and providing adequate land within that boundary to meet urban land needs at relatively dense development levels. Agricultural land only should be included in the urban area where there is a demonstrated need.

## **Wine/Tourism Industry**

The Chehalem Valley Chamber of Commerce recently branded the area as “the Gateway to Oregon Wine Country.” Vineyards and wine productions is a booming business in the Chehalem Valley. This is attracting a great number of tourists, most with money to spend. This has spurred a number of associated economic opportunities, including:

- Accommodation and Hospitality services. Newberg is home to Oregon wine country’s premiere facility: The Allison Inn and Spa. It also is home to several bed and breakfast inns and other hotels.
- Restaurant and wine tasting. Newberg features several opportunities for fine dining, including the Painted Lady and the Jory at the Allison. Downtown Newberg features several wine bars. There are many opportunities to expand fine and casual dining and

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<sup>39</sup> Barney & Worth, Inc., page 43.

wine tasting.

- Arts and Culture. Newberg's downtown has a strong and growing arts community. The Chehalem Cultural Center recently opened and allows art creation and exhibits. This is a strongly growing sector with a lot of opportunity.
- Golf and Recreation. Newberg is home to the Chehalem Glenn Golf Course, one of Oregon's best. This publicly owned course attracts tourists from around the region. A third nine holes is planned, which will further promote the tourism in the area. Additional recreation opportunities, such as for bowling or a family fun center, are desired in the community.
- Riverfront commercial. Newberg has an adopted Riverfront Master Plan for areas along the Willamette River. This future development area will allow views of the Willamette while one shops, dines, or stays. The riverfront area provides access to Roger's Landing, one of the best and most used accesses to the Willamette River.

### **Retail**

Newberg's retail objectives, beyond promoting the wine and tourism industries, focus on providing opportunities for local residents and businesses to obtain the goods they need without travel outside the community. Newberg does have strong retail areas, but sales of certain retail goods are either missing or undersupplied. In many cases the goods are available regionally, but Newberg residents must drive to other areas, such as Washington Square, Wilsonville, Sherwood, or McMinnville. As of 2012, the following retail services are either missing or undersupplied in Newberg: office supplies; electronics; clothing and footwear; sewing supplies; sporting goods; appliances; whole and natural foods. Additional retail services in these areas would be welcome.

## IV. Newberg's Economic Development Strategy

### *Capitalizing on Comparative Advantages & Addressing Comparative Disadvantages*

Table 12- 16: Strategies to Capitalize on Comparative Advantages

Advantage	Strategy / Action
<b>1. Small Town Quality of Life</b>	<ul style="list-style-type: none"> <li>• Continue to provide relatively affordable housing opportunities.</li> <li>• Minimize adverse impacts on existing and planned residential neighborhoods from conflicting employment opportunities.</li> <li>• Continue revitalization efforts of historic downtown.</li> <li>• Support organizations that foster “social capital”.</li> <li>• Work to improve the pedestrian/bicycle network in Newberg.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.p., 1.q., 3.a.)</i></p>
<b>2. Access to Quality Education and Skills Training</b>	<ul style="list-style-type: none"> <li>• Continue to support the Newberg School District, George Fox University, Portland Community College, and other public and private schools in their efforts to train and motivate the kind of workforce required by existing and future employers in Newberg.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f., 1.q.)</i></p>
<b>3. Strong Established and Growing Industry Clusters</b>	<ul style="list-style-type: none"> <li>• Provide sufficient land near existing industrial areas to allow for expansion.</li> <li>• Provide suitable sites with characteristics required by such industries to take advantage of industrial clusters in Newberg.</li> <li>• Encourage the reuse/redevelopment of properties in zones allowing business.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.b., 2.e., 2.g.)</i></p>
<b>4. Strong Local Support for Business and Employment Opportunities</b>	<ul style="list-style-type: none"> <li>• Continue to plan for future employment opportunities by providing suitable sites for industrial (export) and commercial uses.</li> <li>• Continue to work collaboratively with the State, Yamhill County, and local businesses to fund infrastructure and planning necessary to maintain and attract desired employment.</li> <li>• Continue to work with and support the Chehalem Valley Chamber of Commerce.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.m., 1.n., 1.o., 3.b.)</i></p>
<b>5. Proximity to Portland Metropolitan Region</b>	<ul style="list-style-type: none"> <li>• Continue to work with Metropolitan area partners in promoting the economic advantages of the region.</li> <li>• Provide opportunities for identified regional employment clusters in Newberg.</li> <li>• Continue to advocate for improved access to regional markets, via Highways 99W and 219 and the Interstate.</li> <li>• Continue to maintain rail and air access opportunities.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f., 1.o., 2.g.)</i></p>
<b>6. Future Newberg-Dundee Bypass</b>	<ul style="list-style-type: none"> <li>• Continue to work with the Oregon Legislature and State agencies to build political support and ensure funding for the Bypass.</li> <li>• Encourage support, funding and construction of the full Bypass project.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.o.)</i></p>
<b>7. Oregon's Statewide Planning Goals</b>	<ul style="list-style-type: none"> <li>• Newberg has taken advantage of Oregon's Economic Development Program (Goal 9) by identifying comparative advantages (and disadvantages), targeting export-based employment clusters, identifying and providing for the site requirements necessary to maintain and attract such clusters in Newberg, and coordinating with Yamhill County and affected state agencies to retain and provide services to suitable employment sites. Newberg will continue to coordinate with these agencies.</li> </ul> <p><i>(Applicable Comprehensive Plan policies: 1.f.)</i></p>

Table 12- 17: Strategies to Address Comparative Disadvantages

Disadvantage	Strategy / Action
<b>1. Transportation and Access Issues</b>	<ul style="list-style-type: none"> <li>• Continue to work with the Oregon Legislature and State agencies to ensure funding for the Newberg-Dundee Bypass.</li> <li>• Continue to advocate for Highway 99W improvements to reduce congestion and maintain regional connectivity.</li> <li>• Continue to work with ODOT for review of all development proposals in areas that may impact a state highway facility.</li> </ul> <i>(Applicable Comprehensive Plan policies: 1.o.)</i>
<b>2. Lack of Suitable Employment Sites</b>	<ul style="list-style-type: none"> <li>• Newberg has considered local, regional, state and national economic trends and identified industry clusters that the City has a reasonable likelihood of attracting to the community.</li> <li>• Newberg has also researched and identified the site characteristics demanded by firms within these industry clusters. Newberg is actively planning for a future industrial area that will meet both the industrial site characteristics and the land needs of the city's population over the next 30 years.</li> </ul> <i>(Applicable Comprehensive Plan policies: 2.h., 2.g.)</i>
<b>3. Limited Suitable Land Supply Outside UGB</b>	<ul style="list-style-type: none"> <li>• After considering the potential for rural residential exception areas to meet identified site requirements, the City has selected sites on agricultural land that will be reserved for identified employment needs.</li> </ul> <i>(Applicable Comprehensive Plan policies: 2.e., 2.g.)</i>
<b>4. and 5. Stressed Commercial Sector and Retail Dollar Leakage</b>	<ul style="list-style-type: none"> <li>• Recruit businesses that can fulfill commercial needs that are currently being unmet locally.</li> <li>• Support small businesses that are adjusting these new retail realities by either focusing on high quality customer service and/or gearing their business plans toward niche markets.</li> <li>• Encourage local retail businesses to improve their online presence.</li> </ul> <i>(Applicable Comprehensive Plan policies: 1.c., 1.i.)</i>
<b>6. Market Pressures on SP Newsprint</b>	<ul style="list-style-type: none"> <li>• Newberg will continually look for opportunities to work with SP Newsprint to help reduce their operational costs.</li> </ul> <i>(Applicable Comprehensive Plan policies: 2.d.)</i>
<b>7. Oregon's Statewide Planning Goals</b>	<ul style="list-style-type: none"> <li>• Newberg will continue to pursue Urban Growth Boundary amendments and Urban Reserve expansions to provide adequate land for future uses.</li> </ul> <i>(Applicable Comprehensive Plan policies: 1.f.)</i>

### **Regional Focus**

Newberg has recognized the importance of being part of a shared, regional economic vision. *Beyond the Vision: A Strategic Plan for the Chehalem Valley* is a document that was created cooperatively between five governmental entities located within the Chehalem Valley. This document was adopted by the Newberg City Council in January 2005. One section of this document, called *Economy and Employment*, describes the economic future of the area as follows:

*A diversified economy provides balanced economic opportunities for the residents of the Chehalem Valley. Agriculture and agribusinesses are an important component of the local economy. The natural beauty of the area encourages*

*tourism and the wine industry. A carefully targeted retail recapture strategy has encouraged more local shopping and minimized buying outside of the area. Downtown areas are vibrant commercial areas that support the local economy.*

*Clean industries have been developed using a “campus” design. Plenty of family wage jobs are available for citizens of the area. Tourism is a major economic force, its strengths based on the premise that the Chehalem Valley is 1) the gateway to the wine country; 2) characterized by a clean and comfortable environment; and, 3) offers the historical experience of a friendly, small town and village America in the earlier period of the 20th century. As a destination location for visitors, the community of Dundee now has two small exclusive hotels and bed and breakfast inns. The service industry has expanded, with the health industry and health research being a major provider of employment in this sector of the economy.<sup>40</sup>*

Key strategic steps laid out for the *Economy and Employment* section of the plan are as follows:

- Hold a broad community forum on economic development to build consensus.
- Invigorate the Chamber of Commerce Economic Development Committee.
- Seek financial aid in the form of grants.
- Develop community college training programs tailored to the labor force needs of prospective employers.

The regional economic development paradigm is expected to continue in the foreseeable future. Newberg has worked extensively with the Mid-Willamette Valley Council of Governments and the Oregon Business Development Department for many years. With an understanding that Newberg’s economic future is likely to be strongly linked with fortunes of the Portland region, the City has recently developed relationships with economic development organizations in the metropolitan area. In the summer of 2004, the City of Newberg joined the Association of Regional Economic Development Partners, Inc. (now the Portland-Vancouver Regional Partners Council for Economic Development.). The Partners is “a public-private partnership that focuses on shared economic priorities and works to implement business retention, expansion, and recruitment as well as marketing strategies and recommendations for policy development. The members are public and private sector economic development professionals in the region who have worked collaboratively for more than 10 years to retain and recruit businesses, and promote the metropolitan region as a vital economic center.”

On January 3, 2005, the Newberg City Council passed Resolution No. 2005-2554, which stated the city’s support for the framework of the Portland Regional Business Plan of the Regional Economic Development Partners.

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<sup>40</sup> *Beyond the Vision: A Strategic Plan for the Chehalem Valley*

### ***Locally Targeted Economic Development Industry Clusters (Targeted Industries)***

The majority of Newberg's economic development efforts should continue to be focused upon supporting existing local businesses. In the economic development profession, there is a general principle called the "80/20 rule", which means that 80 percent of an area's economic development efforts should be dedicated towards the retention and expansion of existing local businesses. In addition, it is often said that "Your good businesses are your competitor's best recruitment prospects!" Therefore, a community should ensure, as much as possible, that their local businesses are content and prosperous, or else they may look elsewhere to do business. In summary, it is far easier, effective and efficient to try to maintain and expand your economy through one's local industries than to attract new ones.

As important as Newberg's retention efforts are for its economic health, recruiting specific new businesses to Newberg such as those listed in the Portland-Vancouver Regional Business Plan and the Newberg EOA is a critical aspect of Newberg's economic development strategy. Some of these businesses can be recruited to strengthen existing clusters within the community. Others are new types of businesses that can be attracted based on combination of three factors: a business' cluster strength in the Portland region; Newberg's close proximity to the metro area, and Newberg's unique high quality of life compared to other communities in the region. The City's business recruitment efforts should be focused on identified strong, traded-sector clusters. These types of businesses will bring new wealth to the community and diversify the local economy, thereby creating an economic base that is stronger and more stable. Table 12- 18 on page 44 lists industries on which Newberg should focus its economic development efforts.

Table 12- 18: Newberg Targeted Industries

<b>Business Cluster</b>	<b>Targeted business types</b>
<b>Manufacturing and Industry</b>	
High Tech Manufacturing	Semiconductors/silicon, imaging & display technology
	Nano & micro technology, cyber-security, health/medical information technology
	Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)
General Manufacturing	Dental equipment
	Metals, machinery, transportation equipment
	Lumber and wood products (value added)
	Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)
	Distribution & logistics
	Sports apparel/recreation-related products
Aviation related	Specialty aircraft equipment, aircraft repair, machine shops, small entrepreneur business
Agriculture	Wineries
	Specialty foods and food processing
	Nursery and agricultural products (value added)
Services	Professional services architecture, engineering, legal and financial services, etc.
	Creative services (advertising, public relations, film and video, web/internet content and design)
<b>Health Care</b>	
	Providence Medical Center Expansion, medical offices, senior services
<b>Higher Education</b>	
	Portland Community College campus, George Fox University expansion, high school vocational training and college preparedness, private post-secondary training
<b>Wine/Tourism</b>	
	Wineries and tasting rooms, restaurants, art studios, theater and entertainment, recreation (golf, bowling), conference facilities, specialty retail

Source: Newberg Planning Division

### ***Comprehensive Plan Policies and Recommended Supportive Economic Development Actions***

Newberg has developed a vision for the community’s economic future. The City of Newberg’s adopted Comprehensive Plan includes a list of goals and policies that help shape Newberg’s future economy (Section H. The Economy). The following is a list of Newberg’s recommended economic development actions and the applicable Comprehensive Plan policies they support. All of the Comprehensive Plan policies are from Section H (The Economy) and support the larger goal “To develop a diverse and stable economic base.”

1. Work with the State to “certify” industrial sites to shorten the development time of

projects and provide certainty to a business that regulatory and permitting issues will not delay the project’s timeline.

*Applicable Comprehensive Plan policies: 1.f., 2.g.*

2. Identify and implement cost and time saving measures that improve the development permitting process.

*Applicable Comprehensive Plan policies: 2.d.*

3. Develop a financial incentives “toolbox” to recruit new businesses and encourage existing business expansions. The incentives should be applied only after a proposed project has been reviewed by a rigorous analysis that demonstrates a clear benefit to the City.

*Applicable Comprehensive Plan policies: 1.b., 1.g.*

4. Maintain a useful economic development website that is easy to navigate and contains substantive content that meets the needs of business.

*Applicable Comprehensive Plan policies: 1.a., 1.g.*

5. Work with local, regional and state educational and training resources (private and public) to assist with the workforce training needs of businesses and provide opportunities for workers to voluntarily upgrade their skills. The available workforce pool in the Newberg region is approximately 223,000. The regional workforce is estimated by using the assumption that a 23 minute mean commute time (2000 Census) draws workers from an approximately 15 mile radius from the center of Newberg Oregon is recognized for having an educated workforce, one with good basic work skill sets that allows them to be relatively easily trained.

*Applicable Comprehensive Plan policies: 1.c., 1.f.*

6. Gauge the health of local businesses regularly and identify how the City can help resolve issues, when feasible. Focus should be on businesses of the traded-sector and local clusters. Anticipate local problem areas by keeping abreast of regional, national, and international business trends.

*Applicable Comprehensive Plan policies: 1.p.*

7. Develop closer ties to organizations/businesses located within the Portland area with a similar interest in regional economic development (e.g. Regional Economic Development Partners, future Portland Economic Development District, etc). However, joining METRO will not be considered. Reevaluate current relationship with Mid-Willamette Valley Community Development Partnership.

*Applicable Comprehensive Plan policies: 1.f.*

8. Develop a Downtown Revitalization Master Plan prior to the construction of the Newberg-Dundee Bypass. Identify funding sources necessary to implement the plan.

*Applicable Comprehensive Plan policies: 3.a.*

## V. Industrial and Commercial Land Needs and Supply

To encourage and accommodate future commercial and industrial growth, Newberg must have buildable land readily available with characteristics necessary to be competitive in the regional economic development market. Newberg's Ad Hoc Committee on Newberg's Future recently completed an analysis of the community's future land use needs. That analysis is described in the *Report to Newberg City Council; Recommendations for Newberg's Future*, which was accepted by the Newberg City Council on July 21, 2005. On August 1, 2005, the City Council initiated the amendment process for the comprehensive plan changes recommended in the Report. This section includes the Committee's recommendations for commercial and industrial land needs for Newberg's future. This also includes updates made since then to reflect development since the time of the report. In addition, this section details Newberg's employment projections, industrial and commercial land needs, industrial site suitability characteristics necessary to meet the projected land need, and current industrial and commercial buildable land supply.

### ***Industrial Land Need***

A variety of parcel sizes, building types, and land use designations are required to provide suitable sites to attract targeted industry clusters. In 2005, the *Report to Newberg City Council; Recommendations for Newberg's Future* documented that there was a general lack of suitable large (20+ acre) industrial sites with access to a state highway and physical separation or transitional buffering from residential neighborhoods. The report documented an additional need for 4-5 large (20+ acre) industrial sites for the period 2005-2025. Industrial land needs for the 2005-2025 period totaled about 216 acres, with an additional 6 sites needed for the period 2026-2040. The assumption was that approximately 50 percent of future industrial employment will take place on large parcels.

### **Industrial Employment Forecast**

Table 12- 19 on page 47 projects the future industrial space utilizing employment in Newberg through 2032. The table uses the total employment projected in Table 12- 14 on page 30, and the distribution of employment shown in Table 12-15 on page 31.

**Table 12- 19: Industrial Land Using Employment Forecast Through 2032<sup>41</sup>**

Industry	2010 Total Emp.	%Industrial Space Utilizing	2010	2032
Construction	387	30%	116	200
Manufacturing	2,164	91%	1,969	3,390
Wholesale Trade	115	82%	94	162
Retail Trade	837	0%	-	-
Transportation, Warehousing & Utilities	119	82%	98	168
Information	51	40%	20	35
Financial Activities	253	0%	-	-
Professional & Business Services	370	14%	52	89
Education & Health Services	2,978	0%	-	-
Leisure & Hospitality	1,033	0%	-	-
Other Services	439	40%	176	302
Government	173	0%	-	-
<b>Total</b>	<b>8,919</b>	<b>28.3%</b>	<b>2,525</b>	<b>4,347</b>
Cumulative from 2010				1,822

### *Industrial Land Needs by Site Size*

Table 12- 20 links projected industrial employment from Table 12- 19 on page 47 with potential site size ranges. While examples can be found of large sites with few employees, and small sites with many employees, larger employers generally require larger sites. This table is one way to address that dynamic while relating projected industrial site needs to adopted employment projections.

The data is based on the assumption that most sites under 10 acres will be located in industrial parks, which will require dedication of an average of 15% right-of-way for streets and utilities. For sites over 10 acres, the table assumes 5% of the area for streets and utilities. The table also includes assumptions that most (55%) of Newberg's future industrial employment will be located on sites 10 acres or less, and that one-third of those future new industrial firms 2-10 acres in size, and one-half of firms under 2 acres in size, will find a site through infill, redevelopment or intensification of existing employment land uses. The table also assumes that for sites over 10 acres, one currently unoccupied site (Suntron) will be reoccupied, and that some infill will occur within existing larger sites.

Table 12- 20 shows the 2032 need for approximately 26 acres of very small (under 2 acre) sites, 81 acres of small (2- to 10-acre) sites,<sup>42</sup> two sites in the 10-30 acre range, and one site in the 30- to 50-acre range, for a total industrial site need of 191 gross buildable acres by 2032. These

<sup>41</sup> The most recent employment data available for Newberg is 2010 data, and the region employment projections released in December 2011 use 2010 as a base year.

<sup>42</sup> Much of this site size need can be most efficiently accommodated by master planned business parks.

needs for small and medium sites are consistent with recent demand for industrial land in Newberg prior to the recession. From 2005 to 2009, there were 24 acres of industrial land developed. A number of industrial employers expanded or constructed new facilities over that time, including Action Equipment, Climax Portable Machine Tools, Harris Thermal, A-dec, and Freeman Manufacturing.

**Table 12- 20: Site Size Distribution by Firm Employment Through 2032<sup>43</sup>**

Emps. per Firm	Percent of Emp.	Number of New Emps.	Number of Firms	Sites Needed	Size Range (Acres)	Ave. Site Size (Acres)	Ave. ROW Need (Acres)	Gross Buildable Acres Needed
0-9	15%	273	46	23	<2	1	0.15	26
				23	<i>infill &amp; redevelopment</i>			0
10 to 74	40%	729	21	14	2 - 10	5	0.75	81
				7	<i>infill &amp; redevelopment</i>			0
75 +	45%	820	2	2	10 - 30	20	1.00	42
			1	1	30 - 50	40	2.00	42
			1	1	<i>infill &amp; redevelopment</i>			0
<b>Total</b>	<b>100%</b>	<b>1,822</b>	<b>71</b>	<b>71</b>				<b>191</b>

Source: Winterbrook Planning 2009, Newberg Planning Division 2012

Table 12- 21 links targeted industry clusters discussed in this EOA with uses identified in the 2005 *Report to Newberg City Council*. These clusters and uses were allocated site size ranges based on ECONW data and a meeting with Oregon Business Development Department (OBDD) representative Tom Fox on September 10, 2009. Site size ranges were verified against OBDD data relating to real firms seeking sites in Oregon, in the targeted industry clusters. Industry clusters containing firms that could potentially require large sites – 10-30 acres or 30-50 acres in size – are identified by the Potential Large Site Category columns. Thirteen industry clusters include firms that could potentially require 10-30 acre sites, and nine include firms that could potentially require 30-50 acre sites.

OBDD reviewed the site size ranges by targeted industry cluster in Table 12- 21 and supports the estimated site sizes and ranges as viable and marketable for Newberg's targeted industries.

<sup>43</sup> Note that there were no buildable industrial sites developed from 2010-2012.

Table 12- 21: Site Size Ranges by Targeted Industrial Cluster and Sector

Industry Cluster	Uses	ECO/WB* (Acres)	OBDD** (Acres)	Newberg Examples (Acres)	Potential Large Site Categories	
					10 - 30	30 - 50
High Tech Manufacturing	Electronics, Other	10 - 30	10 - 60	6 - 55	X	X
	Health, Nano/Micro Tech, Cyber Security	5 - 20		6 - 55	X	X
	Bio-Tech/Bioscience/ Pharmaceuticals, Health Services	5 - 40	2 - 60		X	X
General Manufacturing	Dental Equipment	5 - 40		2 - 55	X	X
	Fabricated Metals, Plastics	10 - 20	10 - 20	3 - 7	X	
	Transportation Equipment	10 - 30	10	1	X	
	Industrial Machinery	10 - 20	10 - 20	3 - 6	X	
	Lumber and Wood Products (Value Added)	1 - 10	10	243	X	X
	Sustainable Industries	5 - 25	25 - 200	1 - 7	X	X
	Distribution and Logistics	5 - 60	30 - 60		X	X
Sports and Recreational Campus	10 - 50			X	X	
Airport Related Industrial	Specialty Aircraft Equipment, Aircraft Repair, Machine Shops, Small Entrepreneur Business	1 - 70	70	1 - 3		
Agriculture	Winery			3 - 5		
	Specialty Foods and Food Processing	1 - 10	10 - 150	5	X	X
	Nursery and Ag Products (Value Added)	1 - 10		2 - 13	X	
Services	Professional Services	1 - 5		1 - 2		
	Creative Services, Printing, Publishing	1 - 10		1 - 2		

\*ECO/WB: EcoNorthwest and Winterbrook Planning

\*\*Outside Investment Prospects, OECDD (OBDD), Oct 2008

Table 12- 22 arranges the identified targeted industry clusters and sectors by potential site sizes, and associates those sizes with existing Newberg industries. As shown in Table 12- 22, some industry clusters and sectors appear in multiple site size categories due to wide potential ranges. Of note, Newberg's existing large industrial sites (A-Dec and SP Newsprint) are over 50 acres in size.

Newberg has an excellent example of a high tech traded-sector manufacturing cluster – three large firms in the dental industry. A-Dec, A.R.E. Manufacturing, and Dental Components Inc. employ slightly over 1,000 people on 67 acres of industrial land. It is not unreasonable for Newberg to assume similar success with another targeted-industry cluster. As such, 10-30 and 30-50 acre sites should be included to provide the City with this opportunity.

**Table 12- 22: Targeted Industry Clusters and Sectors by Site Size Ranges and Existing Newberg Industrial Firm Examples**

Site Size Range	Industry Clusters/Uses	Newberg Industry Examples
<10 Acres	<ul style="list-style-type: none"> <li>• Health, Nano/Micro Tech, Cyber Security</li> <li>• Bio-Tech/Bioscience/Pharmaceuticals</li> <li>• Dental Equipment</li> <li>• Fabricated Metals, Plastics</li> <li>• Lumber and Wood Products (Value Added)</li> <li>• Sustainable Industries</li> <li>• Distribution and Logistics</li> <li>• Airport Related Industrial</li> <li>• Winery</li> <li>• Specialty Foods and Food Processing</li> <li>• Nursery and Ag Products (Value Added)</li> <li>• Professional Services</li> <li>• Creative Services</li> </ul>	<ul style="list-style-type: none"> <li>• Climax Portable Machine Tools</li> <li>• PPM Technologies</li> <li>• A.R.E. Manufacturing</li> <li>• Dental Components Inc.</li> <li>• Ushio Oregon</li> <li>• Harris Thermal Transfer Products</li> <li>• Airpark Business Complex</li> </ul>
10 – 30 Acres	<ul style="list-style-type: none"> <li>• Electronics</li> <li>• Health, Nano/Micro Tech, Cyber Security</li> <li>• Bio-Tech/Bioscience/Pharmaceuticals</li> <li>• Dental Equipment</li> <li>• Fabricated Metals, Plastics</li> <li>• Transportation Equipment</li> <li>• Industrial Machinery</li> <li>• Lumber and Wood Products (Value Added)</li> <li>• Sustainable Industries</li> <li>• Distribution and Logistics</li> <li>• Sports and Recreational Equipment Campus</li> <li>• Specialty Foods and Food Processing</li> <li>• Nursery and Ag Products</li> </ul>	<ul style="list-style-type: none"> <li>• Suntron Corporation<sup>44</sup></li> </ul>
>30 Acres	<ul style="list-style-type: none"> <li>• Electronics</li> <li>• Health, Nano/Micro Tech, Cyber Security</li> <li>• Bio-Tech/Bioscience/Pharmaceuticals</li> <li>• Dental Equipment</li> <li>• Lumber and Wood Products (Value Added)</li> <li>• Sustainable Industries</li> <li>• Distribution and Logistics</li> <li>• Sports and Recreational Equipment Campus</li> <li>• Specialty Foods and Food Processing</li> </ul>	<ul style="list-style-type: none"> <li>• SP Newsprint Company</li> <li>• A-dec, Inc.</li> </ul>

<sup>44</sup> Suntron closed operation in Newberg in 2010.

## ***Industrial Site Suitability Requirements***

Cities are required by OAR 660 Division 9 to identify required site types to accommodate expected employment growth based on the site characteristics typical of expected uses. Site characteristics are attributes of a site such as shape, topography, visibility, infrastructure, proximity to facilities and transportation infrastructure. Many common elements of industrial site requirements can be found in the many Economic Opportunities Analysis reports from around the state that we reviewed. ECONorthwest completed many of the EOAs, and concludes in these plans that “previous research conducted by ECO has found that while there are always specific criteria for individual firms, many firms share common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints, with minimal residential conflicts, and located with good access to transportation, public facilities and services.”<sup>45</sup> This section details Newberg’s specific industrial site suitability characteristics and why each is important.

## **State Rules Governing Site Suitability Characteristics**

There are many state rules and goals that govern economic development planning for cities, and those rules specify certain requirements and guidelines for site suitability characteristics. The applicable rules and guidelines from OAR 660 Division 9 (Economic Development) and Statewide Planning Goal 14 (Urbanization) are listed below.

### **OAR 660-009-0005 Definitions**

*(2) “Development Constraints” means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archaeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.*

*(3) “Industrial Use” means employment activities generating income from the production, handling or distribution of goods. Industrial uses include, but are not limited to: manufacturing; assembly; fabrication; processing; storage; logistics; warehousing; importation; distribution and transshipment; and research and development. Industrial uses may have unique land, infrastructure, energy, and transportation requirements. Industrial uses may have external impacts on surrounding uses and may cluster in traditional or new industrial areas where they are segregated from other non-industrial activities.*

*(11) “Site Characteristics” means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.*

### **OAR 660-009-0015 Economic Opportunities Analysis**

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<sup>45</sup> Common wording found in the EOA reports done by ECONorthwest for Cottage Grove (2009), Springfield (2009), Ashland (2007), McMinnville (2001).

(2) *Identification of Required Site Types.* The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses. Cities and counties are encouraged to examine existing firms in the planning area to identify the types of sites that may be needed for expansion. Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.

### **Statewide Planning Goal 14 - Urbanization**

*In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.*

### **LUBA 2010-015 & Court of Appeals Decisions**

On February 1, 2010, the Newberg City Council adopted Ordinance 2010-2723, updating its EOA. Friends of Yamhill County and several citizens appealed the decision to the Land Use Board of Appeals (LUBA) in February 2010. LUBA remanded the EOA and ruled on five of the six arguments presented by the petitioners, with the heart of the decision centering on how to define needed site suitability characteristics. LUBA ruled that “site characteristics are properly viewed as attributes that are (1) typical of the industrial or employment use and (2) have some meaningful connection with the operation of the industrial or employment use.” (*Friends of Yamhill County v. City of Newberg*, Or LUBA (August, 2010)). The petitioners appealed LUBA’s remand order to the Court of Appeals for judicial review in September 2010.

The Court of Appeals held oral argument in November 2010 and affirmed LUBA’s decision on February 16, 2011. The petitioners had initially appealed for the Court to review the entirety of LUBA’s ruling; however, the Court addressed only the site characteristics argument. The Court stated the following in their affirmation:

*“In that statutory and regulatory context, we agree with LUBA that ‘site characteristics’ need not be ‘indispensable’ to a particular use in order to be ‘necessary for a particular industrial or other employment use to operate.’ The intent of Division 9 is to ensure that there is an ‘adequate supply of land for economic development and employment growth in Oregon,’ OAR 660-009-0000, which is vital to the health, welfare, and prosperity of the state. ... That overriding intent to allow and plan for anticipated economic growth – in part, through the identification of ‘site characteristics’ that make the land ‘suitable’ to meet the needs of anticipated growth – suggests something other than petitioners’ strict ‘indispensability’ test that would take into consideration only those ‘site characteristics’ without which particular industry and employment uses could not operate. Rather, the planning scheme (based on projections and economic trends) suggests, as LUBA adopted, a more pragmatic approach toward accommodating economic growth: That ‘necessary’ site characteristics are those attributes that are reasonably necessary to the successful operation of particular industrial or employment uses, in the sense that they bear some important relationship to that operation.” (*Friends of Yamhill County v. City of Newberg*, Or App (February 16, 2011)).*

### **Background on Newberg’s Industrial Site Characteristics**

Newberg’s industrial site characteristics come from many different sources, and are representative of what is typical for our city and region. To determine the suitable industrial site

characteristics for Newberg, we used the following sources:

- Interviews with local businesses – Climax Portable Machine Tools, ARE Manufacturing, Harris Thermal, and Owen Roe Winery – and with a local industrial land broker, Mike Gougler.
- Inventory of existing industrial sites in the region – sites in Canby, Forest Grove, McMinnville, Newberg, Sherwood, Tualatin, Wilsonville, and Woodburn – resulting in the report *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses* (Newberg Planning Division, 2011).
- Inventory of the Economic Opportunities Analysis plans of other cities to gather information about their industrial site characteristics – Newberg looked at the economic opportunities Analyses for the Cities of Ashland, Springfield, McMinnville, Cottage Grove, Silverton, Klamath Falls, and Cascade Locks.
- Review of statewide RFPs for industrial land requests.
- Review of materials from Business Oregon, including the State of Oregon Industrial Development Competitiveness Matrix and the application for Oregon Industrial Site Certification.
- Reports and materials from the Department of Land Conservation and Development, including a memo on Tips for Conducting an Economic Opportunities Analysis, a fact sheet on Economic Opportunities Analyses, Goal 9 Handbook – Appendix A: Glossary, and *Sufficiency of Commercial and Industrial Land in Oregon - Recommendations for Oregon Communities* (2002).
- The *Ad Hoc Committee on Newberg's Future Report to City Council* (2005), which specified site characteristics for each land type. This report included expert materials from Winterbrook Planning and ECONorthwest, in addition to interviews with local businesses.
- Other reports, including the following: *Methods for Evaluating Commercial and Industrial Land Sufficiency: A Recommendation for Oregon Communities*, Otak, Incorporated and ECONorthwest (2002); *Portland Strategy for Economic Vitality* (2002); *Industrial/Business Park Standards: Rural Regions*, Deloitte & Touche (2001); Ohio State University Extension Fact Sheet – Characteristics of an Industrial Site; Alabama Cooperative Extension System – Creating Industrial Sites (1999).

The research led us to establish our industrial site suitability characteristics in the categories of individual site size, industrial district size, topography, proximity and compatibility as shown in Table 12- 23 below. Each category is explained in further detail in the sections below.

Table 12- 23: Required Industrial Site Suitability Characteristics

Required Site Characteristic	Description
<b>Site Size</b>	<ul style="list-style-type: none"> <li>• Inventory to include a sufficient number of sites within each site category to meet identified needs (&lt;2 buildable acres, 2 to 10 buildable acres, 10 to 30 buildable acres, and 30 to 50 buildable acres).</li> <li>• Site contains a parcel or group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres (or smaller if adjacent to existing industrial district).</li> </ul>
<b>Topography</b>	Exclude: <ul style="list-style-type: none"> <li>• Slopes of 10% or greater,</li> <li>• Sites that are not predominantly less than 5% slope within buildable areas, and</li> <li>• Areas within stream corridors and wetlands.</li> </ul>
<b>Proximity</b>	Include parcels or contiguous group of parcels: <ul style="list-style-type: none"> <li>• Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.</li> <li>• Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.</li> <li>• That have suitable truck access to a state highway or arterial street within 1/4 mile.</li> </ul>
<b>Compatibility</b>	Exclude sites that: <ul style="list-style-type: none"> <li>• Abut residential neighborhoods on more than 25% of the site perimeter unless effective topographical buffers are present, such as a stream corridor, arterial street, state highway, rail line, or park.</li> <li>• Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.</li> </ul>

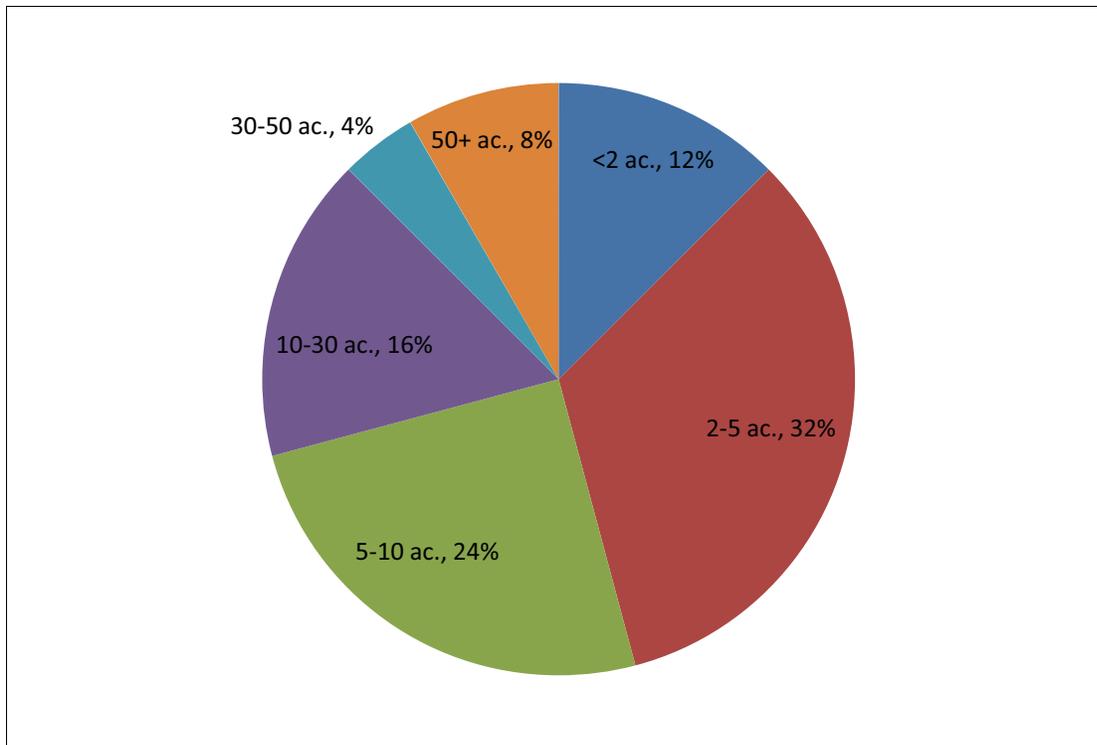
## Industrial Site Size

The most basic characteristic needed by industrial users is site size. Industrial users need adequate land to site buildings, storage areas, outdoor production areas, parking areas, and on-site circulation. They also need or are required to have land for utilities, landscaping, environmental mitigation, and security. Some sites require buffers for noise, smell, vibration, and visual barriers. In addition, industries now find needs to provide amenities for employees such as outdoor park-like or recreation areas for lunches, breaks, or fitness, to increase morale and productivity. One Newberg industrial representative stated that they would like to incorporate a park area for employees if and when they need to move their facility to a new area in order to provide a quality work environment (they are currently constrained on their site and will need to move with any future growth of their business). These quality of life factors are included in the site size calculation that firms make when looking for a new site. As a result, most industrial sites are only 40% to 60% developable for basic industrial use with remaining areas used for parking, landscaping, buffers, utilities, environmental protections, employee break areas, and security. In addition, many industries require land for long-term expansion so that they aren't forced to move their business down the road or split their sites, resulting in lost production and investment.

Site size needs vary widely by industry. In interviews, local industrial businesses told us that the minimum site size they would need was typically 5 – 10 acres minimum for each business. The Business Oregon Industrial Development Competitiveness Matrix lists site size requirements for ten categories of businesses. The smallest site size listed is 3 acres for call center/business services and 5 acres for rural/frontier industrial. Neither of those are likely business types that would apply to Newberg. The next smallest site size listed is 10 acres minimum for general manufacturing. The site sizes go up from there to 200 acres minimum for regional distribution centers.<sup>46</sup> In addition, a review of recent RFP's for industrial businesses looking to locate in Oregon revealed that an average of 10 acres was the minimum site size required.

Newberg's study of industrial sites in nearby communities found a variety of industrial site sizes within those areas. Note that many of the sites studied have individual sites larger and smaller than the typical sizes noted.

**Figure 12- 4: Typical Site Sizes in Nearby Industrial Areas**



Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

Newberg's industrial site size characteristic is in accordance with the typical site size requirements and needs seen locally and regionally today. The needs for sites in each size category are detailed Table 12- 20 on page 47. This breaks out site needs in four general categories. In total, the inventory must include a sufficient number of sites within each site category to meet identified needs (<2 buildable acres, 2 to 10 buildable acres, 10 to 30 buildable acres, and 30 to 50 buildable acres). If there are insufficient sites within any particular category,

<sup>46</sup> Letter from Michael Williams, Industrial Lands Specialist, Business Oregon (July 2010); Newberg Industrial Users Survey (November 2010)

then Newberg will need to seek sites with sufficient land to meet needs in that category.

### Industrial District Size and Industrial/Commercial Proximity

A common form of industrial development is to cluster industrial uses in industrial districts or industrial parks. There are many reasons for this, including:

- The district can have adequately sized power and other utilities to serve industrial uses.
- The district can have adequately sized roads for heavy truck traffic.
- There are fewer issues of compatibility when industrial uses are located adjacent to each other rather than next to residential type uses.
- There are economies of scale when many industrial uses can be served by the same suppliers or delivery systems.
- Industrial uses can create synergy with each other. For example, one industry’s by-products can be used by another industry as resources.
- Businesses can share employee amenities such as parks, fitness centers, lunch areas, and day care facilities.
- Larger districts provide opportunities for business expansion onto adjoining or nearby sites.

Having clustered uses is a common theme throughout industrial development in most cities. The very definition of “industrial use” in OAR 660-009-005(3) says, “Industrial uses . . . may cluster in traditional or new industrial areas where they are segregated from other non-industrial activities.” The Cottage Grove EOA states that “firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. Firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities.”<sup>47</sup> In addition, the report *Methods for Evaluating Commercial and Industrial Land Sufficiency: A Recommendation for Oregon Communities* (Otak, Inc & ECONorthwest, 2002) states that “Economists have shown that firms locate in a city because of the presence of factors other than direct factors of production. These indirect factors include agglomerative economies, also known industry clusters, location amenities, and innovative capacity.”<sup>48</sup> Clustering, or industrial districts, are meaningful to the operation of industry because of the shared economies of scale and synergy it can create.

Clustering industrial uses is also related to the other site suitability characteristics of topography, proximity to transportation and services, and compatibility with residential uses. An obvious choice for an industrial park or district to develop is in an area large enough for industrial development that meets the other three site suitability characteristics. Different sources on industrial site analysis state that around 50 – 100 acres is the average site size for an industrial district.<sup>49</sup>

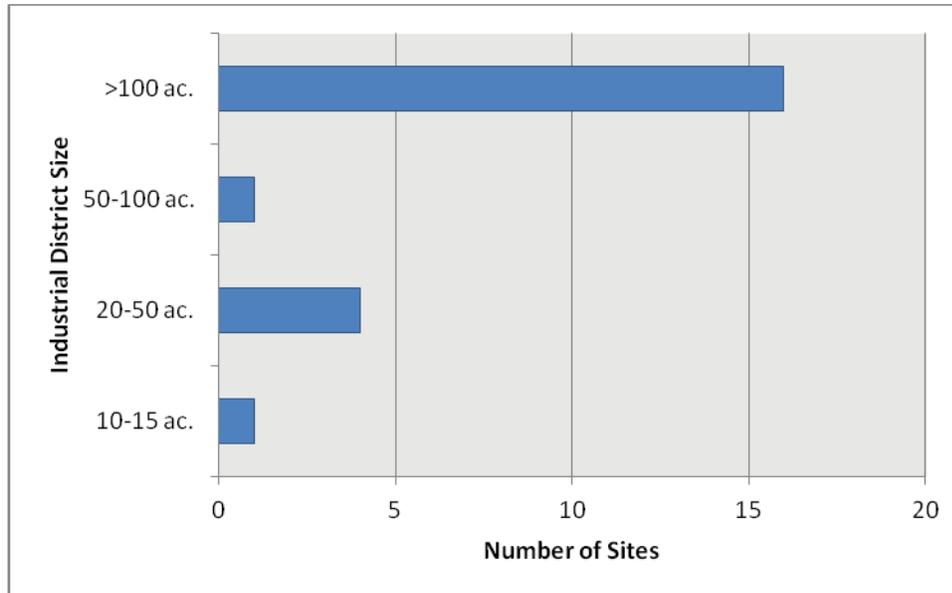
<sup>47</sup> Cottage Grove EOA, ECONorthwest (2009).

<sup>48</sup> Otak, Incorporated and ECONorthwest, *Methods for Evaluating Commercial and Industrial Land Sufficiency: A Recommendation for Oregon Communities* prepared for The Advisory Committee on Commercial and Industrial Development, December 2002.

<sup>49</sup> Deloitte & Touche, *Industrial/Business Park Standards: Rural Regions* (October 2001); Alabama Cooperative Extension System, *Creating Industrial Sites* (January 1999).

Newberg’s review of local and regional industrial areas showed that about two-thirds of existing industrial districts where Newberg’s targeted industries have located recently in our area are over 100 acres in size. Nearly all (92%) of the studied areas are over 20 acres in size.

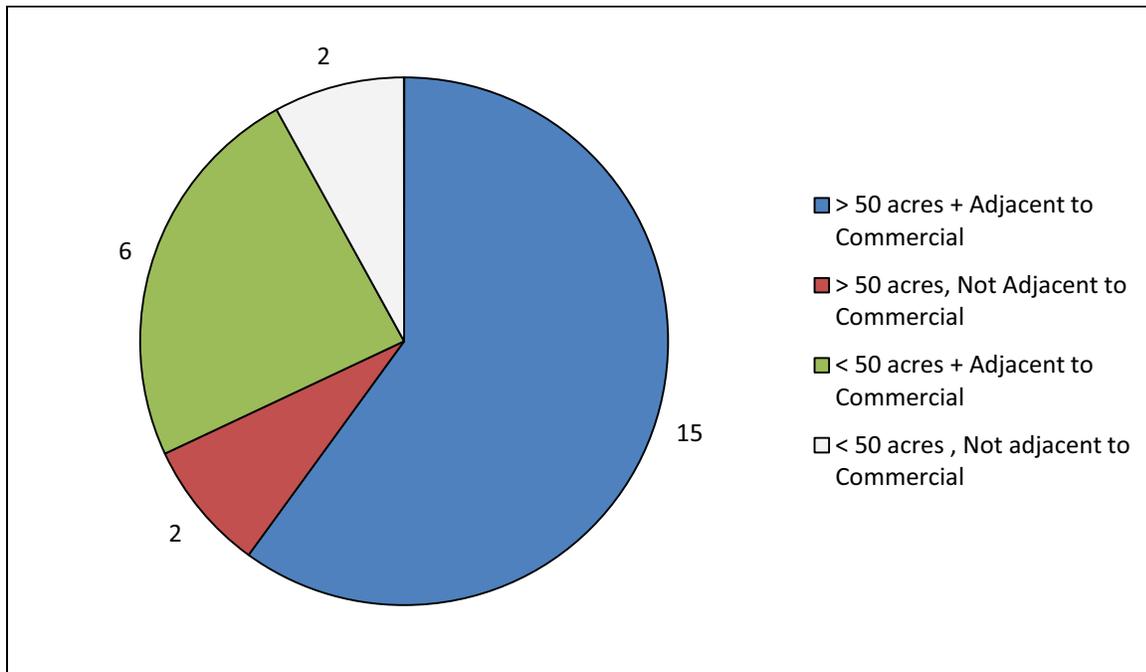
**Figure 12- 5: Typical Industrial District Size of Nearby Communities**



Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

In addition, the types of industries Newberg is targeting have typically located in either large industrial districts or districts near commercial areas. Of the 25 industrial districts studied, 23 or 92%, were adjacent to a large commercial area, were over 50 acres in size, or were both. Small, isolated industrial districts are notably atypical. See Figure 12- 6. Adjacency to a commercial area can provide some of the same benefits as adjacency to industrial areas. For example, street and utility sizes are similar for commercial and some industrial users. Compatibility issues are not as great between commercial and industrial uses. Delivery services can serve both commercial and industrial businesses for many supplies such as office equipment. Employee amenities such as a fitness center, daycare, or coffee shop, can be provided in the commercial area. While not all proximity needs, such as byproduct sharing or expansion needs, can be met simply by being adjacent to commercial uses, many can.

**Figure 12- 6: Commercial/Industrial Proximity and District Size**



Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

Therefore, Newberg has established the following site size suitability characteristic for industrial uses:

*Site contains a parcel or group of parcels in close proximity with buildable land that contains at least 20 buildable or industrially developed acres (or smaller if adjacent to existing industrial district).*

Newberg also has established the following proximity criterion:

*Adjoin an existing industrial or commercial area, or an area with sufficient buildable land to allow expansion of the industrial district.*

This recognizes that typical targeted industrial uses either locate in areas that already have the benefit of commercial/industrial proximity, or will locate in areas that can grow to provide those same benefits. If an area is not adjacent to an existing commercial or industrial area, the area will need to allow initial creation or future expansion of an industrial district to be at least 50 acres and preferably larger.

The importance of this characteristic to each targeted industrial use is shown in Table 12- 24 on page 67.

## Topography

Topography is a critical factor in industry site location. Industrial uses require level sites for a

number of reasons, including:

- Many industries move supplies, equipment, and product from one part of the site to another. This movement becomes very difficult if the grade changes requiring steps or ramps within the site.
- Trucks, forklifts, and other equipment are limited as to the grade at which they can safely operate.
- Most buildings and structures require level floors. If a site is sloped, the site usually needs graded to be level. Grading sites can weaken the structural stability of the soil, or require retaining walls. Many industrial uses include heavy equipment which demands stable footings. Grading and retaining walls can weaken this stability.

According to Bill Grunkmeyer, author of the Ohio State University Extension fact sheet on the characteristics of an industrial site:

*“Topography of the site is also an important factor. Companies usually seek fairly level sites with adequate drainage to avoid standing water. Depending on a firm's desire for aesthetic considerations, a gently sloping site may be attractive. Once again, in considering topography a firm is trying to decrease the cost of site work. If a community is located in a hilly region it is still possible to find an acceptable site by laying out a plan that locates the firm on a plateau or terraced section of a hill. This could be very attractive, particularly if the community takes into consideration easy access and high visibility potentials.”<sup>50</sup>*

In the book *Planning the Built Environment*, author Larz T. Anderson discusses the effect of slope on the feasibility of industrial land uses. The following is a summary of his findings:

- *1 to 3% slope: May accommodate moderate and small plans without extensive linear production; trucking terminals; and warehouses.*
- *3 to 5% slope: Intensive, small-scale industry with minimum trucking needs (truck access is difficult and perhaps impossible with icing).*
- *5 to 10% slope: Intensive, small-scale industry on slopes up to 7% (truck access becomes difficult and expensive when the slope exceeds 7%).*
- *10 to 15% slope: This slope range is economically impractical for industrial development.<sup>51</sup>*

The Department of Land Conservation *Goal 9 Guidebook* includes a definition of constrained land that says that over 10% slope for industrial use is a physical constraint.<sup>52</sup>

One Newberg business stated that they would need a level site with stable soil to facilitate a level concrete floor around 30,000 square feet in size. Two other Newberg examples illustrate the necessity of level sites: Action Equipment's new building, and A-dec's expansion on their existing site. Action Equipment recently located a new facility on level industrial land on Hayes

<sup>50</sup> Bill Grunkmeyer, *Characteristics of an Industrial Site*, Ohio State University Extension Fact Sheet. <http://ohioline.osu.edu/cd-fact/1525.html>.

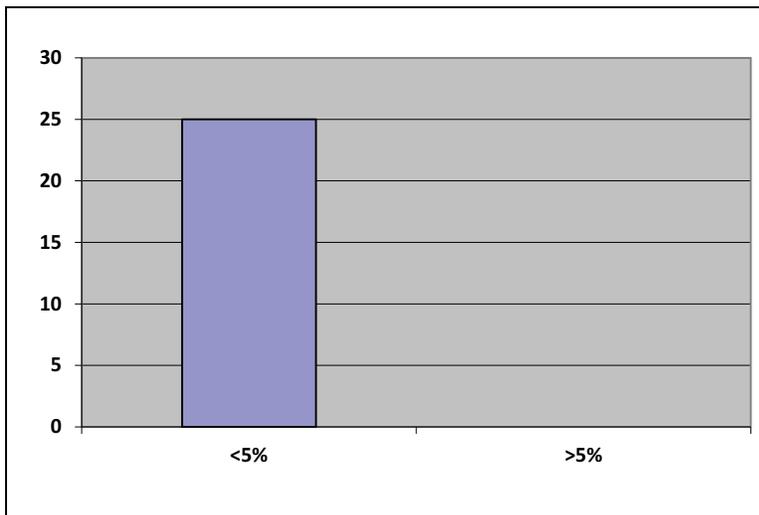
<sup>51</sup> Larz T. Anderson, *Planning the Built Environment*, APA Planners Press (2000).

<sup>52</sup> Department of Land Conservation Development, *Goal 9 Guidebook*, Appendix A.

Street. In their site search, they specified a need for a level site. The company manufactures large, long conveyor equipment. The building design had to focus on being large and level in order to accommodate set up, processing, and moving of the equipment, which in some cases is over a hundred feet long. In the second example, even though you would think the A-dec site is level just from looking at it, the topography caused problems when they needed to expand. A-dec had two buildings close together, and had to build a complex ramp to run forklifts from one building to another in order to make the operation work.

All of the 25 local and regional industrial districts studied were predominantly less than 5% slope, and all had our targeted industries represented in them.<sup>53</sup>

**Figure 12- 7: Predominant Slope of Industrial Districts**



Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

Therefore, a slope of less than 5% is typical for industrial uses, and slopes over 10% are not considered buildable industrial land. In addition, development is not permitted in stream corridors or wetland areas, so these areas also must be excluded. Note that stream corridors or wetland areas may be included on the periphery of sites to provide buffer or open space amenities for the industrial sites.

Thus, Newberg has established the following topography

*Exclude:*

- Slopes of 10% or greater,
- Sites that are not predominantly less than 5% slope within buildable areas, and
- Areas within stream corridors and wetlands.

The importance of the slope characteristic to each targeted industrial use is shown in Table 12-

<sup>53</sup> Newberg Planning Division, *Typical Characteristics of Industrial Sites for Newberg Targeted Industries*, (November 2010)

24 on page 67.

## Proximity to UGB

Newberg’s targeted industries need to be within the urban growth boundary. With some exceptions, state land use laws restrict Newberg’s targeted industrial uses from locating outside the UGB. Extensions of public facilities to serve uses outside UGBs are also severely limited. Thus, Newberg’s industrial land needs only can be met by land that is either already within the UGB, or on land that can be added to the UGB.

ORS 197.298 essentially limits UGB expansions to lands adjacent to the UGB. OAR 660-024-660-024-0060 (4) states, “In determining alternative land for evaluation under ORS 197.298, “land adjacent to the UGB” is not limited to those lots or parcels that abut the UGB, but also includes land in the vicinity of the UGB that has a reasonable potential to satisfy the identified need deficiency.”

Thus, a required industrial characteristic is that the site must be:

*Within, or adjacent to existing UGB, or as part of group of parcels in the vicinity of the UGB that immediately could be added to the UGB.*

In determining whether a site could be added to the UGB, the analysis should consider whether intervening land also could be added to meet identified needs for industrial or some other use. This needs to consider the priority of that land for inclusion in the UGB, and the reasonableness of adding that land considering other factors, such as the ability to provide infrastructure to the area.

## Proximity to Transportation and Services

All of the industrial location site literature references how important having good highway access is for industry. Shipping is an integral part of most industrial businesses. Most shipping is done by the highway system, although some is still done by rail and port. As stated in the Business and Industrial Park Development Handbook,

*“One of the most important location considerations for a business park or a large, single-industrial site is the array of transportation services available at the site. Proximity to airports increasingly is sought by businesses, and although rail is no longer considered essential, some manufacturing and distribution tenants still require it. The major difference between earlier planned industrial districts and parks, and modern business parks has been the new freedom in choice of locations made possible by the “clean” uses now found in parks and by improved roads, especially the freeway network and the large trucking industry.”<sup>54</sup>*

According to the City of Hillsboro Economic Opportunities Analysis Industrial Development Pattern Type Matrix, for medium industrial users (25k-100k sq ft built space; and/or 4 to 25 acres of outdoor inventory/production areas):

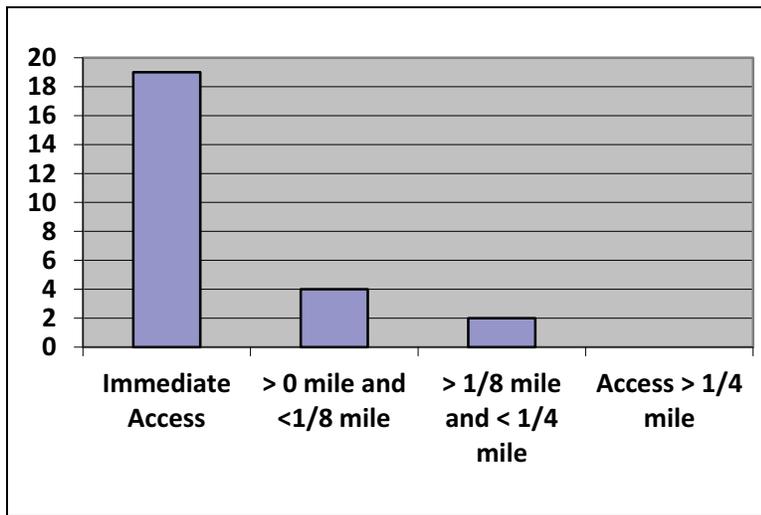
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<sup>54</sup> ULI 1998, p. 88

*“Transportation system that provides convenient connections to state highways is very important...Rail access is important to many uses and can be essential for some uses... Convenient access to well trained and qualified workforce is essential and industry clustering for access to skilled labor force is common...”*

Of the 25 local and regional industrial sites studied, 19 had immediate access to a major road (arterial or state highway). Only two districts had access to a major road that was further than 1/8 mile, and both of those were within 1/4 mile of a major road. No districts had access more than 1/4 mile away.<sup>55</sup>

**Figure 12- 8: Distance from Studied Industrial District to Arterial or State Highway**



Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

It is typical for industries to need to be as close as possible to a major road for easy access; every site in the nearby communities studied was within 1/4 mile. Adequate access has a meaningful connection to industry because most businesses rely on being able to receive supplies and ship goods readily and easily. It is harmful to the business, to surrounding uses, and to the safety of pedestrian, bicycle, and neighborhood traffic to have large trucks regularly traveling through neighborhoods that are not built to handle large truck traffic. Therefore, Newberg has established the following industrial site suitability characteristic:

*Sites that have suitable truck access to a state highway or arterial street within 1/4 mile.*

The importance of this characteristic to each targeted industrial use is shown in Table 12- 24 on page 67.

<sup>55</sup> *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2011)

## Compatibility with Residential Uses

Cities have to take into account location and compatibility when planning for economic development. At the heart of municipal zoning is an identified need to separate residential and industrial uses. The landmark case of *Euclid v. Ambler* declared that government has a valid interest in maintaining neighborhood character and regulating where certain land uses should occur.<sup>56</sup> The Oregon Administrative Rule that governs economic development includes a provision that guides cities to manage compatibility of uses:

*OAR 660-0090-0025 (6) Compatibility. Cities and counties are strongly encouraged to manage encroachment and intrusion of uses incompatible with industrial and other employment uses. Strategies for managing encroachment and intrusion of incompatible uses include, but are not limited to, transition areas around uses having negative impacts on surrounding areas, design criteria, district designation, and limiting non-essential uses within districts.*

Most industrial businesses want to be good neighbors and to be able to fully operate their businesses without constraints imposed by being forced into direct contact with residential neighbors. Other cities have determined that industrial uses need to have other compatible uses nearby as well. An explanation for land use buffers is found in several Economic Opportunities Analysis reports done by ECONorthwest for various cities:

*“According to the public officials and developers/brokers ECO interviewed, industrial areas have operational characteristics that do not blend as well with residential land uses as they do with office and mixed-use areas. Generally, as the function of industrial use intensifies (e.g., heavy manufacturing) so too does the importance of buffering to mitigate impacts of noise, odors, traffic, and 24-hour 7-day week operations. Adequate buffers may consist of vegetation, landscaped swales, roadways, and public use parks/recreation areas. Depending upon the industrial use and site topography, site buffers range from approximately 50 to 100 feet. Selected commercial office, retail, lodging and mixed-use (e.g. apartments or office over retail) activities are becoming acceptable adjacent uses to light industrial areas.”<sup>57</sup>*

Newberg’s existing industrial users report that it is not prudent to locate industrial development next to residential neighborhoods. One prominent industrial business is currently adjacent to residential development on one side, and says that they have issues with large truck traffic getting mixed in with neighborhood pedestrian, bicycle and vehicle traffic, causing visibility and safety problems. In addition, site noise is undesirable to residential neighbors, whether from the banging and grinding that accompanies manufacturing uses or from onsite loudspeakers used for communication throughout the site. Many industrial uses also have long hours, sometimes even 24 hours a day, compounding noise issues. Other things that can be considered nuisances to residential neighbors are outdoor storage of materials, dust, and vibration; all commonplace things in industrial developments.

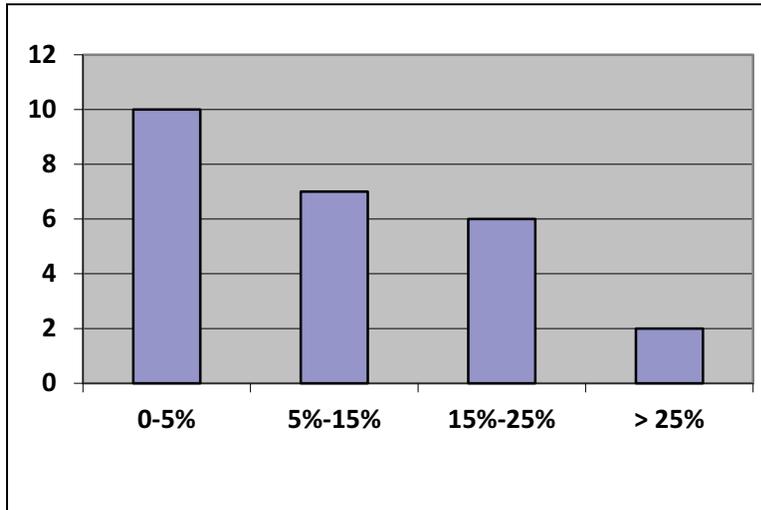
In our review of local and regional industrial parks, two-thirds of the areas had less than 15% of their boundary with residential areas. All except two (92%) had less than 25% of their boundary

<sup>56</sup> [http://en.wikipedia.org/wiki/Village\\_of\\_Euclid\\_v.\\_Ambler\\_Realty\\_Co](http://en.wikipedia.org/wiki/Village_of_Euclid_v._Ambler_Realty_Co).

<sup>57</sup> Economic Opportunities Analysis, Cities of McMinnville (2001) and Springfield (2009), OR

with residential areas.<sup>58</sup> It follows that it would be feasible to create a large buffer from residential areas on one side of an industrial development, but it would be very difficult to do that on every side without wasting a large amount of usable space. Therefore, being adjacent to a residential neighborhood on 25% of an industrial property's boundary would be feasible, but more than that would seriously hamper the industrial use.

**Figure 12- 9: Industrial District Boundaries with Residential Areas**

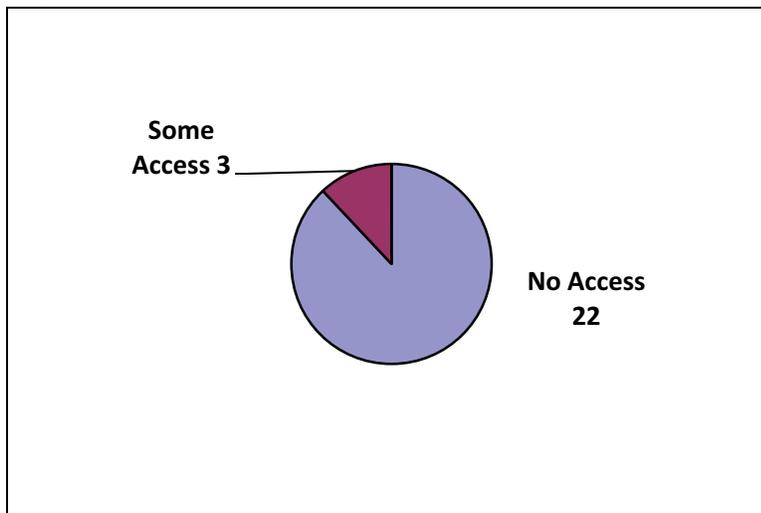


Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

Having to route truck traffic through or adjacent to residential neighborhoods also can severely hamper an industrial business's operation. As noted in the previous section, residential streets are not built to accommodate truck traffic. Residents in those areas can be bothered by the vibration, noise, and odor of the truck traffic, and demand that truck traffic be rerouted or limited to certain volumes or hours.

In our review of nearby industrial areas, 88% did not have access through or adjacent to residential areas. Thus, typical industries do not access through residential areas.

<sup>58</sup> *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2011)

**Figure 12- 10: Industrial Districts with Access Through Residential Area**

Source: *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses*, Newberg Planning Division (2013)

In accordance with these standards, Newberg has established the following criteria<sup>59</sup>:

*Exclude sites that:*

- *Abut residential neighborhoods on more than 25% of the site perimeter unless effective topographical buffers are present, such as a stream corridor, arterial street, state highway, rail line, or park.*
- *Require truck traffic to travel through or adjacent to a residential neighborhood to reach an arterial street or state highway.*

The importance of this characteristic to each targeted industrial use is shown in Table 12- 24 on page 67.

### **Importance of Site Characteristics to Different Types of Targeted Industrial Uses**

As a final step, this study looked at each of the types of targeted industries that are likely to locate in new industrial areas and determined which of the industrial site characteristic had meaningful relationships to that particular type of industry. The results are shown in Table 12- 24 on page 67.

As can be seen in that table, all of the site characteristics are important and meaningful to Newberg targeted industrial uses. In some cases, the a part of the targeted industry may be able to locate in other areas, such as office or commercial zones, such as engineering services. Nevertheless, there is some part of that industry that would locate in industrial zones, such as

<sup>59</sup> For these purposes, “residential neighborhood” includes land that is within urban residential comprehensive plan or zoning district, and rural residential zoned land with a 2.5 acre or smaller minimum lot size or developed predominantly with residential lots of 2.5 acres or less.

engineering services related to manufacturing or construction uses, and where it is necessary for that use to locate in an industrial area that has the industrial site characteristics.

Also note that there are other uses that typically locate in industrial land, but that are not on the Newberg targeted industry list. These are mostly uses in the “other services” category such as auto repair, retail repair and maintenance services, and self-storage facilities. To the extent that new employment is expected in these sectors, they are expected to locate in existing industrial areas and not in new industrial areas that may need the site characteristics listed.

Table 12- 24: Importance of Site Characteristics to Specific Targeted Industrial Uses

Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
<b>High Tech Manufacturing Business Cluster</b>					
Semiconductors/silicon, imaging & display technology	Most. Examples: Cascade Laser (Newberg), Schimadzu (Canby); MEC Companies (Canby); Westak (Forest Grove), Wave Form Systems (Tualatin)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This dynamic industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently include small manufacturers producing supplies or parts for other manufacturers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Typical businesses use heavy production equipment that needs level, stable platforms.	<b>Yes.</b> Typical uses have frequent truck traffic to receive supplies and deliver product. Many serve other industries, so close access is important.	<b>Yes.</b> Typical uses have frequent truck traffic and on-site heavy material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Most use hazardous materials.
Nano & micro technology, cyber-security, health/medical information technology					
Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)					
<b>General Manufacturing Business Cluster</b>					
Dental equipment	Most. Examples: A-dec (Newberg), Beaverstate Dental (Newberg), DCI (Newberg)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This dynamic industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently include small manufacturers producing supplies or parts for other manufacturers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Typical businesses use heavy production equipment that needs level, stable platforms.	<b>Yes.</b> Typical uses have frequent truck traffic to receive supplies and deliver product. Many serve other industries, so close access is important.	<b>Yes.</b> Typical uses have frequent truck traffic and on-site heavy material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Most use hazardous materials.

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Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
Metals, machinery, transportation equipment	Most. Examples: ARE (Newberg), Climax (Newberg), PPM (Newberg), Action Equipment (Newberg), Allied Systems (Sherwood)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently include small manufacturers producing supplies or parts for other manufacturers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Typical businesses use heavy production equipment that needs level, stable platforms.	<b>Yes.</b> Typical uses have frequent truck traffic to receive supplies and deliver product. Many serve other industries, so close access is important.	<b>Yes.</b> Typical uses have frequent truck traffic and on-site material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Most use production equipment that generates noise, vibration, and some smells. Many have outdoor storage of materials and waste. Most use hazardous materials.
Lumber and wood products (value added)	Most. Examples: Beaudry Cabinets (Newberg), Hardwood Industries (Sherwood), Universal Forest Products (Woodburn)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses may include small manufacturers producing supplies or parts for other manufacturers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Typical businesses use heavy production equipment that needs level, stable platforms.	<b>Yes.</b> Typical uses have frequent truck traffic to receive supplies and deliver product. Many serve other industries, so close access is important.	<b>Yes.</b> Typical uses have frequent truck traffic and on-site material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Most use production equipment that generates noise, vibration, and some smells. Many have outdoor storage of materials and waste. Most use hazardous materials.

# Appendix A

Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)	Most. Examples: Harris Thermal (Newberg), Johnson Controls (Canby)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This dynamic industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently include small manufacturers producing supplies or parts for other manufacturers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Typical businesses use heavy production equipment that needs level, stable platforms.	<b>Yes.</b> Typical uses have frequent truck traffic to receive supplies and deliver product. Many serve other industries, so close access is important.	<b>Yes.</b> Typical uses have frequent truck traffic and on-site heavy material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Most use production equipment that generates noise, vibration, and some smells. Some have outdoor storage of materials and waste. Most use hazardous materials.
Distribution & logistics	Most. Examples: Cascade-Columbia (Sherwood), Owens & Minor (Wilsonville), NTP Distribution (Wilsonville), Wesco Distribution (Wilsonville)	<b>Yes.</b> Typical uses have very frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently storage or warehouse space for other industries, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have very frequent truck traffic that requires very level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring very level sites.	<b>Yes.</b> Typical uses have very frequent truck traffic. Many serve other industries, so close access is important.	<b>Yes.</b> Uses have frequent truck traffic and on-site heavy material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Some have outdoor storage of materials and waste. Many store and transport hazardous materials.

# Appendix A

Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
Sports apparel/recreation-related products	Most. Examples: HGI (Newberg), Nike (Beaverton), Dakine (Hood River)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This dynamic industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently include small manufacturers producing supplies or parts for other manufacturers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Typical businesses use heavy production equipment that needs level, stable platforms.	<b>Yes.</b> Typical uses have frequent truck traffic to receive supplies and deliver product. Many serve other industries, so close access is important.	<b>Yes.</b> Most uses have truck traffic and on-site material movement by forklift, causing noise and vibration. Some have evening, night and weekend shifts. Most use hazardous materials.
<b>Aviation related business cluster</b>					
Specialty aircraft equipment, aircraft repair, machine shops, small entrepreneur business	Yes, near Airpark. Examples: Precision Helicopter (Newberg), Van's Aircraft (Aurora)	<b>Yes.</b> In particular, this industry benefits from location in an industrial park near the Sportsmans Airpark. The uses benefit from the synergy created from having aircraft, parts manufacturers, and similar businesses all in close proximity. Typical uses have truck traffic that requires adequately sized roads provided in industrial areas. Typical uses have electrical requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Those servicing aircraft must be very level to allow movement of the craft. Typical uses have truck traffic that requires level sites. Many have forklifts or similar machinery to move materials on site, requiring level sites.	<b>Yes.</b> Typical uses have truck traffic.	<b>Yes.</b> Nearly all use production equipment that generates noise, vibration, and some smells. Typical uses have truck traffic and on-site heavy material movement by forklift, causing noise and vibration. Many have evening, night and weekend shifts. Some have outdoor storage of materials and waste. Most use hazardous materials.
<b>Agriculture business cluster</b>					

# Appendix A

Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
Wineries	Most larger facilities. Small scale and boutique wineries and food processors could locate in other areas. Examples: NW Winery (Dundee); Several on Alpine Ave. (McMinnville); Berry Noire (Newberg), Lieb Foods (Forest Grove)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Larger winery uses generate truck traffic, particularly during harvest time, though truck traffic to storage areas can be year round. These require adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Typical uses have electrical, sewer, and water requirements that only are met in industrial or industrial/commercial areas. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently are connected to storage areas or other producers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites.	<b>Yes.</b> Typical uses have frequent truck traffic receiving produce and delivering product. Winery uses generate truck traffic, particularly during harvest time, though truck traffic to storage areas can be year round. They use production equipment that generates noise, vibration, and smell. Some have outdoor storage of material and waste products. Waste products need careful management to avoid impacts to neighbors. Most use hazardous materials.	<b>Yes.</b> These uses typically generate frequent truck traffic. Winery uses generate truck traffic, particularly during harvest time, though truck traffic to storage areas can be year round. They use production equipment that generates noise, vibration, and smell. Some have outdoor storage of material and waste products. Waste products need careful management to avoid impacts to neighbors. Most use hazardous materials.
Specialty foods and food processing	Most. Examples: Kendal Floral (Canby), T&R Company (Woodburn)	<b>Yes.</b> Typical uses have frequent truck traffic that requires adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. Some uses have power or water requirements that only are met in industrial or industrial/commercial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Uses frequently are connected to storage areas or other producers, so close proximity is very beneficial. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes.</b> Typical uses have truck traffic that requires level sites. Typical uses use forklifts or similar machinery to move materials on site, requiring level sites. Uses have production equipment that needs stable and level platforms.	<b>Yes.</b> Typical uses have frequent truck traffic receiving and distributing product.	<b>Yes.</b> These uses typically generate frequent truck traffic. Most have outdoor storage of material and waste. Some have waste products that need careful management to avoid impacts to neighbors. Most use hazardous materials.
Nursery and agricultural products (value added)					
<b>Services business cluster</b>					

# Appendix A

Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
<p>Professional services architecture, engineering, legal and financial services, etc.</p>	<p>Most are in office or commercial areas. Architecture, engineering, or similar construction or manufacturing related services may require storage areas, construction equipment yards, equipment or product testing. These would locate in new industrial districts.            Examples: Saunders Company (Dundee), Wilson Construction (Canby), AKS Engineering and Forestry (Sherwood), Colamette Const. (Sherwood)</p>	<p><b>Yes.</b> Uses have employee bases that need close amenities provided in the district or nearby commercial areas. Some provide services to other industrial businesses, so close proximity is beneficial. Uses benefit from combined delivery services to the district. Those that have truck traffic or that move construction equipment need adequately sized roads provided in industrial areas. Uses benefit from combined delivery services to the district. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.</p>	<p><b>Yes</b> for those that have outdoor storage of construction equipment, trucks, construction vehicles, or on-site testing. Those that don't may locate in office or commercial areas. In all cases uses are compatible on level sites.</p>	<p><b>Yes</b> for those that have storage of construction equipment, trucks, or construction materials. Those that don't may locate in office or commercial areas. Most serve other businesses, so they benefit from close access, even if only for passenger vehicles. In all cases uses are compatible in areas that have close and suitable truck traffic.</p>	<p><b>Yes</b> for those that have outdoor storage of construction equipment, trucks, or construction vehicles. Those that don't may locate in office or commercial areas. These may also use hazardous materials. In all cases residential separation and compatibility is desirable.</p>

# Appendix A

Targeted business types	Types to locate in new industrial districts; examples	Is industrial district size and industrial/commercial proximity important?	Are level sites important?	Is close and suitable truck access important?	Is residential compatibility important?
Creative services (advertising, public relations, film and video, web/internet content and design)	Most are in office or commercial areas. Those requiring production equipment, large data centers, production studios, telecommunication equipment or towers need industrial sites. Examples: Allegra (Newberg), Regal Graphics (Sherwood), KLYC (McMinnville)	<b>Yes.</b> Those that have truck traffic or that move construction equipment need adequately sized roads provided in industrial areas. Uses have employee bases that need close amenities provided in the district or nearby commercial areas. Uses benefit from combined delivery services to the district. This industry benefits from expansion opportunities on adjacent or close sites in the industrial district. Residential compatibility issues are addressed when use is adjacent to industrial or commercial areas.	<b>Yes</b> for those using production equipment such as printing presses, those requiring large data centers or telecommunication equipment that requires frequent service, or production studios using sets and equipment. Others may locate in commercial or office areas. In all cases uses are compatible on level sites.	<b>Yes</b> for those delivering a physical product, requiring large data centers or telecommunication equipment that requires frequent service, or production studios using sets and equipment. Others may locate in commercial or office areas. Most serve other businesses, so they benefit from close access, even if only for passenger vehicles. In all cases uses are compatible in areas that have close and suitable truck traffic.	<b>Yes</b> for those that have production equipment, large data centers, production studios, telecommunication equipment or towers. Data centers and telecommunication equipment may require frequent service from service vehicles, including large vehicles. Towers and telecommunication equipment can be intrusive to residential neighbors. Production studios may generate noise and light, and have evening, night, and weekend activity. Those that don't may locate in office or commercial areas. Some equipment and materials may be hazardous. In all cases residential separation and compatibility is desirable.

### ***Industrial Land and Sites***

The comprehensive plan inventory of buildable industrial land was updated in 2012, consistent with the requirement in OAR 660-009-0015 (3) for an inventory of industrial and other employment land. The term “buildable industrial land” as used in this plan is consistent with the terms defined in OAR 660-009-0005 as “total supply” of “vacant” or “developed” industrial land that is “suitable” and “serviceable.”<sup>60</sup> Buildable land:

- 1) Includes lots that have any “Industrial” comprehensive plan designation. This includes land in the “Employment” Springbrook District, specific plan industrial districts, and land in the MIX comprehensive plan district zoned industrial. It excludes publicly owned properties intended for city facilities such as the wastewater treatment plant expansion, which are counted in the “public/quasi-public” category.
- 2) Includes lots that are:
  - a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or
  - b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.
  - c) Non-vacant land that is likely to be redeveloped during the planning period. For this inventory, this included (but was not limited to),
    - i) Lots equal to or larger than one-half acre, and less than five acres likely to be redeveloped during the planning period.
    - ii) The undeveloped portion of a lot equal to or larger than five acres.
  - d) Excludes (unsuitable) portions of lots within stream corridors, with slopes over 10 percent, or currently occupied by buildings or industrial uses not likely to be redeveloped during the planning period, or contained within the Newberg-Dundee Bypass right-of-way as shown in the Tier 2 Preferred Alternative selected September 2010.

Table 12 - 1 shows the existing buildable industrial land in the UGB as of 2012<sup>61</sup>. Figure 12-11 is a map of the buildable industrial land in the UGB in 2012.

<sup>60</sup> This should not be confused with the term “buildable land” in OAR 660-008-0005(2), because that rule specifically applies only to residential land.

<sup>61</sup> The inventory of buildable industrial land did not change from 2010-2012.

**Table 12 - 1: Buildable Industrial Land in Newberg UGB (2012)**

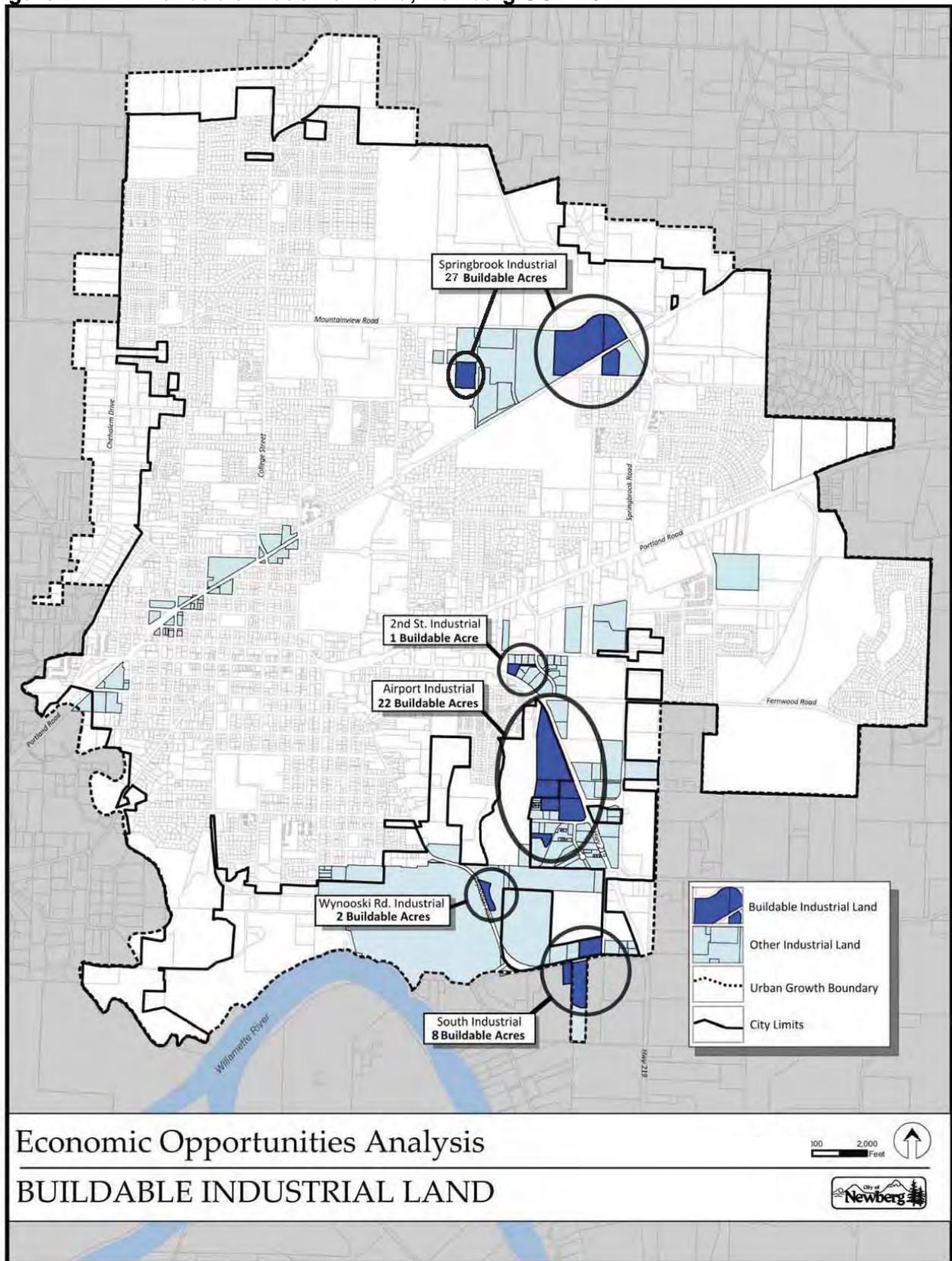
Location	Potential Uses	Buildable Acres	Site Sizes				
			< 2 ac.	2-10 ac.	10-30 ac.	30-50 ac.	Total
Springbrook Employment	Light Manufacturing or Industrial Office	27		1	1		2
Sportsman Airpark <sup>62</sup>	Airport Industrial	22	2	4			6
Wynooski Industrial	Light Industrial	10	1	2			3
Elliot Road Industrial	Light Manufacturing or Industrial Office	1	1				1
<b>Total</b>		<b>60</b>	<b>4</b>	<b>7</b>	<b>1</b>		<b>12</b>

Source: Newberg Planning Division.

The UGB as of 2012 has approximately 56 buildable industrial acres. Newberg's existing industrial land supply is mostly contained within two industrial/employment park areas: approximately 23 buildable acres zoned SD/E (Springbrook District Employment) in the Springbrook area and approximately 22 vacant acres near the Sportsman Airpark. There are also about 11 acres of buildable industrial land scattered throughout the City on individual lots.

<sup>62</sup> The Sportsman Airpark contains one large 55-acre property that contains the existing airport, plus approximately 10.8 acres of buildable industrial land. The approved Sportsman Airpark Master Plan includes a plan for developing the buildable industrial land into an industrial park with aviation related uses. This site was counted in the 2-10 acre category, even though it contains slightly over 10 acres of buildable land, because the approved master plan envisions further division, and the aviation related uses are more likely to be separate smaller firms rather than one large firm.

Figure 12- 11: Buildable Industrial Land, Newberg UGB 2012



### 2032 Industrial Site Need vs. Supply

As shown in Table 12- 25, Newberg has an unmet need for one 30- to 50-acre site, one 10- to 30-acre site, 51 acres of 2- to 10-acre sites, and 20 acres of sites under 2 acres in size.

**Table 12- 25: Industrial Land Supply and Need through 2032**

Size Range (Acres)	Number of Sites - 2012 UGB	Buildable Acres - 2012 UGB	2032 Needed Buildable Sites	2032 Needed Gross Buildable Acres	2032 Deficit # of Sites	2032 Deficit Buildable Acres
<2	5	6	23	26	(18)	(20)
2 to 10	7	30	14	81	(7)	(51)
10 to 30	1	24	2	42	(1)	(18)
30 to 50	0	0	1	42	(1)	(42)
<b>Total</b>	<b>13</b>	<b>60</b>	<b>40</b>	<b>191</b>	<b>(27)</b>	<b>(131)</b>

This means that Newberg will need to include an additional 131 buildable industrial acres within the UGB to include:

- 1) A 30- to 50-acre site;
- 2) A 10- to 30-acre site; and
- 3) Industrial park sites totaling approximately 71 buildable acres.

## Commercial Land Need

Commercial land need in Newberg is driven by a number of factors. As population grows in Newberg and surrounding areas, so will need for retail and commercial services. Growth in leisure and tourism sectors also will result in commercial land needs beyond local population growth. Commercial land need also is driven by employment growth in other categories, such as professional and business services, information, education and health services.

## Commercial Employment Forecast

Table 12-26 forecasts future commercial space utilizing employment for the Newberg urban area through 2032. The table uses the total employment projected in Table 12- 14 on page 30, and the distribution of employment shown in Table 12-15 on page 31.

Note that commercial employment includes most retail, office, medical and commercial services.

**Table 12-26: Commercial Land Using Employment Forecast through 2032**

Industry	2010 Total Emp.	% Commercial Space Utilizing	2010	2032
Construction	387	10%	39	67
Manufacturing	2,164	5%	108	186
Wholesale Trade	115	5%	6	10
Retail Trade	837	99%	829	1,427
Transportation, Warehousing & Utilities	119	18%	21	37
Information	51	50%	26	44
Financial Activities	253	90%	228	392
Professional & Business Services	370	82%	303	522
Education & Health Services	2,978	40%	1,191	2,051
Leisure & Hospitality	1,033	95%	981	1,689
Other Services	439	40%	176	302
Government	173	35%	61	104
<b>Total</b>	<b>8,919</b>	<b>44.5%</b>	<b>3,968</b>	<b>6,832</b>
Cumulative from 2010				2,864

As noted earlier, Newberg is currently underserved in retail services, so Newberg should plan to increase these services to allow local citizens the opportunity to shop in the community.

Newberg serves the commercial service needs of surrounding communities and rural areas as well. These areas also are expected to grow substantially over the planning period, adding to retail land needs in Newberg.

## Commercial Land and Site Sizes Needed

Commercial land needs through 2032 were calculated generally following the process in the Oregon Department of Land Conservation and Development's Goal 9 Guidebook (2005). Once

employment is forecasted, that guidebook suggests the following steps:

- Identify employment that does not require additional land. This includes development through infill and redevelopment, including occupancy of currently vacant space. The Goal 9 Guidebook gives a rule of thumb for vacancy rate of 10% to 15%. Based on information obtained through discussion with local real estate professionals, the vacancy rate for commercial land in the base year 2010 is estimated to be 15%. In addition, Newberg has set the target of accommodating another 5% of commercial land needs through other infill and redevelopment of commercial land, including in downtown.
- Convert employment growth to land demand. The Goal 9 Guidebook suggests determining commercial land demand by using an employee-per-acre factor. The guidebook suggests using a factor of 10-15 employees for general commercial uses, and 20 employees per acre for offices in non-metropolitan downtowns and suburban settings. The guidebook recommends using local employment information where available. With the current mix of retail, service, and office uses in commercial areas, it is very difficult to separate employee per acre rates for the different categories of commercial uses. Using GIS data on developed commercial and office land in Newberg, the employment data from Table 12- 9 on page 24, and vacancy estimates above, Newberg planning staff estimated the employees per acre in the base year. Based on this review, planning staff determined that an average of about 21 employees for each acre of developed and occupied commercial and office land is a reasonable estimate in Newberg. This is a higher and thus more conservative projection than either the general commercial or the office rates given in the Goal 9 Guidebook. Note that the infill and redevelopment factor has the net effect of increasing employment density over the planning period.
- Adjust net acres to total buildable acres. The Goal 9 Guidebook recommends adjusting the net land needs to gross land need to account for right-of-ways, utilities, and similar uses. The Goal 9 Guidebook suggests a factor from 0% to 25%. Newberg's primary commercial areas will require new roads and similar uses. Newberg planning staff estimates this need will be approximately 15% of the land area. Thus, this analysis considers that 15% of commercial lands will be in right-of-way and similar uses.
- Adjust for future vacancy rate. The Goal 9 Guidebook recommends applying a vacancy rate to built land as well. Even in robust market conditions, some commercial land is vacant just due to tenants moving in and out. A future vacancy rate also allows that not every commercial space is suited to every prospective tenant. The Guidebook suggests applying a factor of between 5% and 15%. This analysis uses the most conservative rate of 5%.

The final adjustment made in the analysis is to consider one acre of developed commercial land that will be displaced by construction of the Newberg-Dundee Bypass.

Table 12-27 uses these factors to calculate commercial land needs through 2032.

**Table 12-27: Commercial Land Need through 2032**

<b>Projected New Commercial Employment</b>	<b>2,864</b>
<b>Commercial employment that does not require additional land</b>	
Base year developed commercial land (developed acres)	218
Base year vacancy rate	15%
Other Infill/Redevelopment	5%
Commercial Employment to be accommodated on existing developed commercial land (employees)	916
<b>Convert employment growth to land demand</b>	
Employment on new land (employees)	1,948
Estimated employees per net buildable acre	21
Net Buildable Acres Needed	93
<b>Adjustments to find total gross buildable acres needed</b>	
Right-of-way, utilities, etc.	15%
Future vacancy rate	5%
Displaced by bypass (acres)	1
<b>Total gross buildable acres needed</b>	<b>127</b>

In 2004-2005, Newberg prepared the *Report to Newberg City Council: Recommendations for Newberg's Future*, which documented the development form necessary to accommodate identified commercial land needs. Most of Newberg's commercial growth is expected to occur within existing commercial areas. Newberg has many commercial opportunities in its downtown core. The Newberg Downtown Coalition is actively working on projects to revitalize the downtown commercial core. There is currently approximately one buildable acre in the downtown core; however, it can be assumed that redevelopment, infill, and intensification of uses in the downtown core and other commercial areas will contribute 5% of buildable land supply through 2032 as noted in Table 12-27.

Newberg also will need land dedicated to general retail uses outside of the downtown core, in the form of both smaller neighborhood commercial centers and larger community shopping centers. In order to provide adequate shopping opportunities to Newberg residents, it will be important to ensure there is an adequate supply of retail commercial sites with the appropriate site characteristics in terms of size, access, and location throughout the community. In general, shopping centers require adequately sized areas of land (3 acres minimum for neighborhood commercial sites, and 10 acres minimum for community commercial sites), relatively flat sites with less than 15% slope, and sites with adequate access to collector and/or arterial streets. The smaller neighborhood commercial centers should be scattered throughout the community to provide goods and services near where people live and to reduce the need to drive into the central area for basic needs. Through 2032, Newberg will need one to two additional community commercial centers (10-15 acres each) and two to three smaller neighborhood centers (3-5 acres) to meet the retail commercial land need. Additional commercial acreage is necessary to

accommodate the office, medical services, commercial services, and other miscellaneous commercial activities projected through 2032 independent of the retail commercial uses.

### ***Commercial Site Suitability Requirements***

Cities are required by OAR 660 Division 9 to identify required site types to accommodate expected employment growth based on the site characteristics typical of expected uses. Site characteristics are attributes of a site such as shape, topography, visibility, compatibility, infrastructure, proximity to facilities and transportation infrastructure. Many common elements of site requirements can be found in the many Economic Opportunities Analysis reports reviewed from around the state. ECONorthwest completed many of the EOAs, and concludes in these plans that “previous research conducted by ECO has found that while there are always specific criteria for individual firms, many firms share common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints, with minimal residential conflicts, and located with good access to transportation, public facilities and services.”<sup>63</sup>

Commercial uses fall under the “other employment use” definition in OAR 660 Division 9:

*(6) “Other Employment Use” means all non-industrial employment activities including the widest range of retail, wholesale, service, non-profit, business headquarters, administrative and governmental employment activities that are accommodated in retail, office and flexible building types. Other employment uses also include employment activities of an entity or organization that serves the medical, educational, social service, recreation and security needs of the community typically in large buildings or multi-building campuses.*

Similar to industrial uses, commercial uses can run the gamut of actual on-the-ground development. Therefore, it’s important that commercial site suitability criteria be typical enough to accommodate the range of expected uses in Newberg. Table 12-28 below shows Newberg’s commercial site requirements and the rest of this section discusses the requirements.

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<sup>63</sup> Common wording found in the EOA reports done by ECONorthwest for Cottage Grove (2009), Springfield (2009), Ashland (2007), and McMinnville (2001).

**Table 12-28: Required Commercial Site Suitability Characteristics**

Required Site Characteristic	Description
<b>Site Size</b>	<ul style="list-style-type: none"> <li>• For neighborhood centers – 3 acres minimum</li> <li>• For community centers – 10 acre minimum</li> </ul>
<b>Topography</b>	Exclude: <ul style="list-style-type: none"> <li>• Slopes of 15% or greater</li> <li>• Inventoried and protected riparian corridors / wetlands</li> <li>• Areas within the designated Stream Corridor Overlay</li> </ul>
<b>Proximity to Transportation and Services</b>	<ul style="list-style-type: none"> <li>• For neighborhood centers – access to major collector or minor arterial street at a minimum.</li> <li>• For community centers – access to minor or major arterial.</li> </ul>
<b>Compatibility</b>	Exclude sites that: <ul style="list-style-type: none"> <li>• For community centers, abut residential neighborhood on more than 50% of the site perimeter unless effective topographical or road buffers present or planned</li> </ul>

## Commercial Site Size

Commercial site size varies by type of commercial development. Neighborhood commercial centers are meant to be scattered throughout the community to provide goods and services near where people live. This is meaningful for neighborhoods because it reduces the amount of necessary vehicle trips for basic items, and meaningful for the neighborhood businesses because they build up a loyal customer base with little competition. Johnson-Gardner analyzed qualitative site requirements by designation and use in several EOAs they completed for cities throughout Oregon, and they found that neighborhood shopping centers typically use 3-10 acres, with leasable areas of 30,000-100,000 square feet.<sup>64</sup> ECONorthwest found that neighborhood commercial sites typically need between 5-10 acres.<sup>65</sup> These typical site sizes are large enough to accommodate a handful of small stores plus parking and landscaping space.

Community commercial centers are meant to serve a larger population, and are destination shopping areas. Community commercial centers typically use 100,000-450,000 square feet of building space, and the overall site is typically 10-30 acres in size.<sup>66</sup> Adequate site size is meaningful to the community commercial center because they must have adequate parking and landscaping areas, plus they need adequate space for buffers from any adjacent residential areas.

Newberg established the following commercial site size criteria:

*For neighborhood centers – 3 acres minimum*

*For community centers – 10 acres minimum*

## Topography

Most businesses typically need sites that are relatively flat, particularly those businesses with

<sup>64</sup> Johnson-Gardner, *City of Hillsboro EOA & Long Term Land Need (2009), Klamath Falls EOA (2008)*

<sup>65</sup> ECONorthwest, *Cottage Grove EOA (2009), Springfield EOA (2009)*

<sup>66</sup> Johnson-Gardner, *City of Hillsboro EOA & Long Term Land Need (2009), Klamath Falls EOA (2008)*

large floor areas. Flat sites are meaningful to business operation for a variety of reasons, including ease of truck deliveries and customer access and parking. Commercial centers need large flat parking areas for practical reasons too such as to contain shopping carts and goods. According to ECONorthwest in the Springfield EOA:

*Flat topography (slopes with grades below 10%) is needed by almost all firms in every industry except for small Office and Commercial firms that could be accommodated in small structures built on sloped sites.*<sup>67</sup>

The Springfield EOA also states that slopes for needed commercial sites should not exceed 15%. Due to parking requirements, commercial users typically need sites that are generally rectangular in shape, with a length that is at least two times the width for new commercial sites.<sup>68</sup>

Areas within Newberg's designated Stream Corridor Overlay or within identified wetland areas are not developable per Newberg Development Code regulations.

Newberg established the following topography criteria:

*Exclude:*

*Slopes of 15% or greater*

*Inventoried and protected riparian corridors/wetlands*

*Areas within the designated Stream Corridor Overlay*

## **Proximity to Transportation and Services**

Perhaps the most meaningful feature for commercial businesses is proximity to main roads for customer access and store visibility. Community commercial centers are typically located along major roads of cities where they will be the most visible to drive-by traffic and pedestrians. As the Klamath Falls EOA says,

*"Transportation system that provides convenient connections and very high visibility from major arterial roadways and state highways is essential."*<sup>69</sup>

This is emphasized in the Springfield EOA as well:

*"Close proximity to a highway or arterial roadway is critical for firms that generate a large volume of truck or auto trips or firms that rely on visibility from passing traffic to help generate business. This need for proximity explains much of the highway strip development prevalent in urban areas today."*<sup>70</sup>

Neighborhood commercial centers are typically located along collector level streets so that they can capture drive-by neighborhood traffic, without increasing traffic flow on the local neighborhood streets.

<sup>67</sup> ECONorthwest, *Springfield EOA (2009)*

<sup>68</sup> Ibid.

<sup>69</sup> Johnson-Gardner, *Klamath Falls EOA (2008)*

<sup>70</sup> ECONorthwest, *Springfield EOA (2009)*

Newberg established the following proximity criteria for commercial sites:

*For neighborhood centers – access to major collector or minor arterial street at a minimum*

*For community centers – access to minor or major arterial*

### **Compatibility with Adjacent Uses**

It is meaningful to the operation of successful commercial businesses to have good relationships with their neighbors, particularly if those neighbors are residential in nature. In most cases, being a good neighbor means not bothering those residential neighbors too much with noise, traffic, and other nuisances, and in return the businesses get the patronage of their residential neighbors. As ECONorthwest notes:

*“Targeted commercial and other employment firms typically require sites with characteristics that are similar to those of targeted basic industrial employment. However, a location separate from existing park and residential development is usually less critical, because commercial and other employment uses typically are less intensive and have fewer compatibility (noise, odor, dust, truck traffic) problems.”<sup>71</sup>*

Neighborhood commercial areas can typically be located directly adjacent to residential areas. However, although community commercial centers have fewer nuisance issues than industrial development, those issues still exist to a certain degree. Anecdotal evidence in Newberg suggests that the largest commercial complexes that are directly adjacent to residential development generate many complaints about noise and truck traffic. One way this effect can be mitigated is by having adequate land for solid and vegetated buffers, and by not being surrounded by residential development on all sides so that the commercial center can still effectively function with areas for deliveries, parking, and vehicle travel.

For those reasons, Newberg established the following compatibility criterion:

*Exclude sites that:*

- *For community centers, abut residential neighborhood on more than 50% of the site perimeter unless effective topographical or road buffers are present or planned*

### **Commercial Land and Sites**

The commercial buildable land inventory inside the 2010 Newberg UGB has approximately 120 buildable acres. Newberg has seven main commercial areas. These are shown on Figure 12- 12 on page 87. Table 12-29 shows the amount of buildable land in each area.

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<sup>71</sup> ECONorthwest, *Cottage Grove EOA (2009), Springfield EOA (2009)*

**Table 12-29: Buildable Commercial Land in Newberg UGB (2010)**

Location	Potential Uses	Buildable Acres	Parcels over 5 Acres Buildable
Downtown	Infill Retail and Office Uses	1	0
College/Mountainview Neighborhood Center	Neighborhood or Community Commercial Center	12	1
Springbrook Hospitality and Village	Tourist Retail and Hospitality	25	2
East Portland Road	Community Commercial Center	28	2
Portland Road	Retail and Office	19	1
Riverfront	Tourist Retail and Hospitality	10	0
Providence Drive	Medical Offices	25	2
<b>Total</b>		<b>120</b>	<b>8</b>

### 2032 Commercial Site Need and Supply

Overall, Newberg has nearly enough commercial land need to meet its needs through 2032. It has a deficit of eight buildable acres of commercial land to meet needs through 2032.

**Table 12-30: Commercial Land Supply and Need through 2032**

Buildable Acres Needed through 2032	Buildable Acres in 2010 UGB	(Deficit)
127	120	(7)

Note: All figures are gross buildable acres.

The East Portland Road Community Commercial meets the need for one of the community commercial centers. The Springbrook Road area serves as an expansion of an existing community commercial area.

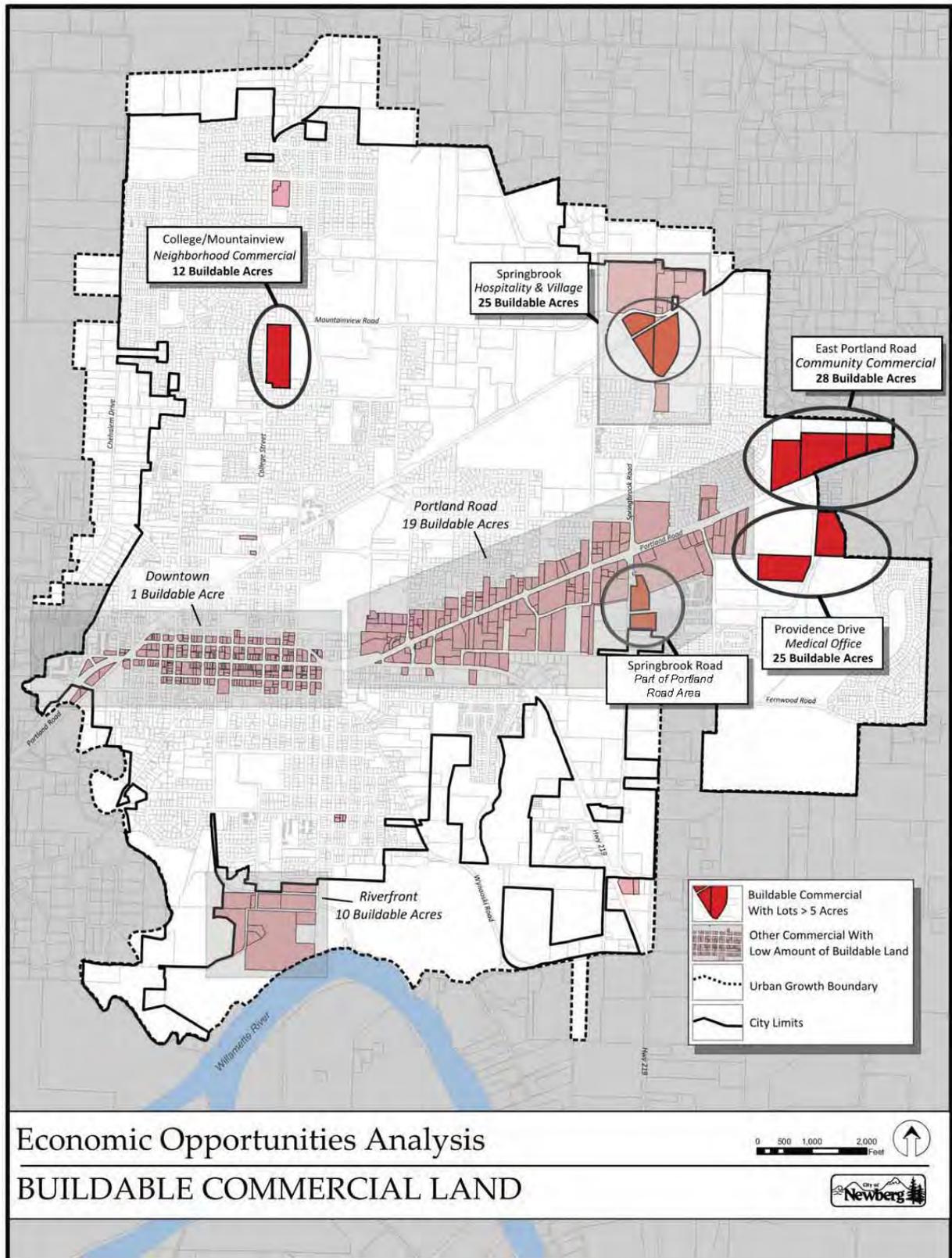
The College/Mountainview Neighborhood Commercial area, because of its size and location, could meet needs as a community commercial or a neighborhood commercial area.

The Springbrook Village area and Riverfront commercial areas are primarily tourist and leisure related commercial areas. These could serve some functions of neighborhood commercial areas,

however an additional neighborhood commercial area could be needed to serve a particular neighborhood.

The Providence Drive Medical Office area is well suited to medical office uses. Additional office uses could likely be met through expansion of existing commercial areas or through new areas.

Figure 12- 12: Commercial Areas and Buildable Commercial Land, Newberg UGB 2010



## VI. Conclusion

Newberg's economic base has diversified over time and several of its home-grown industries have become national and international leaders in their respective fields. The City is slowly transitioning into more of an urban center for east Yamhill County as the population grows. However, Newberg citizens have made it clear that they value the "live here, work here, shop here" values and way of life. To keep up the City's commitment to the values of its residents, Newberg must strengthen its economic base and provide adequate industrial and commercial land for current and future populations.

The industrial and commercial buildable land supply tables in this report indicate a shortage of both types of land within the current Newberg Urban Growth Boundary. It is critical for economic development efforts to have adequate buildable land available that meets the identified site suitability requirements for both industrial and commercial areas. The City cannot help provide enough jobs for current and future residents without adequate land to locate new businesses on, and without adequate land for existing businesses to expand onto.

Fortunately, Newberg has many advantages that make it stand out in the regional marketplace, including the following:

- Small town quality of life
- Access to quality education and skills training
- Strong established and growing industry clusters
- Strong local support for business and employment opportunities
- Proximity to the Portland Metropolitan Region
- Future Newberg-Dundee Bypass
- Compliance with Oregon's statewide planning goals

In addition, Newberg has easy access to Interstate 5 on its south side for easy access to industrial locations. One of the most important advantages on the list is that Newberg has strong existing and growing industry clusters in the areas of manufacturing, health care, higher education, and wine tourism. Providing additional adequate land for industrial and commercial businesses that are in these same sectors and other compatible sectors will help strengthen Newberg's economic base for the future.

By following the recommended actions in the plan, Newberg can maintain and build a strong economic base to benefit all its citizens.

## Appendix B: Comprehensive Plan Text Amendments

The following are Comprehensive Plan revisions to implement the revised Economic Opportunities Analysis. Additions to the text are shown as underlined, deletions are shown as ~~strikethrough~~.

**SECTION 1** – Amend the C. **SIGNIFICANCE** section as follows:

The Urban Growth Boundary will also have an important effect on local residents. The UGB, although only a guide, is intended to provide adequate space for land use needs over a 20-year planning horizon ~~to the year 2010~~ and defines the area within which urban services can be provided. The purpose of the UGB is to contain urban growth within a reasonable area while providing adequate choices for new development locations.

**SECTION 2** – Add the following to section H. **THE ECONOMY**:

**GOAL:** To develop a diverse and stable economic base.

**POLICIES:**

**1. General Policies**

- m. The City shall collaborate with project developers to construct and maintain the best utility systems possible (e.g. water and sanitary sewer), both from a quality as well as quantity (capacity) standpoint.
- n. The City, in cooperation with public and/or private entities, shall invest in the best telecommunications infrastructure possible.
- o. The City shall collaborate with other public and private entities and project developers to construct and maintain the best surface transportation infrastructure possible (e.g. roads, airport, railroad).
- p. The City shall strive to develop and promote a high quality of life in the community in order to attract and retain a diverse and highly skilled workforce.
- q. The City shall foster an environment of business innovation so that the community may remain economically competitive.

**SECTION 3** – Amend the **POPULATION GROWTH** section as follows:

**A. HISTORIC POPULATION**

Newberg grew over 450 500 percent from 1960 to 200910. This population growth was due to a variety of factors: regional population growth, expansion of industry and business in the area, proximity to other employment centers, and the high quality of life in the area.

**Table III-1. Newberg City Population – 1960-200910**

Year	Population
1960	4,204
1970	6,507
1980	10,394
1990	13,086
2000	18,064
200910	<del>23,150</del> <u>22,068</u>

Sources: U.S. Census, ~~Population Research Center, Portland, State University~~

The Portland State University Population Research Center estimated Newberg's population as of July 1, ~~2009~~ 2010 to be 22,110 ~~23,150~~. As of July 1, ~~2009-2011~~, the Urban Growth Boundary has an estimated population of ~~23,582~~ 22,730.

**SECTION 4 – Amend the *POPULATION PROJECTIONS* section as follows:**

~~Future population projections for the City of Newberg were prepared in 2004 by Barry Edmonston, Portland State University, Population Research Center,<sup>+</sup> using two different methodologies: a ratio method and a cohort component method. While the two methods produced similar results, City staff and the Ad Hoc Committee on Newberg's Future felt that the cohort component method more accurately projected the future population of Newberg. In addition, projected population growth for the area outside the city limits but inside the UGB was added to the City population projections to yield Urban Area population projections. Table III-2 presents the resulting population forecasts through 2040.~~

**Table III-2. Future Population Forecast – Newberg Urban Area**

Year	Population Forecast
2000 <sup>2</sup>	18,438
2005	21,132
2010	24,497
2015	28,559
2020	33,683
2025	38,352
2030	42,870
2035	48,316
2040	54,097

Sources: ~~Johnson Gardner, Barry Edmonston~~

<sup>+</sup> Barry Edmonston, Director, Population Research Center, Portland State University, Portland, Oregon. "Population Projection for Newberg, Yamhill County, Oregon: 2000 to 2040." March 25, 2004.

<sup>2</sup> 2000 Population is the U.S. Census estimate for Newberg plus the estimate of population outside City limits but within the UGB.

Portland State University’s Population Research Center developed a future population forecast for the Newberg Urban Area. This forecast was adopted by Yamhill County as the coordinated population forecast required by state law. This forecast is shown in Table III-2.

**Table III-2. Future Population Forecast – Newberg Urban Area**

<u>Year</u>	<u>Population Forecast</u>
<u>2015</u>	<u>24,663</u>
<u>2020</u>	<u>28,250</u>
<u>2025</u>	<u>32,213</u>
<u>2030</u>	<u>35,408</u>
<u>2032</u>	<u>36,610</u>
<u>2035</u>	<u>38,490</u>

Source: Population Research Center, Portland State University, *Population Forecasts for Yamhill County, its Cities and Unincorporated Area, 2011-2035, 2012.*

**SECTION 5** – Amend the **LAND NEED AND SUPPLY** section as follows:

**D. INDUSTRIAL LAND NEED AND SUPPLY**

**1. Industrial Land Need**

~~Johnson Gardner prepared future industrial land forecasts based on long range employment forecasts and converted the new jobs to space needs for each employment sector (Table IV-10). This forecast is based on a high employment growth scenario~~

Newberg has identified four “target” industry clusters that are the foundation of its economy: manufacturing, health care, higher education, and the wine/tourism industry. In addition, there are regional “target industries” that can reasonably be attracted to our community. Newberg’s Economic Opportunities Analysis considers the size and type of sites needed by these target industries. ~~In addition to an~~ As part of the overall supply of buildable land, Newberg needs to have sites available ~~the that~~ meet the specific needs of ~~potential industrial users, so-called “target industries”~~, these industries. A variety of parcel sizes, building types, and land use designations are required to attract target industries ~~and provide market choice~~. Economic trends indicate that just over half of Newberg’s future industrial employment will be located on sites of 10 acres or less. Of those, one-third of the future new industrial firms under 10 acres in size, and one-half of firms under 2 acres in size, will find a site through infill redevelopment or intensification of existing employment uses. The remainder of Newberg’s future industrial employment will require larger parcels over 10 acres in size. Table IV-10 below shows that Newberg has a need for 191 gross buildable acres through 2032.

**Table IV-10: Site Size Distribution by Firm Employment through 2032**

<u>Emps. per Firm</u>	<u>Percent of Emp.</u>	<u>Number of Emps.</u>	<u>Number of Firms</u>	<u>Sites Needed</u>	<u>Size Range (Acres)</u>	<u>Ave. Site Size (Acres)</u>	<u>Ave. ROW Need (Acres)</u>	<u>Gross Buildable Acres Needed</u>
0-9	15%	273	46	23	<2	1	0.15	26
				23	<i>infill &amp; redevelopment</i>			0
10 to 74	40%	729	21	14	2 - 10	5	0.75	81
				7	<i>infill &amp; redevelopment</i>			0
75 +	45%	820	2	2	10 - 30	20	1.00	42
			1	1	30 - 50	40	2.00	42
			1	1	<i>infill &amp; redevelopment</i>			0
<b>Total</b>	<b>100%</b>	<b>1,822</b>	<b>71</b>	<b>71</b>				<b>191</b>

Source: Winterbrook Planning 2009, Newberg Planning Division 2012

**Table IV 10. Industrial Land Need**

	<b>2005-2025</b>	<b>2026-2040</b>
Industrial	87 acres	75 acres

Source: Johnson Gardner

In 2005, there is a general lack of suitable large (20+ acre) industrial sites with access to a state highway and physical separation or transitional buffering from residential neighborhoods. Therefore, Newberg needs 4 large (20+ acre) industrial sites for the period 2005-2025 and an additional 6 sites for the period 2026-2040. The assumption is that approximately 50 percent of the future industrial employment will take place on large parcels.

## 2. 2025-2032 Industrial Land Supply and Need

The city reviewed and updated the buildable industrial land inventory in 2012, consistent with the requirement in OAR 660-009-0015(3) for an inventory of industrial and other employment land. The term “buildable industrial land” as used in this plan is consistent with the terms defined in OAR 660-009-0005 as “total supply” of “vacant” or “developed” industrial land that is “suitable” and serviceable”. Table IV-11 shows the existing buildable land in the UGB as of 2012.

**Table IV-11: Buildable Industrial Land in Newberg UGB (2012)**

<u>Location</u>	<u>Potential Uses</u>	<u>Buildable Acres</u>	<u>Site Sizes</u>				<u>Total</u>
			<u>&lt; 2 ac.</u>	<u>2-10 ac.</u>	<u>10-30 ac.</u>	<u>30-50 ac.</u>	
<u>Springbrook Employment</u>	<u>Light Manufacturing or Industrial Office</u>	27		1	1		2

<u>Sportsman Airpark<sup>3</sup></u>	<u>Airport Industrial</u>	<u>22</u>	<u>2</u>	<u>4</u>		<u>6</u>
<u>Wynoski Industrial</u>	<u>Light Industrial</u>	<u>10</u>	<u>1</u>	<u>2</u>		<u>3</u>
<u>Elliot Road Industrial</u>	<u>Light Manufacturing or Industrial Office</u>	<u>1</u>	<u>1</u>			<u>1</u>
<b><u>Total</u></b>		<b><u>60</u></b>	<b><u>4</u></b>	<b><u>7</u></b>	<b><u>1</u></b>	<b><u>12</u></b>

Table IV-12 relates the supply of industrial land in the UGB to the projected need.

**Table IV-12: Industrial Land Supply and Need through 2032**

<u>Size Range (Acres)</u>	<u>Number of Sites - 2012 UGB</u>	<u>Buildable Acres - 2012 UGB</u>	<u>2032 Needed Buildable Sites</u>	<u>2032 Needed Gross Buildable Acres</u>	<u>2032 Deficit # of Sites</u>	<u>2032 Deficit Buildable Acres</u>
<2	<u>5</u>	<u>6</u>	<u>23</u>	<u>26</u>	<u>(18)</u>	<u>(20)</u>
2 to 10	<u>7</u>	<u>30</u>	<u>14</u>	<u>81</u>	<u>(7)</u>	<u>(51)</u>
10 to 30	<u>1</u>	<u>24</u>	<u>2</u>	<u>42</u>	<u>(1)</u>	<u>(22)</u>
30 to 50	<u>0</u>	<u>0</u>	<u>1</u>	<u>42</u>	<u>(1)</u>	<u>(42)</u>
<b><u>Total</u></b>	<b><u>13</u></b>	<b><u>60</u></b>	<b><u>40</u></b>	<b><u>191</u></b>	<b><u>(27)</u></b>	<b><u>(131)</u></b>

The industrial buildable land inventory inside the current UGB has approximately 159 acres. While this may seem to be a large supply, it is disadvantaged by a number of elements. First, it consists mostly of small, scattered sites, with only 8 parcels larger than 5 acres and only 3 parcels that are 20 acres or larger. Second, several sites are hindered because of proximity to residential neighborhoods or other factors. Thus, some of the industrial should be rezoned for other uses. Third, a significant part of the “buildable” land is in fact in industrial use, such as storage yards. Also, the land need is adjusted to account for existing industrial uses that are displaced by the Newberg Dundee Bypass.

**Table IV-11. 2025 Industrial Land Supply and Need**

<b>Industrial Site Size</b>	<b>2025 Need</b>	<b>Supply</b>	<b>Surplus/(Deficit)</b>
Small/Medium sites (< 20 ac)	50 ac	99 ac	49 ac
Large sites (20+ ac)	100 ac	60 ac	(40) ac

<sup>3</sup> The Sportsman Airpark contains on large 55-acre property that contains the existing airport, plus approximately 10.8 acres of buildable industrial land. The approved Sportsman Airpark Master Plan includes a plan for developing the buildable industrial land into an industrial park with aviation related uses. This site was counted in the 2-10 acre category, even though it contains slightly over 10 acres of buildable land, because the approved master plan envisions further division, and the aviation related uses are more likely to be separate smaller firms rather than one large firm.

~~Inside the current UGB, the only one large site (20 acres) that is viable in the long term is at the Sportsman Airpark. Two other sites are better suited for other uses long term. Therefore, Newberg needs to look to add additional industrial land to its UGB.~~

## Appendix C: Economic Opportunities Analysis and Comprehensive Plan Text Amendment Findings

The revised Economic Opportunities Analysis (EOA) must comply with the Newberg Comprehensive Plan, Statewide Planning Goal 9, ORS 197.638, ORS 197.712, OAR 660-009-015, *Friends of Yamhill County v. City of Newberg*, Or LUBA (August, 2010) and *Friends of Yamhill County v. City of Newberg*, Or App (February 16, 2011).

Below are the findings to these criteria.

### I. Newberg Comprehensive Plan

*Section H. The Economy – Goal: To develop a diverse and stable economic base.*

**Finding:** The EOA is considered the “implementation” portion of Section H in the Comprehensive Plan, and as such it strives to implement this goal and its associated policies in Section H of the Newberg Comprehensive Plan. The EOA contains many elements, including information on local and regional targeted industries, the site size and suitability characteristics of those targeted industries, Newberg’s comparative advantages and disadvantages, and an economic development strategy with actions to address the comparative advantages and disadvantages to strengthen Newberg’s standing in the regional marketplace to attract the targeted industries. The action items found in the EOA are linked back directly to the policies they implement from Section H of the Comprehensive Plan. All of these things combine to work toward meeting the goal of developing a diverse and stable economic base. This goal could not be met without a revised and updated EOA because economic statistics and market forces change over time, requiring constant monitoring and updating for the economic strategy to stay relevant. Therefore, the revised and updated EOA best helps implement this goal of the Comprehensive Plan.

### II. Statewide Planning Goal 9: Economic Development – To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon’s citizens.

*Comprehensive Plans for urban areas shall:*

1. *Include an analysis of the community’s economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends;*
2. *Contain policies concerning the economic development opportunities in the community;*
3. *Provide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies;*

4. *Limit uses on or near sites zoned for specific industrial and commercial uses to those which are compatible with proposed uses.*

#### GUIDELINES – A. PLANNING

A.1. *A principal determinant in planning for major industrial and commercial developments should be the comparative advantage of the region within which the developments would be located. Comparative advantage industries are those economic activities which represent the most efficient use of resources, relative to other geographic areas.*

A.2. *The economic development projections and the comprehensive plan which is drawn from the projections should take into account the availability of the necessary natural resources to support the expanded industrial development and associated populations. The plan should also take into account the social, environmental, energy, and economic impacts upon the resident population.*

A.3. *Plans should designate the type and level of public facilities and services appropriate to support the degree of economic development being proposed.*

A.4. *Plans should strongly emphasize the expansion of and increased productivity from existing industries and firms as a means to strengthen local and regional economic development.*

A.5. *Plans directed toward diversification and improvement of the economy of the planning area should consider as a major determinant, the carrying capacity of the air, land and water resources of the planning area. The land conservation and development actions provided for by such plans should not exceed the carrying capacity of such resources.*

**Finding:** The EOA is Section 12 (The Economy) of the Inventory of Natural and Cultural Resources, which is the base document that the Comprehensive Plan and its goals and policies is based on. The revised EOA includes the elements required above: an analysis of Newberg’s economic patterns, forecasts, comparative advantages and disadvantages (strengths and deficiencies); provisions for an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies; and compatibility requirements that limit uses on or near sites zoned for specific industrial and commercial uses to those which are compatible with proposed uses. The Newberg Comprehensive Plan contains policies concerning the economic development opportunities in the community.

The revised EOA includes a robust discussion of Newberg’s comparative advantages and disadvantages related to the regional economic marketplace. Newberg has identified four business clusters that are the foundation of its economy and that economic development efforts will be focused on, including: manufacturing, health care, higher education, and the wine/tourism

industry. The updated buildable land inventories in the revised EOA indicate a shortage of both types of land; the City is working on a concurrent UGB expansion effort to remedy this situation to ensure Newberg's economic health. The Comprehensive Plan considers the availability of resources to support a growing population, and has goals and policies to ensure that adequate provisions are made. In addition, the City has a Transportation System Plan, a Sewer Master Plan, a Water Master Plan, and a Storm Drainage Master Plan that detail the type and level of public facilities for current and future developments.

The first strategy of Newberg's economic development efforts focuses on retention and expansion of existing businesses. Several of the home-grown industries that reflect Newberg's four main business clusters have become national and international leaders in their respective fields. The revised EOA details Newberg's commitment to its existing businesses and firms, including a list of strategies and actions that are intended to help Newberg assist its local economic partners.

**III. ORS 197.638 Department of Land Conservation and Development may request review by Economic and Community Development Department of local inventory and analysis of industrial and commercial land.**

- (1) *Upon request of the Department of Land Conservation and Development, the Economic and Community Development Department shall review the inventory and analysis of industrial and commercial land, and measures taken to address the land needs, required of certain local governments under ORS 197.712. The review shall address the likely effect of measures developed by a local government on the adequacy of the supply of sites and opportunities to satisfy needs identified under ORS 197.712.*
- (2) *The Land Conservation and Development Commission and the Director of the Department of Land Conservation and Development shall consider the review and any recommendations of the Economic and Community Development Department when determining whether a local government has complied with the statewide land use planning goals and the requirements of ORS 197.712. [1999 c.622 §13]*

**Finding:** Newberg worked closely with its regional Business Development Officer, Tom Fox, from the Oregon Business Development Department (formerly the Oregon Economic and Community Development Department) in 2009 regarding the analysis of industrial and commercial land needs. Mr. Fox reviewed the information in the revised EOA, including the site size ranges by targeted industry cluster and sector, site size distribution by firm employment, and required site suitability characteristics, and concurs that they are viable for firms seeking sites in Oregon and for Newberg's targeted industries. In addition, he noted that the City should have success in expanding and attracting businesses in the targeted industry clusters if they follow the site size and suitability criteria for development sites (see letter from Tom Fox, dated December 1, 2009). Newberg also worked with Michael Williams, Industrial Lands Specialist for Business Oregon, in 2010. Mr. Williams concurred with Newberg's industrial land analysis and strategy (see letter from Michael Williams, dated July 23, 2010).

**IV. ORS 197.712 Commission duties; comprehensive plan provisions; public facility plans; state agency coordination plans; compliance deadline; rules.**

- (1) *In addition to the findings and policies set forth in ORS 197.005, 197.010 and 215.243, the Legislative Assembly finds and declares that, in carrying out statewide comprehensive land use planning, the provision of adequate opportunities for a variety of economic activities throughout the state is vital to the health, welfare and prosperity of all the people of the state.*
- (2) *By the adoption of new goals or rules, or the application, interpretation or amendment of existing goals or rules, the Land Conservation and Development Commission shall implement all of the following:*
- (a) *Comprehensive plans shall include an analysis of the community's economic patterns, potentialities, strengths and deficiencies as they relate to state and national trends.*
  - (b) *Comprehensive plans shall contain policies concerning the economic development opportunities in the community.*
  - (c) *Comprehensive plans and land use regulations shall provide for at least an adequate supply of sites of suitable sizes, types, locations and service levels for industrial and commercial uses consistent with plan policies.*
  - (d) *Comprehensive plans and land use regulations shall provide for compatible uses on or near sites zoned for specific industrial and commercial uses.*
  - (e) *A city or county shall develop and adopt a public facility plan for areas within an urban growth boundary containing a population greater than 2,500 persons. The public facility plan shall include rough cost estimates for public projects needed to provide sewer, water and transportation for the land uses contemplated in the comprehensive plan and land use regulations. Project timing and financing provisions of public facility plans shall not be considered land use decisions.*
  - (f) *In accordance with ORS 197.180, state agencies that provide funding for transportation, water supply, sewage and solid waste facilities shall identify in their coordination programs how they will coordinate that funding with other state agencies and with the public facility plans of cities and counties. In addition, state agencies that issue permits affecting land use shall identify in their coordination programs how they will coordinate permit issuance with other state agencies and cities and counties.*
  - (g) *Local governments shall provide:*
    - (A) *Reasonable opportunities to satisfy local and rural needs for residential and industrial development and other economic activities on appropriate lands outside urban growth boundaries, in a manner consistent with conservation of the state's agricultural and forest land base; and*
    - (B) *Reasonable opportunities for urban residential, commercial and industrial needs over time through changes to urban growth boundaries.*
- (3) *A comprehensive plan and land use regulations shall be in compliance with this section by the first periodic review of that plan and regulations. [1983 c.827 §17; 1991 c.612 §17]*

**Finding:** The revised EOA includes a comparative analysis of Newberg’s economic patterns, potentialities, advantages and disadvantages. In addition, it features a section that discusses Newberg’s industrial and commercial land needs and supply, including site size ranges and suitability characteristics. The Comprehensive Plan contains policies concerning economic development opportunities in the community and provisions for compatibility with industrial and commercial uses. The City also has several public facility plans, including the Transportation System Plan, the Sewer Master Plan, the Water Master Plan, and the Storm Drainage Master Plan. The revised EOA, with its updated buildable land inventories and other information, provides the basis for the City to meet future urban land needs over time through changes to the urban growth boundary.

**V. OAR 660-009-0010 – Application**

*(5) The effort necessary to comply with OAR 660-009-0015 through 660-009-0030 will vary depending upon the size of the jurisdiction, the detail of previous economic development planning efforts, and the extent of new information on national, state, regional, county, and local economic trends. A jurisdiction’s planning effort is adequate if it uses the best available or readily collectable information to respond to the requirements of this division.*

**Finding:** Newberg has a fairly current EOA that was adopted and acknowledged in 2006. The proposed revisions add a great deal of detail to several categories of data in the EOA. The new data is based on the best available information, particularly as it relates to economic and population trends and typical site characteristics for employment lands.

Summary of Changes to the EOA:

- Updated population, demographic, economic and employment statistics.
- An economic trends analysis section that looks at national, state and regional trends, regional economic development industry clusters and target industries, Yamhill County agri-business, and regional industrial land availability.
- A new section that covers an assessment of our community economic development potential. This section includes updated employment projections, a discussion of Newberg’s comparative advantages and disadvantages relative to similar regional markets, and Newberg’s special opportunities to capitalize on its unique geographic niche in the regional marketplace.
- A more robust discussion of Newberg’s economic development strategy. The current EOA focuses largely on regional targeted industry clusters; the revised version of the EOA focuses more on our local targeted industry clusters as the foundation of our economic development efforts. This section also includes actions to capitalize on Newberg’s comparative advantages and to address the comparative disadvantages, and actions to implement the overall economic development strategy.
- A more robust discussion of the typical site characteristics that are required for Newberg’s employment lands.

- Updated buildable land inventories and the addition of maps that illustrate the available industrial land by area.

## VI. OAR 660-009-0015 – Economic Opportunities Analysis

*Cities and counties must review and, as necessary, amend their comprehensive plans to provide economic opportunities analyses containing the information described in sections (1) to (4) of this rule. This analysis will compare the demand for land for industrial and other employment uses to the existing supply of such land.*

*(1) Review of National, State, Regional, County and Local Trends. The economic opportunities analysis must identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends. This review of trends is the principal basis for estimating future industrial and other employment uses as described in section (4) of this rule. A use or category of use could reasonably be expected to expand or locate in the planning area if the area possesses the appropriate locational factors for the use or category of use. Cities and counties are strongly encouraged to analyze trends and establish employment projections in a geographic area larger than the planning area and to determine the percentage of employment growth reasonably expected to be captured for the planning area based on the assessment of community economic development potential pursuant to section (4) of this rule.*

**Finding:** The revised EOA contains the information described in sections (1) through (4) of OAR 660-009-0015. Section II of the EOA is the Economic Trends Analysis, which included the following items: national, state and regional trends; regional economic development industry clusters and target industries; Yamhill County agri-business; regional industrial land availability; Newberg population profile; and Newberg employment characteristics. Newberg has identified four business clusters that are the foundation of its economy – manufacturing, health care, higher education, and the wine/tourism industry – and the majority of its economic development efforts will go into recruitment and expansion of existing businesses.

*(2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses. Cities and counties are encouraged to examine existing firms in the planning area to identify the types of sites that may be needed for expansion. Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.*

*OAR 660-009-005(11) “Site Characteristics” means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services*

*or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.*

**Finding:** Newberg has identified the number of sites by site size it will need to meet its employment need through 2032 and to implement its economic development strategy. It also has identified general types of land (industrial and commercial) that it anticipates it will need. This strategy meets the requirement of OAR 660-009-0015(2) above, and also is in accordance with the recent LCDC approval of Woodburn’s UGB process. In that decision, LCDC stated:

*“The commission understands and accepts the explanation of the city that identifying sites to meet employment needs is not an exercise where each potential site is matched with perfect information about a potential user at a specific point in the future. Rather, economic development planning under Goals 9 and 14 evaluates opportunities and needs, and plans for a number of sites with characteristics typically required for target industries that are likely to meet the community’s needs for employment over the planning period.”*

The Economic Opportunities Analysis also establishes site characteristics for industrial and commercial uses. Newberg used extensive research to determine required site characteristics, including the following sources:

- Interviews with local businesses – Climax Portable Machine Tools, ARE Manufacturing, Harris Thermal, and Owen Roe Winery – and with a local industrial land broker, Mike Gougler.
- Inventory of existing industrial sites in the region – sites in Canby, Forest Grove, McMinnville, Newberg, Sherwood, Tualatin, Wilsonville, and Woodburn – resulting in the report *Typical Characteristics of Industrial Sites for Newberg Targeted Industrial Uses* (Newberg Planning Division, 2011).
- Inventory of the Economic Opportunities Analysis plans of other cities to gather information about their industrial site characteristics – Looked at the Economic Opportunities Analysis for the Cities of Ashland, Springfield, McMinnville, Cottage Grove, Silverton, Klamath Falls, and Cascade Locks.
- Review of statewide RFPs for industrial land requests.
- Review of materials from Business Oregon, including the State of Oregon Industrial Development Competitiveness Matrix and the application for Oregon Industrial Site Certification.
- Reports and materials from the Department of Land Conservation and Development, including a memo on Tips for Conducting an Economic Opportunities Analysis, a fact sheet on Economic Opportunities Analyses, Goal 9 Handbook – Appendix A: Glossary, and *Sufficiency of Commercial and Industrial Land in Oregon - Recommendations for Oregon Communities* (2002).

- The *Ad Hoc Committee on Newberg’s Future Report to City Council* (2005), which specified site characteristics for each land type. This report included expert materials from Winterbrook Planning and ECONorthwest, in addition to interviews with local businesses.
- Other reports, including the following: *Methods for Evaluating Commercial and Industrial Land Sufficiency: A Recommendation for Oregon Communities*, Otak, Incorporated and ECONorthwest (2002); *Portland Strategy for Economic Vitality* (2002); *Industrial/Business Park Standards: Rural Regions*, Deloitte & Touche (2001); Ohio State University Extension Fact Sheet – Characteristics of an Industrial Site; Alabama Cooperative Extension System – Creating Industrial Sites (1999).

The Oregon Court of Appeals recently gave clarification on how to determine site characteristics. On February 1, 2010, the Newberg City Council adopted Ordinance 2010-2723, adopting revisions to its EOA. Friends of Yamhill County and several citizens appealed the decision to the Land Use Board of Appeals (LUBA) in February 2010. LUBA remanded the EOA and ruled on five of the six arguments presented by the petitioners, with the heart of the decision centering on how to define needed site suitability characteristics. LUBA ruled that “site characteristics are properly viewed as attributes that are (1) typical of the industrial or employment use and (2) have some meaningful connection with the operation of the industrial or employment use.” (*Friends of Yamhill County v. City of Newberg*, Or LUBA (August, 2010)). The petitioners appealed LUBA’s remand order to the Court of Appeals for judicial review in September 2010.

The Court of Appeals held oral argument in November 2010 and affirmed LUBA’s decision on February 16, 2011. The Court stated the following in their affirmation:

*“In that statutory and regulatory context, we agree with LUBA that ‘site characteristics’ need not be ‘indispensable’ to a particular use in order to be ‘necessary for a particular industrial or other employment use to operate.’ The intent of Division 9 is to ensure that there is an ‘adequate supply of land for economic development and employment growth in Oregon,’ OAR 660-009-0000, which is vital to the health, welfare, and prosperity of the state. ... That overriding intent to allow and plan for anticipated economic growth – in part, through the identification of ‘site characteristics’ that make the land ‘suitable’ to meet the needs of anticipated growth – suggests something other than petitioners’ strict ‘indispensability’ test that would take into consideration only those ‘site characteristics’ without which particular industry and employment uses could not operate. Rather, the planning scheme (based on projections and economic trends) suggests, as LUBA adopted, a more pragmatic approach toward accommodating economic growth: That ‘necessary’ site characteristics are those attributes that are reasonably necessary to the successful operation of particular industrial or employment uses, in the sense that they bear some important relationship to that operation.” (*Friends of Yamhill County v. City of Newberg*, Or App (February 16, 2011)).*

Thus, consistent with this ruling, for each industrial and commercial site characteristic, the EOA identifies (1) what is typical for the use, and (2) how that characteristic has a meaningful connection with the operation of that use. For industrial sites, the EOA establishes four characteristics: site size, proximity, topography, and compatibility. For commercial sites, the EOA also establishes four characteristics: site size, proximity, topography, and compatibility. A complete explanation of each site suitability characteristic can be found on pages 49 (industrial) and 66 (commercial) of the EOA.

The rule also allows common site categories to be grouped together. Newberg has done this in their EOA by creating the categories of Industrial and Commercial. Newberg studied their targeted employment uses and those employment uses permitted by the industrial and commercial zoning designations and found that they have compatible site characteristics that would facilitate grouping them together for analysis. For example, all the industrial uses including warehousing, repair, wineries, specialty food processing and manufacturing operate successfully in industrial districts on level sites with close access to major roads, separated from incompatible residential uses, so it makes sense to group them together in the industrial category. Likewise, all the commercial uses, including retail, office, and services operate successfully in commercial districts on fairly level sites with close access to major roads, and with some separation from residential uses, so these also are grouped together in a commercial category.

- (3) *Inventory of Industrial and Other Employment Lands. Comprehensive plans for all areas within urban growth boundaries must include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use.*
- (a) *For sites inventoried under this section, plans must provide the following information:*
- (A) *The description, including site characteristics, of vacant or developed sites within each plan or zoning district;*
- (B) *A description of any development constraints or infrastructure needs that affect the buildable area of sites in the inventory; and*
- (C) *For cities and counties within a Metropolitan Planning Organization, the inventory must also include the approximate total acreage and percentage of sites within each plan or zoning district that comprise the short-term supply of land.*
- (b) *When comparing current land supply to the projected demand, cities and counties may inventory contiguous lots or parcels together that are within a discrete plan or zoning district.*
- (c) *Cities and counties that adopt objectives or policies providing for prime industrial land pursuant to OAR 660-009-0020(6) and 660-009-0025(8) must identify and inventory any vacant or developed prime industrial land according to section 3(a) of this rule.*

**Finding:** The revised EOA includes an inventory of industrial and other employment lands within the urban growth boundary. The buildable land inventories have been updated, and the existing industrial areas are labeled and discussed in Section V. The existing industrial areas within the UGB are also shown in the EOA.

- (4) *Assessment of Community Economic Development Potential. The economic opportunities analysis must estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. The estimate must be based on information generated in response to sections (1) to (3) of this rule and must consider the planning area's economic advantages and disadvantages. Relevant economic advantages and disadvantages to be considered may include but are not limited to:*
- (a) *Location, size and buying power of markets;*
  - (b) *Availability of transportation facilities for access and freight mobility;*
  - (c) *Public facilities and public services;*
  - (d) *Labor market factors;*
  - (e) *Access to suppliers and utilities;*
  - (f) *Necessary support services;*
  - (g) *Limits on development due to federal and state environmental protection laws;*
  - (h) *Educational and technical training programs.*
- (5) *Cities and counties are strongly encouraged to assess community economic development potential through a visioning or some other public input based process in conjunction with state agencies. Cities and counties are strongly encouraged to use the assessment of community economic development potential to form the community economic development objectives pursuant to OAR 660-009-0020(1)(a).*

**Finding:** Section III of the revised EOA is the Assessment of Community Economic Development Potential. This section includes employment projections, Newberg's comparative advantages and disadvantages, and a discussion of Newberg's special opportunities to capitalize on its unique niche geographically and in the regional marketplace. Newberg's comparative advantages and disadvantages include the following:

Advantages:

- Small town quality of life
- Access to quality education and skills training
- Established and growing industry clusters
- Strong local support for business and employment opportunities
- Proximity to the Portland Metropolitan region
- Future Newberg-Dundee Bypass
- Oregon's statewide planning goals

Disadvantages:

- Transportation and access issues
- Lack of suitable employment sites
- Highly parcelized land outside UGB limits ability to meet employment site requirements
- Stressed commercial sector
- Retail dollar leakage due to close proximity to metropolitan area markets
- Market pressures on SP Newsprint
- Oregon's statewide planning goals

Newberg's economic development strategy is discussed in Section IV of the revised EOA. This section includes actions to capitalize on Newberg's comparative advantages and to address the comparative disadvantages. The assessment of Newberg's future economic development potential and strategy largely came from the work done by the City Council appointed Ad Hoc Committee on Newberg's Future (the committee), which met from April 2004 to June 2005. During that time, the committee worked with city staff and consultants, and also sought input from the general public through open houses, surveys, and public comments during their meetings. The committee's work resulted in the Ad Hoc Committee on Newberg's Future Report to City Council, which was adopted in 2005. The Report contained recommendations to provide for future land needs, ways to change some of the existing comprehensive plan/zoning designations to accommodate growth patterns, and identified areas where the city's urban growth boundary and the urban reserve boundary should be modified to include land to meet the future land needs. The recommendations were based on careful consideration of the city's future population growth and on the desires stated by citizens throughout the committee's process.

*ORAR 660-0090-0025 (6) Compatibility. Cities and counties are strongly encouraged to manage encroachment and intrusion of uses incompatible with industrial and other employment uses. Strategies for managing encroachment and intrusion of incompatible uses include, but are not limited to, transition areas around uses having negative impacts on surrounding areas, design criteria, district designation, and limiting non-essential uses within districts.*

**Finding:** The site suitability characteristics include compatibility characteristics to help achieve this goal. The most common compatibility issues are with residential development adjacent to employment uses. Residences next to employment areas often complain about the noise, smell, vibration, traffic, large trucks, and appearance of adjacent industrial and employment uses. Many industries use hazardous materials. While all industries try to avoid spills, emissions, fires, or other accidents, some inevitably occur. The best way to mitigate the issues is to separate employment and residential uses into separate non-adjacent districts with separate accesses. Where employment and residential uses must be adjacent, the length of the boundary should be minimized. The compatibility characteristics help achieve this.

Where residential and employment districts, particularly industrial districts, must be adjacent, additional steps are needed to achieve compatibility. Where industrial uses have been separated from residential uses by substantial buffers, such as stream corridors, a wooded open space, rail lines, an arterial street or a highway, the uses have generated few complaints or compatibility issues. Experience has shown that compatibility needs more than a simple row of landscaping, trees, and a berm. One industrial user rejected a potential industrial site partly because of complaints from residential neighbors across the street of truck traffic on that collector street, and the potential noise, vibration, and appearance of the industrial facility. This was despite the fact that the industry promised a berm and landscaping at the edge of the site. At another location, a manufacturer received complaints from residents in an adjoining manufactured home park about noise and vibration caused by dumping materials into a dumpster near their homes. In that case, the manufacturer was able to address the concern by relocating the dumpster to the other side of the property. This solution would not have been possible had the manufacturer been adjacent to residential uses on more than one side. In a third instance, a manufacturer going through design review to construct a new facility adjacent to a manufactured dwelling park was asked to remove building openings from the side of the building opposite the residences to reduce exterior building noise. The manufacturer indicated that openings on that side were vital to their operation, so instead they moved the entire building so that it was well over 100 feet from the residential area. Again, this solution would not have been possible had there also been residences on another side, and had the site not been sufficiently large to accommodate the reconfiguration. These all show why it is very important to limit boundaries between industrial uses and residential areas beyond simple landscape buffers.

Experience has shown that these same issues of compatibility exist with rural residential neighborhoods as well as urban residential neighborhoods. The fact that a house is located outside an urban growth boundary on a couple acre lot does not mean that the residents there aren't affected by the noise, smell, vibration, traffic, a potential hazards from industrial uses. For example, about seven years ago a commercial area on the east side of Newberg was annexed to the city. Neighbors in an adjacent rural residential neighborhood initially opposed the annexation. A solution acceptable to most was found when the developer agreed to move the

commercial area several hundred feet from the rural residential area. An industrial development proposing to locate next to a rural residential area is likely to face the even more compatibility issues, substantially affecting the operation of the facility.

Another example involved an area in Newberg where the transportation plan would have allowed truck traffic from an industrial area to go through a rural residential neighborhood. Through intensive negotiations with the neighborhood, the city actually downgraded the classification of the road and built traffic circles and other features in the road so that truck traffic could not use the road.

Yamhill County has several rural residential districts near Newberg, including an AF-10 district, and VLDR-5, VLDR 2.5, and VLDR-1 districts. The number designation in those districts designates the minimum lot size in acres. While there would be conflicts between industrial uses and residential development in any of these zones, it is likely these conflicts will be modest with the lower density districts (AF-10 and VLDR-5), and substantial in the higher density districts (VLDR-1 and VLDR-2.5). This is because an industrial park or site adjacent to one of the lower density districts may only abut only a handful of such rural residential lots, and the homes on those lots could have the flexibility to locate a large distance from the industrial area. In contrast, development next to the higher density VLDR-2.5 and VLDR-1 districts suffers the double whammy of both having 2-4 times as many neighbors to deal with, and having those neighboring houses 2-4 times as close. Thus, it is important to avoid and limit borders with VLDR-1 and VLDR-2.5 zoned land and land developed to those densities, and to avoid truck traffic through those neighborhoods

As a point of comparison, much litigation has dealt with the question of what constitutes an “urban” use versus a “rural” use when it comes to residential development outside UGBs.<sup>1</sup> This has led to rules (See OAR 660-660-0040) that essentially deem residential development in exception areas with less than two acre minimum lot sizes to be urban uses, that with minimum lot sizes of 10 acres or more as a rural uses, and those in between (2-10 acres) as needing to undergo further scrutiny to determine whether they are urban or rural. The purpose of this comparison is not to further debate on what is urban vs. rural, it is simply to compare that those areas with smaller minimum lot sizes (VLDR-2.5 and VLDR-1) are more urban in character and therefore likely to have conflict with adjacent industrial uses, while those in more sparsely populated VLDR-5 and AF-10 areas are less likely to have such conflicts.

To be clear, the Newberg industrial site suitability characteristics do not preclude consideration of locating industrial districts next to rural residential uses. However, areas surrounded by or with substantial borders with the rural residential uses are likely to preclude effective industrial operations. In addition, the site suitability characteristic does not preclude consideration of rural

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<sup>1</sup> See *1000 Friends of Oregon v. LCDC (Curry County)*, 301 Or 447, 724 P2d 268 (1986)

residential areas themselves from becoming industrial areas. Quite the opposite, such areas are high priority for such consideration. A key consideration must be whether there is vacant land in the rural residential area or not. Where blocks vacant rural residentially designated land can be found, they are to be considered for industrial uses. However, a strategy that would pick out the few scattered vacant lots in a developed rural residential subdivision, designate them industrial, and expect targeted industrial uses to fit in between existing houses is sure to fail.

## Appendix D: Yamhill County Coordinated Population Forecast (Excerpt)

BEFORE THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

FOR THE COUNTY OF YAMHILL

SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

In the Matter of Adopting a 20-year Coordinated Population Projection )  
 for Yamhill County and the 10 Municipalities Within Yamhill County ) Ordinance 878  
 Pursuant to HB 2709 (ORS 195.036), Docket PA-01-11, Rescinding )  
 Ordinance 877 )

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (“the Board”) sat for the transaction of County business on November 8, 2012, Commissioners Leslie Lewis and Mary P. Stern being present, and Commissioner Kathy George being excused.

IT APPEARING TO THE BOARD that Yamhill County Planning Department applied for a Comprehensive Plan Amendment adopting a 20-year coordinated population projection for Yamhill County and the 10-municipalities within Yamhill County, as required by HB 2709, and

IT APPEARING TO THE BOARD that the Planning Commission heard this matter at a duly noticed public hearing on September 1, 2011, and voted unanimously 8-0 to recommend approval, and

IT APPEARING TO THE BOARD that on October 27, 2011 the Board convened a duly noticed public hearing, and then voted 3-0 to continue the application and direct Yamhill County Planning Staff to apply for a grant from DLCD to hire a consultant to develop a population forecast, and

IT APPEARING TO THE BOARD that DLCD awarded Yamhill County the grant, and Portland State University Population Research Center was hired to coordinate with Yamhill County and the 10-municipalities to develop a coordinated population forecast, and

IT APPEARING TO THE BOARD that on November 1, 2012, the Board held a continued public hearing, took testimony and voted 3-0 to approve the population forecast. NOW, THEREFORE,

IT IS HEREBY ORDAINED BY THE BOARD, that the application is approved as detailed in the Findings for Approval, Exhibit “A”, incorporated into this Ordinance by this reference. The October 2012 report prepared by the Portland State University Population Research Center is appended as Exhibit “B” and is hereby incorporated into this Ordinance by this reference. Ordinance 877 is hereby rescinded.

DONE this 8<sup>th</sup> day of November, 2012, at McMinnville, Oregon.

ATTEST

YAMHILL COUNTY BOARD OF COMMISSIONERS

B.O. 12-639

REBEKAH STERN DOLL

County Clerk

*Leslie Lewis*

LESLIE LEWIS

By *Anne Britt*  
Deputy Anne Britt



Unavailable for signature

KATHY GEORGE

APPROVED AS TO FORM:

*Rick Sanai*

Commissioner

*Mary P. Stern*

MARY P. STERN

RICK SANAI, Yamhill County Counsel

Accepted by Yamhill County  
Board of Commissioners on  
11/8/12 by Board Order  
# 12-639

Yamhill County Ordinance 878 - Exhibit "B"

**Population Forecasts for  
Yamhill County, its Cities and  
Unincorporated Area  
2011-2035**

Prepared by:  
Population Research Center  
College of Urban and Public Affairs  
Portland State University

October 2012



Portland State  
UNIVERSITY

Population Research  
Center



**Population Forecasts for  
Yamhill County, its Cities and  
Unincorporated Area  
2011-2035**

**October 2012**

**Project Staff:**

Risa Proehl, Population Estimates Program Manager  
Vivian Siu, Research Analyst  
Kevin Rancik, GIS Analyst

POPULATION FORECASTS FOR YAMHILL COUNTY, MCMINNVILLE AND NEWBERG

In the countywide forecast and the forecasts for McMinnville and Newberg, population growth will occur at a moderate pace or stronger throughout the forecast period. The rate and timing at which population will increase and the magnitude of growth differ slightly between the three geographies. Overall, the rates of population increase will become renewed after several years of slower growth that began at the end of the 2000s.

From 2011 to 2035, population increases in Yamhill County, McMinnville and Newberg range from 42 to 69 percent. Newberg is anticipated to undergo population increases at the fastest pace, followed by McMinnville (52 percent).

A summary of the forecast results are shown in Table 7 below. More detailed forecast results are included in Appendix 1.

Table 7. Population Forecast (Summarized)

Population Forecast	Census 2010	2011 (PRC est)	2020	2030	2035	2011-2035		Average Annual Change	
						Change		Number	Percent
						Number	Percent		
Yamhill County	99,193	99,851	115,220	134,204	142,830	42,980	43.0%	1,791	1.5%
McMinnville	32,648	32,808	38,430	46,171	49,983	17,175	52.4%	716	1.8%
Newberg	22,468	22,730	28,250	35,408	38,490	15,760	69.3%	657	2.2%

Table 10. Population Forecasts for Yamhill County's Smaller Cities and Unincorporated Area (Summarized)

Population Forecast	Census 2010	2011 (PRC est)	2020	2030	2035	2011-2035 Change		Average Annual Change	
						Number	Percent	Number	Percent
						Amity	1,623	1,635	1,779
Carlton	2,007	2,036	2,247	2,669	2,890	854	41.9%	36	1.5%
Dayton	2,708	2,731	3,021	3,520	3,765	1,034	37.9%	43	1.3%
Dundee	3,162	3,210	3,772	4,592	4,985	1,774	55.3%	74	1.8%
Lafayette	3,742	3,745	4,394	5,349	5,797	2,053	54.8%	86	1.8%
Sheridan	6,164	6,228	7,276	8,366	8,657	2,429	39.0%	101	1.4%
Willamina (Yamhill County portion only)	1,180	1,180	1,285	1,375	1,426	246	20.8%	10	0.8%
Willamina (full)	2,046	2,055	2,179	2,295	2,361	307	14.9%	13	0.6%
Yamhill	1,024	1,037	1,217	1,352	1,403	366	35.3%	15	1.3%
Unincorporated Yamhill County <sup>1</sup>	22,467	22,510	23,436	23,418	23,338	828	3.7%	34	0.2%

<sup>1</sup>The unincorporated figures exclude current city limits and UGBs as supplied by Yamhill County.

**Populations for Yamhill County, McMinnville, and Newberg**

AREA	Historical →			Forecast →						
	2000*	2010	2011	2012	2015	2020	2025	2030	2032	2035
Yamhill County	84,992	99,193	99,851	100,708	105,220	115,108	124,509	134,204	137,590	142,830
McMinnville	26,286	32,648	32,808	33,045	34,757	38,430	42,283	46,171	47,659	49,983
Newberg	18,538	22,468	22,730	22,963	24,663	28,250	32,213	35,408	36,610	38,490

*\*Population for 2000 is allocated to current boundaries.*

Avg. Annual Change in #	Historical →			Forecast →					
	2000-2010	2010-2011	2011-2015	2015-2020	2020-2025	2025-2030	2030-2035	2030-2035	2030-2035
Yamhill County	1,420	658	1,504	1,978	1,880	1,939	1,725	777	763
McMinnville	636	160	570	735	771	777	616	639	616
Newberg	393	262	567	718	793	639	616	639	616

Avg. Annual Growth Rate	Historical →			Forecast →					
	2000-2010	2010-2011	2011-2015	2015-2020	2020-2025	2025-2030	2030-2035	2030-2035	2030-2035
Yamhill County	1.5%	0.7%	1.5%	1.8%	1.6%	1.5%	1.2%	1.5%	1.2%
McMinnville	2.2%	0.5%	1.7%	2.0%	1.9%	1.8%	1.6%	1.9%	1.6%
Newberg	1.9%	1.2%	2.4%	2.7%	2.6%	1.9%	1.7%	1.9%	1.7%

Excerpt from Public  
Facilities Chapter of  
Newberg  
Comprehensive Plan  
Text

**TABLE IV-11  
CAPITAL IMPROVEMENTS - WATER  
NOVEMBER 9, 1990**

PROJECT/LOCATION	ESTIMATED \$ COST	ESTIMATED YEAR	SERVICE PROVIDER
1. Highway 219 - East Second St. to Sandoz Rd.	189,300	1991	2
2. Design Treatment Plant/Update Master Plan	100,000	1991	1
3. Wells in well field located in Marion County	135,000	1991	1
4. Reservoir - 4,000,000 gallon at storage site	585,000	1992	1
5. <b>New Water Treatment on Wynooski Street</b>	2,610,500	1992	1
6. River Rd. Loop (College St.-Waterfront Dr. - River St. - 11th St.)	170,800	1993	1,2
7. Springbrook Loop (E. 2nd St. and north to Hwy 99W)	440,000	1993	1,2,3
8. Springbrook Rd. - College St. Loop (Mountainview Dr. - Zimri Dr. west to College St.)	750,000	1995	1,3
9. Transmission Line 24" Across Bridge	307,100	1995	1
10. Water Treatment Plant Expansion	1,405,700	1997-99	1
11. Wells in well field located in Marion County	135,000	1999	1
12. Springbrook Rd. - Wilsonville Road Loop	672,000	2000	1,3
13. New Reservoir at storage site NE of City	585,000	2000	1
14. Wells in well field located in Marion County	585,000	2006	1

**SERVICE PROVIDER:**

1. CITY OF NEWBERG
2. LOCAL IMPROVEMENT DISTRICT
3. DEVELOPER

Water line loop systems described above as projects 7, 8, and 12 shall be located within the Newberg UGB. Reservoir projects 4 and 13 are planned on land designated VLDR and are permitted by conditional use. Well and transmission line projects 3, 9, 11, and 14 are planned on land designated for agricultural use and are permitted by administrative review under the Marion County zoning ordinance. All necessary permits from County authorities shall be obtained prior to development of the utility improvements.

There exist no alternative sites within the UGB or outside the UGB for the reservoir, well, or transmission line projects. The reservoir projects have been sited in areas which utilize existing transmission lines. The wells and new transmission line projects are located in an area where the City has an existing well field and transmission lines. These projects do not allow or



## 7 FACILITIES PLANNING FOR A NEW WATER TREATMENT PLANT

The City of Newberg's existing Water Treatment Plant (WTP) is located on an extremely small site with little space for future expansion. In addition, the existing WTP is recognized as having a limited remaining useful life, estimated to be 15 to 20 years in duration. The purpose of this section is to identify potentially viable process alternatives for a new treatment plant to treat the City's groundwater supply, to develop a site layout for the purpose of identifying space requirements for possible land purchase, review alternative sites selected by the City, and develop preliminary cost estimates for a new facility.

### 7.1 DESIGN CRITERIA

This section discusses the two key design criteria for selecting and sizing a new WTP; 1) hydraulic capacity and, 2) groundwater iron levels. These criteria are discussed below and summarized in Table 7.1.

**TABLE 7.1 SUMMARY OF KEY DESIGN CRITERIA**

Parameter	Value
Hydraulic	
Year 2027 Peak Day Demand	12 mgd
Initial Average Demand	3.5 mgd
Build-Out Capacity	23 mgd
Iron Concentration	
Average	4.0 mg/L
90 <sup>th</sup> %tile	6.5 mg/L
Peak	12 mg/L
Treated	0.05 mg/L

**Hydraulic Capacity.** As discussed briefly in Section 6 and in more detail in Section 8, there are various scenarios which the City can consider for continuing to use the existing plant and for constructing a new plant. These scenarios result in different initial capacities of the new plant depending on when it is brought on-line and how long the initial constructed capacity is expected to last before the new plant requires expansion. For the purposes of this facilities plan, the new plant's initial capacity will be expected to last for 10 years after construction and that subsequent expansion will provide adequate capacity for another 15 years based on the City's water demand projections as presented in Section 2. For these purposes, the largest initial new plant capacity considered is 12 mgd for a scenario where the new plant would be brought on-line in 2015. Hence, Table 7.1 indicates a 12 mgd capacity to serve the City until at least 2027, but other capacities are also considered herein. Future discussions in this section focus on a 12 mgd initial plant capacity, but cost estimates are provided for smaller initial capacities also.

O&M costs should be based on the plant average flow in the first year of plant operation. Based on the demand projections, the estimated average daily demand in the Year 2012 is approximately 3.5 mgd increasing to about 5.6 mgd in the Year 2030.

While the initial plant capacity will be based on a 10-year projection, the total space requirements must be based on the ultimate system demands to ensure adequate space for future expansion. Based on the demand projections, the ultimate City demand at “build-out” is approximately 23 mgd.

**Iron Concentrations.** Historical iron levels in the City’s wells were shown in Section 2. For the purposes of this Facilities Plan, it is assumed that future wells added to the system will have similar iron levels as those measured in the historical data. The current average iron concentration from the wellfield is approximately 4 mg/L and the peak observed level is 12 mg/L. A well-operated iron removal facility should consistently be able to reduce iron levels in the raw water to less than 0.05 mg/L in the treated water. This is well below the secondary MCL for iron of 0.3 mg/L. The plant should also be able to remove any dissolved manganese which is present in the groundwater.

## 7.2 TREATMENT ALTERNATIVES ANALYSIS

Dissolved iron in well water is typically removed through an oxidation step, followed by adequate contact time to allow the oxidation reactions to take place, followed by a conventional filtration process (rapid sand filters, dual media gravity filters, etc.). The oxidation step converts the iron to the solid form of iron hydroxide that can subsequently be removed in the filtration process. This describes the current process train at the existing WTP. Similar oxidation of manganese also occurs, but at a slower rate than iron.

Recent plant experience has demonstrated that the current process train places a significant strain on the filters. Current iron levels in the wells produce a substantial amount of solids that must be entirely removed in the filters. In the absence of a clarification process to remove solids prior to filtration, the filters can be quickly overloaded and require frequent backwashing. Short filter runs reduce plant efficiency, increase backwash volume and overwhelm the solids handling facilities. Section 6 reviews the costs and benefits of adding clarification to the existing plant.

There are two primary treatment process trains that are viable for treatment of the existing groundwater system and should be evaluated for a new WTP:

1. Oxidation → contact time → clarification → conventional granular filtration
2. Oxidation → contact time → submerged membrane filtration

Process train 1 is similar to the existing treatment plant but includes a clarification process to remove solids prior to filtration. Process train 2 combines the clarification and filtration process into a single membrane filtration process. The following section describes the various treatment alternatives and identifies processes that are appropriate for a new WTP. The section is organized by unit process.

### 7.2.1 Oxidation

Oxidation is required to convert the iron to iron hydroxide (and manganese to manganese dioxide) for subsequent removal through clarification and filtration. There are a number of oxidants that can oxidize iron; however, for the Newberg WTP, only two options are considered viable: aeration or chlorine addition. For the purposes of sizing a new facility, it is assumed that the City will continue to use free chlorine for oxidation of iron. Chlorination requires less headloss, a smaller footprint, is easier to operate and incurs lower maintenance costs. However, aeration is a viable alternative for iron oxidation for a new facility if the City desires to store and add less chlorine than would be required for chlorine oxidation. Chlorine will still have to be added for final disinfection and for maintaining a residual in the distribution system.

An additional oxidation process that could be considered for a future treatment plant is “biologically assisted oxidation”. Infilco Degremont manufactures this proprietary process under the name “Ferazur”. In the process, iron-oxidizing bacteria excrete an enzyme, which catalyzes the oxidation rate of iron through aeration. This eliminates the need for a chemical oxidant and reduces the contact time necessary to complete the oxidation step. Further, the manufacturer claims that the floc formed in this process is much more “compact” than chemically-oxidized floc and thus less clogging to filters. Compact floc allows longer filter runs, higher filtration rates, less frequent backwashing, and results in lower solids production. The process is not very common in the US and there are currently only a small number of full-scale installations. Since this process is relatively new to the US, a pilot study would be recommended to prove its performance and to develop appropriate design criteria before it could be recommended for a new facility.

### 7.2.2 Contact Time

The contact time required for iron oxidation is based on several factors including the method of oxidation, the form of dissolved iron and the water pH. With chlorine oxidation, the rate of oxidation increases with increasing pH. In general, an oxidation pH of approximately 8.0 is considered optimum with diminishing returns at higher pH levels. Currently, the plant adds sodium hydroxide at the filter effluent to increase pH to approximately 7.5 for corrosion control prior to distribution. It is recommended that sodium hydroxide be added to the raw water prior to oxidation to reduce the volume required for the contact chamber. Assuming optimization of pH coupled with chlorine oxidation, a design detention time of 15 minutes is recommended.

### 7.2.3 Clarification

There are a significant number of clarification options for treatment of high iron water. Processes that could be used in this application include the following:

- Conventional or High- Rate Horizontal Sedimentation Basin
- Actiflo
- Dissolved Air Flotation (DAF)

- Two-stage filtration
- Sludge Blanket or Reactor Clarifiers

**Conventional and High-Rate Horizontal-Flow Sedimentation.** Conventional horizontal-flow sedimentation basins are the most commonly designed sedimentation process and consist of long narrow basins, which allow solids to settle as water travels the length of the basin. Typical surface loading rates for conventional horizontal flow basins range from approximately 0.5 to 1.0 gpm/sf. Inclined plates (e.g. Lamella plates) or tubes can be added to conventional sedimentation basins to increase the surface area available for solids removal, thereby increasing the allowable surface loading rate through the basin. Typical surface loading rates for the area covered by tubes or plates range from approximately 2 to 4 gpm/sf, reducing the necessary basin area up to 2- to 3-fold as compared to a conventional sedimentation process. Unlike most solids in surface water treatment, iron hydroxide floc is very light and does not settle well. In order to create a settleable floc, it would be necessary to add a flocculant aid to “weigh” the floc down. In addition, gravity sedimentation of a lightweight floc requires a significant amount of space. Long basins with low surface loading rates would be required to provide time for the floc to settle. These basins require a significant amount of space and are typically more expensive than other higher rate processes available. Therefore, conventional sedimentation would not be recommended for a new facility.

**Actiflo.** The Actiflo process combines flocculation/sedimentation process into a single unit and allows significantly higher surface loading rates than conventional processes. In the Actiflo process, microsand (50 to 100  $\mu\text{m}$  diameter), coagulant and polymer are injected into the influent water. The chemicals and microsand combine in the flocculation process to form a heavy floc, which readily settles in the downstream clarification process. Floc collected from the clarification process is pumped through a hydrocyclone where the microsand is separated from the remainder of the floc. The separated microsand is recycled back into the basin while the floc is diverted to solids treatment (e.g., lagoons). While Actiflo is an acceptable treatment option for a new facility, there are lower cost options (both construction and operating) available to remove iron solids from the water that contain less mechanical equipment and are easier to operate. Therefore, Actiflo would not be recommended for a new facility.

**Dissolved Air Flotation (DAF).** Dissolved air flotation uses tiny air bubbles to create buoyant floc which float to the surface of the basin. The process is typically used in applications where a lightweight floc is formed or if there is significant algae in the source water. A sidestream of clarified water is saturated with air in a pressure vessel and is then recirculated to the head of the basin where it is mixed with the influent water. The pressurized water releases tiny air bubbles in the basin which adhere to the influent floc material causing the floc to float to the basin surface. The surface sludge, called “float, is continuously removed from the basin by rotating surface skimmers. The float is discharged into a channel where it is diverted to the solids handling facilities. Clarified water from the basin is captured in perforated pipes located near the bottom of the basin. DAF is a viable option for removal of the lightweight iron hydroxide floc formed during iron oxidation and should be considered for a future WTP.

**Two-stage Filtration.** The two-stage filtration process was developed many years ago and has been used for over 15 years in the United States, mostly in “package plant” applications. The process consists of oxidation followed by two stages of filtration. The first filtration stage is considered a “roughing” filter, which captures approximately 80 percent of solids on the coarse media. The high-rate, roughing filter usually contains upflow buoyant media and combines the flocculation and clarification process into a single unit. Large-sized buoyant media is placed in a basin and flocculation is achieved by the “microturbulence” created as the water passes through the media. The flocculated material adheres and accumulates to the surface of the buoyant media and is periodically removed through backwashing.

These types of processes are sometimes called “contact clarifiers” and when combined with filtration, the process is called “contact filtration” or “two-stage filtration”. These types of processes can be operated at loading rates up to 10 gpm/sf providing significant space savings. The second stage of filtration usually consists of down-flow multimedia gravity filtration at rates from 4 to 6 gpm/sf. The basins must be operated at 50 to 100% of their design capacity to perform effectively. Typically, contact filtration is suitable for waters with turbidity levels up to 50 NTU. Two-stage filtration would be an appropriate process for treatment of the well supply and should be considered for a future facility.

**Sludge Blanket or Reactor Clarifiers.** Sludge Blanket and Reactor Clarifiers are upflow units, are very compact and are pre-engineered by equipment manufacturers. Both of these processes rely on contact of the influent flow with a pre-formed layer of sludge held in suspension by balancing upward flow with weighted floc. Sludge blanket clarifiers and reactor-clarifiers are appropriate for systems with steady water quality and relatively constant flow rates. Rapid changes in either of these parameters can upset the balance in the reactor. Since it is likely that the City will not operate the plant 24 hours per day, neither of these processes is recommended for a new facility. It may also be difficult to create a heavy enough floc to properly operate within the clarifier due to the light ferric hydroxide floc formed by iron oxidation.

## 7.2.4 Filtration

Granular media filtration would be used if a conventional filtration process including clarification was selected. Submerged membranes, if selected, would replace the clarification and granular media filtration processes. Both granular media and submerged membrane filtration are discussed in this section.

**Granular Media Filtration.** The existing filters at the WTP are tri-media containing layers of anthracite, sand and garnet. The trimedia filter is typically found in older plants and is not commonly used in modern plants. Standard dual media granular filters containing a bed of anthracite media over a shallow bed of sand are recommended for a new WTP. Dual media filters have been shown to provide similar removal efficiencies as tri-media filters while reducing the rate of headloss accumulation observed with smaller sized trimedia filters. Based on pilot experience, a relatively deep media bed containing approximately 4 to 5 feet of anthracite over 12 inches of sand should be

sufficient to allow filtration rates up to 8 gpm/sf with one filter out of service and 6 gpm/sf with all filters in service. The deeper media allows higher filtration rates which reduces the surface area required for filtration and lowers construction costs. For a 12 mgd treatment plant, four dual-media filters are recommended. Four filters balance the hydraulic impact to the plant when one filter is out of service for backwashing with the cost of filter construction.

**Submerged Membrane Filtration.** Submerged membranes differ from more conventional pressure membranes in that water is suctioned through the membrane rather than pumped. Cartridges of membranes are submerged in a basin and pumps are used to provide a slight vacuum to suction the flow. The membrane basin contains a series of air diffusers on the basin bottom, which keeps solids in suspension and prevents them from adhering to the membrane surface. Since the process is operated at relatively low pressures and solids do not clog the surface, this type of membrane can treat waters with significantly higher solids content than traditional pressure membrane filters. For treatment of the well water, an oxidation and contact time step would be required ahead of the membrane filters. The oxidized iron solids would then flow to the membrane basin where the finished water is suctioned through the membrane and the solids are continuously “bled” from the basin and diverted to the solids handling facilities. Approximately every 15 minutes, a pulse of water is backfed through the membrane for approximately 30 seconds to dislodge any solids from the surface.

Membrane filtration is gaining increased popularity in the U.S. market. Membrane technology is developing quickly resulting in lower cost equipment and smaller space requirements and will continue to develop in the future achieving further improvements. Membrane systems are typically fully automated and require minimal operator attention. Submerged membrane technology is an appropriate technology for treatment of the well water. The process requires the smallest footprint of all of the options available and construction costs have been decreasing to the point that membranes would be very competitive with a conventional treatment plant.

### 7.3 SUMMARY OF TREATMENT ALTERNATIVES

Table 7.2 provides a summary of potentially viable treatment alternatives for a new WTP facility for the City of Newberg. As shown, there are a number of viable process alternatives to treat the high iron levels in the groundwater supply. For a conventional treatment plant, a treatment sequence of chlorination, contact time, DAF and granular filtration would produce excellent water quality. A roughing filter (first stage of two-stage filtration) could replace the DAF process in this sequence without compromising performance. For a more automated and easier to operate facility, a treatment sequence of chlorination, contact time and submerged membranes would best meet the City’s objectives. As the City moves closer to constructing a new facility, a detailed comparison of each of these alternatives will help the City to select the most appropriate facility to meet their objectives.

Table 7.2 Summary of Viable and Recommended Treatment Alternatives

<i>Process</i>	<i>Effectiveness</i>	<i>Recommended?</i>
Oxidation		
Aeration	+	
Chlorination	+	Yes
Biologically-Aided Aeration	Unknown	
Contactor	+	Yes
Clarification		
Conventional/High Rate Conv.	o	
Actiflo	+	
Dissolved Air Flotation	+	Yes
Two-Stage Filtration	+	Yes
Reactor/Sludge Blanket Clarifier	-	
Filtration		
Granular Media Filters	+	Yes
Submerged Membrane	+	Yes

## 7.4 ANCILLARY FACILITIES:

This section discusses the options and recommendations for the following ancillary water treatment facilities:

- Solids Handling
- Clearwell
- Chemical Feed
- High Service Pumping
- Administration/Laboratory Building

### 7.4.1 Solids Handling

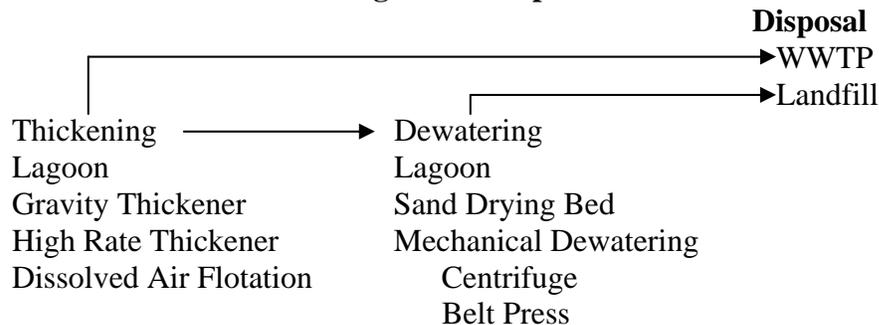
**Estimated Sludge Production.** Assuming an initial average daily flow rate of 3.5 mgd and 4 mg/L iron, approximately 280 pounds per day (ppd) of dry solids will be produced or about 50 dry tons per year. If the solids are dewatered to a minimum of 15%, 50 dry tons of sludge is equivalent to approximately 335 wet tons. At design capacity, average daily sludge production is estimated to increase to approximately 400 ppd (dry) or 75 dry tons annually (500 wet tons).

**Solids Handling Processes.** The type of solids handling processes selected for a new facility will depend largely on the method of disposal. The two available options are landfill disposal or delivering solids to the wastewater treatment plant (WWTP). Assuming that the WWTP has sufficient solids and hydraulic capacity, disposal to the sanitary sewer is the least expensive option and requires the smallest footprint. Many WWTPs find iron floc to be beneficial to the plant performance by enhancing primary clarification and improving phosphorous removal. Water treatment solids streams can be pumped directly the WWTP, or more commonly, are thickened to approximately 2 to 4 %

solids and stored in an equalization basin prior to discharge to the WWTP. Thickening and equalization substantially reduces the pumping and piping capacity needed to divert solids and reduces the hydraulic load to the wastewater plant. Currently, the existing WTP stores backwash solids in a lagoon and as required, suctions the thickened sludge from the basin and hauls it to the WWTP for treatment and disposal. For the purposes of this facilities plan, it is assumed that the City will be able to continue to discharge solids to the WWTP from a new WTP. However, space should be provided at the new site for future dewatering facilities if the WWTP is no longer able to accept the sludge and the City is forced to haul solids to a landfill.

If sludge must be hauled to a landfill, the sludge must be thickened and dewatered to a minimum of approximately 15% solids. Either a mechanical dewatering process such as belt filter press or centrifuge or a gravity dewatering process such as sludge lagoons or sand drying beds could be used. In the Portland region, most WTPs combine the thickening and dewatering process in sludge lagoons and either haul the sludge cake to a landfill or dispose of the sludge on-site. At the new plant in Wilsonville, a gravity sludge thickener and centrifuge facility were required because the WWTP did not have sufficient solids handling capacity to accept the sludge and there was insufficient space for a sludge lagoon system. Mechanical dewatering systems are typically only used for very large plants or plants with significant space constraints where WWTP disposal is not a viable option. For estimating future space requirements, space should be provided for the potential future addition of sludge lagoons. Figure 7.1 provides a schematic of the solids handling and disposal options available.

**Figure 7.1  
Solids Handling Process Options**



**7.4.2 Clearwell**

On-site, finished water storage (clearwell) can be used to provide plant flow equalization, emergency storage during plant shutdowns, a source of backwash water, disinfection contact time, and serve as a wetwell for finished water pumping. Most plant upsets or major equipment failures can be resolved in approximately two to four hours, thus the absolute minimum recommended clearwell volume needed for emergency plant shutdowns is two hours storage at the design flow rate. At the initial design capacity of 12 mgd, 2 hours of storage requires a 1 MG clearwell. Thus, the absolute minimum recommended clearwell volume for the new plant is 1 MG, noting that additional on-site storage would provide greater operational flexibility and a longer buffer period during

plant shut-downs. At ultimate capacity of 23 mgd, a minimum of 2 MG storage is recommended.

The initial clearwell should contain two separate compartments of equal volume to allow periodic cleaning. A rectangular shaped clearwell (as opposed to circular) is recommended to minimize space requirements and facilitate future expansion.

### 7.4.3 Finished Water Pump Station

For the purposes of this Facilities Plan, it is assumed that the finished water pumps will be vertical turbine and will be located on the deck of the clearwell. This is typically the most economical design for finished water pumping and reduces the total space requirement by eliminating the need for a separate pump building. The pump station will also house the backwash pumps, for gravity filtration options.

### 7.4.4 Chemical Feed Facilities

Four chemical feed systems are recommended for the new treatment plant:

**Chlorine.** Chlorine can be delivered in either a liquid (sodium hypochlorite) or gaseous (chlorine gas) form or hypochlorite can be generated on-site. Either on-site hypochlorite generation (0.8%) or delivered sodium hypochlorite (12.5% maximum) is recommended for use at the new WTP. Both options provide a higher degree of safety than with transport and storage of ton cylinders of compressed chlorine gas and eliminate the need to comply with UFC requirements for storage of a hazardous gas (chlorine scrubber room with ventilation). For the purposes of this Facilities Plan, it is assumed that delivered hypochlorite will be used. Hypochlorite can be stored in HDPE tanks and fed with chemical metering pumps. Special consideration must be given to the design of the system to allow the escape of oxygen gas that is a byproduct of hypochlorite decay.

**Sodium Hydroxide.** Sodium hydroxide is recommended to increase the pH of the raw water to increase the rate of iron oxidation and thereby reduce the required size of the contact chamber. Sodium hydroxide can also be added to the finished water if necessary to adjust the pH prior to distribution. Sodium hydroxide can be purchased as either a 25% or 50% solution. The 50% solution is less expensive per pound of caustic and requires smaller capacity pumps and tanks to store and feed chemical but it has a freezing point of approximately 55 F. If 50% sodium hydroxide is delivered, it would either have to be stored and fed at temperatures above 55 F or it would have to be diluted on-site to approximately 25% upon delivery. The freezing point of 25% sodium hydroxide is 0°F, so no special precautions need to be made for storing it in a warm environment. It is recommended that the 50% solution be provided and stored in indoors with adequate heating and ventilation to maintain a minimum of 60°F. However, the chemical storage and feed equipment should be designed to allow for dilution if needed.

**Solids Handling Polymer.** The thickening process typically requires addition of a high molecular weight anionic or nonionic polymer to aid in sedimentation. Polymers can be purchased in both liquid and dry forms. The dry form can either be batched manually or

fed with an automated dry feeder. Liquid filter aid can be stored in tanks, totes or drums and fed with a chemical metering pump. Liquid polymer addition requires the least operator attention and maintenance and based on the volume required, is recommended for this application. It is assumed that the polymer will be stored in delivered 55 gallon drums or totes.

**Filter Aid Polymer (Granular Media Filtration Only).** Addition of filter aid is recommended to enhance filter production and turbidity removal if a granular media filtration process is selected. Filter aid polymers are similar to solids handling polymers and can be purchased in either liquid or dry forms. Based on the low doses required, it is assumed that the filter aid will be stored in delivered 55 gallon drums or larger totes.

#### 7.4.5 Administrative/Laboratory Space

The following minimum administrative space is recommended for a new 12 mgd WTP:

Control Room	250 s.f.
Laboratory	750 s.f.
Maintenance/Storage Area	750 s.f.
Conference/Lunch Room	300 s.f.
Offices (2)	300 s.f.
Toilet/Lockers/Showers (2)	1000 s.f.
Mechanical Room	200 s.f.
<u>Electrical Equipment</u>	<u>200 s.f.</u>
Total Minimum Useable Area	3,750 s.f.

### 7.5 WTP SITE LAYOUT

The approximate space required for the 12 mgd WTP, including room for future expansion to 23 mgd, is 3.0 acres. As a point of reference, the existing WTP sits on approximately 1.25 acres and has an ultimate capacity of about 10 MGD.

There are five potential sites available for locating the new facility based on a City survey of available land in the general vicinity of the existing WTP. These sites are identified as A through E on Figure 7.2. Table 7.3 provides a summary of the characteristics of each site. Usable area refers to land area located above the flood plain. All of the sites have sufficient useable space to locate the new WTP including room for expansion to 23 MGD. However, the topography of Site B appears to be not well suited for construction of a new WTP; most of the site is on a slope or in a low-lying area. Sites A, B, C and D are all located at an elevation similar to the existing treatment plant and therefore, minimal reduction in well pumping capacity would be expected. However, Site E is about 20 to 30 feet higher than the existing site and a noticeable reduction in well capacity would need to be accounted for if a plant was located at this site. Site D is within the proposed transportation bypass route for the City. Site A is closest to the wellfield, requiring fewer pipeline upgrades for a new raw water supply. It has good

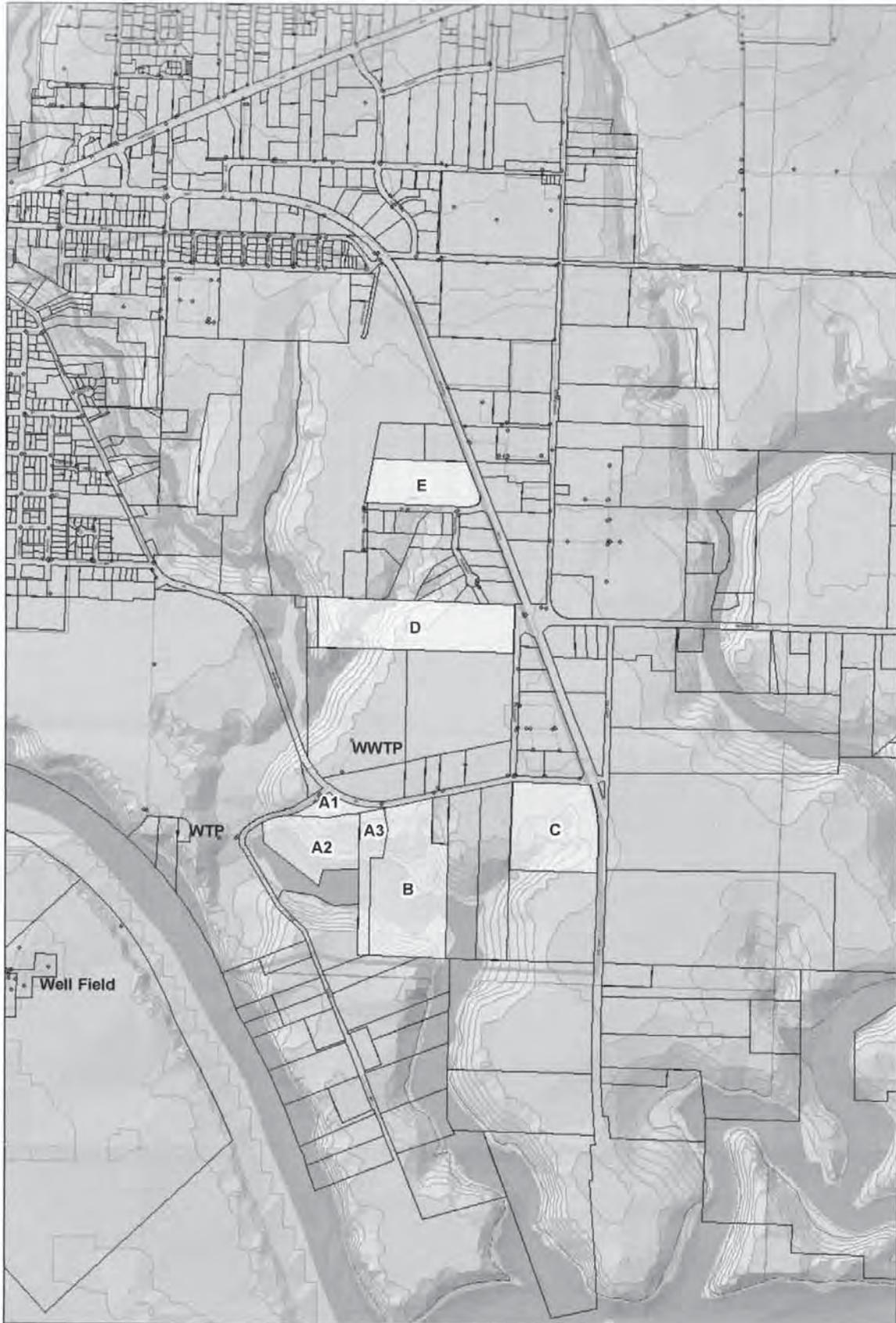
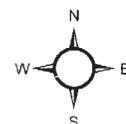


FIGURE 7.2  
POTENTIAL SITES  
FOR NEW WATER  
TREATMENT PLANT



Map created by Jan Wolf 2002  
3\_gis\_eng\mapstemplate.mxd



access to Wynooski Street, which would make chemical deliveries more efficient and safe. In addition, it is not in a residential area, and is very close to the WWTP. The proximity of the two facilities is also an advantage.

**TABLE 7.3 SUMMARY OF AVAILABLE SITES FOR NEW WATER TREATMENT PLANT**

<b>Site</b>	<b>Size (Ac)</b>	<b>Useable Size (Ac)</b>	<b>Average Elevation (ft)</b>	<b>UGB Designation</b>
Site A				
A1	0.5	0.5	150	Commercial
A2	4.4	1.19	128	Commercial
A3	8.01	3.25	130	Commercial
Site B	19.27	14.16	128	Commercial
Site C	14.4	12.5	138	Commercial
Site D	16.52	11.36	140	Industrial
Site E	10.0	10.0	160	Industrial

Due to constructability, accessibility and hydraulic considerations as well as proximity to the wellfield, Site A appears to be best-suited for use as a WTP site and is recommended. SP Newsprint currently owns Site A, including all three parcels. It is recommended that the City pursue purchase of this property as soon as it is feasible. Based on an appraisal performed in 2001 by Ron Woodard for the Morland property (Site D), the estimated cost for Site A is \$311,313 in 2001 dollars (calculated on a per acre basis).

A WTP layout was prepared on Site A to ensure that this site is appropriate for a future WTP. A 12 MGD conventional filtration plant utilizing dissolved air flotation was selected for a site layout since this treatment train requires the largest footprint of the recommended alternatives. Thus, it represents a conservative estimate of the space needed for a new plant. Figure 7.3 shows the layout of the new facility overlaid on the City's preferred site. Facilities shown on the site include:

- Three, Parallel Contact Basins with Baffle Walls
- Three, Parallel DAF basins
- Four, Granular Media Filters
- 1 MG Clearwell with High Service Pump Station
- 1 Backwash Equalization Basin
- 1 Solids Thickener and Pump Station
- Administration Building Including Chemical Feed Facilities

Space is also shown for future expansion that would include the following additional facilities:

- Three Sludge Lagoons

- One Additional Sludge Thickener
- Four Additional Filters
- Three Additional Contact Basins
- Three Additional DAF Basins

As shown, the acreage of this site is adequate to accommodate a WTP. However, potential site constraints will need to be evaluated prior to a decision on land purchase. Potential site constraints such as wetlands/drainages, FEMA floodplain boundaries, threatened and endangered species and habitat, zoning requirements and hazardous waste contamination from prior uses can significantly limit the actual acreage available for plant construction. A reconnaissance level evaluation to determine the potential for these types of site constraints should be completed prior to purchase.

## **7.6 WTP COST ESTIMATE**

Budget level estimates for a new WTP were prepared and are shown in Table 7.4. It is normally expected that an estimate of this type would be accurate within plus 30 percent or minus 15 percent of the actual cost. As a reference, the current 20 City ENR CCI for the Seattle Region is 7,560 (Feb 2002). The total estimated construction cost for a 12 mgd conventional water treatment plant is approximately \$11.5 million. Typically, construction costs for new WTPs fall in the range of \$0.85 to \$1.25 per gallon depending on process complexity and site specific conditions. The \$0.96 per gallon used for this estimate falls within the lower range of typical costs and reflects a lower level of process complexity. An additional 40% was added to the construction cost to account for design, construction management services, administration, legal services, and contingencies bringing the total estimated project cost of a new plant to just over \$16 million.

**TABLE 7.4 COST ESTIMATE FOR NEW 12 MGD CONVENTIONAL WTP**

<b>Item</b>	<b>Construction Cost</b>
Yard Piping*	\$ 1,740,000
Site Civil Work	\$ 1,044,000
Administration Building	\$ 550,000
Chemical Feed Facilities	\$ 290,000
Flocculation Basins	\$ 490,000
Dissolved Air Flotation Basins	\$ 975,000
Deep Bed Filters w/ Air Scour	\$ 1,820,000
1 MG Clearwell	\$ 570,000
Finished Water Pump Station	\$ 930,000
Backwash Equalization	\$ 580,000
Sludge Thickener and Pump Station	\$ 250,000
Electrical/Instrumentation (@ 20%)	\$ 2,280,000
<b>Construction Sub-Total</b>	<b>\$ 11,500,000</b>
Contingencies, Engineering and CM, Admin (@ 40%)	\$ 4,600,000

**TOTAL CAPITAL COST\*\*\*** **\$ 16,100,000**

\* Does not include raw and finished water pipelines which are site specific.

Transmission System Costs are presented in Table 7.5.

\*\* Does not include land acquisition costs.

\*\*\*Costs are in 2002 dollars

Based on this estimate for a new 12 mgd WTP, project cost estimates were also developed for smaller initial capacities if a new WTP is constructed earlier than 2015. The estimated project costs for these smaller capacities are:

- 9 mgd initial capacity = \$12.9 million
- 5 mgd initial capacity = \$8.4 million

The cost of Raw Water Transmission and Finished Water Transmission are specific to the site selected for the new WTP. Of the five potential sites selected by the City, transmission costs for only A, B, and C were evaluated since they represent the most desirable options according to the City. Each of these sites is located along or near the existing 18-inch finished water transmission pipeline extending east from the existing WTP to Wyooski Rd. The new plant should be able to connect to this existing 18-inch line and deliver the initial treated water plant capacity of 12 mgd with flow splitting to the west (back through the pipe towards the existing WTP) and also to the east. Based on preliminary hydraulic calculations, this approach should have a transmission capacity of 11 to 14 mgd. The City will need to conduct additional hydraulic modeling to determine the exact capacity, and this will also be affected by possible improvements to the distribution system in the future. No additional finished water transmission piping should

be necessary for the foreseeable future, and therefore **no costs are included for finished water transmission piping in this analysis.**

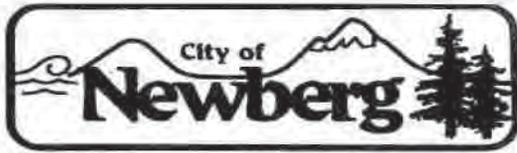
However, a new 30-inch raw water transmission line will be required to deliver well water from the existing WTP to the new site. A 30-inch pipeline was selected to be capable of delivering the ultimate maximum capacity of 23 mgd such that additional raw water piping would not have to be added in the future. This new raw water pipeline was assumed to follow the alignment of the existing 18-inch finished water transmission pipeline from the existing WTP to Wynooski Road. [Note: It is assumed that the cost of a new 24-inch River Crossing for future expanded well supply is already accounted for in the City's CIP and is not included herein.]

Table 7.5 provides a summary of the estimated construction and project costs for the new 30-inch Raw Water Transmission Pipeline required to each of the three potential WTP sites. Depending on location, the raw water transmission costs add an additional \$500,000 to \$1.0 million to the total project cost of the new plant. A 30% allowance is included in the project costs for the pipeline which is lower than the 40% allowance used for the WTP costs. These costs do not include property acquisition and/or easement costs.

**TABLE 7.5 SUMMARY OF ESTIMATED RAW WATER TRANSMISSION COSTS**

<b>WTP Location</b>	<b>30" Raw Water Pipeline (ft)</b>	<b>Construction Cost (\$)</b>	<b>Project Cost (\$)</b>
Site A	2,000	\$400,000	\$520,000
Site B	2,900	\$580,000	\$750,000
Site C	4,100	\$820,000	\$1,060,000

Further discussion regarding the site options for a new WTP is required to determine the desired location. Obviously, Site A would have lower raw water pipeline costs because of its proximity to the existing WTP and wellfield. Sites A and B are closer to the City's WWTP which has potential benefits from a solids handling perspective if the WWTP continues to accept WTP solids.



# MEMORANDUM

**Date:** May 24, 2010

**To:** Newberg Urban Area Management Commission

**From:** Howard Hamilton *HJH*  
Newberg Public Works Director

**RE:** Future water treatment plant needs and site evaluation

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Newberg's existing water treatment plant is located on an extremely small site that is accessible only through the SP Newsprint plant. The site size and location preclude any further capacity expansion opportunities at that site.

In order to evaluate future needs for and alternatives for the treatment plant, in 2002 Newberg staff, along with MWH, developed the "City of Newberg Water Treatment Facilities Plan." The Newberg City Council adopted this plan on June 7, 2002 through Resolution 2002-2365.

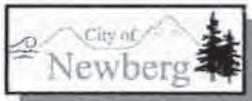
The adopted plan identifies the need to construct a new 12 mgd water treatment plant, including room for future expansion to 23 mgd. The plan identified a need for approximately 3.0 acres to accommodate this "conventional" plant. See Page 7-10 of the plan.

The plan evaluated several optional sites for this new treatment plant. The plan ultimately recommended locating a future plant on three parcels on the south side of Wynooski Road just east of Dog Ridge Road (3229-202, 500 & 600). The plan included a conceptual layout of such a plant on this site. This site is even more crucial since the parallel river crossing pipe surfaces there.

Since adoption in 2002, Newberg staff has continued to work to implement the plan. This included further analysis of the proposed water treatment plant site. This analysis showed that the proposed site had more topographic constraints and less suitable land than estimated in the treatment plant plan. See the attached map. Staff concluded that, in order to site the plant at that location, Newberg would need to acquire an additional parcel to the east (3229-400). Together these four parcels include about 3.5 buildable acres of land. Staff has prepared a conceptual layout of the plant on these parcels, and has found that the needed 3.0 acre treatment plant site likely could be accommodated on these parcels. Of special consideration is the remote possibility that one or more wells could be classed as "under surface water influence" requiring addition treatment beyond the "conventional" plant classification and this would require an additional 0.25 acres.

In addition, the South Industrial Master Plan, adopted by the Newberg City Council by Resolution 2009-2872 on November 2, 2009, identifies a need for a sanitary sewer pump station in the vicinity of the site. This would require approximately 0.25 acres of land. Thus, it is likely this also could be accommodated on the four Wynooski parcels.

The City of Newberg has entered into a purchase agreement with SP Newsprint to acquire these parcels.



250

Feet

**Legend**

**Areas Feasible for Possible Siting Suitability of Location**

- 3229 00202, 0.28 Acres
- 3229 00400, 2.05 Acres
- 3229 00500, 0.72 Acres
- 3229 00600, 0.45 Acres

Suitable (Slope < 10% and not in Flood Plain), approximately 5.3 Acres

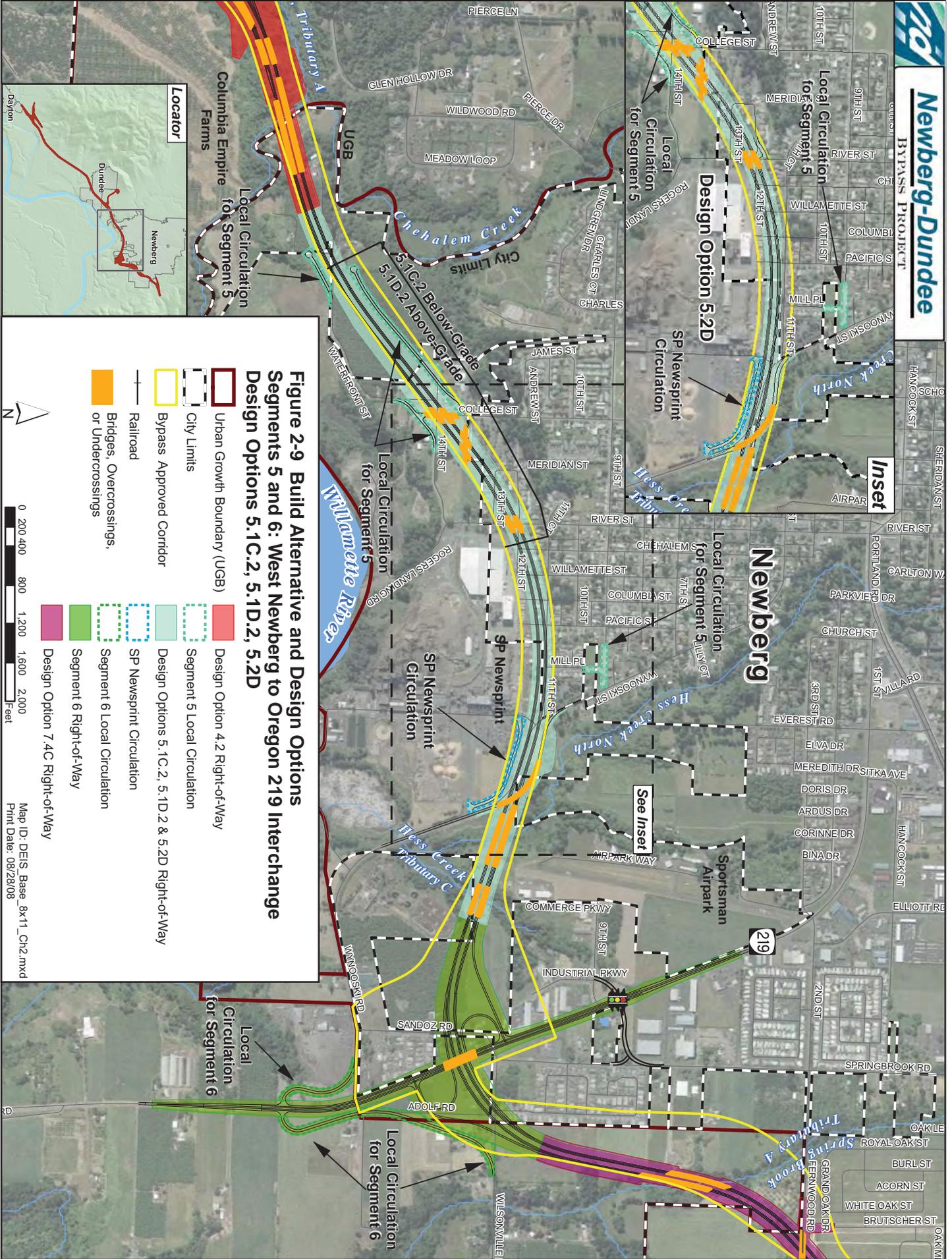
Not suitable (Slope > 10% and/or in 100 year or 500 year Flood Plain), approximately 27 Acres

**Flood Plain Derived from FEMA - 1996**

**Zone Description**

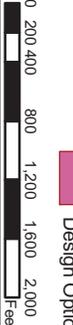
- 500 Year Flood
- 100 Year Flood

101' ELV is 100 Year Flood Elevation



**Figure 2-9 Build Alternative and Design Options Segments 5 and 6: West Newberg to Oregon 219 Interchange Design Options 5.1C.2, 5.1D.2, 5.2D**

- Design Option 4.2 Right-of-Way
- City Limits
- Bypass Approved Corridor
- Railroad
- Bridges, Overcrossings, or Undercrossings
- Design Options 5.1C.2, 5.1D.2 & 5.2D Right-of-Way
- Design Options 5.1C.2, 5.1D.2 & 5.2D Right-of-Way
- SP Newsprint Circulation
- Segment 6 Local Circulation
- Segment 6 Right-of-Way
- Design Option 7.4C Right-of-Way



Map ID: DEIS\_Base\_8x11\_Ch2.mxd  
 Print Date: 08/28/08

See Note for Design Option Descriptions

**TRANSPORTATION PLAN**

The access and circulation component of the plan identifies connections for multiple modes to the City’s existing and planned transportation system. The plan provides for the needs of multiple users including trucks, automobiles, pedestrians, and bicyclists. The alignments and designations identified in the plan area are conceptual and subject to further study.

**Vehicular Circulation**

Vehicular circulation is provided for via both existing and new facilities. The district’s transportation network is planned around the anticipated Newberg-Dundee Bypass while recognizing that it may be some time before the facility is constructed. Highway 219 is planned as the primary north-south roadway connection into and through the district. The minimum spacing for a new intersection with Highway 219 is approximately 1,600 feet from the identified Bypass interchange. An interim (Pre-Bypass) connection into the area is identified along Highway 219 across from the current Wynooski Road intersection. When the Bypass is constructed, it will require the realignment of Wynooski Road and move the Wynooski Road/Highway 219 intersection further south out of the Bypass interchange area.

The master plan layout shows Wynooski Road realigned to provide a new intersection midway along Highway 219 that will serve as the district’s primary access. Wynooski Road and future Street “C” are planned as the primary east-west roadway connection. Inherent in the design is the flexibility to extend Street “C” eastward over Springbrook Creek and continue as a new Wilsonville Road alignment. This would provide a direct route into the plan area, but would also require an expensive new bridge crossing with environmental impacts. This new connection should be studied in more detail to determine if the benefits of the new connection justify the fiscal and environmental impacts.

Street “A” is designed as an internal north-south collector that provides access into individual development sites, provides a connection to Wilsonville Road, and a connection to parklands located south of the area. Several optional local streets are delineated internal to the district as possible future connections and service accessways. Finally, the roadway network is designed to position streets adjacent to conservation areas in order to create recreational access and project an attractive district streetscape.

<b>Proposed Master Plan Transportation System</b>		
Street Name	Functional Classification	Future Improvement Plans
State Highway 219	Minor Arterial	5 lanes
Wilsonville Rd	Minor Arterial	3 lanes
Wynooski Rd	Major Collector	3 lanes
Street “A”	Minor Collector	2 Lanes
Street “B”	Local	2-Lanes
Street “C”	Minor Collector*	2-Lanes

\*Street “C” has the potential to be expanded to a Minor Arterial if Wilsonville Road is realigned to cross Springbrook Creek and continue at this roadway.

**Pedestrian & Bicycle Circulation**

The plan envisions that pedestrian and bicycle traffic will be accommodated and encouraged within the plan district area. It’s envisioned that all streets will be improved and constructed to safely and comfortably accommodate these users. In addition, the plan illustrates a trail/multi-use path network within the conservation corridors. This network is intended to connect to an existing and future regional network in and around the plan area. It is envisioned that the trail network will function as a recreational amenity and serve as an alternative transportation mode to and from the employment areas.

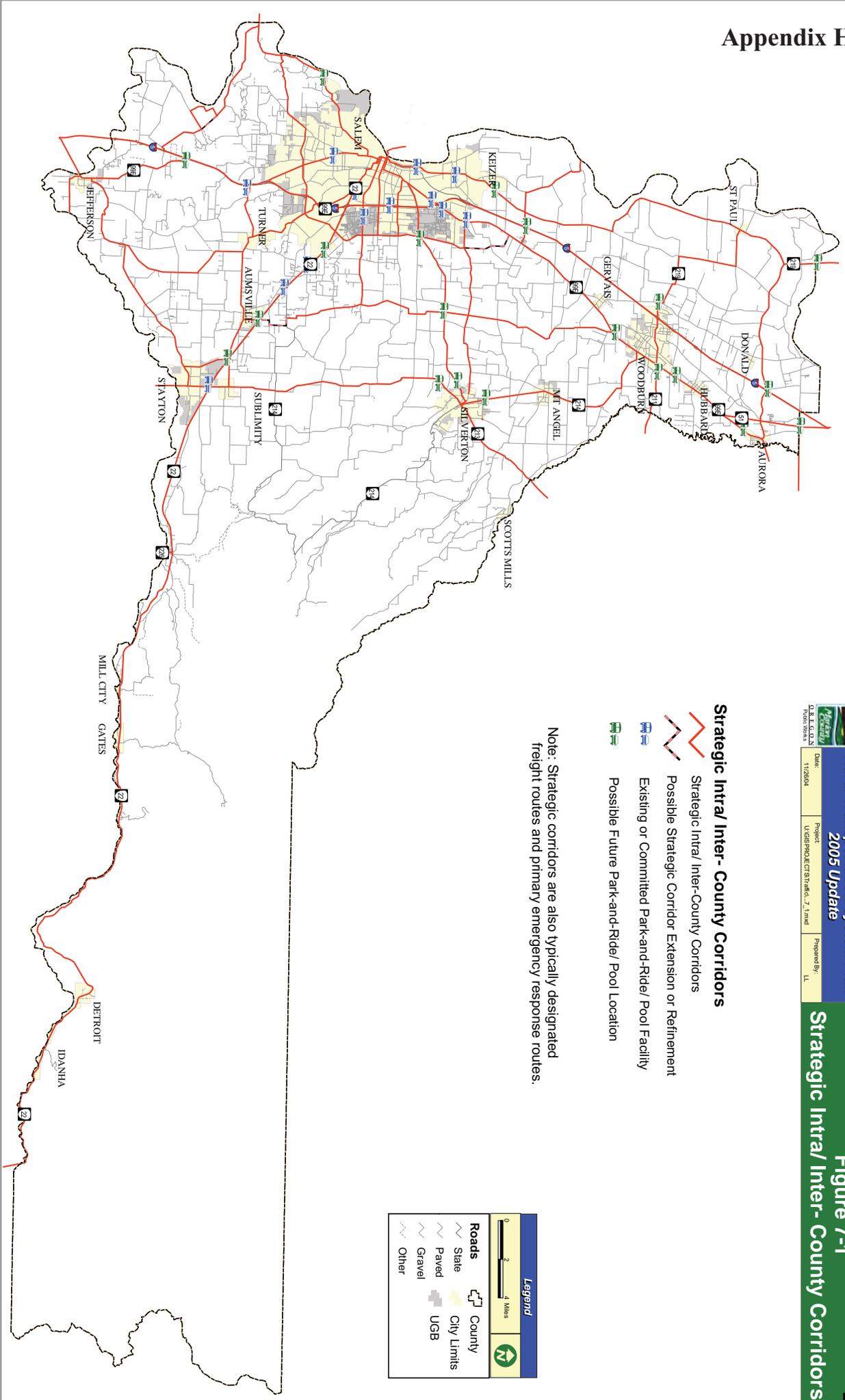
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## Design Elements

The plan envisions creating and adopting specific roadway design standards for the plan district. The street designs are intended to include pedestrian amenities, aesthetic features and practical mobility considerations that are unique to a successful industrial/employment district. Additionally, the plan envisions certain sustainability elements be included in the roadway design to manage stormwater runoff and ensure water quality. The district roadway designs should address and accommodate the following fundamentals:

- Safely and effectively accommodate semi-truck and industrial vehicles
- Provide pedestrian sidewalks and/or multi-use paths along all roadways. Use curb-tight sidewalk design on internal roadways to improve pedestrian visibility on narrower streets
- Plan for bicycle traffic on district roadways. Provide designated bicycle lanes or multi-use paths along higher order streets and plan for shared facilities on local internal streets
- Establish a streetscape design that identifies the district as a unique part of the community including uniform landscaping and streetscape elements
- Incorporate stormwater management/water quality facilities into roadway design
- Limit pavement and asphalt width





**Rural Transportation System Plan**  
**2005 Update**  
 Date: 11/28/04  
 Project: U/SR PROJECTS/STR/04 - 7.1.mxd  
 Prepared By: LL

**Figure 7-1**  
**Strategic Intra/ Inter- County Corridors**

**Strategic Intra/ Inter- County Corridors**

- Strategic Intra/ Inter-County Corridors
- Possible Strategic Corridor Extension or Refinement
- Existing or Committed Park-and-Ride/ Pool Facility
- Possible Future Park-and-Ride/ Pool Location

Note: Strategic corridors are also typically designated freight routes and primary emergency response routes.

**Legend**

0 2 4 Miles

**Roads**

- State
- Paved
- Gravel
- Other

**County**

- County
- City Limits
- UGB

## Appendix I: Site Photos

**Figure I- 1: Subsite 11.1, looking SW from Wynooski Road**



**Figure I- 2: Subsite 11.2 looking East on Wynooski Road. Subsite is on the right.**



**Figure I- 3: Subsite 11.2 looking from Wynooski Road**



**Figure I- 4: Subsite 11.3 looking SW from Wynooski Road**



**Figure I- 5: Subsite 11.3 looking south from Wynoski Road**



**Figure I- 6: Subsite 11.3 looking west from Hwy. 219. Transfer station is in background.**



**Figure I- 7: Subsite 11.3 looking west from Hwy. 219. Subsite 11.4 is visible on left.**



**Figure I- 8: Subsite 11.4 looking west from Highway 219**



**Figure I- 9: Subsite 11.4 looking west from Highway 219**



**Figure I- 10: Subsite 11.7 looking SE from Hwy. 219. White fence is edge of subsite.**



**Figure I- 11: Subsite 11.7 looking NE from Hwy. 219**



**Figure I- 12: Subsite 11.8 looking NE from Adolf Road.**



**Figure I- 13: Subsite 11.8 looking south from Wilsonville Road**



**Figure I- 14: Subsite 11.9 looking south from Wilsonville Road**



Figure I- 15: Adolf Triangle looking SW from Adolf Road. Hwy. 219 is visible in the background. Site is within UGB.



**PROF 1 DLCD Notice of Proposed Amendment**

**Appendix J**

in person  electronic  mailed

**D  
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P**

For DLCD Use Only

**THIS FORM 1 MUST BE RECEIVED BY DLCD AT LEAST 45 DAYS PRIOR TO THE FIRST EVIDENTIARY HEARING**  
PER ORS 197.610, OAR 660-018-000

Jurisdiction: **City of Newberg / Yamhill County**

Date of First Evidentiary Hearing: **June 1, 2010**

Local File Number: **UGB-09-001**

Date of Final Hearing: **August 18, 2010**

Is this a **REVISION** to a previously submitted proposal?  Yes  No Date submitted: **March 12, 2010**

- Comprehensive Plan Text Amendment
- Land Use Regulation Amendment
- New Land Use Regulation
- Transportation System Plan Amendment

- Comprehensive Plan Map Amendment
- Zoning Map Amendment
- Urban Growth Boundary Amendment
- Other:

Briefly Summarize Proposal. Do not use technical terms. Do not write "See Attached"(limit 500 characters):

- ◆ **Inclusion of 136 gross buildable acres (260 total acres) into the Newberg Urban Growth Boundary (UGB). Of the 136 gross buildable acres, 125 acres would receive a comprehensive plan designation of Industrial (IND), and 10 gross buildable acres would be designated Public/Quasi-Public (PQ).**
- ◆ **Redesignation of 1 gross buildable acre (7 total acres) of land already in the Newberg UGB from Medium Density Residential (MDR) to Industrial (IND).**
- ◆ **TSP amendment to include the future transportation plan for the south industrial area (from the South Industrial Area Master Plan).**

The proposed UGB amendment is located adjacent to Newberg's southern city limits, on either side of Highway 219, south of Wilsonville Road and Wyooski Road.

Has sufficient information been included to advise DLCD of the effect of proposal?  Yes, text is included

For Map Changes: Include 8½"x11" maps of Current and Proposed designation.  Yes, Maps included

Plan map changed from: **County AFSH, AFLH, P, IND & City MDR** To: **City IND & PQ**

Zone map changed from: \_\_\_\_\_ To: \_\_\_\_\_

Location of property (do not use Tax Lot): **South of Newberg, on either side of Hwy 219, south of Wilsonville Road & Wyooski Road**

Previous density: \_\_\_\_\_ New density: \_\_\_\_\_ Acres involved: **260**

Applicable statewide planning goals:

- |                                     |                                     |                          |                          |                                     |                                     |                                     |                                     |                                     |                                     |                                     |                                     |                                     |                          |                          |                          |                          |                          |
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Is an exception to a statewide planning goal proposed?  YES  NO Goals: \_\_\_\_\_

Affected state or federal agencies, local governments or special districts (It is jurisdiction's responsibility to notify these agencies. DLCD only records this information): **ODOT, Yamhill County**

Local Contact: **Jessica Nunley, AICP**  
Address: **414 E First Street / P.O. Box 970**  
Fax Number: **503-537-1272**

Phone: **503-554-7744** Extension: \_\_\_\_\_  
City: **Newberg** Zip: **97132**  
E-mail Address: **jessica.nunley@newbergoregon.gov**

**DLCD file No.** \_\_\_\_\_

# 1 DLCD Notice of Proposed Amendment

D  L  S  T  A  M  P	in person <input type="checkbox"/>	electronic <input type="checkbox"/>	mailed <input type="checkbox"/>
	For DLCD Use Only		

**THIS FORM 1 MUST BE RECEIVED BY DLCD AT LEAST  
45 DAYS PRIOR TO THE FIRST EVIDENTIARY HEARING**  
PER ORS 197.610, OAR 660-018-000

Jurisdiction: **City of Newberg / Yamhill County**

Date of First Evidentiary Hearing: **June 1, 2010**

Local File Number: **UGB-09-001**

Date of Final Hearing: **June 6, 2011**

Is this a **REVISION** to a previously submitted proposal?  Yes  No Date submitted: **April 5, 2011**

Comprehensive Plan Text Amendment

Comprehensive Plan Map Amendment

Land Use Regulation Amendment

Zoning Map Amendment

New Land Use Regulation

Urban Growth Boundary Amendment

Transportation System Plan Amendment

Other:

Briefly Summarize Proposal. Do not use technical terms. Do not write "See Attached"(limit 500 characters):

- ♦ A revised Newberg Economic Opportunities Analysis, including revised employment projections, land needs and supply, and industrial and commercial site suitability characteristics.
- ♦ Inclusion of 132 gross buildable acres (260 total acres) into the Newberg UGB, and designation of land as Industrial and Public/Quasi-Public (PQ), with a stream corridor overlay on portions.
- ♦ Redesignation of 1 gross buildable acre (7 total acres) of land already in the Newberg UGB from Medium Density Residential (MDR) to Industrial (IND).
- ♦ Amendments to Newberg Comprehensive Plan text relating to economic opportunities and including revised population projections.
- ♦ TSP amendment to include the future transportation plan for the south industrial area.

Has sufficient information been included to advise DLCD of the effect of proposal?  Yes, text is included

For Map Changes: Include 8½"x11" maps of Current and Proposed designation.  Yes, Maps included

Plan map changed from: **County AFSH, AFLH, P, IND & City MDR** To: **City IND & PQ**

Zone map changed from: \_\_\_\_\_ To: \_\_\_\_\_

Location of property (do not use Tax Lot): **South of Newberg, on either side of Hwy 219, south of Wilsonville Road & Wynooski Road**

Previous density: **9 du/ac on 1 gb ac** New density: **NA** Acres involved: **260**

Applicable statewide planning goals:

- |                          |                                     |                          |                          |                                     |                          |                                     |                          |                                     |                                     |                                     |                                     |                                     |                                     |                          |                          |                          |                          |                          |
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Is an exception to a statewide planning goal proposed?  YES  NO Goals:

Affected state or federal agencies, local governments or special districts (It is jurisdiction's responsibility to notify these agencies. DLCD only records this information): **ODOT, Yamhill County**

Local Contact: **Jessica Nunley, AICP**  
 Address: **414 E First Street / P.O. Box 970**  
 Fax Number: **503-537-1272**

Phone: **503-554-7744** Extension:  
 City: **Newberg** Zip: **97132**  
 E-mail Address: **jessica.nunley@newbergoregon.gov**

DLCD file No. \_\_\_\_\_

# DLCD Notice of Proposed Amendment Post Acknowledgment Plan Amendments Urban Growth Boundary Urban Reserve Area

DATE STAMP	In person <input type="checkbox"/>	Digital <input type="checkbox"/>	mailed <input type="checkbox"/>
	For DLCD Use Only		

**THIS COMPLETED FORM**, including the text of the amendment and any supplemental information, **must be received at DLCD's Salem office at least 35 DAYS PRIOR TO THE FIRST EVIDENTIARY HEARING** ORS 197.610, OAR 660-018-000

Jurisdiction: **City of Newberg**

Date of First Evidentiary Hearing: **06/01/2010**

Local File Number: **UGB-09-001**

Date of Final Hearing: **03/19/2012**

Is this a **REVISION** to a previously submitted proposal?  No  Yes Original submittal date: **03/12/2010**

Comprehensive Plan Text Amendment(s)

Comprehensive Plan Map Amendment(s)

Land Use Regulation Amendment(s)

Zoning Map Amendment(s)

Transportation System Plan Amendment(s)

Urban Growth Boundary Amendment(s)

Other (please describe):

Urban Reserve Area Amendment(s)

**Briefly Summarize Proposal in plain language IN THIS SPACE (maximum 500 characters):**

- Revised Economic Opportunities Analysis with employment forecasts, population forecast, industrial land needs and supply, and industrial site suitability characteristics.
- UGB Amendment for 132 buildable ac. designated Industrial and Public/Quasi-Public, with stream corridor overlay.
- Redesignation of 1 buildable ac. in the Newberg UGB from Medium Density Residential to Industrial.
- TSP Amendment to include future road network & text.
- Comprehensive plan text amendment relating to industrial lands.

Has sufficient information been included to advise DLCD of the effect of proposal?

Yes, text is included

Are Map changes included: minimum 8½"x11" color maps of Current and Proposed designations.

Yes, Maps included

Plan map change from: **AFSH, AFLH, P, IND, MDR**

To: **IND & PQ**

Zone map change from:

To:

Location of property (Site address and TRS): **Wynooki Rd, St. Paul Hwy, Wilsonville Rd. 3221, 3228, 3229**

Previous density range: **9 du/ac. (part)**

New density range: **NA**

Acres involved: **260.00**

Applicable statewide planning goals:

- |                          |                                     |                          |                          |                                     |                          |                                     |                          |                                     |                                     |                                     |                                     |                                     |                                     |                          |                          |                          |                          |                          |
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Is an exception to a statewide planning goal proposed?  YES  NO Goal(s):

**Affected agencies: Yamhill County, ODOT, Marion County**

Affected state or federal agencies, local governments or special districts (It is jurisdiction's responsibility to notify these agencies).

Local Contact person (name and title): **Barton Brierley**

Phone: **503-537-1212**

Extension:

Address: **P.O. Box 970**

City: **Newberg**

Zip: **97132-**

Fax Number: **503-537-1272**

E-mail Address: **barton.brierley@newbergoregon.gov**

**- FOR DLCD internal use only -**

DLCD File No \_\_\_\_\_

CITY OF NEWBERG



# Typical Characteristics of Industrial Sites

For Newberg Targeted Industrial Uses

City of Newberg Planning Division

March 2013



# Typical Characteristics of Industrial Sites For Newberg Targeted Industrial Uses

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# Typical Characteristics of Industrial Sites For Newberg Targeted Industrial Uses

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By Barton Brierley, AICP  
Planning and Building Director  
City of Newberg  
March 2013

## Purpose

The purpose of this study is to determine the site characteristics that are typical of Newberg's targeted industrial uses. The study looks at similar size communities near Newberg, and investigates the characteristics of industrial districts where Newberg targeted industrial uses have located within the last 40 years. These site characteristics may then be designating new industrial areas within Newberg. This study seeks to determine typical site characteristics, and does not go further to determine whether the characteristic is necessary for a particular industrial use to operate, as this will be done through the Newberg Economic Opportunities Analysis.

## Background

### Statewide Planning Goals and Implementing Rules

Oregon's Statewide Planning Goal 9, Economic Development, is "[t]o provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens." That goal directs local government to:

- "3. Provide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies;*
- 4. Limit uses on or near sites zoned for specific industrial and commercial uses to those which are compatible with proposed uses."*

According to OAR 660 Division 9, local governments are to prepare economic opportunities analyses (EOAs) as part of their comprehensive land use plans. As part of that analysis, local governments are supposed to identify the type of sites and the characteristics of those sites that would be typical of expected uses. OAR 660-009-0015(2) states:

*"(2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the **site characteristics typical of expected uses**. Cities and counties are encouraged to examine existing firms in the planning area to identify the types of*

sites that may be needed for expansion. Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.” [bold added]

OAR 660-009-0005(11) defines “site characteristics” as follows:

*“Site Characteristics’ means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.”*

In addition, the Oregon Land Use Board of Appeals has ruled:

*“If the words ‘attributes of a site necessary for a particular industrial or other employment use to operate,’ in the definition of ‘site characteristics’ are viewed in context with the language of 660-009-0015(2), we believe the site characteristics are properly viewed as attributes that are (1) typical of the industrial or employment use and (2) have some meaningful connection with the operation of the industrial or employment use.” (Friends of Yamhill County v. City of Newberg, Or LUBA (August, 2010)).*

The Court of Appeals held on appeal:

*“In that statutory and regulatory context, we agree with LUBA that ‘site characteristics’ need not be ‘indispensable’ to a particular use in order to be ‘necessary for a particular industrial or other employment use to operate.’ The intent of Division 9 is to ensure that there is an ‘adequate supply of land for economic development and employment growth in Oregon,’ OAR 660-009-0000, which is vital to the health, welfare, and prosperity of the state. ... That overriding intent to allow and plan for anticipated economic growth – in part, through the identification of ‘site characteristics’ that make the land ‘suitable’ to meet the needs of anticipated growth – suggests something other than petitioners’ strict ‘indispensability’ test that would take into consideration only those ‘site characteristics’ without which particular industry and employment uses could not operate. Rather, the planning scheme (based on projections and economic trends) suggests, as LUBA adopted, a more pragmatic approach toward accommodating economic growth: That ‘necessary’ site characteristics are those attributes that are reasonably necessary to the successful operation of particular industrial or employment uses, in the sense that they bear some important relationship to that operation.” (Friends of Yamhill County v. City of Newberg, Or App (February 16, 2011)).*

This study seeks to determine the first part of the above two part test: what is “typical of the industrial or employment use” for Newberg’s targeted industries projected to locate within new industrial areas. Note that this report does not investigate the second of the two part test: whether the characteristic has some meaningful connection with the operation of the industrial use. This will be done through the Newberg Economic Opportunities Analysis.

### **Newberg's Targeted Industries**

Newberg has identified the targeted industries, as shown in Table 1 on page 5. Almost all the manufacturing uses, aviation related, and agriculture uses identified above, as well as some of the service uses, are anticipated to locate within industrially zoned areas. Some will reuse or infill within existing industrial sites. However, existing sites cannot accommodate all anticipated employment over the planning period. Thus, new industrial land will need to be designated. This study will determine what characteristics industrial sites have where such as those industrial uses have found.

Table 1: Newberg Targeted Industries

Business Cluster	Targeted business types	Likely to locate in new industrial districts?
<b>Manufacturing and Industry</b>		
High Tech Manufacturing	Semiconductors/silicon, imaging & display technology	Yes
	Nano & micro technology, cyber-security, health/medical information technology	Yes
	Biotech/bioscience (medical devices, bioinformatics, pharmaceuticals, genomics, anti-virals)	Yes
General Manufacturing	Dental equipment	Yes
	Metals, machinery, transportation equipment	Yes
	Lumber and wood products (value added)	Yes
	Sustainable industries (renewable energy, resource efficiency technologies, sustainable building materials, green chemistry)	Yes
	Distribution & logistics	Yes
	Sports apparel/recreation-related products	Yes
Aviation related	Specialty aircraft equipment, aircraft repair, machine shops, small entrepreneur business	Yes, near Airpark
Agriculture	Wineries	Yes, mostly
	Specialty foods and food processing	Yes
	Nursery and agricultural products (value added)	Yes
Services	Professional services architecture, engineering, legal and financial services, etc.	Some
	Creative services (advertising, public relations, film and video, web/internet content and design)	Some
<b>Health Care</b>		
	Providence Medical Center Expansion, medical offices, senior services	No
<b>Higher Education</b>		
	Portland Community College campus, George Fox University expansion, high school vocational training and college preparedness, private post-secondary training	No
<b>Wine/Tourism</b>		
	Wineries and tasting rooms, restaurants, art studios, theater and entertainment, recreation (golf, bowling), conference facilities, specialty retail	Most larger wineries

## **A Brief History of Industrial Siting in the Willamette Valley and Newberg**

Industry has played an important part of the development of the Willamette Valley. Some understanding of the past is important in knowing why industrial sites are where they are today, much like understanding the development of typewriters is necessary in understanding why Qwerty keyboards are used in computers today.

While resource based industries always have been important in the valley, industry has diversified significantly through several eras since European settlement. All these eras are represented in Newberg.

### **European settlement to the coming of the railroad**

Industry from the first European settlement to the coming of railroad primarily related to lumber, agriculture, and fishing. These industrial sites were typically located close to waterways for energy, water, waste disposal and transportation. The first U.S. sawmill in the valley was built by Ewing Young in Newberg along Chehalem Creek. Later a flour mill was located on the creek. In the valley today are many former mill sites located along rivers, some of which continue to be used for forest product or other industrial uses.

### **Railroad to World War II**

The coming of the railways to the Willamette Valley in the latter part of the 19<sup>th</sup> Century played a major role in industrial siting. The rail lines became a major transportation source for shipping in of raw materials and shipping out of finished products.

During this time period, most industry in the valley was resource related. Food processing plants were constructed near rail lines. Wagons and trucks would bring in crops from the fields to these plants, which would process and package them for shipment to markets. Lumber mills would receive logs floated down streams, process them, and then ship out the lumber by rail. Many industries began making secondary products, such as paper, plywood, furniture, and clothing.

Because of the importance of the rail lines for commerce and travel, many Willamette Valley cities grew up along the rail line. Many downtowns and residential areas surrounded the rail based industrial areas. While a few of these areas still retain their original purposes, many have been transformed to other industrial uses or converted to more commercial uses.

In Newberg, this era saw construction of the Allen Fruit plant (where PPM stands today) on Illinois Street in 1892, the Newberg Brick and Terra Cotta Company (where Ewing Young Park is today) in 1892, the Chehalem Valley Mill in 1902, the Spaulding Pulp and Paper mill (where S.P. Newsprint is today) near the turn of the century, and the Springbrook Packing plant (where Austin Industries is today) in the 1920s.

### **World War II to the High Tech Era**

The post war years saw the growth of both heavy and light manufacturing in the valley. World War II had sparked a number of manufacturing operations, attracted by the good shipping and

abundant power provided by the Columbia River. The Albany paper mill opened in 1955. Cascade Steel Rolling Mills opened in McMinnville in 1968. Canning and frozen food industries thrived. Many of these industries located along rail lines to take advantage of shipping in and out. Many of these were located on expanded lumber mill or cannery sites. Secondary wood products, metals manufacturing, clothing, and other manufacturing grew.

In Newberg, Publishers Paper constructed a plant at the old Spaulding Mill site in the late 1960s. Newberg Steel located along Main Street to take advantage of the rail line there. Allen Fruit and Springbrook Packing continued to expand and thrive.

### High Tech Era

Some high tech and precision manufacturing began in the Willamette Valley immediately following World War II, but the High Tech Era did not begin in earnest until the 1970s. Companies such as Tektronix, Nike and Hewlett-Packard grew into world-wide leaders, and many related companies flourished. While some of these located on historic industrial or agricultural processing sites, many sought new industrial areas. Rail transport became much less important; good road access, including access to the interstate highway system, became much more important. Finding large, level sites with room for expansion, and areas that don't disturb the neighbors were priorities.

In Newberg, this era saw the growth of A-dec, Climax Portable Machine Tools, Harris Thermal, Technical Images (now part of the A-dec campus), and other companies.

### Industry Today

Industry today in the Willamette Valley is located on a wide variety of sites. Many existing industries have reused old lumber or agricultural processing sites, rail or water access sites, and small sites tucked in downtown areas largely due to historical happenstance. Where such recycled sites are not available, industries are looking to expand on large level industrial districts with good road access and few neighbor conflicts.

### Methodology

This study sought to determine the characteristics of industrial districts in similar communities where the types of industries Newberg's targeted industry list have located since the 1970's. To do this, this study used the following methodology.

First, the study selected communities that were good comparables with Newberg. The following communities were used for comparison because of their similar size and close location to Newberg:

- Canby
- Forest Grove
- McMinnville
- Newberg (existing industrial sites)

- Tualatin
- Sherwood
- Wilsonville
- Woodburn

Second, the study identified all industrial areas within these communities. The study used the zoning and comprehensive plan maps from the communities to identify industrial areas.

Third, the study examined each of these industrial areas and determined whether they either initially developed or had significant redevelopment since 1970, and whether they contained primarily the industries expected to locate in industrial areas shown in Table 1. Fourth, the study then examined those areas for the following characteristics:

- **Distance to major road** (arterial street or state highway). The study considered the distance from the industrial district to an arterial or state highway street. Note that in some cases individual industrial sites access through interior industrial streets. As long as those sites could access the major road through these interior streets, the distance to the major road was measured as the distance from the district boundary to that road.
- **Access through residential<sup>1</sup> areas.** The study considered whether truck traffic from the district could reach an arterial or state highway without traveling through or past residential areas.
- **Residential boundary.** The study measured the percentage of each industrial district's perimeter that is adjacent to residential areas without adequate buffers. Adequate buffers included arterial streets or highways, rail lines, parks, stream corridors, and natural areas.
- **Typical site size.** This reported the typical size of individual industrial sites. This was reported in several broad categories: 0-2 acres, 2-5 acres, 5-10 acres, 10-30 acres, and 30-50 acres. This data was collected for information purposes only. Note that many areas include some lots much larger than the typical site size.
- **Industrial district size.** This measured the total area of the contiguous industrial district.
- **Industrial/Commercial Proximity.** This measured whether the industrial district was next to another industrial or large commercial area.

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<sup>1</sup> For these purposes, residential areas include land that is within urban residential comprehensive plan or zoning district, and rural residential zoned land with a 2.5 acre or smaller minimum lot size or developed predominantly with residential lots of 2.5 acres or less.

- **Topography.** This measured the overall topography of each district in terms of site slope. The study looked at the predominant topography. The study did not include undeveloped portions of the areas, such as stream valleys.

Fifth, the study compiled and reported the results, and determined which characteristics were typical of the sites reviewed. Note that “typical” does not mean “universal;” there may be sites that do not have those characteristics. Sites that were atypical were noted.

## Findings

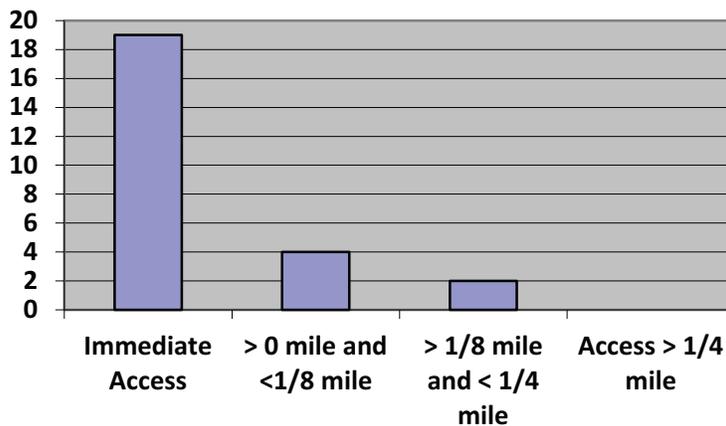
The study found 25 industrial districts within the eight communities studied that had new industrial development since the 1970s, and that contained Newberg targeted industrial uses. The following reports the findings from the study for each characteristic.

### Distance to Major Road

Of the 25 industrial districts studied, 19 had immediate access to a major road (arterial or state highway). Four districts had access to a major road within 1/8 mile. Only two districts had access further than 1/8 mile, and they both had access within 1/4 mile. No districts had access more than 1/4 mile away. See Figure 1.

Note that many industrial districts contain internal driveways or industrial roads, so not every individual lot within the district had immediate access to major road.

**Figure 1: Distance from Study Districts to Arterial or State Highway**



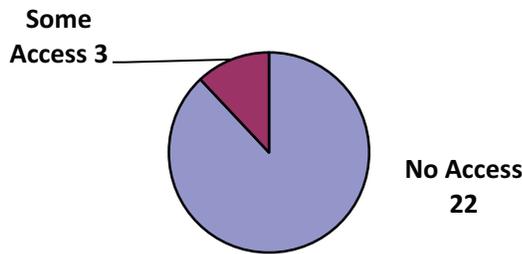
**Conclusion.** Typical industrial districts have access to a state highway or arterial street within 1/4 mile.

### Access through residential areas

Of the 25 industrial districts studied, 22 (88%) had access to an arterial or state highway without going through or adjacent to residential areas. See Figure 2. One of the three districts that did

have such access, one was in Newberg: the Suntron site. The Suntron site has access to a major collector street, but is across the street from a residential area for a nominal distance. The A-dec site has access direct access to an arterial street, although across the street is residential. Both of these industrial sites were developed before the intervening residential development. The two other districts are in Forest Grove. One has one access road about 250 feet long between a rail line and the state highway that passes next to a residential area. The other, per a conversation with Forest Grove Community Director Jon Holan, has experienced some conflict issues, has required reconstruction of the road, and would not be the type of industrial area that community would seek in the future.

**Figure 2: Industrial Districts with Access through Residential Areas**

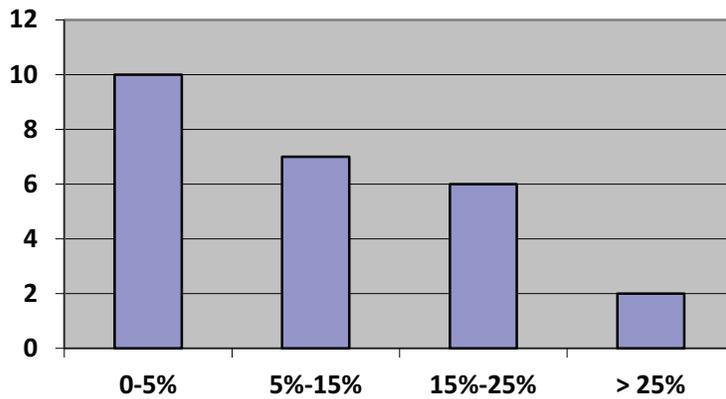


**Conclusion:** Typical industrial districts do not access through residential areas.

**Residential Boundary**

Of the 25 districts studied, 17 (68%) had less than 15% of the boundary with residential areas. 23 (92%) had less than 25% of the boundary with residential areas. See Figure 3. One district that had a larger boundary was the west Tualatin industrial area. This was one of the largest industrial areas in the study and had one of the largest perimeters. The other was the Forest Grove 23<sup>rd</sup> Avenue area.

Figure 3: Industrial District Boundaries with Residential Areas

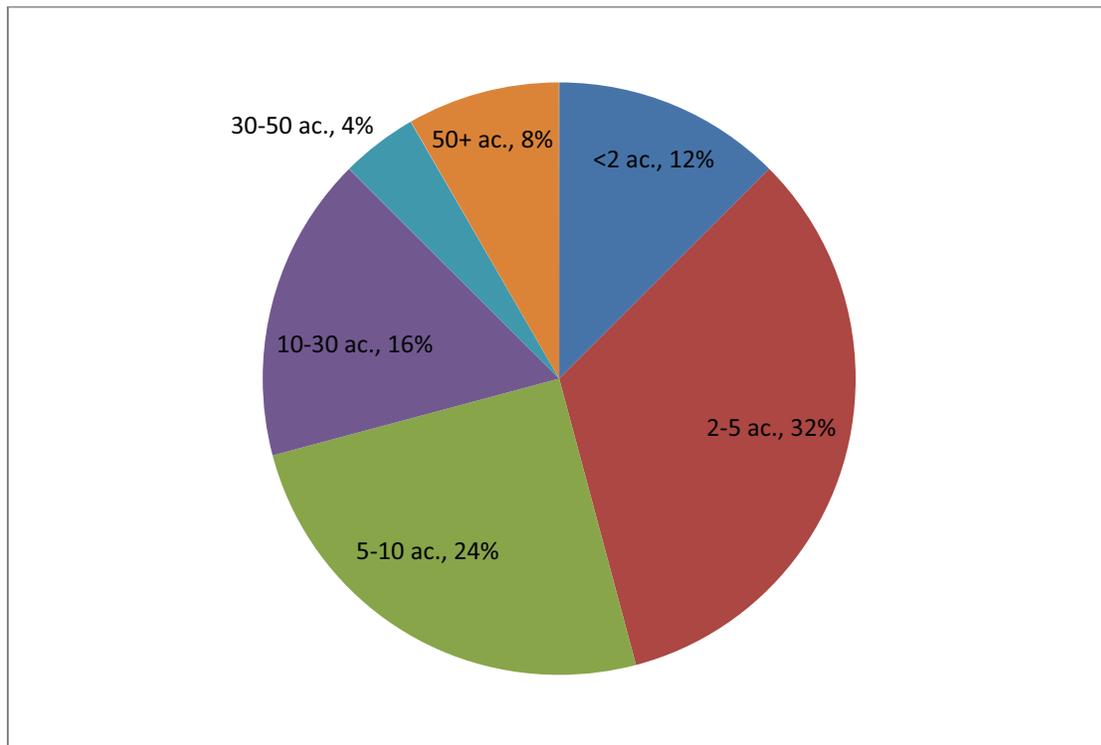


**Conclusion.** Typical industrial districts have less than 25% of the boundary to residential areas.

**Typical Size of Industrial Parcels**

Table 1 below shows the typical size of industrial parcels within the study areas.

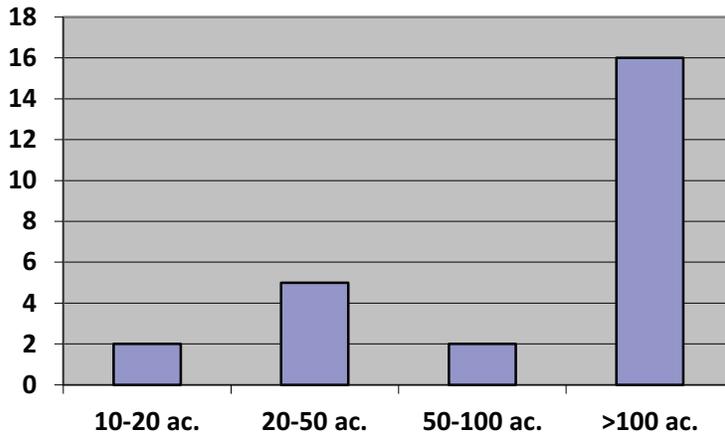
Figure 4: Typical Size of Industrial Parcels in Study Area



**Typical Industrial District Size**

Of the 25 industrial districts studied, 16 (64%) were over 100 acres in size. 23 (92%) were over 20 acres in size. See Figure 5. The smallest district in the study was the Suntron site in Newberg. This site is adjacent to an undeveloped site that allows medical industrial uses, and adjacent to a commercial area.

**Figure 5: Industrial District Size**

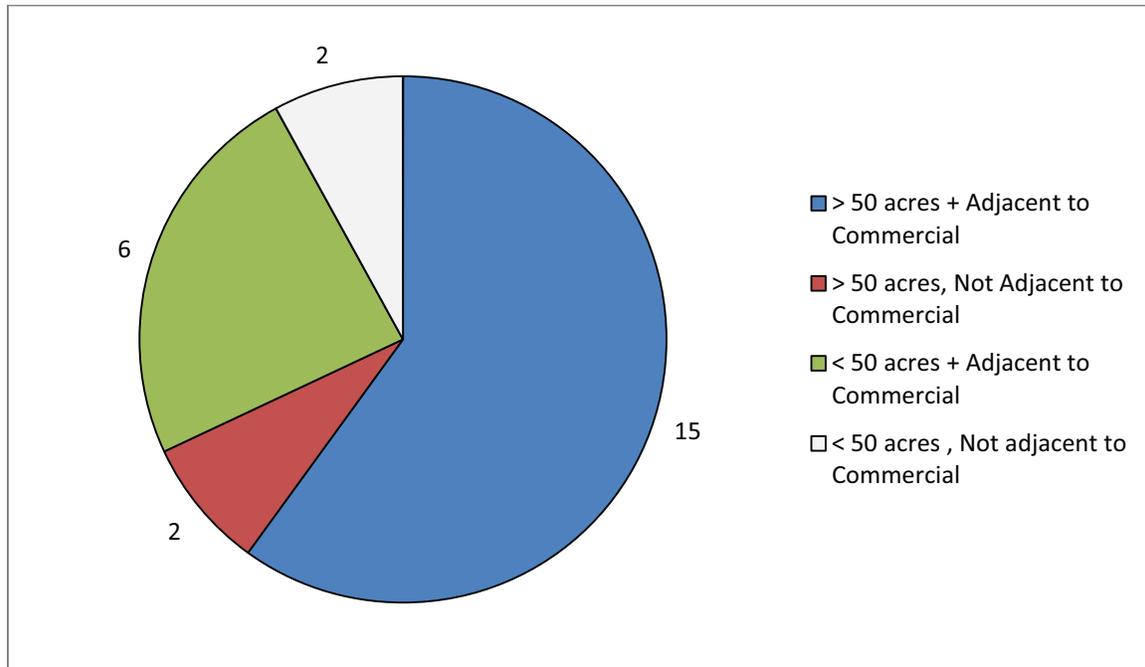


**Conclusion.** Typical industrial districts are at least 20 acres in size.

**Industrial/Commercial Proximity**

Of the 25 industrial districts studied, 23 or 92%, were adjacent to a large commercial area, were over 50 acres in size, or were both. The 23<sup>rd</sup> Avenue Site in Forest Grove is within 100 feet of a commercial area. The A-dec site in Newberg is next to a smaller tourist commercial center that has not yet been developed. Two sites that were neither were the Steel Tek site in Sherwood, and the 16<sup>th</sup> Street site in Forest Grove.

Figure 6: Commercial/Industrial Proximity and District Size

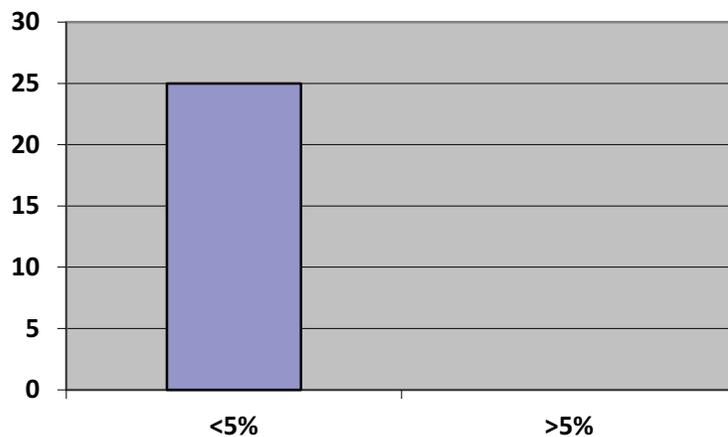


**Conclusion.** Typical industrial districts are adjacent to a large commercial area, are over 50 acres in size, or are both.

**Topography**

All 25 districts studied were predominantly less than 5% slope. See Figure 7.

Figure 7: Predominant Slope of Industrial Districts



**Conclusion.** Typical industrial districts are predominantly under 5% slope.

## Overall Conclusion

Industrial uses in Newberg's targeted industry list have located in communities similar to Newberg within industrial districts that have the following typical characteristics:

- The district has access to a state highway or arterial street within 1/4 mile.
- The district has access to a state highway or arterial street without passing through or adjacent to residential areas.
- The district has less than 25% of its boundary to residential areas, excluding boundaries with adequate buffers.
- The district is at least 20 acres in size. The district is adjacent to a large commercial area, is over 50 acres in size, or is both.
- The developed land is predominantly under 5% slope.

## Appendices

Typical Industrial Sites Characteristics Table  
Maps of Study Districts

# Typical Characteristics of Industrial Sites

City	Site Name	Uses	Distance to Major Road	Access through residential?	Residential Boundary	Typical Site Size	Industrial District Size	Adjacent to Commercial	Topog.	Notes
Canby	Canby west side	General Mfg., warehousing	0.00	<input type="checkbox"/>	20%-25%	2-5 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Canby	Pioneer Industrial Park	General Mfg.; High Tech Mfg.; Warehouse; Repair	0.00	<input type="checkbox"/>	5%-10%	10-30 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Forest Grove	16th Ave.	Waste transfer, mini-storage, one general mfg.	0.00	<input type="checkbox"/>	20%-25%	2-5 ac.	20-50 ac.	<input type="checkbox"/>	<5%	
Forest Grove	23rd Ave.	General Mfg., Food Processing	0.15	<input checked="" type="checkbox"/>	40%-50%	2-5 ac.	50-100 ac.	<input type="checkbox"/>	<5%	Site is just over 1/8 mile from arterial, and passes a residential area for about 100 feet, and is within 500 feet of another large industrial area. It is within 100 feet of a large commercial area.

## Appendix K

City	Site Name	Uses	Distance to Major Road	Access through residential?	Residential Boundary	Typical Site Size	Industrial District Size	Adjacent to Commercial	Topog.	Notes
------	-----------	------	------------------------	-----------------------------	----------------------	-------------------	--------------------------	------------------------	--------	-------

Forest Grove	24th Ave.	General Mfg.	0.00	<input type="checkbox"/>	10%-15%	2-5 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
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Forest Grove	South of Hwy 47	High Tech & General Mfg., Transportation & Utilities	0.06	<input checked="" type="checkbox"/>	0-5%	10-30 ac.	>100 ac.	<input type="checkbox"/>	<5%	One access road travels 250' next to a residential area to reach the highway
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McMinnville	Alpine Ave.	General Mfg., Winery, Warehouse	0.04	<input type="checkbox"/>	0-5%	< 2 ac.	20-50 ac.	<input checked="" type="checkbox"/>	<5%	Adjacent to large commercial area
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McMinnville	Booth Bend Rd.	Industrial Warehouse & Mfg., Food processing	0.00	<input type="checkbox"/>	0-5%	5-10 ac.	20-50 ac.	<input checked="" type="checkbox"/>	<5%	Adjacent to large commercial area
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## Appendix K

City	Site Name	Uses	Distance to Major Road	Access through residential?	Residential Boundary	Typical Site Size	Industrial District Size	Adjacent to Commercial	Topog.	Notes
McMinville	Orchard Ave.	General & High Tech Mfg.	0.00	<input type="checkbox"/>	15%-20%	< 2 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Newberg	A-dec Industrial area	Manufacturing	0.00	<input type="checkbox"/>	15%-20%	50+ ac.	>100 ac.	<input type="checkbox"/>	<5%	Residential across arterial street. Near future tourist commercial.
Newberg	Springbrook & Wynooski Industrial Area	Light mfg, repair	0.00	<input type="checkbox"/>	10%-15%	2-5 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Newberg	Suntron	Electronics Mfg.	0.09	<input checked="" type="checkbox"/>	20%-25%	10-30 ac.	10-15 ac.	<input checked="" type="checkbox"/>	<5%	Adjacent to large commercial area and medical industrial parcel.

City	Site Name	Uses	Distance to Major Road	Access through residential?	Residential Boundary	Typical Site Size	Industrial District Size	Adjacent to Commercial	Topog.	Notes
------	-----------	------	------------------------	-----------------------------	----------------------	-------------------	--------------------------	------------------------	--------	-------

Sherwood	East Sherwood	General Mfg.	0.00	<input type="checkbox"/>	10%-15%	2-5 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Sherwood	Steel Tek	General Manufacturing	0.00	<input type="checkbox"/>	20%-25%	5-10 ac.	15-20 ac.	<input type="checkbox"/>	<5%	One entire lot on east side of district is a wooded buffer area from residential.

Tualatin	Boones Ferry Rd.	General Mfg., Software, High Tech Mfg.	0.00	<input type="checkbox"/>	10%-15%	10-30 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	Measurement for contiguous district that extends into Tigard
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Tualatin	McEwan Rd.	Logistics & Distribution, Storage	0.19	<input type="checkbox"/>	0-5%	2-5 ac.	20-50 ac.	<input checked="" type="checkbox"/>	<5%	Adjacent to large commercial area
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## Appendix K

City	Site Name	Uses	Distance to Major Road	Access through residential?	Residential Boundary	Typical Site Size	Industrial District Size	Adjacent to Commercial	Topog.	Notes
Tualatin	Rosewood	General Mfg., High Tech Mfg., repair	0.09	<input type="checkbox"/>	0-5%	< 2 ac.	20-50 ac.	<input checked="" type="checkbox"/>	<5%	Access through commercial area to arterial street
Tualatin	West Tualatin	General Mfg., Auto Repair, Wholesale Trade, Storage	0.00	<input type="checkbox"/>	25%-30%	2-5 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Wilsonville	Barber & 95th	Warehouse and Distribution, General Mfg., utilities	0.00	<input type="checkbox"/>	0-5%	5-10 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
Wilsonville	Canyon Creek	High Tech Mfg.	0.00	<input type="checkbox"/>	10%-15%	30-50 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	

## Appendix K

City	Site Name	Uses	Distance to Major Road	Access through residential?	Residential Boundary	Typical Site Size	Industrial District Size	Adjacent to Commercial	Topog.	Notes
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Wilsonville	Industrial Way	Transportation, Food Packing, Water Treatment Plant	0.00	<input type="checkbox"/>	0-5%	5-10 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
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Woodburn	Commerce Way	Food processing	0.00	<input type="checkbox"/>	10%-15%	5-10 ac.	50-100 ac.	<input checked="" type="checkbox"/>	<5%	Separated from additional industrial area by police station parcel
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Woodburn	Hwy 99E North	General Mfg., Construction materials mfg.	0.00	<input type="checkbox"/>	0-5%	5-10 ac.	>100 ac.	<input checked="" type="checkbox"/>	<5%	
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Woodburn	Hwy 99E South	Food Products packaging and distribution	0.00	<input type="checkbox"/>	0-5%	10-30 ac.	>100 ac.	<input type="checkbox"/>	<5%	
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**Appendix K**

City	Woodburn	Site Name	Woodland Ave.	Uses	Warehouse & Distribution	Distance to Major Road	0.00	Access through residential?	<input type="checkbox"/>	Residential Boundary	0-5%	Typical Site Size	50+ ac.	Industrial District Size	>100 ac.	Adjacent to Commercial	<input checked="" type="checkbox"/>	Topog.	<5%	Notes
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**Maps of Study Districts**

# City of Canby

## Current Zoning Map

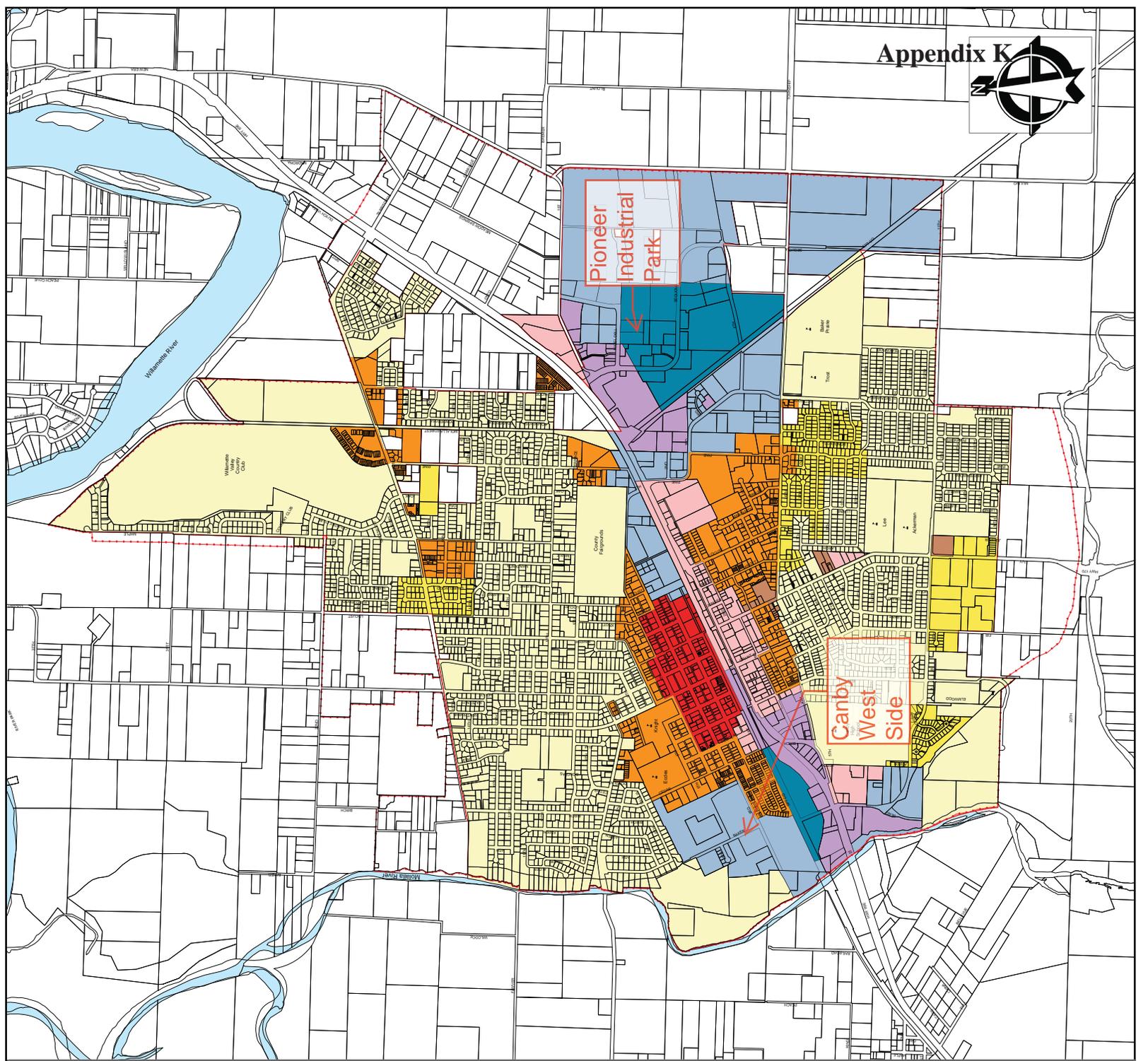
-  Low Density Residential - R1
-  Medium Density Residential - R1.5
-  High Density Residential - R2
-  Downtown Commercial - C1
-  Highway Commercial - C2
-  Heavy Commercial/Manufacturing - CM
-  Residential Commercial - CR
-  Light Industrial - M1
-  Heavy Industrial - M2

-  City Limits
-  Urban Growth Boundary



CITY OF CANBY  
GEOGRAPHIC INFORMATION SYSTEMS

This map and other information have been compiled only for preliminary and general purposes. They are not intended to be complete and accurate for any other purpose. Specifically, this information is not intended to be complete for purposes of land use reactions, zoning, title, fact, and suitability of the property for specific uses.



## City of Forest Grove Zoning Map

- ### Zone Districts
- CC Community Commercial (20.28 du/net acre\*)
  - CN Commercial-Neighborhood
  - CPD Commercial Planned Development (20.28 du/net acre\*)
  - FD-10 Future Development (Washington County)
  - GI General Industrial
  - LI Light Industrial
  - SR Single Family Residential (1.00 du/net acre\*)
  - R-5 Single Family Residential (8.70 du/net acre\*)
  - R-7 Single Family Residential (6.22 du/net acre\*)
  - R-10 Single Family Residential (4.35 du/net acre\*)
  - RML Multifamily (Low) Residential (12.00 du/net acre\*)
  - RMH Multifamily (High) Residential (20.28 du/net acre\*)
  - PD Planned Development

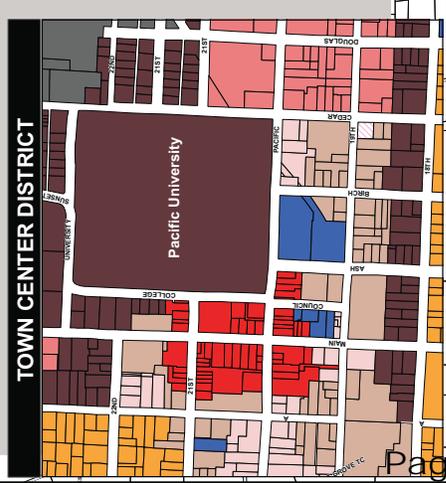
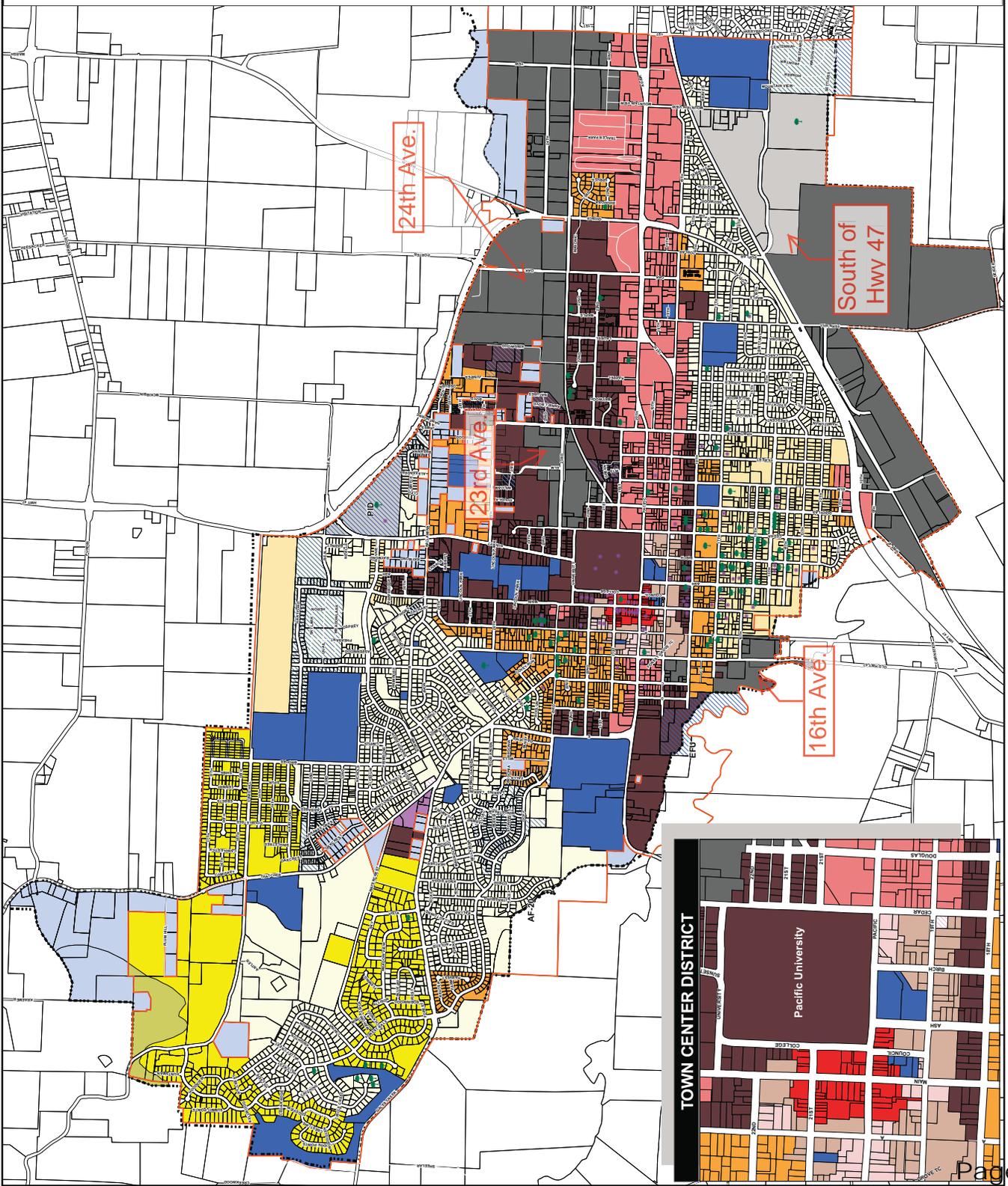
- ### Town Center Districts
- TCC Town Center Core
  - TCS Town Center Support
  - TCT Town Center Transitional

- ### Institutional Districts
- Institutional

- ### Legend
- Register of Significant Trees
  - HL Historic Landmark
  - City Limits
  - Urban Growth Boundary
  - Target Density



City of Forest Grove, Planning Department  
Map drawing was created by The City of Forest Grove, Oregon  
Map current as of May 2008. Printed 12/15/09



# City of McMinnville Zoning



Geographic Information Systems

- Legend**
- City Limits**
    - City
  - City Zoning**
    - R-1
    - R-2
    - R-3
    - R-4
    - O-R
    - C-1
    - C-2
    - C-3
    - ML
    - M-1
    - M-2
    - A-H
    - F-P
    - PD
  - County Zoning**
    - LDR9000
    - VLDL-1
    - AF-20
    - EF-80

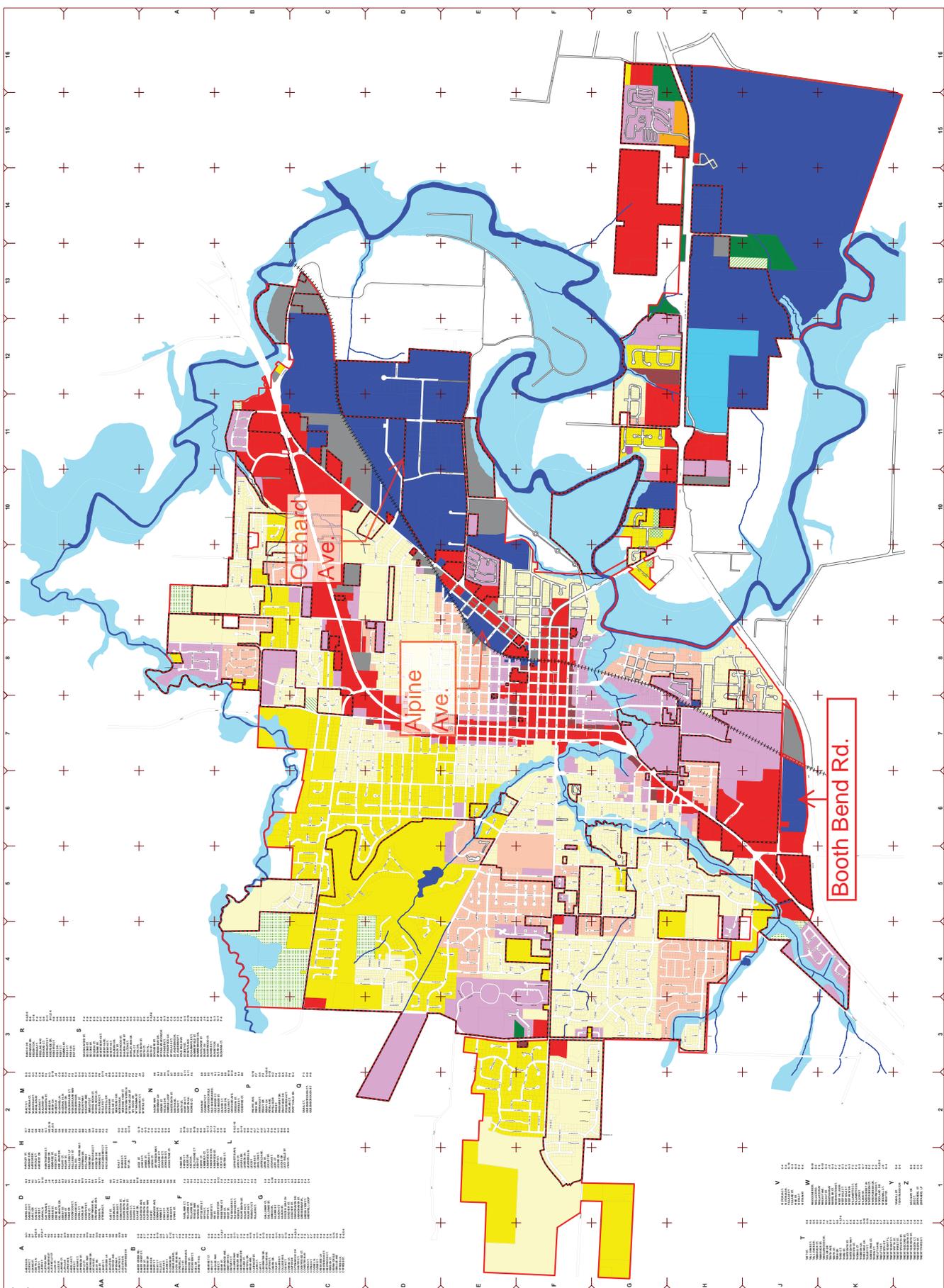


January 2010

## Appendix K

This map for planning purposes only. For more detailed information please call the McMinnville Planning Department at (503) 434-7311.

City of McMinnville  
Engineering Department  
231 NE Fifth St  
McMinnville, OR 97128  
(503) 434-7312







# Community Plan Map -Planning Districts- Map 9-1

**NOTES:**

1. All plan designation boundaries are intended to follow property lines, center lines of streets, or can be scaled to follow the center lines of streets. The City Council shall have the sole arbitration authority to decide the location of boundaries.
2. Specific requirements for each Planning District are found within the Tualatin Development Code.
3. The Wetland Protection District and the Greenway and Wetland Protection Districts are described in the Tualatin Development Code. Maps of the Districts are available from the Planning Department.
4. Properties within the Tualatin Urban Renewal Area boundary are subject to the Tualatin Urban Renewal Plan which may contain specifications and requirements that are more restrictive than those found within the Planning District standards.

- Planning Area Boundary
- Manufactured Dwelling Park Permitted
- City Boundary
- ▨ In Planning Area/ Outside of City



RF 1:9,600

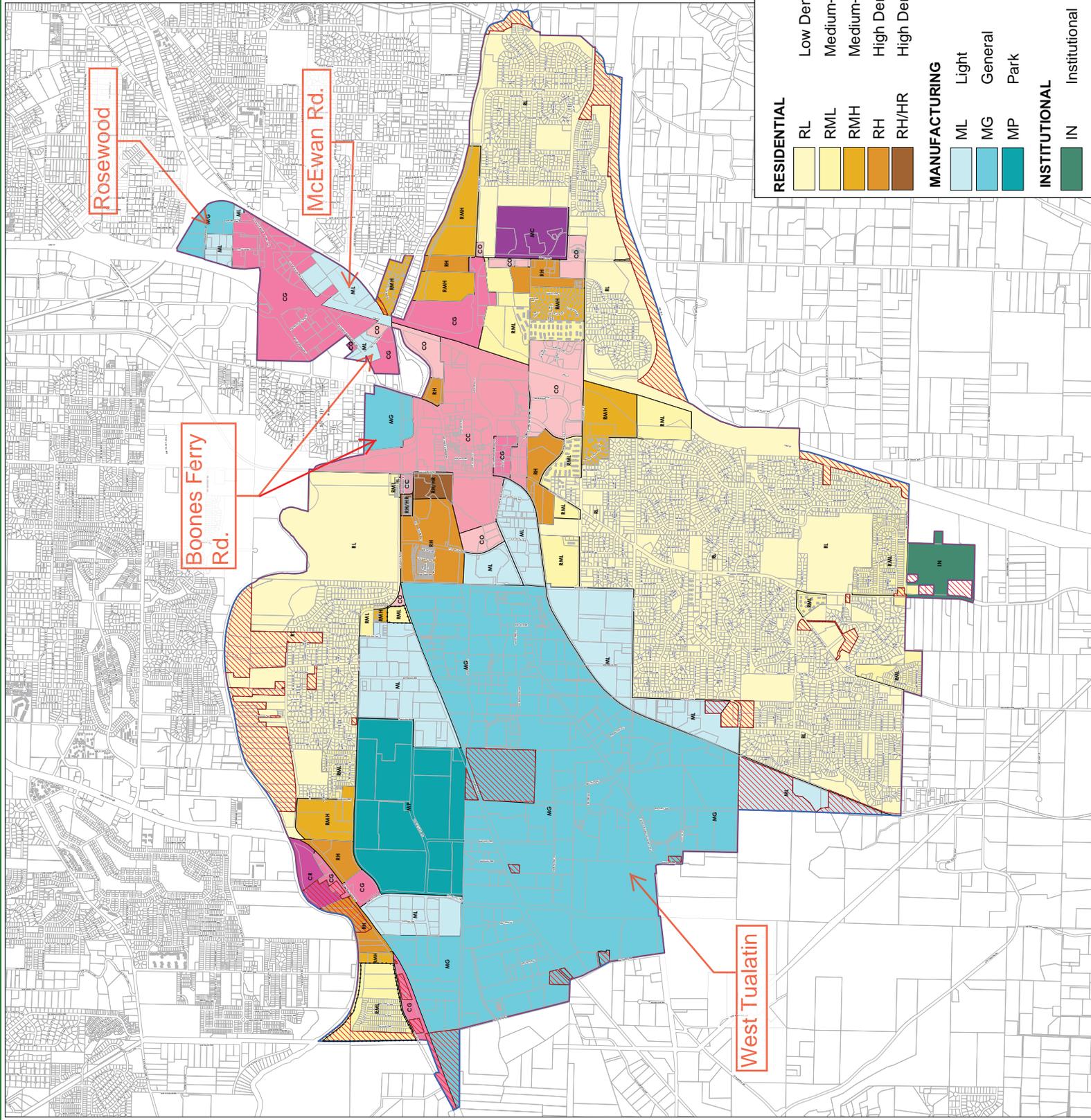
Effective: September 23, 2010

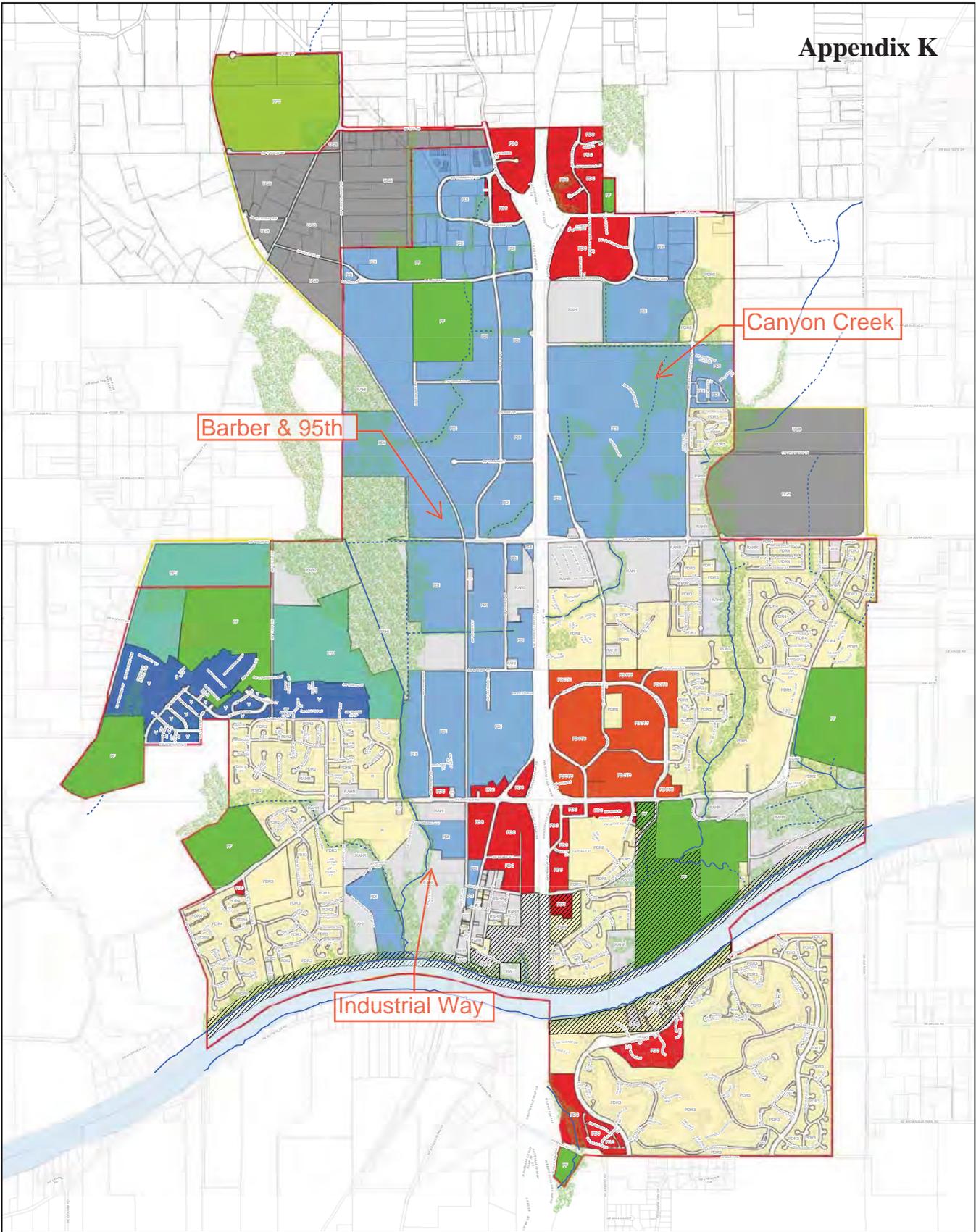
## Appendix K

RESIDENTIAL	DUI/Acre	COMMERCIAL
RL	1-6.4	CO Office
RML	7-10	CC Central
RMH	11-15	CG General
RH	16-25	CR Recreational
RH/HR	26-30	MC Medical Center

MANUFACTURING	INSTITUTIONAL
ML Light	IN Institutional
MG General	
MP Park	





### City of Wilsonville Zoning Map

- |                                     |   |                           |
|-------------------------------------|---|---------------------------|
| Exclusive Farm Use                  | Public Facilities                           | Willamette River Greenway |
| Planned Development Commercial      | Public Facilities - Corrections             | SROZ                      |
| Planned Development Commercial TC   | Residential                                 | Washington Co. Taxlots    |
| Planned Development Industrial      | Residential Agriculture Holding             | Clackamas Co. Taxlots     |
| Planned Development Residential     | Residential Agriculture Holding Commercial  | City Limits               |
| Planned Development Residential - 1 | Residential Agriculture Holding Industrial  | Urban Growth Boundary     |
| Planned Development Residential - 2 | Residential Agriculture Holding Public      | Streams                   |
| Planned Development Residential - 3 | Residential Agriculture Holding Residential | Intermittent              |
| Planned Development Residential - 4 | Residential Agriculture Holding Village     | Perennial                 |
| Planned Development Residential - 5 | Urban Growth Boundary                       |                           |
| Planned Development Residential - 6 | Village                                     |                           |



Disclaimer: The City of Wilsonville makes no representations, express or implied, as to the accuracy, completeness and timeliness of the information displayed. Data errors and omissions may exist in map and report. This map is not suitable for legal, engineering, or surveying purposes. Please contact the City of Wilsonville Planning Department to verify report information is complete and accurate.

# Appendix K

**Official Zoning Map of the City of Woodburn, Oregon**  
 Adopted by the Woodburn City Council on October 31, 2005 (Ordinance No. 2391)  
 Last Revised: February 25, 2010

Code	Zone Name	Description
RS	Single Family Residential	Single family detached dwellings
R1S	Single Family Residential - Single-Family	Single family detached dwellings
RM	Medium Density Residential	Single family detached dwellings
RMN	Medium Density Residential - Nodular	Single family detached dwellings
CO	Commercial Office	Office buildings
CG	Commercial General	General commercial buildings
DDC	Downtown Development and Conservation	Downtown commercial buildings
IP	Industrial Park	Light industrial buildings
IL	Light Industrial	Light industrial buildings
PSP	Public and Semi-Public	Public and semi-public buildings
IPSP	Industrial Park - Public and Semi-Public	Industrial park buildings
Other Wetlands	Other Wetlands	Wetlands
Apexian Corridor & Wetlands Overlay District (ACWOD)	Apexian Corridor & Wetlands Overlay District	Apexian Corridor & Wetlands Overlay District
Neighborhood Conservation Area Overlay District (NCAOD)	Neighborhood Conservation Area Overlay District	Neighborhood Conservation Area Overlay District
Neighborhood Conservation Overlay District (NCO)	Neighborhood Conservation Overlay District	Neighborhood Conservation Overlay District
Gateway Commercial General Overlay District (GCGO)	Gateway Commercial General Overlay District	Gateway Commercial General Overlay District
FEMA 100 Year Flood Plain	FEMA 100 Year Flood Plain	FEMA 100 Year Flood Plain
Conditional Zone Change	Conditional Zone Change	Conditional Zone Change
Final Zone Change	Final Zone Change	Final Zone Change
City Limits	City Limits	City Limits
Streams	Streams	Streams
Railroad	Railroad	Railroad
Current Urban Growth Boundary	Current Urban Growth Boundary	Current Urban Growth Boundary
Proposed Urban Growth Boundary	Proposed Urban Growth Boundary	Proposed Urban Growth Boundary
Assessor Tract	Assessor Tract	Assessor Tract

Hwy. 99E North

Commerce Way

Hwy 99E South

Woodland Ave.

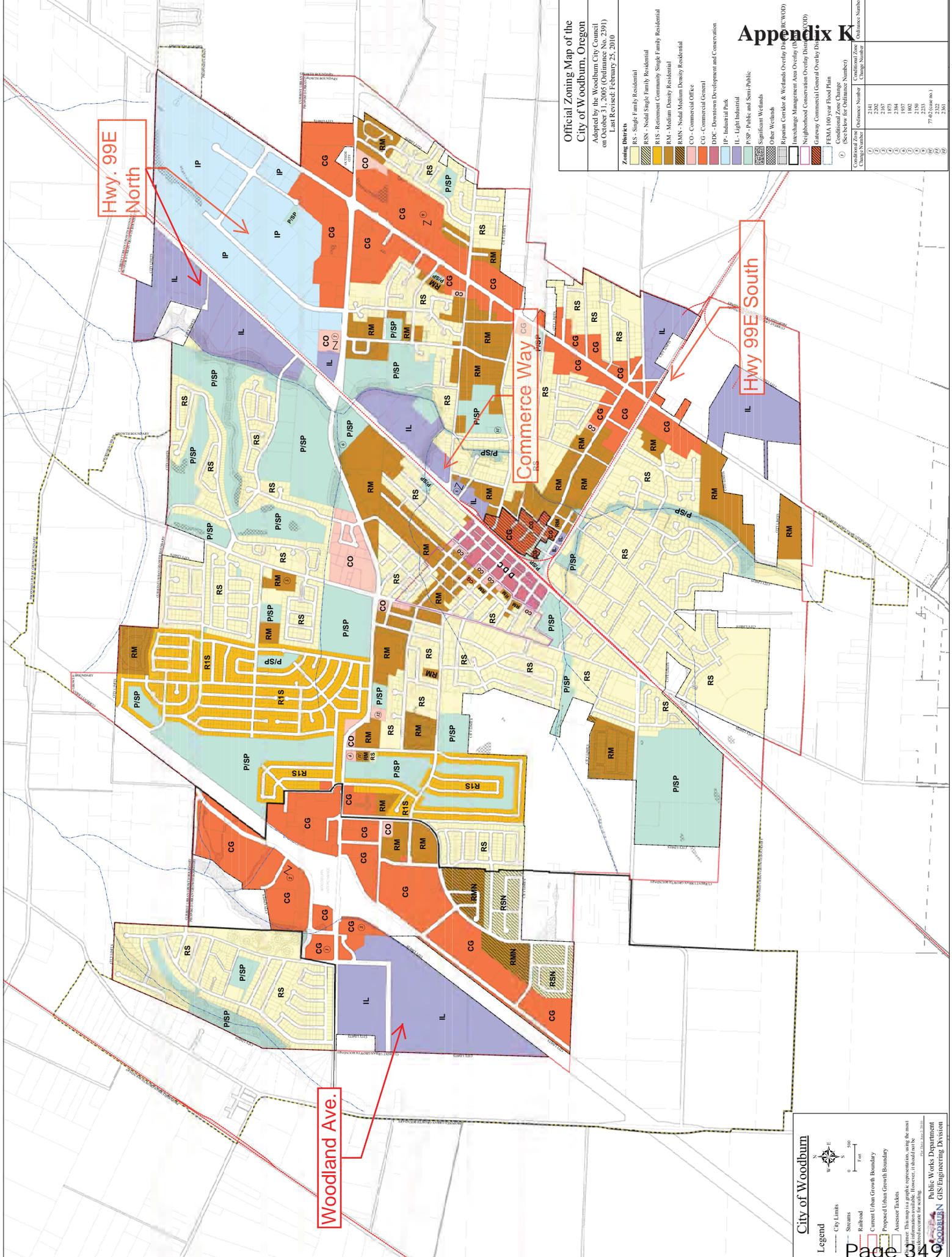
**City of Woodburn**

**Legend**

- City Limits
- Streams
- Railroad
- Current Urban Growth Boundary
- Proposed Urban Growth Boundary
- Assessor Tract

Public Works Department  
 GIS/Engineering Division

Page 349





March 29, 2013

Barton Brierly, Planning and Building Director  
414 E. First Street  
Newberg, OR 97132

***Submitted via Email***

Dear Barton:

You have requested an opinion from the department regarding the sufficiency of Newberg's adopted findings for an urban growth boundary expansion to accommodate new employment lands, particularly as regarding the city's locational analysis. We have reviewed the materials submitted, dated January 2013, and have the following comments:

**Timing of Consideration of Specified Characteristics**

As a first step in the locational analysis, Newberg created a study area. In creating the study area, Newberg relied on language in Goal 14 and in OAR 660-024-0060(5) that allows a local government to limit its consideration to land that has specified characteristics when creating the study area and applying the location priority categories specified in ORS 197.298. The department believes that Newberg is justified in limiting lands included in the study area based upon specified characteristics, despite the lack of any specific authorization to do so in ORS 197.298, because the statute begins with: "In addition to any requirements established by rule addressing urbanization." We note, however, that this is our considered judgment, and the issue of whether a local government may exclude land from consideration based upon specified characteristics before applying the priorities for inclusion of land in an urban growth boundary under ORS 197.298 has not been tested and validated in judicial proceedings.

**Priority of Land Included in the Urban Growth Boundary**

At a previous meeting, the department expressed concern that Newberg had not properly determined the unsuitability of higher priority land under ORS 197.298 based upon an analysis of the 2011 Oregon Court of Appeals decision *1000 Friends v. DLCD*, commonly known as the "McMinnville decision." However, upon a review of the revised submittal, we have determined that the city has used the correct process in categorizing and analyzing the land to be added to the urban growth boundary. Since Newberg proposes to add all lands within its study area that are designated as urban reserves or rural exception areas, the changes to the process resulting from the Court of Appeals decision do not apply. Newberg then properly uses the four locational criteria from Goal 14 to pick and choose among agricultural land that is in the lower priority category pursuant to ORS 197.298.

**Consideration of Which Agricultural Land to Include**

With regard to agricultural land, Newberg correctly divides the sites into higher and lower priority areas based upon the class of soils within the sites. However, the background information to justify the

March 29, 2013

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creation of these divided subareas consists of a single sentence in the analysis and a map that does not show the actual areas of different soil types. The department recommends that the city provide additional detail to its justification for the creation of these subareas divided by soil classifications.

#### **Compatibility Criterion for Excluding Land From Study Areas**

The primary objections to Newberg's work to date are based upon the criteria the city has used to create the study area and exclude lands from the study area based upon those criteria. For the most part, the department believes that Newberg has provided sufficient justification and evidence for the use and application of these criteria. However, we have a specific concern regarding an objection that has been raised regarding the compatibility site characteristic that excludes land based upon proximity to sufficient amounts of residentially zoned land. The city's analysis apparently includes rural residential land as well as urban residential land when applying this screen. It is arguable that land outside of an urban growth boundary that is currently zoned rural residential may not be designated for urban residential uses if it is brought into the urban growth boundary in the future. We recommend that Newberg provide additional justification for exclusion of lands from the study area based upon proximity to rural residential zoned areas.

#### **Conclusion**

When Newberg submits its final action to the department, the submittal will be reviewed, pursuant to ORS 197.626, in the manner of a periodic review work task. As a result, the department will review the submittal, and the director will issue a decision. Since the submittal has already been the subject of considerable controversy, the director's decision may be to refer the matter to the Land Conservation and Development Commission, or, if the director makes a decision, it will likely be appealed to the commission. We recommend that Newberg carefully review its final submittal to the department and ensure that the decision is supported by an adequate factual base, well documented in the record, so as to avoid a potential remand from the director or the commission. We also recommend that Newberg thoroughly respond to all objections raised at the local level, with the expectation that those objections will be raised again before the department and the commission.

Please do not hesitate to contact me if you should have any questions or concerns at 503 373-0050 X.286 or [angela.lazarean@state.or.us](mailto:angela.lazarean@state.or.us).

Regards,

*Angela Lazarean*

Angela Lazarean, DLCDC Mid-Willamette Valley Regional Representative

cc: Ken Friday, Yamhill County Planning Manager  
Sid Friedman, Friends of Yamhill County  
Rob Hallyburton, DLCDC Community Services Division Manager  
Tom Hogue, DLCDC Economic Development Specialist  
Gordon Howard, DLCDC Urban Planning Specialist  
Mia Nelson, 1,000 Friends of Oregon

Mayor Andrews and Esteemed Council

May 3, 2013

City of Newberg

PO Box 970

Newberg, OR 97132

Subject: File No. UGB-09-001 – Written comments - UGB amendment hearing

Mayor Andrews and Esteemed Council Members,

As owners of the largest contiguous tract included in the planned South Industrial area our family wants to assure the Council of our support for the plan and encourage the Council to adopt the amendments required to move this plan to implementation. As the representative for our family in this matter I have participated in the ad hoc planning committee and testified at numerous hearings and council meetings. I am not able to attend the hearing scheduled for May 20<sup>th</sup>. Please accept and consider these comments in my absence.

#### Comments

- The plan provides all the essentials necessary to allow Newberg to attract new businesses, both large and small.
  - It provides ample Industrial sites to allow Newberg to compete for substantial Industrial and Manufacturing operations.
  - It provides for the retention of existing Newberg companies that are outgrowing their current locations.
  - The location allows the utilization of abundant nearby water, power and sewer facilities
  - It provides the most viable transportation route for industrial and commercial traffic.
  - The location of Newberg, being one of the most desirable living spaces in this part of our nation, will almost certainly aid in attracting new jobs and retaining those already located here.
  - The lands are nearly level throughout most of the planned area.
- The properties are buffered from residential areas and yet are close enough to make walking and biking access to the jobs located on the property attractive during good weather.
- Too many people drive the highways into Portland. Anyone caught in the “Freeway Creep” can attest to how frustrating and wasteful that daily reality can be. Decentralizing Oregon’s Industrial base would help take the pressure off of the existing highway system. This is a very big environmental deal that is rarely emphasized in the testimonies for this plan.
- I am a Newberg native that had to move away from my home in order to find gainful employment in my chosen profession. I hope that the South Industrial Area enables a wide variety of employment options for future professionals native to this area.
- This is good plan; clearly the best option for fulfilling the needs and wants of Newberg. It deserves your support.

Kind Regards,

Dennis W. (Denny) Gaibler, P.E.

# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 20, 2013

Order ___ No.	Ordinance ___ No.	Resolution <u>XX</u> No. 2013-3044	Motion ___	Information ___
------------------	----------------------	---------------------------------------	------------	-----------------

**SUBJECT: Request for approval of Supplemental Budget #4 for fiscal year 2012-2013 as described in Exhibit "A".**

Contact Person (Preparer) for this Motion: Janelle Nordyke  
Dept.: Finance  
File No.:

HEARING TYPE: ADMINISTRATIVE

## RECOMMENDATION:

Adopt **Resolution No. 2013-3044** for approval of Supplemental Budget #4 for fiscal year 2012-2013.

## EXECUTIVE SUMMARY:

Staff has reviewed the financial activity for the current fiscal year (2012-2013) and determined there are changes needed. The following adjustments are required to supplement the adopted Budget appropriations to comply with Oregon Budget Law. Refer to Exhibit "A" for a detailed accounting summary.

When the 2012-2013 Budget was adopted, the Transient Lodging Tax (Fund 01) was estimated to be \$393,460.00. Receipts to date have been more than estimated thus far. Therefore, the City needs to increase Transient Lodging Tax revenues in the amount of \$82,000.00 and appropriate 25% of the increase to be remitted to the Visitor's Center. This would increase the Tourism Promotion expense line item by \$20,500.00 and prevent the City Council department from potentially going over budget.

The Police Department (Fund 01) received a donation of various firearms. The items were sold for \$2,400.00 and the proceeds will be used to purchase standard issue firearms for the department. An increase in Miscellaneous Revenues of \$2,400.00 and a corresponding increase to the Firearms expense budget item are necessary.

The Mayor will be going to Poysdorf, Austria, with the Chamber of Commerce next fiscal year. However, the Mayor needs to purchase his plane ticket this fiscal year. An increase in Mayor's Expenses (Fund 01) in the amount of \$1,500.00 to account for the purchase of the ticket is necessary. A corresponding decrease in General Fund Contingency in the amount of \$1,500.00 will be needed to offset the increase in Mayor's Expenses.

When a defendant for Court (Fund 01) requests a Court Appointed Attorney, the City must provide one. The defendant is charged for the cost of this expense; however, the City needs to up-front the expense. If found guilty, the defendant is required to reimburse the City for the cost of the court appointed attorney. There is a need to increase the appropriations for the Court Appointed Attorney expense line in the amount of \$4,500.00 as there has been an increase in requests for these services. A corresponding decrease in General Fund Contingency in the amount of \$4,500.00 will be needed to offset the increase in Court Appointed Attorney's expense.

The League of Oregon Cities provides for a Lobbyist who helps municipalities deal with transportation issues within the State of Oregon. The expense for the service (Fund 02) has been accounted for in the Engineering Services Department for several years. It is more appropriate for the expense to be in the Street Administration Department. This Supplemental Budget is to move the budgeted amount for Lobbyist Expense from Contractual Services – Engineering Services to Contractual Services – Administration in the amount of \$25,000.00.

The police detectives have been confiscating funds relating to drug crimes that are later sent to the Federal Bureau of Investigation. It is possible some of these funds may be channeled through the City of Newberg's Civil Forfeiture Fund (Fund 03). This Supplemental Budget is to recognize the estimated revenues in the amount of \$10,000.00 and appropriate the amounts expected to be spent in Confidential Funds and Contractual Services in the amounts of \$5,000.00 each, totaling \$10,000.00.

The Utility Capital Improvement Fund (Fund 04) is based on a 5-year Capital Improvement Plan. Actual construction activities often differ from the original plan. This Supplemental Budget recognizes these changes as a decrease in revenues and appropriations in the amount of \$146,500.00 for not needing to purchase the WWTP Wynooski IPS Property; postponing a portion of the South Springbrook Sewer (Bypass) project in the amount of \$400,000.00; and postponing a portion of the Springs Improvements project in the amount of \$500,000.00. This also means a reduction of \$546,500.00 in the Transfers In from the Wastewater Fund (Fund 06) and a reduction of \$500,000.00 in the Transfers In from the Water Fund (Fund 07).

The EMS Department (Fund 05) is in need of additional help as existing staff are either injured or on Family Medical Leave. This Supplemental Budget is to appropriate an additional \$18,000.00 in Salaries and Wages while taking the corresponding amount from the EMS Contingency Fund.

The City received a grant from the Energy Trust of Oregon for new lighting at the Wastewater Treatment Plant (Fund 06). This Supplemental Budget is to recognize the grant revenues in the amount of \$33,746.00 and to increase appropriations in Capital Outlay line item to account for the grant expenditures. In addition, increased appropriations are necessary to account for increased needs in the Capital Outlay line item in the amount of \$31,956.00.

The Building Department (Fund 08) has seen an increase in permits. This means there has been an increase in staff time needed to review these permits. This Supplemental Budget is to recognize an increase in permit revenues in the amount of \$100,000.00 and to increase appropriations in Salaries and Wages in the amount of \$33,000.00. The difference will be an increase in the Building Inspection Fund Contingency in the amount of \$67,000.00.

The State of Oregon has revised the way money is sent to 9-1-1 dispatch centers (Fund 13). The City of Newberg is now receiving the Dundee 9-1-1 revenues. This Supplemental Budget is to recognize the revenues received for Dundee 9-1-1 in the estimated amount of \$16,000.00 and to appropriate the corresponding expenditure to send to the City of Dundee.

With the employee turnover in Communications (Fund 13) and the need to staff the dispatch center, additional funds are needed to pay for more overtime than anticipated. An increase in appropriations for Overtime in the amount of \$15,000.00 is needed with a corresponding decrease in 9-1-1 Emergency Fund Contingency.

The City applied for a Community Development Block Grant (CDBG) Housing Rehabilitation grant with the help of the Yamhill County Housing Corporation (HAYC) and the Housing Authority of

Yamhill County (YCAHC) in January of 2012. The City was awarded a grant in the amount of \$400,000.00 (Fund 14). YCAHC is working with home owners in the Newberg area for potential rehabilitation candidates. This Supplemental Budget recognizes the grant revenue to be received in the 2012-2013 fiscal year in the amount of \$200,000.00 and appropriates the corresponding reimbursements to YCAHC in the amount of \$200,000.00. The remainder of the grant will be disbursed in fiscal year 2013-2014.

The Streets Capital Improvement Fund (Fund 18) is based on a 5-year Capital Improvement Plan. The scope of the projects has changed since the development of the original plan. This Supplemental Budget recognizes these changes as a decrease in appropriations in the amount of \$300,000.00 for postponing a portion of the Sheridan Street CPRD Project to next fiscal year. This also means a reduction of \$300,000.00 in the Federal Exchange Grant revenues.

With one staff member in the Administrative Support Services (Fund 31) on Family Medical Leave and another part-time staff member leaving unexpectedly, there was need to bring in additional help. Increased appropriations are needed to fund this additional help in the amount of \$5,500.00 for Clerical Salaries – City Recorder/Clerk and \$5,500.00 in Health/Life/LTD – City Recorder/Clerk for a total decrease in Administrative Services Fund Contingency in the amount of \$11,000.00.

The following adjustments are required to supplement the adopted Budget appropriations to comply with Oregon Budget Law. Refer to Exhibit “A” for a detailed accounting summary.

**FISCAL IMPACT:**

The annual Budget appropriation decrease requested is \$902,354.00 for a total Budget of \$72,328,612.00.

**STRATEGIC ASSESSMENT:**

The adoption of this Supplemental Budget will accurately reflect the activity of the City. The public hearing for the Supplemental Budget was noticed in the paper of record, the Newberg Graphic, the week of May 15, 2013.



## ***RESOLUTION No. 2013-3044***

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**A RESOLUTION TO ADOPT SUPPLEMENTAL BUDGET #4 FOR  
FISCAL YEAR 2012-2013 BEGINNING JULY 1, 2012, AND ENDING  
JUNE 30, 2013**

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### **RECITALS:**

1. The 2012-2013 Budget was adopted by Resolution No. 2012-3008 on June 18, 2012, by the City Council.
2. A Supplemental Budget #1 was adopted by Resolution No. 2012-3018 on October 15, 2012, by the City Council.
3. A Supplemental Budget #2 was adopted by Resolution No. 2012-3024 on December 03, 2012, by the City Council.
4. A Transfer Resolution was adopted by Resolution No. 2013-3034 on February 19, 2013, by the City Council.
5. A Supplemental Budget #3 was adopted by Resolution No. 2013-3039 on April 15, 2013, by the City Council.
6. New circumstances require changes to the Budget as shown in Exhibit "A".

### **THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

To recognize additional revenues, appropriate expenditure changes and recognize changes in contingencies as attached in Exhibit "A", which is hereby adopted and by this reference incorporated.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: May 21, 2013.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20<sup>th</sup> day of May, 2013.

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Norma I. Alley, MMC, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of May, 2013.

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Bob Andrews, Mayor

**EXHIBIT "A" TO  
RESOLUTION NO. 2013-3044**

City of Newberg  
Supplemental BUDGET #4  
Fiscal Year 2012-2013

<u>FUND 01 - GENERAL FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Transient Lodging Tax	<i>Increase</i>	393,460.00	82,000.00	475,460.00
Miscellaneous Revenues	<i>Increase</i>	2,500.00	2,400.00	4,900.00
Mayor's Expenses	<i>Increase</i>	3,385.00	1,500.00	4,885.00
Tourism Promotion	<i>Increase</i>	103,365.00	20,500.00	123,865.00
Court Appointed Attorney Fees	<i>Increase</i>	12,000.00	4,500.00	16,500.00
Firearms	<i>Increase</i>	8,500.00	2,400.00	10,900.00
Contingency	<i>Increase</i>	772,326.00	55,500.00	827,826.00
			<i>Current</i>	<i>Inc/(Decr)</i>
Total Resources (Beg Fund Balance + Current Revenues)		13,657,712.00	84,400.00	13,742,112.00
Total Requirements (Expenditures)		13,657,712.00	84,400.00	13,742,112.00

*When the 2012-2013 Budget was adopted, the Transient Lodging Tax was estimated to be \$393,460.00. Receipts to date have been more than estimated thus far. Therefore, the City needs to increase Transient Lodging Tax revenues in the amount of \$82,000.00 and appropriate 25% of the increase to be remitted to the Visitor's Center. This would increase the Tourism Promotion expense line item by \$20,500.00 and prevent the City Council department from potentially going over budget.*

*The Police Department received a donation of various firearms. The items were sold for \$2,400.00 and the proceeds will be used to purchase standard issue firearms for the department. An increase in Miscellaneous Revenues of \$2,400.00 and a corresponding increase to the Firearms expense budget item are necessary.*

*The Mayor will be going to Poysdorf, Austria, with the Chamber of Commerce next fiscal year. However, the Mayor needs to purchase his plane ticket this fiscal year. An increase in Mayor's Expenses in the amount of \$1,500.00 to account for the purchase of the ticket is necessary. A corresponding decrease in General Fund Contingency in the amount of \$1,500.00 will be needed to offset the increase in Mayor's Expenses.*

*When a defendant for Court requests a Court Appointed Attorney, the City must provide one. The defendant is charged for the cost of this expense; however, the City needs to up-front the expense. If found guilty, the defendant is required to reimburse the City for the cost of the court appointed attorney. There is a need to increase the appropriations for the Court Appointed Attorney expense line in the amount of \$4,500.00 as there has been an increase in requests for these services. A corresponding decrease in General Fund Contingency in the amount of \$4,500.00 will be needed to offset the increase in Court Appointed Attorney's expense.*

**EXHIBIT "A" TO  
RESOLUTION NO. 2013-3044**

<u>FUND 02 - STREET FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Contractual Services - Administration	<i>Increase</i>	-	25,000.00	25,000.00
Contractual Services - Engineering Services	<i>Decrease</i>	35,000.00	(25,000.00)	10,000.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		1,723,373.00	-	1,723,373.00
Total Requirements (Expenditures)		1,723,373.00	-	1,723,373.00

*The League of Oregon Cities provides for a Lobbyist who helps municipalities deal with transportation issues within the State of Oregon. The expense for the service has been accounted for in the Engineering Services Department for several years. It is more appropriate for the expense to be in the Street Administration Department. This Supplemental Budget is to move the budgeted amount for Lobbyist Expense from Contractual Services – Engineering Services to Contractual Services – Administration in the amount of \$25,000.00.*

<u>FUND 03 - CIVIL FORFEITURE FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Other Forfeitures (Revenue)	<i>Increase</i>	5,000.00	10,000.00	15,000.00
Confidential Funds (Expense)	<i>Increase</i>	2,500.00	5,000.00	7,500.00
Contractual Services (Expense)	<i>Increase</i>	2,500.00	5,000.00	7,500.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		5,000.00	10,000.00	15,000.00
Total Requirements (Expenditures)		5,000.00	10,000.00	15,000.00

*The police detectives have been confiscating funds relating to drug crimes that are later sent to the Federal Bureau of Investigation. It is possible some of these funds may be channeled through the City of Newberg's Civil Forfeiture Fund. This Supplemental Budget is to recognize the estimated revenues in the amount of \$10,000.00 and appropriate the amounts expected to be spent in Confidential Funds and Contractual Services in the amounts of \$5,000.00 each, totaling \$10,000.00.*

**EXHIBIT "A" TO  
RESOLUTION NO. 2013-3044**

<u>FUND 04 - UTILITY CAPITAL IMPROVEMENT FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Transfer In - Wastewater Fund	Decrease	712,900.00	(546,500.00)	166,400.00
Transfer In - Water Fund	Decrease	1,036,000.00	(500,000.00)	536,000.00
WWTP Wyooski IPS Property Purchase	Decrease	146,500.00	(146,500.00)	-
South Springbrook Sewer (Bypass)	Decrease	600,000.00	(400,000.00)	200,000.00
Springs Improvements	Decrease	700,000.00	(500,000.00)	200,000.00

	<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)	2,461,500.00	(1,046,500.00)	1,415,000.00
Total Requirements (Expenditures)	2,461,500.00	(1,046,500.00)	1,415,000.00

*The Utility Capital Improvement Fund is based on a 5-year Capital Improvement Plan. Actual construction activities often differ from the original plan. This Supplemental Budget recognizes these changes as a decrease in revenues and appropriations in the amount of \$146,500.00 for not needing to purchase the WWTP Wyooski IPS Property; postponing a portion of the South Springbrook Sewer (Bypass) project in the amount of \$400,000.00; and postponing a portion of the Springs Improvements project in the amount of \$500,000.00. This also means a reduction of \$546,500.00 in the Transfers In from the Wastewater Fund (Fund 06) and a reduction of \$500,000.00 in the Transfers In from the Water Fund (Fund 07).*

<u>FUND 05 - EMERGENCY MEDICAL SERVICES FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Salaries & Wages	Increase	415,672.00	18,000.00	433,672.00
Contingency	Decrease	279,829.00	(18,000.00)	261,829.00

	<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)	1,734,271.00	-	1,734,271.00
Total Requirements (Expenditures)	1,734,271.00	-	1,734,271.00

*The EMS Department is in need of additional help as existing staff are either injured or on Family Medical Leave. This Supplemental Budget is to appropriate an additional \$18,000.00 in Salaries and Wages while taking the corresponding amount from the EMS Contingency Fund.*

**EXHIBIT "A" TO  
RESOLUTION NO. 2013-3044**

<u>FUND 06 - WASTEWATER FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
ETO Grant Reimbursement	<i>Increase</i>	-	33,746.00	33,746.00
Capital Outlay	<i>Increase</i>	79,958.00	65,702.00	145,660.00
Transfer Out - Capital Projects	<i>Decrease</i>	712,900.00	(546,500.00)	166,400.00
Contingency	<i>Increase</i>	6,112,201.00	514,544.00	6,626,745.00

	<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)	11,816,674.00	33,746.00	11,850,420.00
Total Requirements (Expenditures)	11,816,674.00	33,746.00	11,850,420.00

*The City received a grant from the Energy Trust of Oregon for new lighting at the Wastewater Treatment Plant. This Supplemental Budget is to recognize the grant revenues in the amount of \$33,746.00 and to increase appropriations in Capital Outlay line item to account for the grant expenditures. In addition, increased appropriations are necessary to account for increased needs in the Capital Outlay line item in the amount of \$31,956.00.*

*The Utility Capital Improvement Fund (Fund 04) is based on a 5-year Capital Improvement Plan. Actual construction activities often differ from the original plan. This Supplemental Budget recognizes these changes as a reduction of \$546,500.00 in the Transfers Out for \$146,500.00 for not needing to purchase the WWTP Wynooski IPS Property and postponing a portion of the South Springbrook Sewer (Bypass) project in the amount of \$400,000.00. Net adjustment is an increase in Contingency.*

<u>FUND 07 - WATER FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Transfer Out - Capital Projects	<i>Decrease</i>	1,036,000.00	(500,000.00)	536,000.00
Contingency	<i>Increase</i>	3,127,579.00	500,000.00	3,627,579.00

	<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)	8,396,446.00	-	8,396,446.00
Total Requirements (Expenditures)	8,396,446.00	-	8,396,446.00

*The Utility Capital Improvement Fund (Fund 04) is based on a 5-year Capital Improvement Plan. Actual construction activities often differ from the original plan. This Supplemental Budget recognizes these changes as a reduction of \$500,000.00 in the Transfers Out to Capital Projects Fund (Fund 04) for postponing a portion of the Springs Improvements Project with a corresponding increase in Contingency.*

**EXHIBIT "A" TO  
RESOLUTION NO. 2013-3044**

<u>FUND 8 - BUILDING INSPECTION FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Permit Revenues	<i>Increase</i>	192,000.00	100,000.00	292,000.00
Salaries & Wages	<i>Increase</i>	33,280.00	33,000.00	66,280.00
Contingency	<i>Increase</i>	157,883.00	67,000.00	224,883.00
			<i>Current</i>	<i>Inc/(Decr)</i>
Total Resources (Beg Fund Balance + Current Revenues)		452,846.00	100,000.00	552,846.00
Total Requirements (Expenditures)		452,846.00	100,000.00	552,846.00

*The Building Department has seen an increase in permits. This means there has been an increase in staff time needed to review these permits. This Supplemental Budget is to recognize an increase in permit revenues in the amount of \$100,000.00 and to increase appropriations in Salaries and Wages in the amount of \$33,000.00. The difference will be an increase in the Building Inspection Fund Contingency in the amount of \$67,000.00.*

<u>FUND 13 - 9-1-1 EMERGENCY FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
911 Dundee Excise Taxes (Revenue)	<i>Increase</i>	-	16,000.00	16,000.00
Overtime	<i>Increase</i>	12,000.00	15,000.00	27,000.00
911 Dundee Excise Taxes (Expenditure)	<i>Increase</i>	-	16,000.00	16,000.00
Contingency	<i>Decrease</i>	39,923.00	(15,000.00)	24,923.00
			<i>Current</i>	<i>Inc/(Decr)</i>
Total Resources (Beg Fund Balance + Current Revenues)		237,755.00	16,000.00	253,755.00
Total Requirements (Expenditures)		237,755.00	16,000.00	253,755.00

*The State of Oregon has revised the way money is sent to 9-1-1 dispatch centers. The City of Newberg is now receiving the Dundee 9-1-1 revenues. This Supplemental Budget is to recognize the revenues received for Dundee 9-1-1 in the estimated amount of \$16,000.00 and to appropriate the corresponding expenditure to send to the City of Dundee.*

*With the employee turnover in Communications and the need to staff the dispatch center, additional funds are needed to pay for more overtime than anticipated. An increase in appropriations for Overtime in the amount of \$15,000.00 is needed with a corresponding decrease in 9-1-1 Emergency Fund Contingency.*

**EXHIBIT "A" TO  
RESOLUTION NO. 2013-3044**

<u>FUND 14 - EDRLF FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
CDBG Grants (Revenues)	<i>Increase</i>	-	200,000.00	200,000.00
YC Housing Authority Grant (Expense)	<i>Increase</i>	-	200,000.00	200,000.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		687,233.00	200,000.00	887,233.00
Total Requirements (Expenditures)		687,233.00	200,000.00	887,233.00

*The City applied for a Community Development Block Grant (CDBG) Housing Rehabilitation grant with the help of the Yamhill County Housing Corporation (HAYC) and the Housing Authority of Yamhill County (YCAHC) in January of 2012. The City was awarded a grant in the amount of \$400,000.00. YCAHC is working with home owners in the Newberg area for potential rehabilitation candidates. This Supplemental Budget recognizes the grant revenue to be received in the 2012-2013 fiscal year in the amount of \$200,000.00 and appropriates the corresponding reimbursements to YCAHC in the amount of \$200,000.00. The remainder of the grant will be disbursed in fiscal year 2013-2014.*

<u>FUND 18 - STREET CAPITAL IMPROVEMENT FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Federal Exchange Grant	Decrease	620,000.00	(300,000.00)	320,000.00
Sheridan Street CPRD Project	Decrease	370,000.00	(300,000.00)	70,000.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		1,286,648.00	(300,000.00)	986,648.00
Total Requirements (Expenditures)		1,286,648.00	(300,000.00)	986,648.00

*The Streets Capital Improvement Fund is based on a 5-year Capital Improvement Plan. The scope of the projects has changed since the development of the original plan. This Supplemental Budget recognizes these changes as a decrease in appropriations in the amount of \$300,000.00 for postponing a portion of the Sheridan Street CPRD Project to next fiscal year. This also means a reduction of \$300,000.00 in the Federal Exchange Grant revenues which is funding the project.*

<u>FUND 31 - ADMINISTRATIVE SERVICES FUND</u>		FY 12-13 BUDGET	CHANGE	REVISED
Clerical Salaries - City Recorder/Clerk	<i>Increase</i>	11,399.00	5,500.00	16,899.00
Health/Life/LTD - City Recorder/Clerk	<i>Increase</i>	19,157.00	5,500.00	24,657.00
Contingency	Decrease	418,034.00	(11,000.00)	407,034.00
		<i>Current</i>	<i>Inc/(Decr)</i>	<i>Revised</i>
Total Resources (Beg Fund Balance + Current Revenues)		3,763,728.00	-	3,763,728.00
Total Requirements (Expenditures)		3,763,728.00	-	3,763,728.00

*With one staff member in the Administrative Support Services (Fund 31) on Family Medical Leave and another part-time staff member leaving unexpectedly, there was need to bring in additional help. Increased appropriations are needed to fund this additional help in the amount of \$5,500.00 for Clerical Salaries – City Recorder/Clerk and \$5,500.00 in Health/Life/LTD – City Recorder/Clerk for a total decrease in Administrative Services Fund Contingency in the amount of \$11,000.00.*

Total Increase in appropriations: (902,354.00)