

**CITY COUNCIL AGENDA
JUNE 20, 2016, 7:00 PM
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. PRESENTATIONS

1. Recognition of former City Manager Pro Tem Stephen Rhodes Page 1

V. CITY MANAGER'S REPORT

VI. COUNCIL APPOINTMENTS

1. Library Board Appointment of Suzanne Meenahan for a term of July 1, 2016 to June 30, 2020 Page 2
2. Student Commissioner Appointments of Zoe Jenkins to Historic Preservation Commission and Miranda Piros to Planning Commission for terms of June 2016 to May 2017 Page 3

VII. 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)

VIII. CONSENT CALENDAR

1. Minutes from May 16, 2016 Pages 4-11
2. Recommendation for Approval of an OLCC Winery dba: Bravura Cellars Page 12
3. Resolution 2016-3310, A Resolution authorizing the Mayor to execute the Oregon Public Service Retirement plan coverage agreement for participation in the Public Employees Retirement System (PERS) for all eligible non-represented employees hired on or after August 1, 2016 Pages 13-16
4. Resolution 2016-3311, A Resolution authorizing a change in the Newberg Employee Retirement Plan asset allocation Pages 17-18

Agenda continued on next page

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| 5. | Resolution 2016-3304, A Resolution approving the annual evaluation of the Municipal Judge | Pages 19-21 |
| 6. | Resolution 2016-3308, A Resolution Amending Resolution No. 2002-2358 to authorize the City Manager to do all necessary acts to modify and implement the length of service award program (LOSAP) | Pages 22-24 |
| 7. | Resolution 2016-3305, A Resolution authorizing the City Manager to execute the first amendment to the intergovernmental agreement with Tualatin Valley Fire & Rescue for provision of Fire and Emergency Medical Services | Pages 25-31 |
| 8. | Resolution 2016-3313, A Resolution approving an Intergovernmental Agreement between the City of Newberg and Marion County authorizing Newberg-Dundee Police Department reserve officers to assist with police services during the 2016 St. Paul Rodeo and related events | Pages 32-38 |

IX. PUBLIC HEARING: ADMINISTRATIVE

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| 1. | Resolution 2016-3299, A Resolution to adopt Supplemental Budget #2 for Fiscal Year 2015-2016 beginning July 1, 2015 and ending June 30, 2016 | Pages 39-42 |
| 2. | Resolution 2016-3273, A Resolution supporting the submission of a 2016 Housing Rehabilitation Community Development Block Grant (CDBG) application to the Oregon Business Development Department (OBDD) by the Housing Authority of Yamhill County (HAYC) and the Yamhill County Affordable Housing Corporation (YCAHC) on behalf of the City of Newberg, and appointing Community Development Director Doug Rux, as both the project and Environmental Review certifying officer | Pages 43-48 |

X. NEW BUSINESS

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| 1. | Resolution 2016-3307, A Resolution adopting the Newberg Strategic Tourism Plan dated June 4, 2016 | Pages 49-152 |
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XI. COUNCIL BUSINESS

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| 1. | April 2016 Financial Statements – for information only | Pages 153-161 |
| 2. | Council Priorities Update – for information only | Pages 162-163 |

XII. 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 two business days 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. Speakers who wish the Council to consider written material are encouraged to submit written information in writing by 12:00 p.m. (noon) the day of the meeting.

The Mayor reserves the right to change the order of items to be considered by the Council at their meeting. No new items will be heard after 11:00 p.m., unless approved by the Council.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

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

**SUBJECT: Recognition of Steve Rhodes, former
City Manager Pro Tem**

**Contact Person (Preparer) for this
Item: Mayor Bob Andrews
Dept.: Administration, Sue Ryan, City Recorder
File No.:**

EXECUTIVE SUMMARY:

A special presentation will be made to Steve Rhodes at the Council meeting in recognition of his service to the City of Newberg as the City Manager Pro Tem from September 2015 to June 2016.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___	Ordinance ___	Resolution ___	Motion <u>XX</u>	Information ___
No.	No.	No.		

SUBJECT: Appointment to the Newberg Public Library Advisory Board	Contact Person (Preparer) for this Motion: Leah M. Griffith, Library Director Dept.: Library File No.:
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RECOMMENDATION:

Approve the appointment by Mayor Andrews of **Suzanne Meenahan**, to Position #2 (July 1, 2016 to June 30, 2020) to the Newberg Public Library Advisory Board.

EXECUTIVE SUMMARY:

The library advertised one opening on the board during March and April with an article in The Newberg Graphic, postings at the library and city hall, announcements on the library and city websites and in the library newsletter. The announcement listed Position #2 as open for either a resident of the city or a non-resident.

One application was received by the deadline of May 6, 2016. The board interviewed the candidate at their meeting of May 19, 2016. **Suzanne Meenahan** is a resident of Newberg and brings skills in community service, technology and an interest in literacy.

Following deliberations, the Board voted to recommend Mayor Andrews appoint **Suzanne Meenahan** to Position #2 (July 1, 2016 to June 30, 2020) to the Newberg Public Library Advisory Board.

FISCAL IMPACT: None

STRATEGIC ASSESSMENT:

It is vital for the Library to have a complete library board to advise on policies and issues.

Press Release for Library Board Opening (posted March & April, 2016)

The City of Newberg is seeking applicants to fill one position on the Newberg Public Library Board. The Board is an advisory group composed of five members who meet monthly to discuss and take action on items affecting library service to the community. There is one position available. Applicants may be a resident of the City of Newberg or the greater Chehalem Valley area. It is a four year term, July 2016, June, 2020.

Appointments to the Library Board are made by the Mayor with the consent of the City Council. Applications for the position are available online at www.newberglibrary.org, or at City Hall and the Library. Please return applications to the City Recorder at Newberg City Hall by **Friday, May 6, 2016, 4:30 pm**. For more information, contact Library Director Leah Griffith at 503-537-1256 or leah.griffith@newbergoregon.gov.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 16, 2016

Order ___	Ordinance ___	Resolution ___	Motion <u>XX</u>	Information ___
No.	No.	No.		

SUBJECT: Appoint Zoe Jenkins and Miranda Piros to Student Commissioners positions on Historic Preservation and Planning Commissions.

**Contact Person (Preparer) for this Motion: Mayor Bob Andrews
Dept.: Administration, City Recorder Sue Ryan**

RECOMMENDATION: To consent to the Mayor’s appointment of student commissioners: Zoe Jenkins to Historic Preservation Commission and Miranda Piros to Planning Commission for terms from June 2016 to May 2017. Student commissioners are non-voting positions.

EXECUTIVE SUMMARY:

Historic Preservation:

The Historic Preservation Commission is a six-member commission including a non-voting student member. Its mission is to identify, recognize, and preserve significant properties relating to the community’s history, encourage the rehabilitation and ongoing viability of historic buildings and structures, strengthen public support for historic preservation efforts within the community, foster civic pride and encourage cultural heritage tourism.

The Mayor recommends Zoe Jenkins be appointed as the student commissioner on the Historic Preservation Commission for a term from June 2016-May 2017. Zoe is interested in social service and politics and wants to help her community improve. She feels she would contribute to the Commission because of her perspective as a teenager.

Planning Commission:

The Newberg Planning Commission is an eight member committee that has one position designated as a non-voting student member. The Commission hears requests for annexations, comprehensive plan changes, zone changes, conditional use permits, appeals, and other land use applications. Its duties are to hold hearings, make findings, and typically present its recommendation to the Newberg City Council.

The Mayor recommends Miranda Piros be appointed as the student commissioner on the Planning Commission for a term from June 2016-May 2017. Miranda is interested in learning more about being a city planner and feels the commission would be a chance to get involved, help the community and learn more about planning.

STRATEGIC ASSESSMENT:

The City’s commissions serve a very important role in the betterment of our community making our City government viable and a great place to grow.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

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

SUBJECT: Minutes

**Contact Person (Preparer) for this
Motion: Sue Ryan, City Recorder
Dept.: Administration
File No.:**

RECOMMENDATION:

Approve City Council minutes from May 16, 2016.

**NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
May 16, 2016, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)**

A work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Bob Andrews, Councilors Lesley Woodruff, Denise Bacon, Patrick Johnson and Stephen McKinney. Also present were City Manager Pro Tem Stephen Rhodes, City Attorney Truman Stone, City Recorder Sue Ryan, City Engineer Kaaren Hofmann, Community Development Director Doug Rux, Public Works Director Jay Harris, Interim Human Resources Director Nancy McDonald, and Environmental Engineer Sonja Johnson.

Outside City Water Use Discussion:

CE Hofmann discussed the City's water service areas. She referred to a Powerpoint presentation (Exhibit A). Typically the City sold 1.6 to 1.9 million gallons of water per day and the water demand would continue to increase as population increased. The water associations were 3.7% of the yearly revenue. Those pipes might or might not meet City standards. The City also served 81 individual customers outside of the City limits.

CA Stone explained the Municipal Code's history as it applied to group customers that were served by a group system such as a water district, water association, or master meter serving two or more properties. The City acquired water through the Springs' system and wells. In 1965, the City passed an ordinance stating the City would no longer supply water to any additional users outside the City limits. In 1978 the City passed an ordinance for a hardship process, which maintained that the City would not serve users outside the City limits unless it was proven there was a hardship. These hardships could connect as individuals and group customers. In 1988, the City discovered several illegal connections to the water districts. The policy was proposed to be changed so that it no longer required a hardship to connect if the structure was an existing residence, but the residence had to exist prior to 1988 and be located either in the Urban Growth Boundary or in the boundaries of a water district. It would have to be a joint application with the water district. In 1989, another ordinance was passed that allowed the request for service to be before January 1, 1988, not that the residence had to be in existence before 1988. This was how to connect group customer lines, and applicants did not have to prove a hardship. Individuals could still connect by showing hardship criteria.

CDD Rux explained the land use history of group water connections for Newberg. The Comprehensive Plan was acknowledged in 1981 and there were policies regarding infrastructure for water. Sewer and water would not be provided outside of the City limits except for cases of health hazards or no other alternative and the property owners agreed to annex upon request of the City. The urbanization goal was to provide orderly and efficient transition from rural to urban uses and conversion of land would be based on a plan for extension of urban services. There was another policy that supported development outside of the City limits, but within the Urban Growth Boundary or Urban Reserves. Residential development would be based on one house per 10 acres or any lot of record created by January 1, 1989. He said land classifications included the low density residential target density was 4.4 dwelling units per acre and high density residential with a target density of 21.8 dwelling units per acre. He explained how community growth and population numbers were calculated and how it was difficult to plan when urban services were allowed outside of the City limits because it prolonged the time those properties would be developed. The Urban Growth Management Agreement with Yamhill County stated the city had to update and share its utility plans with Yamhill County.

CE Hofmann said there were seven known water districts or associations served by meters. They did not know how many accounts were on the group customer lines or how many properties were connected. No agreements had been entered into between the City and the private water users outside the City limits currently. The hardships approved by the Council had not been reviewed if the conditions required annexation. Two current issues were requests for hardships. The first was at 1208 NE Chehalem Drive, which was within the NW Newberg Water Association boundaries. The owner wanted to sell the property and the potential new owner wanted to build a new house. The hardship criteria did not apply because it was a new structure.

CA Stone said it was unclear about the status of the lot and whether there were multiple lots or not. The land boundary and title issues were unclear, but the potential buyer wanted to connect to the group customer line because it was an area of limited water. The water association was willing to connect the property if the City approved.

CDD Rux clarified this property was designated as high density residential in the Comprehensive Plan to be multi-family housing in the future.

CE Hofmann said the other issue was 1650 NE Chehalem Drive, which was within the Chehalem Valley Water Association. The applicant wanted to hook up to the City through a hardship application. The house was built after 1988 and did not meet the criteria to hook up to group customer lines. Their existing well was going dry and it could not be rehabilitated. They were not near the City water line or contiguous to the City. CA Stone said the first property had a contiguous boundary to the City limits on the east side and could qualify to annex to the city while the other property did not. He said there was an issue with annexation because of a provision that public services either already exist or could be provided within a three-year window. The closest City water was either east of the property across the creek to another subdivision or near the pump station on Highway 240. There was not an easy connection for water or sewer to the second property. CDD Rux explained how difficult it would be for the second property to connect to City water. He also discussed how these properties might develop and the number of units needed to make it affordable to extend the sewer and water lines. These properties were at the edge of the City, not unincorporated islands of land within the City limits. CA Stone said the work session was to educate the Council on this issue, and to get direction on where to go from here. Staff was advising the Council not entertain hardship requests to group customer lines per the Newberg Municipal Code. Additional information was needed from the current status list in order to develop a recommendation on policy direction. Staff would come back to Council with a recommendation and alternatives. There was discussion on whether the properties would qualify for immediate annexation.

Presentation from Mountainview Middle School:

Students from Mountainview Middle School presented on Hess Creek test results. They did the water testing as a science experiment for school and did their testing on George Fox University’s property. The water was clean and healthy with strong levels of macroinvertebrates. They discussed what made a healthy stream and explained the data they collected.

CALL MEETING TO ORDER

The Mayor called the meeting to order at 7:00 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Scott Essin	Stephen McKinney
	Lesley Woodruff	Denise Bacon	
	Patrick Johnson		

Staff Present:	Stephen Rhodes, City Manager Pro Tem	Sue Ryan, City Recorder
	Truman Stone, City Attorney	Matt Zook, Finance Director
	Doug Rux, Community Development Director	Jay Harris, Public Works Director
	Russ Thomas, PWS Maintenance Supervisor	Nancy McDonald, Interim Human Resources Director

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

PRESENTATIONS: Mayor Andrews presented a certificate of appreciation to student commissioner Isamar Ramirez for serving on the Historic Preservation Commission for two years. Ms. Ramirez was graduating this year from Newberg High School.

PROCLAMATIONS:

Mayor Andrews proclaimed May 15-21, 2016, as National Public Works Week and presented the proclamation to PWS Maintenance Supervisor Russ Thomas.

MOTION: Bacon/Essin moved to proclaim May 15-21, 2016, as National Public Works Week. Motion carried (6 Yes/0 No/1 Absent [Corey]).

APPOINTMENTS:

Mayor Andrews recommended the appointment of Noelle Torres to the Planning Commission

MOTION: Johnson/Bacon moved to appoint Noelle Torres to the Planning Commission for a term of May 16, 2016 to December 31, 2016. Motion carried (6 Yes/0 No/1 Absent [Corey]).

CITY MANAGER PRO TEM'S REPORT: CMPT Stephen Rhodes had nothing to report.

CONSENT CALENDAR:

MOTION: Johnson/Bacon moved to approve minutes from April 18, 2016 as amended and April 23, 2016; approved Resolution 2016- 3276, A Resolution rejecting all bids for the Blaine Street Stormwater improvements; approved Resolution 2016-3300, A Resolution accepting the storm drainage and access easements for the Blaine Street stormwater improvements project, Approving noise variance for the Oregon Department of Transportation for the Oregon Highway 99w and Highway 219 reconstruction as part of the Highway 99W Bypass project from May 17, 2016 to December 31, 2017 that would allow for nighttime work as needed during the hours of 7 p.m. and 7 a.m.; Approving a noise variance for the Northside Community Church Fireworks for July 2, 2016 from 6:00 p.m. to 10:00 p.m.; Resolution 2016-3280, A Resolution authorizing the City Manager Pro Tem to enter into a contract with Sungard Public Sector, LLC for TRAKiT, a permitting software system and Resolution 2016-3303, A Resolution approving a lease of city owned property located at 305 W. Illinois Street. Motion carried (6 Yes/0 No/1 Absent [Corey]).

PUBLIC HEARING - ADMINISTRATIVE: Resolution 2016-3287:

Mayor Andrews opened the hearing and called for any abstentions or conflicts of interest on the part of the Council. There were none.

PWS Director Harris said this was a dedication of two easements to an adjacent property owner. In 2009 the City purchased a single family home at 305 W. Illinois Street to construct the Highway 240 pump station. The property was partitioned into two different lots, one for the pump station site and the other one for the existing single family residence. After the partition was complete, it was found the property corners were in the adjacent neighbor's side yard. The dedication of two easements would remedy this situation. An exclusive easement would go along the rear yard of the existing house along the fence and the wall which would allow for the yard furniture and landscaping. The other easement along the pump station would also allow for the landscaping. The fiscal impact was minimal and staff recommended adoption of the resolution.

Proponents: None.

Opponents: None.

Mayor Andrews closed the public hearing.

MOTION: Woodruff/Essin moved to approve Resolution 2016-3287, A Resolution approving the dedication of two permanent easements on city owned property located at 305 W. Illinois Street. Motion carried (6 Yes/0 No/1 Absent [Corey]).

Resolution 2016-3301:

Mayor Andrews opened the hearing and called for any abstentions or conflicts of interest on the part of the Council. There were none.

FD Zook said a request was received from Waste Management to increase their rates due to an increase in operation costs and system conversion of the commercial collection system. Staff reviewed the criteria against the franchise agreement and provided justification for the request, which staff thought was reasonable. It would be a 3.34% general rate increase effective July 1, 2016. A typical customer would see about a \$0.69 per month increase. The City would receive more money in their franchise fee as a result from the increase. He clarified there was no curbside glass recycling. Staff recommended approval of the resolution.

Proponents: None

Opponents: None

Mayor Andrews closed the public hearing.

Deliberations:

MOTION: McKinney/Essin moved to approve Resolution 2016-3301, A Resolution approving Adjusted Solid Waste and Recycling Services Rates for Waste Management effective July 1, 2016. Motion carried (6 Yes/0 No/1 Absent [Corey]).

PUBLIC HEARING – LEGISLATIVE: Ordinance 2016-2801

Mayor Andrews opened the hearing and called for any abstentions or conflicts of interest on the part of the Council. There were none.

CDD Rux submitted the staff report, its attachments and the supplemental material that came out on Friday into the record (Exhibit B). This proposal added recreational marijuana laboratories, research certificates, and retailers as a permitted use in the commercial and industrial districts and subdistricts. There would be a 1,000 foot buffer from parks and schools for retailers, 1,000 foot separation between marijuana retailers, 1,000 foot separation between retailers and medical dispensaries, and limited the operating hours to 9 a.m. and 8 p.m. It added recreational wholesalers as a conditional use in the C-2 district with a footnote that they were allowed indoors only and there would be a 1,000 foot buffer from parks and schools. Recreational wholesalers were permitted in the industrial districts and subdistricts with a 1,000 foot buffer from parks and schools. Wholesalers, laboratories, research certificates, and retailers were prohibited in the stream corridor, bypass interchange overlay, and interim industrial overlay, and wholesalers and retailers were prohibited in the civic corridor overlay. Definitions were added for laboratories, retailers, and wholesalers.

He explained the Marijuana Subcommittee recommendations and OLCC rules for recreational marijuana. The Planning Commission reviewed the subcommittee's recommendations in April. No OLCC licenses had been issued in Newberg yet. Two public comments had been received, one from Mr. Patterson who wanted to allow retailers in Newberg and one from the Canna Bros who had an issue with the 1,000 foot separation between marijuana retailers. He explained where the uses were not allowed, including the fact that OLCC would not issue licenses for a primary residence. He said regulations for place, time, and manner included not allowing retailers in residential zones, but to allow them in all commercial zones except the civic corridor and have 1,000 foot buffers from parks and schools. Retail outlets would not be allowed in industrial areas or sub-districts. The hours of operation from 9 a.m. to 8 p.m. for retailers would be consistent with Medical Marijuana dispensaries. The subcommittee discussed allowing wholesalers in all residential zones, operating the business like a home occupation. However, OLCC would not allow a wholesaler as a home occupation due to it being a primary residence. Wholesalers would be a conditional use in the C-2 only with a 1,000 foot buffer from parks and schools and not allowed in the community facilities or institutional. Wholesalers were allowed in industrial districts with a 1,000 foot buffer from parks and schools. Laboratories were allowed in all commercial, institutional, and industrial districts except Airport Industrial. The Planning Commission largely agreed with the subcommittee's recommendations, but they changed one with recommending not allowing wholesale operations in any of the residential districts. He discussed the definitions of a laboratory, retailer, and wholesaler and the tables that showed the allowed and prohibited uses in all of the districts. For the findings, there were two public hearings on this issue, one at the Planning Commission and the one tonight and notices were posted as required. The City was providing the opportunity for sale of marijuana products, which was legal in the state of Oregon. The City could regulate time, place, and manner. If any one of the categories were banned, the City could not participate in the State Shared Revenue program.

A petition was submitted to the City that was distributed on Friday. It was identifying a request that retailers be located on a lot or parcel with frontage along Portland Road and that there be a 300 foot separation from residential areas. He explained what areas would be allowed for retailers on Portland Road and the residential boundaries. Councilor Bacon said there was another request regarding parking downtown. CDD Rux said parking could be considered a manner regulation and in the Code there was a list of predetermined uses. A retail operation prescribed one parking space per 300 square feet of retail space, but it did not have a standard by type of retail. Parking might be a problem depending on the popularity of a store. A landlord could also rent parking spaces. He said in C-3 there were no parking requirements except for residential.

Proponents: None.

Opponents: Doug Heuer was requesting the Council remove parks from the 1,000 foot buffer. He thought they were treating this new industry as criminals that were being discriminated against. He gave a history of the use of the term marijuana and how it should be called cannabis. The 1,000 foot buffer implied that this was an illegal drug sold by criminals. He did not think it served a purpose.

Undecided: Sarah Lowe, representing the River Glass Shop and local businesses of the western portion of downtown, said she had passed around a petition and got 30 local businesses to agree. She wanted further restrictions on the sale of recreational marijuana. The reason she would prefer a marijuana business located on Portland Road and not closer than 300 feet from a residential area was to prevent a parking issue. This would not affect medical dispensaries. Recreational stores got a lot more business and would significantly increase the parking issues that were already in downtown.

Councilor Bacon said if she wanted the Council to regulate parking downtown, the Council would have to regulate all business parking downtown. It sounded like the problem was this business might be more successful than the other businesses and might take the parking. Ms. Lowe said this would keep the future of Newberg's downtown area healthier and more communal. There was an issue of people parking on residential streets. If they allowed a bunch of new businesses to open, there would be a lot more employees parking in the residential areas to allow for customer parking at the businesses. Councilor Bacon thought they should want people to come downtown, as it would bring success to everyone. She thought it was offensive to pick one business type that they did not want downtown. Ms. Lowe thought if there was an issue with parking, customers would pass going to downtown. She encouraged Councilor Bacon to talk to the downtown business owners.

Councilor Johnson said he had researched parking downtown. There was a study going on that discussed peak parking times and it showed there was parking available even during peak times. He did not think the facts backed up the petition. He questioned the motivation. Ms. Lowe said the motivation was to prevent what was happening in other cities and wanted to replicate Tigard where the businesses on Main Street came together regarding these concerns. Councilor McKinney said there was not a problem with parking west of the railroad tracks, which was where a recreational facility could be located. They could only deal with the issues in Newberg and he did not think there was a problem.

Larry Brock, Canna Bros. owner, said he was looking to open up a marijuana shop on the west side of town. If they could not move there, he was planning to expand their current location to be able to sell recreational marijuana. He anticipated having 200 customers per day.

CDD Rux said staff recommended adoption of the ordinance. One solution to the issues regarding the west side of town was not allowing retailers in the C-3 zone.

Councilor McKinney asked what would be available if C-3 was eliminated. CDD Rux explained under the proposal from the Planning Commission, there could be six to eight retail and/or dispensary operations in Newberg and he described the locations in the C-2 and C-3 zones. Based on the testimony the Council heard, one way to address the concerns was to prohibit retail stores in C-3.

Mayor Andrews closed the public hearing.

CA Stone said the Council had the ability to waive the second reading under the City Charter, Section 17 if the ordinance was available to the public at least a week before the Council meeting. This ordinance had not been available a week before the meeting. Mayor Andrews asked how critical it was to take action this evening since the ordinance had an emergency clause. CDD Rux said it would be acceptable to do a first reading that night and the second reading on June 6. With the emergency clause, after approval of the second reading it would take effect the next day.

Mayor Andrew said the record would remain closed and the ordinance would be brought back on June 6 for the second reading and vote.

NEW BUSINESS: Resolution 2016-3279:

CA Stone said there had been an extensive City Manager recruitment process and the Council directed staff to enter into negotiations with Joe Hannan as City Manager. He had drafted the contract with some modifications over prior contracts and Mr. Hannan was in agreement with the terms. The salary was \$140,000 annually. Councilor Johnson asked if there were concerns about the testimony Robert Soppe had submitted regarding the contract.

CA Stone said he did not interpret the language the same way as Mr. Soppe and he did not think it was a concern. The Council could approve the resolution with an amendment that the paragraph be rewritten to address the concerns expressed. In his opinion he thought it was defensible.

MOTION: Bacon/Essin moved to approve Resolution 2016-3279, A Resolution appointing Joe Hannan as City Manager. Motion carried (6 Yes/0 No/1 Absent [Corey]).

Resolution 2016-3288:

AP Jessica Pelz said this was a request from George Fox University to allow a change to the design of the downtown banners for a one-year period to celebrate their 125th anniversary. She explained the proposed design. The banners would be up for one year barring other events that necessitated they be taken down such as the Special Olympics, holiday decorations, and Relay for Life. Rob Felton, George Fox University, requested support for putting up the banners. The Newberg Downtown Coalition was in support. He described how George Fox was an important part of the community, both in employment, volunteering, and offering community programs and events.

MOTION: Johnson/McKinney moved to approve Resolution 2016-3288, A Resolution approving a new design and replacement of the existing downtown banners with new banners celebrating George Fox University's 125th anniversary. Motion carried (6 Yes/0 No/1 Absent [Corey]).

Resolution 2016-3292:

IHRD Nancy McDonald said staff was recommending a change in the existing private retirement system for non-represented employees. Currently the Newberg Employees Retirement Plan was with the Principal Finance Group. The rest of the employees were in the PERS system. For four years, the City had been looking at ways to save money by changing the retirement system. The Pension Subcommittee of the Council convened May 11 and recommended this proposal to bring to the Council. Changes had to be submitted to the PERS Board who only met every other month and the first opportunity was their meeting in July. When the resolution was first prepared, it included the AFSCME union, but the union declined to take the City up on this now and would discuss it further during labor negotiations in the fall of 2017. There were seven positions that would be coming on in August that would go into the Principal plan, and staff was trying to get them into the PERS plan instead.

Councilor Essin asked if the new City Manager was aware this was coming up and was on board with it. CMPT Rhodes did not know if they had talked to Mr. Hannan about it. As the City Manager Pro Tem, it was his job to complete these items and that was what he had been working towards. Councilor Essin said there was a significant cost in putting people into PERS and he would like to make Mr. Hannan aware of it. CMPT Rhodes said this was intended to save the City money and if it was delayed they would miss the window for PERS consideration. He clarified it had to be brought to PERS by June 1 to be on their July agenda.

Councilor Bacon said as the chair of the subcommittee they had been working on it through three city managers. They wanted to get it finished now. Councilor Johnson asked if this was delayed, would they have to amend the budget. CMPT Rhodes said no, they had budgeted to cover either scenario. Mayor Andrews asked FD Zook if the employer cost for PERS was 19%. FD Zook said the employer's rates for PERS ranged from 7 to 15 percent depending upon the class. He said if they went into the NERPS program it was 29%.

MOTION: Bacon/Woodruff moved to approve Resolution 2016-3292, A Resolution authorizing the City Manager Pro Tem to initiate the process for participation in the Public Employees Retirement System (PERS) for all eligible non-represented employees hired on or after August 1, 2016. Motion carried (6 Yes/0 No/1 Absent [Corey]).

COUNCIL BUSINESS:

Mayor Andrews had received a letter from CMPT Rhodes concerning an amendment to his contract. The letter stated that since he had been employed by the City for less than nine months the provision under the contract requiring the City pay his lease was no longer applicable. In place of that section, CMPT Rhodes was requesting the City pay half of his relocation costs at \$1,600.

MOTION: Andrews/Bacon moved to reimburse CMPT Rhodes his relocation cost request of \$1,600.

AMENDMENT TO THE MOTION: Johnson/McKinney moved to amend the motion for the full amount of his relocation costs at \$3,200. Andrews and Bacon agreed to the amendment of the motion.

Motion carried (6 Yes/0 No/1 Absent [Corey]).

Mayor Andrews announced the Newberg Old-Fashioned Festival parade would be held on July 30 and asked Council to let him know who would attend. The delegation from the City's sister city in Poysdorf, Austria, would also be visiting during the festival. He said the League of Oregon Cities would be announcing its priorities for the upcoming legislative session. He said the Council would select which priorities they wanted to focus on from the list and then let the League know for the 2017 session.

CA Stone said he helped organize Emancipation Day at the high school to give graduating seniors a legal briefing on issues they might face as young adults.

Executive Session pursuant to ORS 192.660 (2) i Performance Evaluations of Public Officers.

Council entered executive Session at 9:07 p.m. Council exited Executive Session at 10:28 p.m. Staff present included City Attorney Truman Stone. They discussed the City Attorney's evaluation.

ADJOURNMENT: The meeting was adjourned at 10:29 p.m.

ADOPTED by the Newberg City Council this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTESTED by the Mayor this ____ day of June, 2016.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

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

**SUBJECT: Recommendation for Approval of an
Oregon Liquor Control Commission (OLCC)
Winery Dba: Bravura Cellars**

**Contact Person (Preparer) for this
Motion: Karan Frketich
Dept.: Police
File No.:**

RECOMMENDATION:

Recommend to the Oregon Liquor Control Commission (OLCC) that they approve a Winery dba: Bravura Cellars

EXECUTIVE SUMMARY:

A local records check and that of the state criminal data base reveals no issues or concern.

FISCAL IMPACT:

None

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS):

None

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: May 16, 2016

Order ___ Ordinance ___ Resolution XX Motion ___ Information ___
No. No. No. 2016-3310

SUBJECT: Resolution authorizing the Mayor to execute the Oregon Public Service Retirement Plan Coverage Agreement for participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented Employees hired on or after August 1, 2016

**Contact Person (Preparer) for this Motion: Nancy McDonald, Interim Human Resources Director
Dept.: Administration
File No.:**

RECOMMENDATION:

Adopt **Resolution No. 2016-3310** Authorizing the Mayor to execute the Oregon Public Service Retirement Plan Coverage Agreement for participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented Employees hired on or after August 1, 2016.

EXECUTIVE SUMMARY:

On May 11, the City Council Sub-Committee on Pensions met and discussed the growing fiduciary responsibilities and projected significant cost increases placed on the City because of the organization’s participation in the Newberg Employee Retirement Plan (NERPS) with the Principal Finance Group. The Sub-Committee agreed that a change is warranted in the provider of retirement benefits for eligible Non-Represented and AFSCME-Represented Public Works employees.

Currently, all Public Safety employees, Executive, Mid-Level Management and Technical employees are already in the Public Employees Retirement System (PERS.) The Sub-Committee voted to recommend to the City Council that eligible employees hired on or after August 1, 2016 should also become members of PERS. However, on May 12/13 at an AFSCME membership (and follow-up) meeting, the Public Works employees voted down the idea of entering into a different retirement system for new employees at this time and will revisit the topic during the next round of contract negotiations. At the May 16, Council Meeting, by Resolution 2016-3292, approval was given to the City Manager Pro Tem to initiate the process of participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented employees.

PERS includes three programs: the Chapter 238 pension program (Tier I and Tier II members hired prior to 8/29/2003), the Oregon Public Service Retirement Plan (OPSRP), and the Individual Account Program (IAP), in which all members participate.) Terms of participation are set out in the coverage agreement, attached as Exhibit A, effective August 1, 2016.

FISCAL IMPACT:

There are no up-front fees for joining PERS. There are required employer and employee contributions each pay period, based on percentages of salary. Contributions for employees who are already Chapter 238 or OPSRP members will begin with the City's first payroll on or after the effective date of the coverage agreement. Contributions for employees who are required to serve a six-month waiting period will begin as of the first of the seventh calendar month after the waiting period begins.

For OPSRP, the current employer contribution rate is 7.11% of general-service employee payroll. For Chapter 238 employees the current employer contribution rate is 15.09%. Employer contribution rates are subject to change based on periodic actuarial valuations of the system with new rates effective July 1 of each odd-numbered year.

Funding for contributions into the existing NERPS retirement plan for Non-Represented employees is included in the adopted FY 2016-2017 at 29.32% under the appropriate budget line; some of these funds will be used to cover contributions into PERS.

STRATEGIC ASSESSMENT:

Freezing current membership in the NERPS plan by enrolling eligible Non-Represented new hires, as of August 1, 2016, in PERS is the most fiscally responsible decision that can be made to mitigate the double-digit percentage increases in the City's contribution rate. While the City's contribution rate to PERS will also be increasing in FY 2017-2018 the current rate through June 30, 2017 is a lower rate than that of the current and projected rate of NERPS.

The state and most local government bodies are members of the Public Employees Retirement System, therefore trying to recruit experienced candidates for position vacancies which are covered by the NERPS plan limits the City's candidate pool because established PERS member candidates most likely will not apply.



RESOLUTION No. 2016-3310

RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE THE OREGON PUBLIC SERVICE RETIREMENT PLAN COVERAGE AGREEMENT FOR PARTICIPATION IN THE PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) FOR ALL ELIGIBLE NON-REPRESENTED EMPLOYEES HIRED ON OR AFTER AUGUST 1, 2016

RECITALS:

1. The City Council Sub-Committee on Pensions met and discussed the growing fiduciary responsibilities and projected significant cost increases placed on the City because of the organization's participation in the Newberg Employee Retirement Plan (NERPS) with the Principal Finance Group. The Sub-Committee agreed that a change was warranted in the provider of retirement benefits for eligible Non-Represented and AFSCME-Represented Public Works employees and recommended that the City Council approve said change. At the May 16, Council Meeting, by Resolution 2016-3292, approval was given to the City Manager Pro Tem to initiate the process of participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented employees.
2. Funding: Funding for contributions into the existing NERPS retirement plan for Non-Represented employees is included in the adopted FY 2016-2017 budget at 29.32% under the appropriate benefit line; some of these funds will be used to cover contributions to PERS.
3. The Mayor is authorized to execute the Oregon Public Service Retirement Plan Coverage Agreement, attached as Exhibit A, for participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented Employees Hired on or After August 1, 2016 of participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented employees.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

The City Council authorizes the Mayor to execute the Oregon Public Service Retirement Plan Coverage Agreement, attached as Exhibit A, for participation in the Public Employees Retirement System (PERS) for all eligible Non-Represented employees hired on or after August 1, 2016.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTESTED by Mayor this _____ day of June, 2016.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ Ordinance ___ Resolution XX Motion ___ Information ___
No. No. No. 2016-3311

SUBJECT: Change to Newberg Employee Retirement Plan Investment Allocation

Contact Person (Preparer) for this Motion: Matt Zook
Dept.: Finance
File No.:

RECOMMENDATION: Adopt Resolution No. 2016-3311.

EXECUTIVE SUMMARY: City staff has been due diligence with the Newberg Employee Retirement Plan (NERPs) for ways to improve the financial position of the plan. In the course of this review, the City asked Heestand & Co., who serves as a financial advisor to the City, to review the investment portfolio for recommended changes. The recommendation of from Heestand was to retain the current investment ratio, with a slight increase from 6% to 10% in Principal’s US Property (Real Estate) account through 2016 and revisit this allocation again in 2017. Consideration was made to increase the ratio with a greater percentage in equities, but over the long-term, the impact on the funded status of the plan would be minor, with an additional downside of increased volatility in the City’s annual contribution percentage, which affects the annual budgeting and forecasting process. On May 11, 2016, the Pension Subcommittee met and approved the investment change recommendation.

The Principal Financial Advisor’s Current and Proposed Target Allocation is included as part of this staff report.

FISCAL IMPACT: No immediate fiscal impact. However, this change is being made to increase the investment returns so as to improve the funding status of the Plan.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS): Management of the pension investments ensures the ability of the City to retain qualified employees and exercise its fiduciary responsibility of City assets.



RESOLUTION No. 2016-3311

A RESOLUTION AUTHORIZING A CHANGE IN THE NEWBERG EMPLOYEE RETIREMENT PLAN ASSET ALLOCATION

RECITALS:

1. WHEREAS, the City maintains the Newberg Employee Retirement Plan (NERP) for eligible employees and has a fiduciary responsibility to fund this plan through contributions and investment earning, and
2. WHEREAS, the City Council adopted the Newberg Pension Investment Policy on November 17, 2003, which sets forth the objectives and guidelines for administering the Plan's investment program, including reviews of the asset allocation.
3. WHEREAS, the recent review of the Plan's asset allocation by the City's investment advisors recommends a change in the portfolio from 6% to 10% in US Property allocation and rebalance as the funds as they see fit.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. Authorize City staff to instruct the Plan's Investment Manager to increase the US Property allocation from 5% to 10% and rebalance the funds as they see fit.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this _____ day of _____, 2016.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ Ordinance ___ Resolution XX Motion ___ Information ___
No. No. No. 2016-3304

**SUBJECT: Resolution Approving the Annual
Evaluation of the Municipal Judge**

**Contact Person (Preparer) for this
Motion: Bob Andrews, Mayor
Dept.: Administration
File No.:**

RECOMMENDATION:

Adopt **Resolution No. 2016-3304** approving the annual evaluation of the Municipal Judge.

EXECUTIVE SUMMARY:

The City Council performed an annual evaluation of the Municipal Judge. That evaluation was held during executive session on June 6, 2016, in which no decisions were made. This resolution is to solidify that evaluation and to provide a formal guidance of his performance.

FISCAL IMPACT:

There is no increase in compensation at this time.

STRATEGIC ASSESSMENT:

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



RESOLUTION No. 2016-3304

A RESOLUTION APPROVING THE ANNUAL EVALUATION OF THE MUNICIPAL JUDGE

RECITALS:

1. In accordance with the Newberg City Charter, the Municipal Judge is appointed by the City Council, which reports directly to the Mayor and City Council and is supervised by the governing body. The City Council appointed Larry Blake, Jr. as the Municipal Judge for the City in February, 2010.
2. The City has a contract with the Municipal Judge and pursuant to that contract; the City Council will evaluate the Municipal Judge in executive session.
3. The Open Meetings Law of the state of Oregon allows the evaluation of the job performance of the Municipal Judge to be conducted in executive session by the City Council and pursuant to such Standards, Criteria, and Policy Directives adopted by Resolution No. 2016-3265 on April 4, 2016.
4. The Mayor, City Councilors, and the Municipal Judge met in executive session on June 6, 2016, to discuss the Municipal Judge's annual evaluation.
5. The Mayor has submitted the written evaluation which will be placed in the Municipal Judge's personnel file after being adopted by the City Council.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The written evaluation of the Municipal Judge, which is attached as Exhibit A and by this reference, is hereby adopted.
2. The Municipal Judge shall be given a copy of the evaluation to sign and may make any written comments after which the written evaluation shall be placed in the Municipal Judge's personnel file.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this ____ day of June, 2016.

Bob Andrews, Mayor

Municipal Judge (Larry Blake, Jr.)
Annual Written Evaluation – 2016
By Newberg City Council

The City Council has received a written report from the Municipal Judge concerning his performance during his evaluation period. The respective Mayor and Councilors have met with the Municipal Judge in executive session on June 6, 2016 to discuss their evaluation of his performance from April 2014 to June 2016.

The City Council has evaluated the performance of Larry Blake, Jr. as the Municipal Judge of the City of Newberg. As part of the evaluation, Council reviewed the report given to them by the Municipal Judge indicating his self-evaluation during the evaluation period. The City Council assessed the Municipal Judge’s performance in four major categories:

- 1. Case Management, Impartiality and Judicial Conduct
- 2. Knowledge of Law, Legal Practices and Court Management
- 3. Inter-departmental Relations
- 4. Fiscal Planning & Goals

Overall the City Council found the Municipal Judge’s performance fell between fully effective and exceeds expectations; which is echoed by the community at large. The City Council felt the working relationship with the Municipal Judge is excellent. The Council expressed satisfaction with the initial goal setting and looks forward to further long-range strategic planning in partnership with the Municipal Judge.

DATED this _____ day of June, 2016.

Bob Andrews, Mayor

Denise Bacon, Council President

Mike Corey, Councilor

Scott Essin, Councilor

Patrick Johnson, Councilor

Stephen McKinney, Councilor

Lesley Woodruff, Councilor

Comments by Larry Blake, Jr.:

No comments to add.

Acknowledged this _____ day of _____, 2016

Municipal Judge Larry Blake, Jr.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ No.	Ordinance ___ No.	Resolution <u>XX</u> No. 2016-3308	Motion ___	Information ___
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SUBJECT: A Resolution Amending Resolution No. 2002-2358 To Authorize The City Manager To Do All Necessary Acts To Implement The Length Of Service Award Program (LOSAP)

**Contact Person (Preparer) for this Motion: Chief Haven / Truman Stone
Dept.: Fire / Legal
File No.:**

RECOMMENDATION:

Adopt Resolution 2016-3308, which will revise Resolution No. 2002-2358 to allow the City Manager the full authority to make necessary changes to the Newberg Fire Department volunteer Length of Service Award Program.

EXECUTIVE SUMMARY:

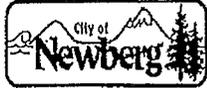
In 2002 the City of Newberg adopted a Length of Service Award Program (LOSAP) to incentivize Newberg Fire Department volunteer firefighters to maintain a lengthy service with the City. This program was adopted through RESOLUTION No. 2002-2358: Since its adoption, NFD has been able to maintain the basic structure of the original LOSAP plan as stipulated in the adopted resolution. In recent years there has been need to amend the plan in order to better accommodate the needs of the modern volunteer firefighter workforce.

Amending this resolution would accomplish two things:

1. Allow the City Manager to change and/or update the LOSAP plan, documents and schedules, as well as, reflect the current fiscal and financial needs of the City, during the IGA period.
2. Allow Newberg and TVFR to make adjustments to the plan in order to accommodate the needs of the functional consolidation and potential annexation.

FISCAL IMPACT:

There will be no fiscal impact to the City during the term of the IGA.



RESOLUTION No. 2002-2358

A RESOLUTION ADOPTING THE NEWBERG FIRE DEPARTMENT LENGTH OF SERVICE AWARD PROGRAM (LOSAP).

RECITALS:

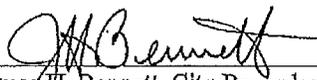
1. WHEREAS the City Council of the City of Newberg has determined that an award plan for volunteer firefighters would be beneficial in improving its public safety response by aiding in the recruitment, training and retention of volunteers; and
2. WHEREAS the City Council has empowered the Fire Chief to examine various length of service award plans;
- 3.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City of Newberg hereby adopts the Special Districts Association of Oregon (SDAO) Length of Service Award Plan (LOSAP) for Volunteers and authorizes the City Manager to execute the Plan document and incorporate the following with respect to the Plan:

a. A Contribution Formula	d. A Vesting Option
b. A First Year Distribution Plan	e. A Portability Agreement
c. A Distribution Plan	f. An Annual Fee Schedule
2. That the City, together with the Rural Fire Protection District is to become a grantor under the SDAO Trust, and the City Manager is authorized to execute the Accession Instrument of the Declaration of trust of the SDAO LOSAP;
3. That the Fire Chief of the NFD is authorized to do all necessary acts to implement the SDAO LOSAP including the adoption of minimum participation requirements for eligibility in the LOSAP to be attached to the Plan document;
4. That the Fire Chief is authorized to transmit to the SDAO the initial application fee and annual contributions of \$25,000.00

ADOPTED by the City Council of the City of Newberg, Oregon, this 6th day of May, 2002.


James H. Bennett, City Recorder

ATTEST by the Mayor this 16 day of May, 2002.


Charles Cox, Mayor



RESOLUTION No. 2016-3308

A RESOLUTION AMENDING RESOLUTION NO. 2002-2358 TO AUTHORIZE THE CITY MANAGER TO DO ALL NECESSARY ACTS TO MODIFY AND IMPLEMENT THE LENGTH OF SERVICE AWARD PROGRAM (LOSAP)

RECITALS:

1. On May 6, 2002 the Council Adopted Resolution 2002-2358, adopting the Newberg Fire Department Length of Service Award Program (LOSAP). That resolution authorized the Fire Chief to do all acts necessary to implement the LOSAP.
2. On July 1, 2016, Tualatin Valley Fire & Rescue (TVFR) will provide fire and emergency medical services under an intergovernmental agreement (IGA) with the City.
3. During the IGA term, volunteer firefighters will be volunteers of TVFR, subject to the TVFR LOSAP, and the Newberg LOSAP will be effectively suspended.
4. The long-term status of the Newberg LOSAP will be determined after the IGA term and will be affected by any decision regarding annexation.
5. This resolution amends Resolution 2002-2358 by delegating to the City Manager, those powers previously delegated to the Fire Chief of the NFD.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Manager is authorized to do all necessary acts to implement the SDAO LOSAP, including but not limited to, amending, consolidating, or suspending the plan during the IGA term; adopting minimum participation requirements for eligibility; or any other contractual act necessary related to the LOSAP.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: _____, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this ___ day of _____, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this _____ day of _____, 2016.

Bob Andrews, Mayor

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ No.	Ordinance ___ No.	Resolution XX <i>9/11</i> No. 2016-3305	Motion ___	Information ___
SUBJECT: First Amendment to Intergovernmental Agreement with TVF&R			Contact Person (Preparer) for this Resolution: Truman Stone Dept.: Legal File No.:	

RECOMMENDATION:

Adopt Resolution No. 2016-3305 authorizing the City Manager to enter into the First Amendment to the Intergovernmental Agreement (IGA) with Tualatin Valley Fire & Rescue.

EXECUTIVE SUMMARY:

The City has entered into an Intergovernmental Agreement (IGA) with Tualatin Valley Fire and Rescue (TVFR) for provision of fire and emergency service, beginning July 1, 2016.

During the course of implementing the IGA, the parties haven encountered several issues requiring amendment of the IGA. The amendments adjust the amount of compensation; add language to comply with Yamhill County Ordinances related to ambulance service; and correct exhibits showing the assigned leases of equipment owned by the Newberg Rural Fire Protection District.

- One current City employee will not transfer to TVFR, but will remain employed by the City. The compensation amount is adjusted to reflect this change.
- Ambulance service in the Newberg Ambulance Service Area (ASA) is provided under a franchise designated by Yamhill County. The county ordinances require specific steps to transfer ambulance service. This amendment corrects this oversight.
- The original IGA did not have the most current versions of the leases between the City and Newberg RFD. This amendment corrects this oversight.

FISCAL IMPACT:

- Payment to TVFR is reduced by \$109,625 in FY 16-17 and \$115,535 in FY 17-18, for a total of \$225,160. These amounts will be incurred as expenses elsewhere in the city budget for a net zero sum.

STRATEGIC ASSESSMENT:

Providing an adequate level of Fire/EMS is a crucial component to the City’s vision of “a healthy, safe environment” for citizens. This IGA and potential future annexation with TVF&R will insure adequate levels of Fire/EMS are maintained in an efficient and effective manner.



RESOLUTION No. 2016-3305

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE
FIRST AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT
WITH TUALATIN VALLEY FIRE & RESCUE FOR PROVISION OF FIRE
AND EMERGENCY MEDICAL SERVICES**

RECITALS:

1. Oregon Revised Statue 190.010 provides that units of local government may enter into agreements for the performance of any and all functions and activities that any party to the agreement, its officers, or agents have authority to perform.
2. The City and Tualatin Valley Fire and Rescue (TVF&R) have entered into an intergovernmental agreement (IGA) as authorized by Resolution 2016-3254.
3. In implementing the IGA, both parties recognized certain amendments were necessary; specifically, to adjust the amount of compensation, add language to comply with Yamhill County Ordinances requirements for transfer of the ambulance service, and correct exhibits showing the assigned leases of equipment owned by the Newberg Rural Fire Protection District.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Manager is hereby authorized to execute the First Amendment to the Intergovernmental Agreement between the City and Tualatin Valley Fire & Rescue, substantially in the form attached as Exhibit "A" and by this reference incorporated.
2. The First Amendment to the Intergovernmental Agreement between the City and Tualatin Valley Fire & Rescue shall be subject to the review and approval of the City Attorney as to form and content.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this ____ day of _____, 2016.

Bob Andrews, Mayor

FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT
FOR FIRE AND EMERGENCY SERVICES

THIS FIRST AMENDMENT is made and entered into by and between the City of Newberg, a municipal corporation (hereafter "City"), acting under authority of the City Charter, and Tualatin Valley Fire and Rescue, a Rural Fire Protection District (hereafter "District").

WHEREAS, the City and District entered into an Intergovernmental Agreement (hereinafter "Agreement") effective March 1, 2016 providing for the functional consolidation of fire and emergency services, and subcontracting of the Newberg Ambulance Service Area ("Newberg ASA") to the District, and;

WHEREAS, during the course of implementing the Agreement it has now been determined by City and District that the Agreement shall be amended to 1) adjust the amount of compensation due to one employee of the City not transferring, 2) effect a transfer of the Newberg ASA to the District, and 3) to correct, and for the District to accept, the equipment leases assigned by the City to the District.

NOW, THEREFORE under the contractual authority of ORS Chapter 190, it is agreed between the parties:

1. **Effective Date.** This Amendment shall become effective July 1, 2016.
2. **Amendment to Agreement.**
 - a. **Compensation, Page 2, Paragraph 2, Lines 14 to 21, which reads:**

In consideration for the services to be provided by the District, and the other terms and conditions of this Agreement, the City agrees to pay the District \$4,942,608 for the first 12-month period commencing on July 1, 2016 which is inclusive of a \$500,000 ASA transition funding loan and ending June 30, 2017 and \$3,482,238 which is inclusive of the \$500,000 ASA funding loan repayment for the second 12-month period commencing on July 1, 2017 and ending on June 30, 2018. This \$500,000 ASA transition funding is intended to address the collection lag time in ASA revenues billed after July 1, 2016 after transfer of the ASA to the District from the City.

Shall be deleted in its entirety and replaced with the following:

In consideration for the services to be provided by the District, and the other terms and conditions of this Agreement, the City agrees to pay the District \$4,832,983 for the first 12-month period commencing on July 1, 2016 which is inclusive of a \$500,000 ASA transition funding loan and ending June 30, 2017 and \$3,366,703 which is inclusive of the \$500,000 ASA funding loan

repayment for the second 12-month period commencing on July 1, 2017 and ending on June 30, 2018. This \$500,000 ASA transition funding is intended to address the collection lag time in ASA revenues billed after July 1, 2016 after transfer of the ASA to the District from the City.

b. **Administration, Page 5, Paragraph 2, Lines 8 to 12, which reads:**

The City will be responsible for notifying Yamhill County of the subcontracting of the Newberg ASA and will submit this written Agreement to the Administrator of the Yamhill County ASA Ordinance prior to July 1, 2016. If the parties determine that it is in their best interests to proceed with annexation, the parties will work together to effect the transfer of the Newberg ASA to the District.

Shall be deleted in its entirety and replaced with the following:

The parties agree that the District shall apply for, and the City agrees to, a transfer of the Newberg ASA to the District. In the event that the parties determine not to pursue annexation of the territory within the City to the District for purposes of fire and emergency services, the parties shall work together to transfer the Newberg ASA back to the City, and the District warrants that it will support and not interfere with a transfer back to Newberg.

The District agrees to accept the rates currently established by the City for ambulance services for the 2016-2017 and 2017-2018 fiscal years.

c. **Vehicles, Apparatus and Maintenance, page 8 shall add the following paragraph:**

The leases which are exhibits to Exhibit A of the Agreement are incorrect because the parties to Exhibit A entered into new leases dated October 18, 2011, including replacement of the original equipment. The City has obtained, and the District accepts, the attached Agreement for Assignment of Fire Equipment Leases dated July 1, 2016, and the leases identified in the assignment.

3. **Counterparts.** This Amendment may be executed in two or more counterparts (by facsimile or otherwise) each of which is an original and all of which when taken together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.

4. **Original Agreement.** Except as expressly amended above, all other terms and conditions of the original Agreement are still in full force and effect.

THE PARTIES, by execution of this Agreement, hereby acknowledge that their signing representatives have read this Agreement, understand it, and agree to be bound by its terms and conditions.

IN WITNESS WHEREOF, the parties by the signatures of their authorized representatives have executed this Agreement effective July 1, 2016.

Tualatin Valley Fire and Rescue:

By: _____
Gordon Hovies, President

Brian Clopton
Secretary-Treasurer

By Board Action Dated: _____

City of Newberg:

By: _____

By Council Action Dated: _____

AGREEMENT FOR ASSIGNMENT OF FIRE EQUIPMENT LEASES

DATED: July 1, 2016
LESSOR: Newberg Rural Fire Protection District
LESSEE: City of Newberg
ASSIGNEE: Tualatin Valley Fire and Rescue

THIS AGREEMENT AND ASSIGNMENT is entered into by and among the Newberg Rural Protection District, a rural fire protection district; the City of Newberg, a municipal corporation; and Tualatin Valley Fire and Rescue, a rural fire protection district.

Recitals:

1. Lessor is a rural fire protection district, a special district of the State of Oregon.
2. Lessee is a municipal corporation of the State of Oregon.
3. Assignee is a rural fire protection district, a special district of the State of Oregon.
4. Lessor and Lessee have entered into the following leases of fire equipment all of which were dated October 18, 2011, including replacement of the original equipment:
 - a. Lease of Water Tender Unit 45. [5-345, 2012 Freightliner Water Tender]
 - b. Lease of Brush Unit 35. [5-335, 2008 Ford F550 Light Brush]
 - c. Lease of Brush Unit 31. [5-331, 2004 Ford F550 Light Brush]
 - d. Lease of Fire Engine 23. [5-123, 1994 Ford L9000 Pumper]
5. Under the terms of each lease, Lessee may not assign the lease or the fire equipment without lessor's written consent first had and obtained.
6. Lessee and Assignee have entered into an intergovernmental agreement (hereinafter "IGA") for fire and emergency services, effective July 1, 2016.
7. Under the terms of the IGA, the leases and equipment will be assigned.
8. Lessor has been kept informed of the negotiations which resulted in the IGA and desires to assign the above leases to Assignee.

Assignment:

NOW, THEREFORE, under the contractual authority of ORS Chapter 190, it is agreed between the parties:

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AGREEMENT FOR ASSIGNMENT OF FIRE EQUIPMENT LEASES

July 1, 2016

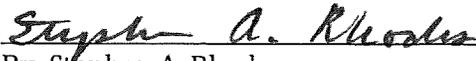
The four leases, each and every one, referred to in paragraph 4 in the above Recitals, are hereby assigned to Assignee, for the duration of the IGA and subject to the duties and obligations of the IGA. Assignee agrees to fully comply with all lease terms and obligations as if acting on behalf of Lessee.

NEWBERG RURAL FIRE PROTECTION DISTRICT



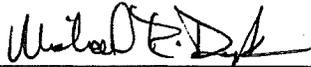
By: Christina Boenisch
Its: President

CITY OF NEWBERG



By: Stephen A. Rhodes
Its: City Manager Pro Tem

TUALATIN VALLEY FIRE AND RESCUE



By: Michael R. Dyck
Its: Fire Chief

AGREEMENT FOR ASSIGNMENT OF FIRE EQUIPMENT LEASES

July 1, 2016

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___	Ordinance ___	Resolution XX __	Motion ___	Information ___
No.	No.	No. 2016-3313		

SUBJECT: Intergovernmental Agreement between the City of Newberg and Marion County authorizing Newberg-Dundee Police Department with reserve officers to assist with police services during the 2016 St. Paul Rodeo and its related events

**Contact Person (Preparer) for this Motion: Chris Bolek
Dept.: Police
File No.:**

RECOMMENDATION:

Adopt Resolution No. 2016-3313 approving an Intergovernmental Agreement to provide assistance with Law Enforcement Services to Marion County for the St. Paul Rodeo.

EXECUTIVE SUMMARY:

Marion County is a political subdivision of the State of Oregon.

The Marion County Sheriff’s Office is tasked with providing law enforcement services for the St. Paul Rodeo, being held this year, June 30-July 04. Marion County’s availability of resources is limited. Therefore, Marion County has requested the assistance of surrounding law enforcement agencies so that appropriate law enforcement services can be provided for and during the rodeo.

Reserve officers of the Newberg-Dundee Police Department have been asked to help provide extra law enforcement services. This is approximately the fourth year that Newberg-Dundee Police Department Reserve Officers have been requested and assisted.

Newberg-Dundee Police Department Reserve officers are volunteers for the City of Newberg who have significant training and have full police authority.

No doubt, members of the Newberg community will be in attendance at the St. Paul Rodeo.

FISCAL IMPACT:

Funding for fuel to and from the venue in a marked police car is already budgeted for in Account # 01-2120-562000. This cost will be minimal due to the proximity of St. Paul to Newberg. If an on-duty injury were to occur, workers compensation coverage is budgeted for already through account #01-2120-596000.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS):

Newberg values partnerships with its citizens and other communities.



RESOLUTION No. 2016-3313

**A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF NEWBERG AND MARION COUNTY
AUTHORIZING NEWBERG-DUNDEE POLICE DEPARTMENT RESERVE
OFFICERS TO ASSIST WITH POLICE SERVICES DURING THE 2016 ST.
PAUL RODEO AND RELATED EVENTS**

RECITALS:

1. The Marion County Sheriff’s Office is the law enforcement agency charged with providing adequate law enforcement services for the St. Paul Rodeo.
2. The Marion County Sheriff’s Office recognizes the extra burden this event puts on their law enforcement resources. To meet that burden, Marion County has requested outside assistance from varying law enforcement agencies’ reserve officers
3. Reserve Police Officers of the Newberg-Dundee Police Department are among those of the several surrounding agencies to have been requested to assist.
4. Marion County has agreed to pay reserve officers at a rate of \$30 per hour.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council, acting as contract review board for the city, does hereby accept the terms as substantially set out in the attached exhibit and conditions of the Intergovernmental Agreement between the City of Newberg and Marion County,
2. The City Council does hereby authorize the City Manager to enter into this Intergovernmental Agreement with Marion County.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this _____ day of June, 2016.

Bob Andrews, Mayor

Approval by City Attorney as to Form
and Content

Truman Stone, City Attorney

INTERGOVERNMENTAL AGREEMENT

Between

MARION COUNTY

and

CITY OF NEWBERG

1. PARTIES TO AGREEMENT

This Agreement between the City of Newberg and the Newberg/Dundee Police Department, hereafter called Agency, and Marion County, a political subdivision of the state of Oregon, hereafter called County, is made pursuant to ORS 190.010 (Cooperative Agreements).

2. PURPOSE/STATEMENT OF WORK

The purpose of this Agreement is to establish the terms and conditions under which the Agency will provide law enforcement services for the St. Paul Rodeo. These services are further described in Section 5.

3. TERM AND TERMINATION

3.1 This Agreement shall be effective for the period of June 30, 2016 through July 5, 2016 unless sooner terminated or extended as provided herein.

3.2 This Agreement may be extended for an additional period of one year by agreement of the parties. Any modifications in the terms of such amendment shall be in writing.

3.3 This agreement may be terminated by mutual consent of both parties at any time or by either party upon 30 days' notice in writing, and delivered by mail or in person. Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

3.4 County may terminate this agreement effective upon delivery of written notice to Agency or at such later date as may be established under any of the following conditions:

- a. If funding from federal, state, or other sources is not obtained or continued at levels sufficient to allow for the purchase of the indicated quantity of services. This agreement may be modified to accommodate a reduction in funds.

b. If federal or state regulations or guidelines are modified, changed, or interpreted in such a way that the services are no longer allowable or appropriate for purchase under this agreement or are no longer eligible for the funding proposed for payments authorized by this agreement.

c. If any license, certificate, or insurance required by law or regulation to be held by Agency to provide the services required by this agreement is for any reason denied, revoked or not renewed.

d. If Agency fails to provide services called for by this agreement within the time specified herein or any extension thereof.

e. If Agency fails to perform any of the provisions of this agreement or so fails to pursue the work as to endanger the performance of this agreement in accordance with its terms and after written notice from County, fails to correct such failure(s) within ten (10) days or such longer period as the County may authorize.

3.5 Any such termination of this agreement shall be without prejudice to any obligations or liabilities of either party already accrued prior to such termination.

4. FUNDING AND BILLING

4.1 Payments under this contract shall be made on a rate of \$30 per hour for total hours worked basis according to the following terms:

Requests for payment shall be submitted to the Sheriff's Office to the attention of: Sherrie Hickam at the following address: PO Box 14500, Salem, OR 97309. Final invoices are due no later than July 31, 2016.

5. OBLIGATIONS UNDER THE TERMS OF THIS AGREEMENT

5.1 County has a contract with the St. Paul Rodeo Association to provide law enforcement services for the Rodeo (event) beginning June 30, 2016 through July 5, 2016.

5.2 County's availability of resources is limited and Agency agrees to offer reserve officers to assist with filling the schedule for dates of the event.

5.3 Agency reserve officers assigned under this agreement are in no way to be considered as employees of County. Agency will provide salaries, fringe benefits, and official equipment. Reserve officers will be subject to operational and supervisory authority of County for activities related to the event.

5.4 Agency will submit documentation of number of hours worked at the event for each reserve deputy. County will submit all hours to St. Paul Rodeo Association and upon payment from Association. Reserve officer's time begins upon check-in at Rodeo and stops at checkout at Rodeo.

5.5 A log of activities completed by the Agency reserve deputy will be provided to County with each invoice. Log shall include all activities, citations, reports responded to, etc.

6. COMPLIANCE WITH APPLICABLE LAWS

The parties agree that both shall comply with all federal, state, and local laws and ordinances applicable to the work to be done under this agreement. The parties agree that this agreement shall be administered and construed under the laws of the state of Oregon.

7. NONDISCRIMINATION

The parties agree to comply with all applicable requirements of Federal and State civil rights and rehabilitation statutes, rules and regulations in the performance of this agreement.

8. HOLD HARMLESS

To the extent permitted by Article XI, Section 7 of the Oregon Constitution and by the Oregon Tort Claims Act, each party agrees to waive, forgive, and acquit any and all claims it may otherwise have against the other and the officers, employees, and agents of the other, for or resulting from damage or loss, provided that this discharge and waiver shall not apply to claims by one party against any officer, employee, or agent of the other arising from such person's malfeasance in office, willful or wanton neglect of duty, or actions outside the course and scope of his or her official duties.

9. INSURANCE

Each party shall insure or self-insure and be independently responsible for the risk of its own liability for claims within the scope of the Oregon tort claims act (ORS 30.260 TO 30.300).

10. MERGER CLAUSE

Parties concur and agree that this agreement constitutes the entire agreement between the parties. No waiver, consent, modification or change to the terms of this agreement shall bind either party unless in writing and signed by both parties. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this agreement. Parties, by the signatures below of their authorized representatives, hereby agree to be bound by its term and conditions.

11. NOTICES

Any notice required to be given the Agency or County under this Agreement shall be sufficient if given, in writing, by first class mail or in person as follows:

For Agency:

City of Newberg
Attn: Newberg-Dundee Police Department
401 E. Third Street
Newberg, OR. 97132

For County:

Procurement & Contracts Mgr.
555 Court Street NE, Suite 5232
PO Box 14500
Salem, OR 97309
Fax: 503-588-5237

SIGNATURES

This agreement and any changes, alterations, modifications, or amendments will be effective when approved in writing by the authorized representative of the parties hereto as of the effective date set forth herein.

In witness whereof, the parties hereto have caused this agreement to be executed on the date set forth below.

MARION COUNTY SIGNATURE

BOARD OF COMMISSIONERS:

Chair

Date

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ No.	Ordinance ___ No.	Resolution <u>XX</u> No. 2016-3299	Motion ___	Information ___
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SUBJECT: Request for approval of Supplemental Budget #2 for fiscal year 2015-2016 as described in Exhibit "A".

Contact Person (Preparer) :
Matt Zook

HEARING TYPE: ADMINISTRATIVE

RECOMMENDATION:

Adopt **Resolution No. 2016-3299** for approval of Supplemental Budget #2 for fiscal year 2015-2016.

EXECUTIVE SUMMARY:

Supplemental budget #2 is requested for various reasons. The following summary provide additional information regarding the request for each fund.

General Fund – Conflagration activities is reimbursed by the state to offset the personnel services and equipment usage by the Newberg Fire Department. The amount of these expenses and subsequent reimbursement is always unknown during budget preparation. In addition, grants received by the Planning Department are sometimes unknown during the budget preparation. The grant expenditures are associated with the TGM Downtown Improvement grant.

EMS Fund – Conflagration activities as referenced above.

Debt Service Fund – The City began making payments on the Bypass loan in 2015-16, and these payments are being made directly from the City’s Federal Exchange dollars managed by the State.

911 Emergency Fund – Higher than anticipated costs, primarily due to overtime, in the Communications Department.

Public Safety Fee Fund – Higher than anticipated costs, primarily due to overtime, in the Communications Department.

Transient Lodging Tax Fund – This adjustment reflects increased revenues, of which a portion is transferred to the General Fund, which requires an increase in the budget.

Admin Support Services Fund – Unanticipated audit costs due to new accounting standards and a federal funds audit. Public Works Fleet had additional operating costs. Insurance claims are estimated during budget preparation but are difficult to pinpoint.

FISCAL IMPACT:

The increase to the annual budget appropriations is \$568,642, bringing total appropriations to \$83,175,268 and the total budget to \$92,559,190. The difference between these numbers represents Unappropriated Fund Balances (\$1,818,501) and Reserves (\$7,565,421), which are not appropriations.



RESOLUTION NO. 2016-3299

A RESOLUTION TO ADOPT SUPPLEMENTAL BUDGET #2 FOR FISCAL YEAR 2015-2016 BEGINNING JULY 1, 2015, AND ENDING JUNE 30, 2016

RECITALS:

1. The 2015-2016 Budget was adopted by Resolution No. 2015-3195 on June 1, 2015.
2. Supplemental Budget #1 was approved by Resolution No. 2016-3249 on January 19, 2016.
3. Additional operational and unanticipated expenses have occurred for which the budget needs to be adjusted. These changes are identified by fund as shown in Exhibit "A".

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

To recognize unanticipated operational expenditures in various funds to be covered by transfers from contingencies and offset by additional resources 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: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this ____ day of June, 2016.

Bob Andrews, Mayor

**EXHIBIT "A" TO
RESOLUTION NO. 2016-3299**

City of Newberg
Supplemental Budget #2
Fiscal Year 2015-2016

SUMMARY OF PROPOSED BUDGET CHANGES

AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED

<u>FUND 01 - GENERAL FUND</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	15,178,134	465,422	15,643,556
Fire	<i>Increase</i>	3,403,276	297,712	3,700,988
Planning	<i>Increase</i>	626,365	167,710	794,075
Revised Total Resources		15,643,556		
Revised Total Requirements		15,643,556		

To recognize reimbursement for fire conflagration activities performed in 2015-16. Also recognizes grant activity in the Planning Department

<u>FUND 05 - EMERGENCY MEDICAL SERVICES</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	2,482,325	39,679	2,522,004
Fire	<i>Increase</i>	1,911,034	39,679	1,950,713
Revised Total Resources		2,522,004		
Revised Total Requirements		2,522,004		

To recognize reimbursement for fire conflagration activities performed in 2015-16.

<u>FUND 09 - DEBT SERVICE</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	1,103,020	19,719	1,122,739
Debt Service	<i>Decrease</i>	895,317	19,719	915,036
Revised Total Resources		1,122,739		
Revised Total Requirements		1,122,739		

To recognize debt service payments on the Bypass project.

<u>FUND 13 - 911 EMERGENCY</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	215,968	5,513	221,481
Communications	<i>Increase</i>	204,628	13,986	218,614
Contingency	<i>Decrease</i>	11,340	(8,473)	2,867
Revised Total Resources		221,481		
Revised Total Requirements		221,481		

To cover higher than anticipated personnel costs, primarily due to overtime.

<u>FUND 16 - PUBLIC SAFETY FEE</u>		BUDGET	CHANGE	REVISED
Communications	<i>Increase</i>	205,892	14,500	220,392
Contingency	<i>Decrease</i>	67,966	(14,500)	53,466

Revised Total Resources	615,569
Revised Total Requirements	615,569

To cover higher than anticipated personnel costs, primarily due to overtime.

<u>FUND 19 - TRANSIENT LODGING TAX</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	955,000	23,309	978,309
General Government	<i>Increase</i>	335,000	9,113	344,113
Transfers	<i>Increase</i>	620,000	14,196	634,196

Revised Total Resources	978,309
Revised Total Requirements	978,309

Revision to reflect anticipated higher revenues, resulting in potentially higher expenditures as well as a larger transfer to General Fund.

<u>FUND 31 - ADMIN SUPPORT SERVICES</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	4,215,375	15,000	4,230,375
Finance	<i>Increase</i>	848,868	24,119	872,987
Public Works	<i>Increase</i>	650,178	5,000	655,178
Insurance	<i>Increase</i>	353,168	20,000	373,168
Contingency	<i>Decrease</i>	229,277	(34,119)	195,158

Revised Total Resources	4,230,375
Revised Total Requirements	4,230,375

To cover unanticipated audit costs (Finance), operating expenses (Public Works), and insurance claims.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___	Ordinance ___	Resolution <u>XX</u>	Motion ___	Information ___
No.	No.	No. 2016-3273		

SUBJECT: A resolution supporting the submission of a 2016 Housing Rehabilitation Community Development Block Grant (CDBG) application to the Oregon Business Development Department (OBDD) by the Housing Authority of Yamhill County (HAYC) and the Yamhill County Affordable Housing Corporation (YCAHC) on behalf of the City of Newberg, and appointing Community Development Director, Doug Rux, as both the project and environmental review certifying officer.

**Contact Person (Preparer) for this Motion: Doug Rux, Community Development Dir.
Dept.: Community Development Dept.
File No.: GR-16-002**

HEARING TYPE: ADMINISTRATIVE

RECOMMENDATION:

Adopt Resolution No. 2016-3273

EXECUTIVE SUMMARY:

The City is a member of the Yamhill County Affordable Housing Corporation (YCAHC), which provides low-interest (or no-interest) loans to low-income homeowners for home repairs. This is a revolving loan program, which is administered by the Housing Authority of Yamhill County (HAYC). The program has traditionally required that homeowners own the lot the home is situated on, making owners of manufactured homes in parks not eligible for assistance. There is a significant unmet need for assistance in Newberg’s manufactured home parks, and there are immediate health, safety and accessibility issues.

The State has recently started to allow jurisdictions the option of applying for CDBG funds in order to give homeowners grants instead of loans. This option would allow the new grant funds to be used to assist the owners of manufactured homes in parks. YCAHC and HAYC are interested in submitting a 2016 CDBG application on behalf of the City with the goal of assisting the owners of manufactured homes in parks with grants for needed repairs. The City Affordable Housing Commission heard a brief presentation on the proposal and moved unanimously to support the submittal of the application. The City Council heard a brief presentation on the proposal on March 21, 2016. The State has announced that CDBG funds are now available, so it is time to consider applying for the grant.

FISCAL IMPACT: No significant fiscal impact to the City is expected.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS): Council Goal 7 is to “Manage and operate the City government in an efficient and effective manner”, and Objective 7.5 is to “Partner with other organizations to ensure systems for meeting the needs of the community’s underprivileged or disadvantaged citizens.” The City’s partnership with YCAHC assists low-income homeowners with

needed repairs to their homes, helps maintain the existing affordable housing in the city, and allows the residents to stay in their homes.



RESOLUTION No. 2016-3273

A RESOLUTION SUPPORTING THE SUBMISSION OF A 2016 HOUSING REHABILITATION COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) APPLICATION TO THE OREGON BUSINESS DEVELOPMENT DEPARTMENT (OBDD) BY THE HOUSING AUTHORITY OF YAMHILL COUNTY (HAYC) AND THE YAMHILL COUNTY AFFORDABLE HOUSING CORPORATION (YCAHC) ON BEHALF OF THE CITY OF NEWBERG, AND APPOINTING COMMUNITY DEVELOPMENT DIRECTOR, DOUG RUX, AS BOTH THE PROJECT AND ENVIRONMENTAL REVIEW CERTIFYING OFFICER.

RECITALS:

1. At the March 21, 2016 Council Meeting the City Council heard a report from Senior Planner and YCAHC Board Member, Steve Olson, about the possible submission of a 2016 Housing Rehabilitation CDBG application in cooperation with HAYC and YCAHC on behalf of the City of Newberg.
2. The City of Newberg supports the rehabilitation of existing homes to allow its citizens to have decent, safe, and affordable housing, and gave it's unanimous support to move forward with the application at the March 21, 2016 Council Meeting.
3. Prior to the submission of the grant application to OBDD, the City is required to hold a public hearing to take comments from citizens on both the community development and housing needs in the city and the proposed 2016 Newberg Housing Rehabilitation Grant project.
4. On June 20, 2016, the Newberg City Council held a public hearing that covered the items listed in Exhibit "A" regarding the community development and housing needs in the city and the proposed submission of the CDBG application to OBDD. Notice of this public hearing was published in The Newberg Graphic on June 8, 2016.
5. Formal approval to submit the grant application and appointment of the certifying officer is required from the City Council.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City of Newberg has a need for funds to assist low and moderate income citizens with the rehabilitation of their homes.
2. The City of Newberg supports the submission of a 2016 Housing Rehabilitation CDBG application for \$400,000.00 to OBDD by HAYC, contracting agent for YCAHC, on behalf of the City of Newberg.

3. The public hearing requirements and project description, as described by HAYC and YCAHC, is attached as Exhibit "A", which is hereby adopted and by this reference incorporated. In order to fulfill grant requirements, the meeting minutes shall specifically reference the items listed in Exhibit "A" as being covered in the public hearing.
 4. The City Council hereby appoints the Community Development Director, Doug Rux, as both the Project and Environmental Review Certifying Officer for the 2016 Newberg Housing Rehabilitation Grant Project.
- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this 23rd day of June, 2016.

Bob Andrews, Mayor

Resolution No. 2016-3273

EXHIBIT "A"

DATE: June 1, 2016

TO: City of Newberg Mayor, and City Council Members

FROM: Darcy Reynolds, Housing Rehabilitation, Representing the Housing Authority of Yamhill County, and the Yamhill County Affordable Housing Corporation.

SUBJECT: Public Hearing for Proposed Community Development Block Grant (CDBG), for a 2016 Newberg Housing Rehabilitation Grant Project

Public Hearing

The City of Newberg is eligible to apply for a 2016 CDBG from the Oregon Business Development Department. CDBG funds come from the U.S. Department of Housing and Urban Development. The grants can be used for public facilities and housing improvements, primarily for persons with low and moderate incomes.

The purpose of this hearing is for the City Council of Newberg to obtain citizen views and to respond to questions and comments about: community development and housing needs, especially the needs of low and moderate income persons, as well as other needs in the community that might be assisted with a CDBG, and the proposed project.

Project Details

1. Approximately \$12 Million in CDBG funds will be awarded to Oregon Non-metropolitan cities and counties in 2016. The maximum grant a city or county can receive is \$2,500,000. If the City of Newberg is awarded a 2016 Housing Rehabilitation CDBG, it would make up to \$400,000.00 available during fiscal years 2016 thru 2018.
2. The range of activities that may be carried out with these funds includes but is not limited to:
 - A. Lead and asbestos testing, treatment, and abatement.
 - B. Inspections, assessments, repairs and replacements of: private septic tanks, drain fields, water lines, sewer lines, and wells.
 - C. Improvements necessary to meet the needs of persons with disabilities, or reasonable accommodation requests.
 - D. Construction rehabilitation, reconstruction, or improvements to upgrade substandard: electrical, plumbing, roofing, siding, insulation, windows and doors, heating systems, hot water heaters, dry rot repairs, and weatherization.

E. Purchase and installation of permanent fixtures such as: light fixtures, and built in appliances.

F. Grant Administration and Management.

3. It is estimated that the project would benefit at least 120 persons, of whom 100% will be low or moderate income.

4. The proposed activities of this project is not likely to result in the displacement of any persons or businesses. If displacement becomes necessary, alternatives will be examined to minimize the displacement and provide required/reasonable benefits to those displaced. Any low and moderate income housing which is demolished or converted to another use will be replaced.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___	Ordinance ___	Resolution <u>XX</u>	Motion ___	Information ___
No.	No.	No. 2016-3307		

SUBJECT: Resolution Adopting the Newberg Strategic Tourism Plan

**Contact Person (Preparer) for this Motion: Steve Rhodes
Dept.: Administration
File No.:**

RECOMMENDATION:

Adopt Resolution No. 2016-3307 adopting the Newberg Strategic Tourism Plan.

EXECUTIVE SUMMARY:

In November 2015 the City brought together a group of individuals to work with the City on how to allocate the increased revenues resulting from an increase in the Transient Lodging Tax. The Advisory Group consisted of the following individuals:

- | | | |
|---|---|--|
| Pierre Zreik
Allison Inn | Rob Dailey
Chehalem Cultural Ctr | Sheila Nicholas
Anam Cara Cellars |
| Ron Wolfe
Premier Community Bank | Lori Van Zanten
Providence Newberg Medical Ctr | Ashley Lippard
Pulp & Circumstances |
| Jessica Bagley
The Painted Lady Restaurant | Robby Larson
George Fox University | Al Blodgett
Retired Fire Chief |
| Lori Lewis
Allison Inn | John Kerekanich
Newberg Ford | Sheryl Kelsh
Chamber of Commerce |

- Mayor Bob Andrews
Doug Rux – Community Development Director
Matt Zook – Finance Director
Steve Rhodes – City Manager Pro Tem

The group determined that the best approach was to develop a tourism strategy that could be used to guide the investment of funds towards promoting tourism. Pursuant to that approach proposals were requested from tourism consulting firms and two firms were interviewed by a subgroup of the Advisory Body. Based on the interviews the group determined that Lookout was the best firm to work with in developing the tourism strategy for the City of Newberg.

Lookout conducted numerous interviews as detailed in the plan, conducted research and catalogued the tourism activities in the Newberg area. Based on that work Lookout developed the Strategic Tourism Plan that is attached to this report. The plan covers three main areas to pursue in the development and promotion of tourism in Newberg. Those include: destination development, destination marketing and organizational

development.

The report identifies activities that should be undertaken in each area. It identifies the creation of an independent board to oversee the implementation of the tourism strategy, a number of activities to provide the necessary tourist serving destinations and finally ways to begin destination marketing when the community is ready.

Lookout has worked with the Advisory Body and the staff to refine the plan so that it can serve as the blueprint for the City's strategic tourism efforts. The plan provides guidance for the expenditure of tourism funds generated by the City's Transient Lodging Tax.

FISCAL IMPACT:

The plan will serve as the basis for the expenditure of Transient Lodging Taxes that are collected by the City of Newberg.

STRATEGIC ASSESSMENT:

A successful tourism strategy will help to foster and encourage economic development in the community through increased visitor spending and the related jobs that spending creates for the community.



RESOLUTION No. 2016-3307

A RESOLUTION ADOPTING THE NEWBERG STRATEGIC TOURISM PLAN DATED JUNE 13, 2016

RECITALS:

1. The City of Newberg recently increased the Transient Lodging Tax and as a part of that process agreed to engage members of the tourism and business community on the best uses of the funds so generated.
2. An informal Advisory Body was brought together from the community that included members of the Chehalem Valley Chamber of Commerce, local tourism related businesses, residents, the Mayor and City staff.
3. The tourism consulting firm Lookout was selected to develop a Strategic Tourism Plan and they conducted research and interviewed members of the community about tourism related issues. Lookout developed a Tourism Strategy and worked with staff and the Advisory Body to refine the strategy so that it was tailored to the needs of the community and would serve as a blueprint for the use of Transient Lodging Tax receipts.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council hereby adopts the attached Newberg Tourism Strategy dated June 13, 2016.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: June 21, 2016.

ADOPTED by the City Council of the City of Newberg, Oregon, this 20th day of June, 2016.

Sue Ryan, City Recorder

ATTEST by the Mayor this 23rd day of June, 2016.

Bob Andrews, Mayor

Newberg Strategic Tourism Plan

June 13, 2016



Newberg Strategic Tourism Plan

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Introduction

Methodology:

- Tourism Planning Advisory Group established by the city
- Reviewed research from multiple sources & organizations including Newberg Economic Development Plan and America's Best Communities Plan; TLT lodging establishments, Travel Oregon & the Oregon Wine Board
- Reviewed existing marketing channels, plans and materials
- Conducted over 20 one-on-one and group interviews
- Facilitated planning session with advisory group & Newberg area familiarization tour
- Developed draft plan & facilitated two additional planning & review sessions
- Spent a full weekend day in Newberg as a visitor to assess experience
- Post full plan for City Council review; present to Newberg City Council (June 20)

Research

- This plan was informed by the following research as well as additional background materials:
 - Newberg Economic Development Plan
 - Newberg – America’s Best Communities Plan
 - Wine Opinions 2015 Survey, Oregon Wine Board
 - Travel Oregon/Oregon Travel Barometer*
 - Longwoods Visitor Profile, Willamette Valley Region*
 - April 2013 MMGY Global, Travelhorizons*
 - Oregon’s Bounty Visitor Behavior and Attitudes: 2011, Suzanne Cook Consulting, LLC*

**Full studies can be viewed at <http://industry.traveloregon.com/research/>*

Interviews / Inputs

- Steve Rhodes, Newberg City Manager Pro Tem
- Sheryl Kelsh, Chehalem Valley Chamber of Commerce
- Doug Rux, City of Newberg
- Dave Adelsheim, Adelsheim Vineyard
- Sue Horstmann, Willamette Valley Wineries Association
- Emily Nelson, Willamette Valley Wineries Association
- Megan Carda, Lifestyle Properties Vacation Rentals
- Christian de Benedetti, Beer Writer and owner, Wolves & People
- Don Clements, Chehalem PRD
- Rob Dailey, Chehalem Cultural Center
- Gerald Kubiak, Yamhill County Strategic Plan
- Ashley Lippard, Designer, Pulp & Circumstance
- Mike Ragsdale, Newberg Downtown Coalition
- Loni Parrish, Distinctive Destinations, Art Elements, property owner
- Andrew Turner, Valley Wine Merchants
- Rob Felton, George Fox University
- Lori Louis, The Allison Inn & Spa
- Pierre Zreik, The Allison Inn & Spa
- Lila Martin, Lila Martin PR
- Scott West, Chief Strategy Officer, Travel Oregon
- Todd Davidson, CEO, Travel Oregon
- John Kerekanich, Ford Dealership

Themes from Interviews

- There's excitement about what Newberg can become as a destination— “great plans /ideas”
- But also – can we really get it done?
- Newberg is on the edge of significant change & growth – but it MUST maintain its character and access for locals
- We are seeing increasing visitor demand
- In its current state, downtown Newberg does not have the experiences luxury travelers seek
- We need better restaurant and retail mix downtown – high quality, farm to table, local/independent boutiques
- There's a growing cadre of young makers/entrepreneurs setting up lives/businesses in Newberg
- There's more opportunity for businesses to collaborate than is being taken advantage of
- Everyone is anxiously hoping for the bypass to improve the downtown experience/noise/traffic
- There's a lack of overnight lodging
- There's a lack of understanding of the visitor marketing and services the Chamber already provides
- Chamber is set up & resourced more to serve their business members than the tourism industry
- We can't wait until “Newberg is perfect” to market it. We need to market what we have now
- We need to coordinate with other tourism organizations – get them together and aligned
- We're creating chaos for the visitor – fractured spending and messaging amongst all these small Destination Marketing Organizations/AVA's/associations
- Front line staff need to refer guests to each other's businesses
- There's a lot of excitement around the Cultural Center – its expansion and arts in general in the community. Newberg can really become an arts destination.
- We need ONE events calendar
- There's excitement around a signature music/makers/cultural festival or event that could put Newberg on map as a destination

Future Vision - Newberg as a Tourism Destination

6/20/16
Page 58

Newberg is Oregon's authentic gateway to Oregon Wine Country—a vibrant, beautiful, inviting town, developed with care and livability for the local community, but attracting and serving a growing base of wine country explorers from around the West.

Enveloped by miles of rolling hills dotted with filbert orchards, farms, and over 200 world-class wineries in a 30-40 miles radius, Newberg is the basecamp for wine country exploration and agri-tourism, whose quality downtown experience matches the acclaim of the surrounding countryside and its award-winning products.

Galleries, farm to table eateries, wine tasting rooms, unique shopping, breweries, an upper-mid tier independently owned hotel with a rooftop bar, and a thriving farmers market populate a walkable downtown. A rich tableau of public art, performances, sidewalk cafes, pocket gardens, and unique boutiques encourage more time in town for shopping and wandering.

This vibrant downtown is *connected* to its river – in fact it's the ONLY small Oregon wine country town with fully developed Willamette River access for paddlers, boaters, anglers and more. A network of trails for hikers and cyclists from Parrett Mountain to Main Street to the Willamette Valley Scenic Bikeway attracts active adventurers from urban areas who will come to recreate, then enjoy our local wine, food and beer.

These visitor experiences thrive due to a well-networked group of tourism businesses, local associations and city leaders who support each other, and who are aligned behind a set of effective marketing strategies that attract luxury wine travellers, valley adventurers and a burgeoning group of millennials enticed by our maker culture.

All this creates a ripple effect of new businesses that support the makers and producers and visitor economies. Newberg feels like a place of economic vitality and sustainability for the local community. Residents talk with even more pride about how their town has grown, and how now, more than ever, it feels like a place they can raise their families and thrive.

TOURISM PLAN GOALS

1. Tourism bolsters Newberg economy in measureable ways
2. Newberg is a destination of artisan makers and doers
3. Tourism funding and industry partners catalyze downtown development, and creation of new experiences for target audiences
4. The tourism organization and strategy engage and energize local tourism partners and demonstrate healthy partnership between the private sector and city
5. Moon shots – tourism encourages sustainable development that benefits the local community and enhances the visitor experience

TOURISM PLAN

3 pronged approach to success

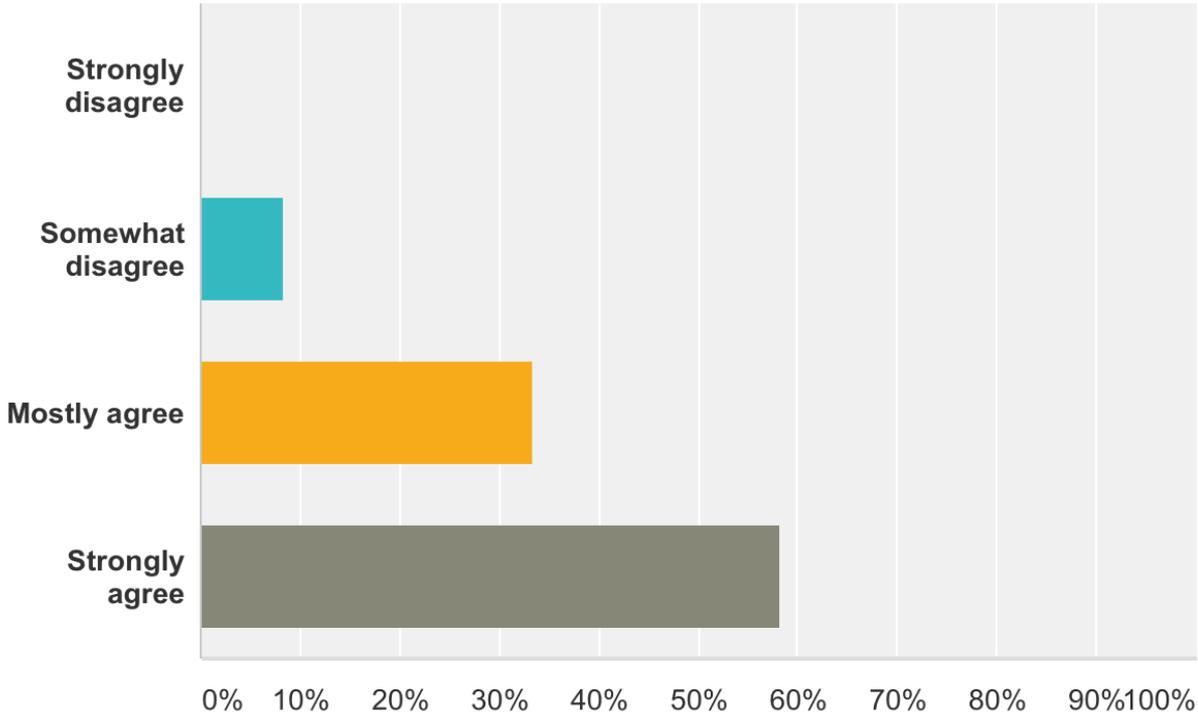
1. Organizational Development
2. Destination Development
3. Destination Marketing

Partnerships as cross cutting theme

Survey results from advisory group following presentation of 1st draft plan

In general, the Newberg Tourism plan is headed in the right direction

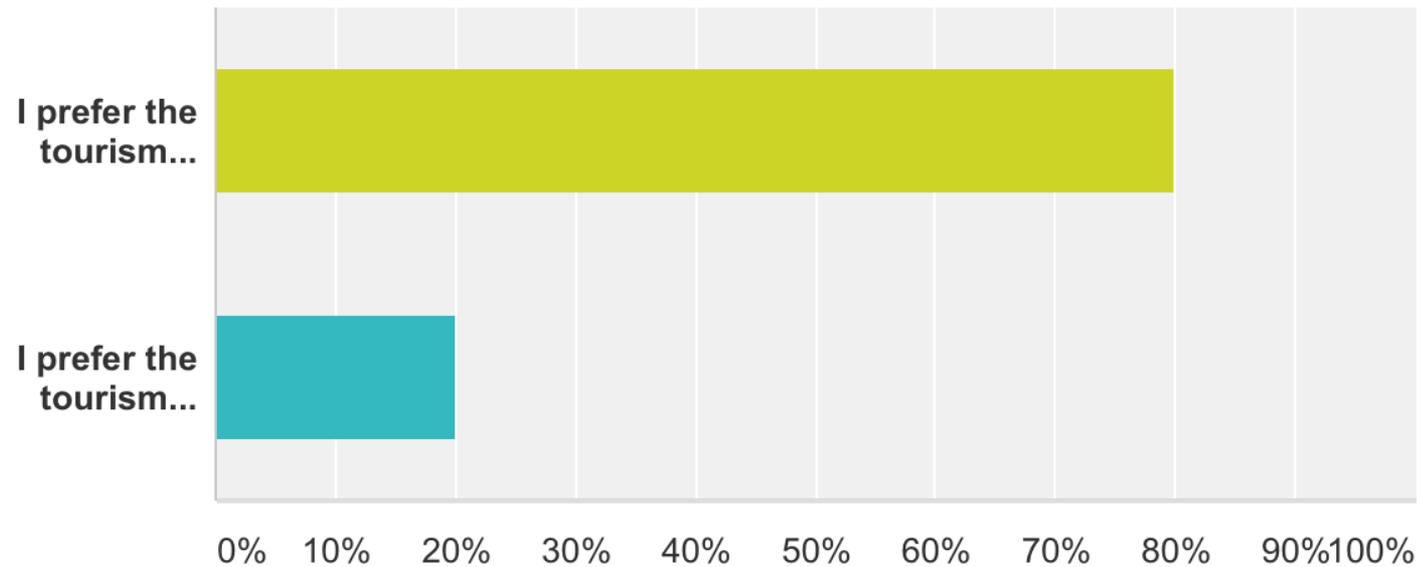
Answered: 12 Skipped: 0



Answer Choices	Responses	
Strongly disagree	0.00%	0
Somewhat disagree	8.33%	1
Mostly agree	33.33%	4
Strongly agree	58.33%	7
Total		12

The draft plan outlines recommendations for an organization that will shepherd the use of Transient Lodging Tax funds. Please indicate your preference:

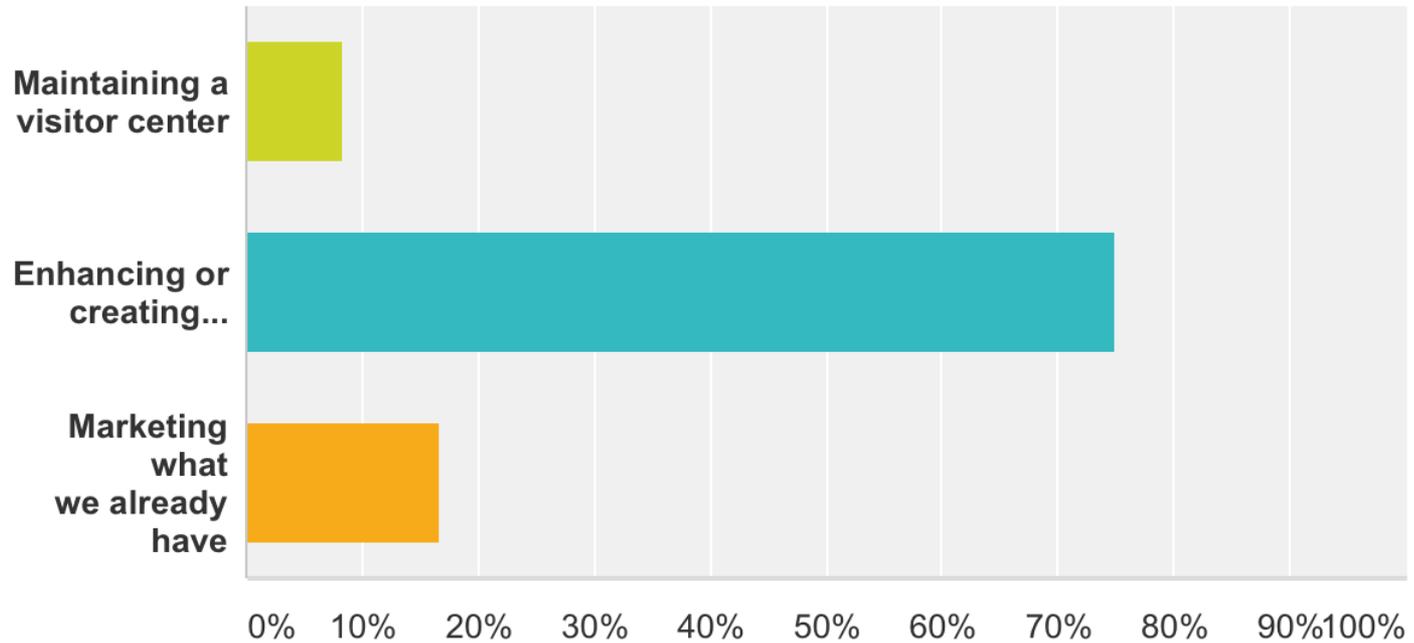
Answered: 10 Skipped: 2



Answer Choices	Responses
I prefer the tourism organization be a separate organization, but have a strong relationship with the Chamber.	80.00% 8
I prefer the tourism organization be a subset of the Chamber.	20.00% 2
Total	10

In order of importance, Newberg's tourism funds should focus on:

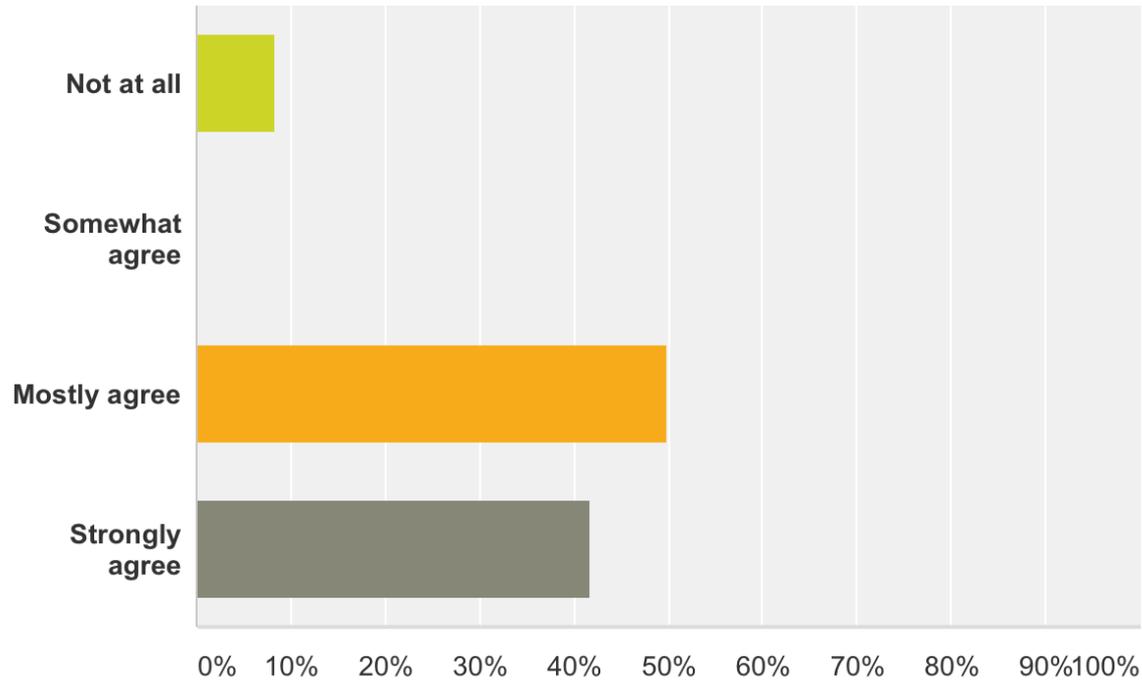
Answered: 12 Skipped: 0



Answer Choices	Responses	
Maintaining a visitor center	8.33%	1
Enhancing or creating experiences for visitors	75.00%	9
Marketing what we already have	16.67%	2
Total		12

Do you agree with the product development recommendations (slides 57-59) in the draft plan?

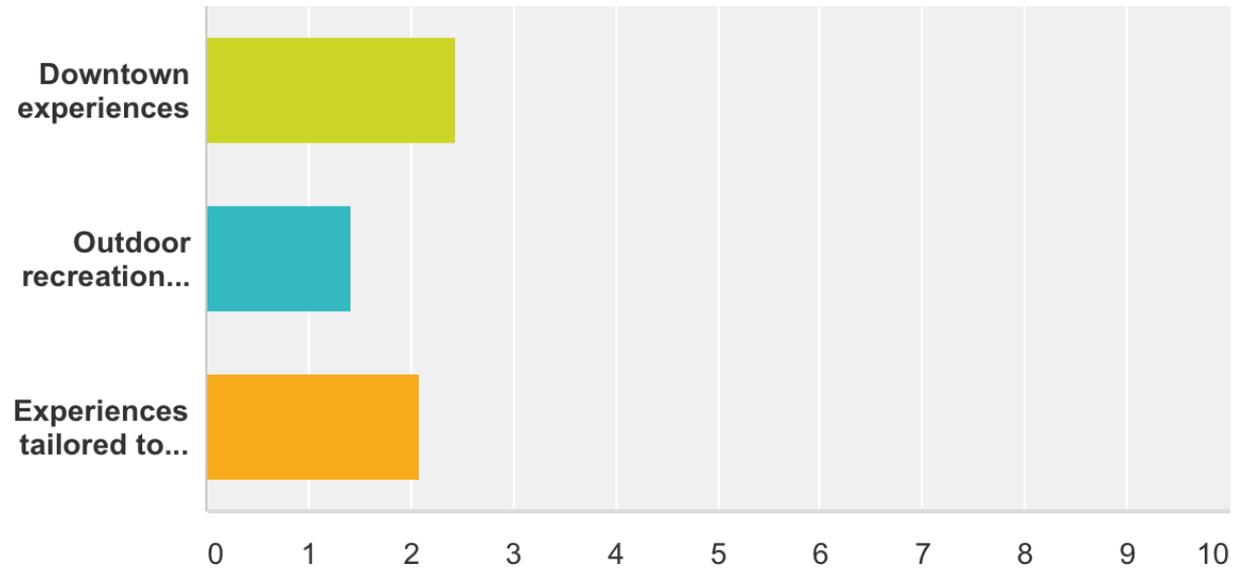
Answered: 12 Skipped: 0



Answer Choices	Responses
Not at all	8.33% 1
Somewhat agree	0.00% 0
Mostly agree	50.00% 6
Strongly agree	41.67% 5
Total	12

Which type of experience are you most excited about developing for Newberg visitors?

Answered: 12 Skipped: 0



	1	2	3	Total	Score
Downtown experiences	54.55% 6	36.36% 4	9.09% 1	11	2.45
Outdoor recreation experiences	8.33% 1	25.00% 3	66.67% 8	12	1.42
Experiences tailored to luxury wine travelers	33.33% 4	41.67% 5	25.00% 3	12	2.08



DESTINATION MARKETING

Destination Marketing

- Successful destination marketing helps achieve the overarching goals of an area's **tourism plan**.
- Destination marketing organizes a place's experiences and services (*product*) then communicates them in a way (*positioning/branding*) that inspires an identified target audience to visit that destination & consume those experiences.
- Successful marketing promotes *the destination's benefit and real value* to its audience, not just a list of attractions.
- The destination marketing plan will be developed by the new Tourism Organization and its board, and will consist of:
 - Goal(s) and measurable objectives
 - Target audience(s)
 - Brand positioning and messages
 - Tactics (e.g., PR, advertising, collateral, social media)
 - Budget
 - Timeline
 - Measurements

Destination Marketing Cycle



INSIGHTS & RESEARCH



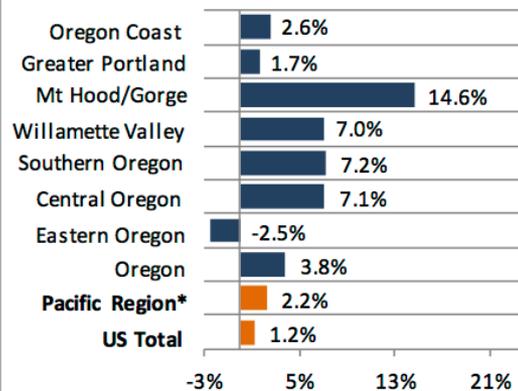
Oregon Travel Barometer – tourism is on a significant upswing in the Valley

MARCH 2016

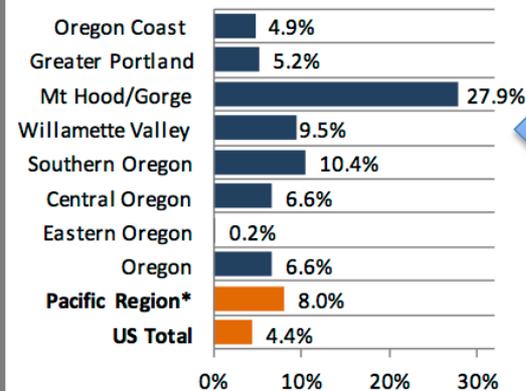
OREGON TRAVEL BAROMETER

OREGON LODGING TRENDS¹

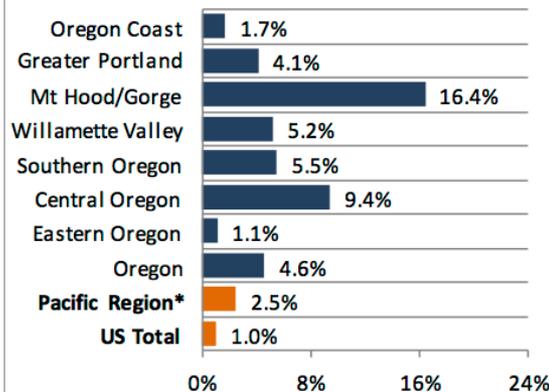
Yr/Yr Change in Lodging Demand Mar 2016 [Data](#)



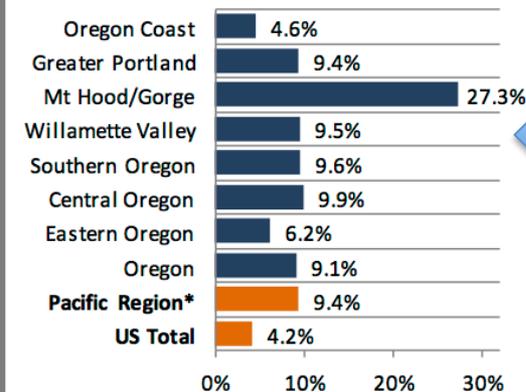
Yr/Yr Change in Lodging Revenue Mar 2016 [Data](#)



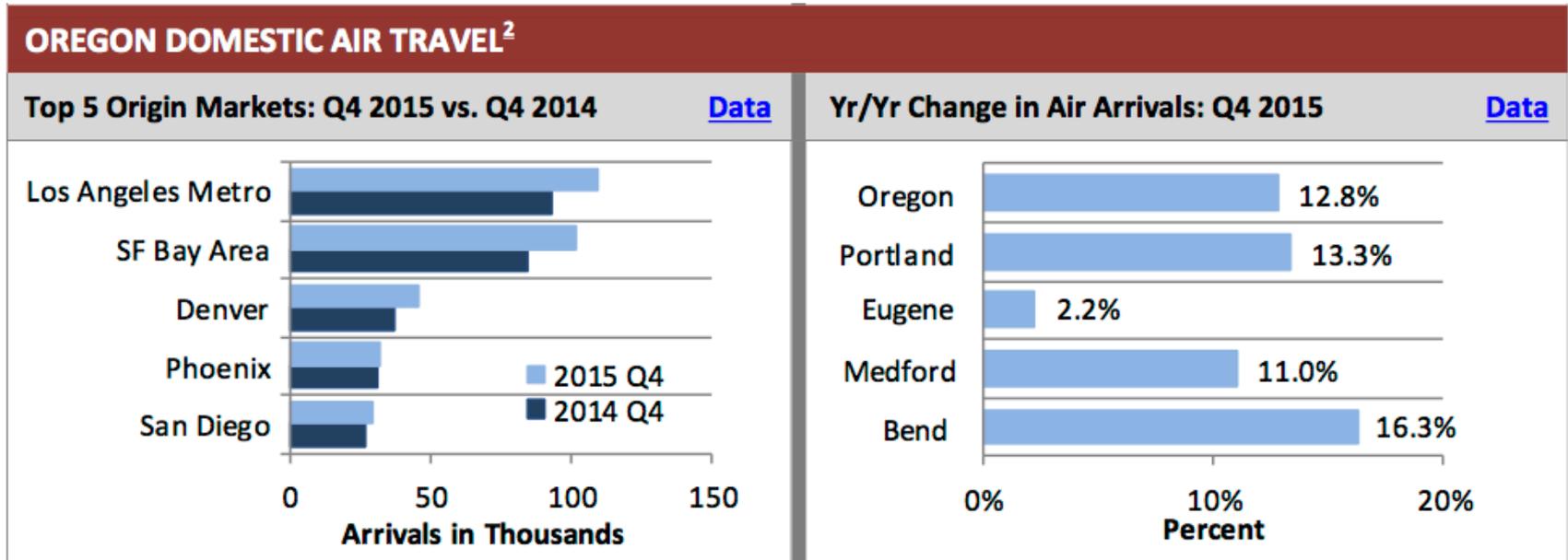
Yr/Yr Change in Lodging Demand Mar 2016 (YTD) [Data](#)



Yr/Yr Change in Lodging Revenue Mar 2016 (YTD) [Data](#)



Oregon Travel Barometer



*The Pacific Region includes the states of Alaska, California, Hawaii, Oregon and Washington.



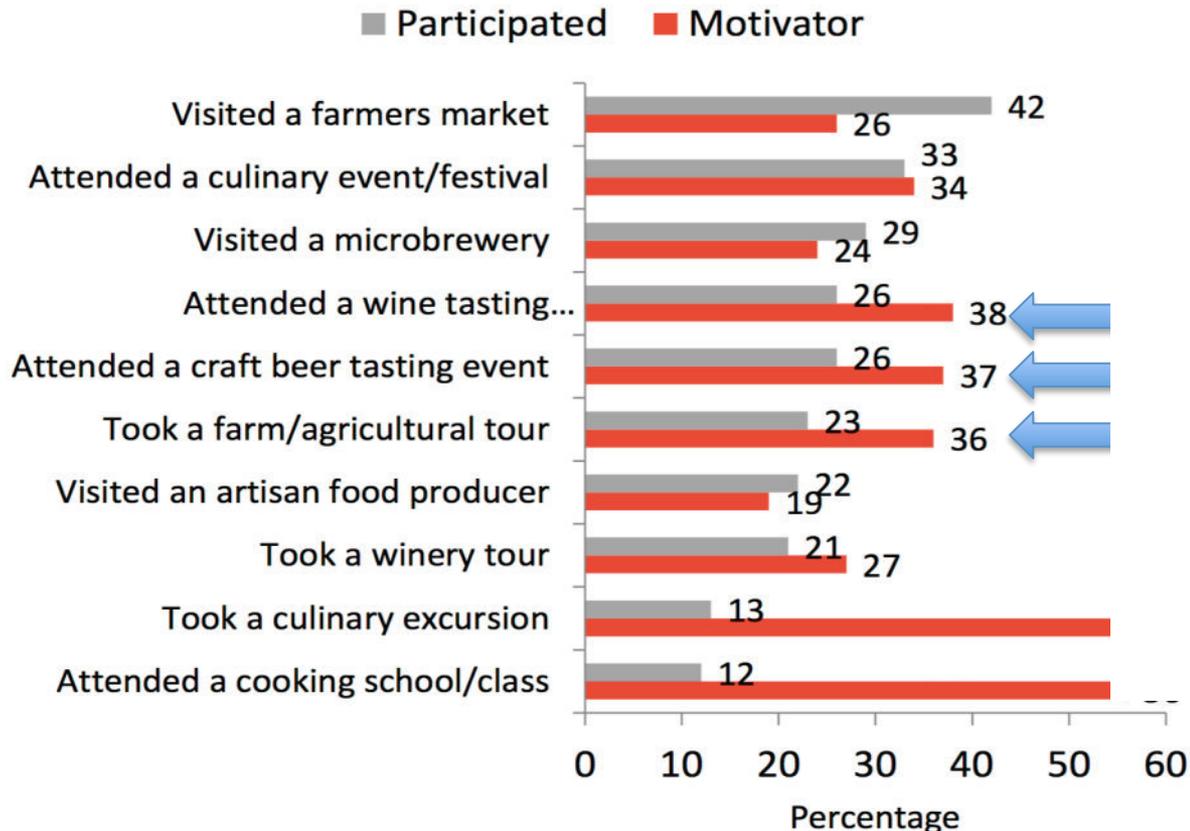
Tanya Mamchik, (503)226-2973
tanya.mamchik@deanrunyan.com

Michael Sturdevant
Michael@TravelOregon.com
(503)967-1560



TRAVEL OREGON

CULINARY ACTIVITIES



- According to the April 2013 travelhorizons TM survey, six out of ten (56%) adults who visited Oregon in the past two years said they participated in culinary experience while visiting OR
- Eight out of ten (77%) of those who participated in a culinary experience said they **planned to participate in the culinary experience in Oregon before departing from home**

Oregon's Wine Tourism Industry

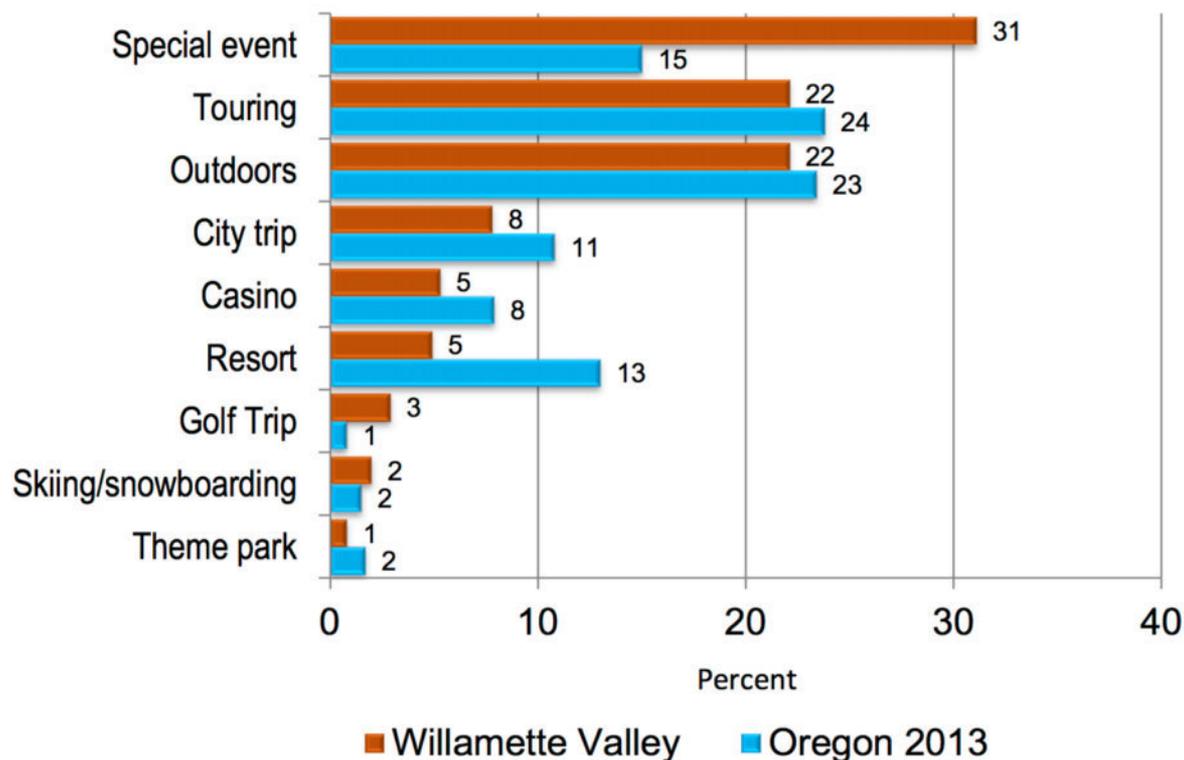
- Contributes \$207 million in annual visitor spending & creates 1.8 million wine-oriented trips each year (41% are from out of state visitors)
- Employs 2,623 employees with earnings of \$67.8 million/year
- The experience and purchase of local Oregon products while visiting significantly contributes to return visitation, and purchasing those products at home*

**Suzanne Cook, Oregon Bounty Visitor Behaviors*

Main Purpose of Marketable Trip – Willamette Valley vs. State Norm



Base: Overnight Marketable Trips



Special Events, touring and outdoors rank as high activities and ones we recommend focusing on for product development

DMA Origin Of Overnight Trip



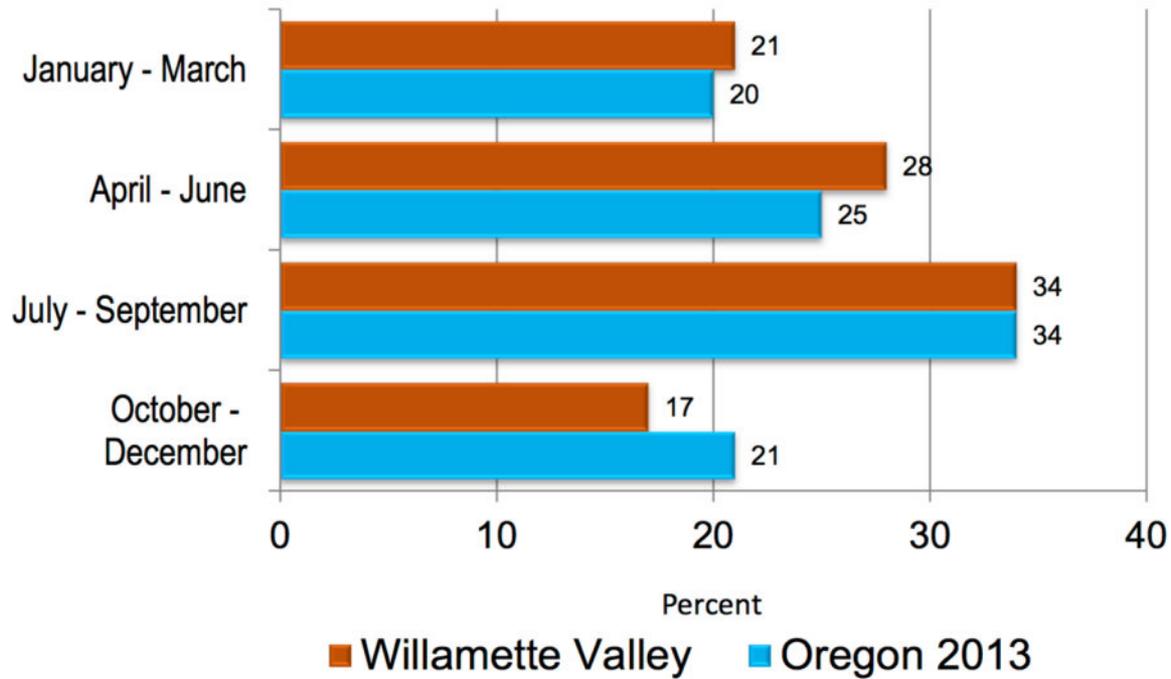
Base: Overnight Marketable Trips



Season of Trip



Base: Overnight Marketable Trips



A close-up photograph of a person's hands opening a bottle of champagne. The person is wearing a grey, perforated, sleeveless top. The champagne bottle is dark green with a white label that reads "1^{re} Réservee CHAMPAGNE La Parcelle Réservee Réservee 750ml BRUT 125M". The person's left arm has two tattoos: a small blue floral design on the forearm and a larger, intricate blue tribal-style tattoo on the upper arm. The background is a bright, out-of-focus yellow and orange, suggesting an outdoor setting like a beach or festival.

**DEFINING OPTIMAL
TARGET AUDIENCE(S)**

Wine Country Adventurers

PROFILE:

- Travels to the Valley primarily for wine, BUT they really want recreation component – think bikes on a rack/kayak on roof— opportunity to engage large volume of adventurers in 300 mile radius. It's about the combo experience
- They'd rather cycle from winery to winery— they want to earn their indulgences
- Kayak then cooking class
- Can be high income visitors; cyclists spend 20% more than typical visitor
- Age 35-55
- Portland Metro, Eugene, Seattle
- Tech savvy and avid social media users
- Into local, high quality food, craft beer
- Farmer's Markets
- Driven by their sustainability/green values



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Wine Country Adventurers

Where to find them:

- Food forward, local grocers New Seasons, Whole Foods, Farmer's Markets
- Cultural creatives, young entrepreneurs, tech, creative fields
- Breweries & locally sourced restaurants – Hopworks, Breakside, Bunk, Olympia Provisions, Salt & Straw, Food Carts, Ex Novo
- Culinary events: Feast Portland, Oregon Brewers Festival
- Instagram, Snapchat, Youtube, Mapmyride, Facebook, Stay Wild, Lucky Peach, Willamette Week, Eater, Portland/Seattle Monthly, 1859, Outside
- Retailers: Next Adventure, Bike shops, Poler, Danner, Madewell

Are we ready for them: **Somewhat**

- Invest first tranche of funds to build trail connectors, integrating parks & tourism, river access enhancements for paddlers (not just motorized boaters), better wayfinding
- Recruit bike & paddle rental shop or kiosk

What we can do in the meantime:

- Inventory all trails & recreation and feature prominently in our website & marketing
- Develop short term map printed & online that features downtown on one side and trails/rec/wine country etc. on the other
- TRAIN front line staff on visitor guest service and referral system between businesses

Millennial Explorers

PROFILE:

- 21-36
- Willing to make their own adventure—okay if a destination is “up & coming” – they like less discovered/emerging places
- Growing in affluence – important to build affinity now for your destination
- Stay at Airbnb & smaller hotels (e.g., McMenamins)
- Think Astoria 5 years ago (“Historically hip”)
- Love craft breweries/distilleries, quality local food...very discriminating taste
- Caravan coffee, Wolves & People, Downtown wine tasting rooms, local authentic food, Ruddick Wood Tavern



Millennial Explorers

Where to find them:

- Food co-ops, CSAs, local grocers, New Seasons, Farmer's Markets
- Cultural creatives, young entrepreneurs, early in careers, bike makers, chefs, high end bartenders
- Might not own cars
- They rather spend money on great food and experiences than a fancy hotel – experiences over things
- Breweries & locally sourced restaurants & food carts – Hopworks, Breakside, Bunk, Ex Novo
- Hugely event driven: Whiskeytown, Oregon Brewers Festival, Negroni Social, Cocktail Week
- HIGH: Instagram/Snapchat; Youtube, Stay Wild, Lucky Peach, Willamette Week, Eater, Portland/Seattle Monthly, following chefs

Are we ready for them: **Somewhat**

- Consistent business hours of shops/restaurants/wineries
- Developing / Integrating classes from cultural center like art classes; work with local tasting rooms & craft makers (e.g., chocolate shop to feature culinary classes)

What can we do now:

- Create curated itinerary of relevant shops/maker spaces/restaurants etc. geared to this audience
- Create stories featuring items like classes; highlight these activities in visitor guide, website etc.
- TRAIN front line staff on visitor guest service and referral system between businesses

George Fox Network

PROFILE:

- 30,000 people come to George Fox every summer
- Visiting students & alumni throughout the year
- Sports teams / fans and friends/family of athletes



George Fox Network

Opportunity to have them stay, experience and spend more locally

Where to find them:

- Alumni club
- Parent communications
- Athletics

Are we ready for them?: Yes, except...

- Need upper/mid-level independently owned hotel downtown

What we can do right now:

- Develop communications program with University to provide visitor information to audiences above
- Determine what experiences are best suited for GF visitors – develop itinerary/suggestions for them and communicate through GF channels

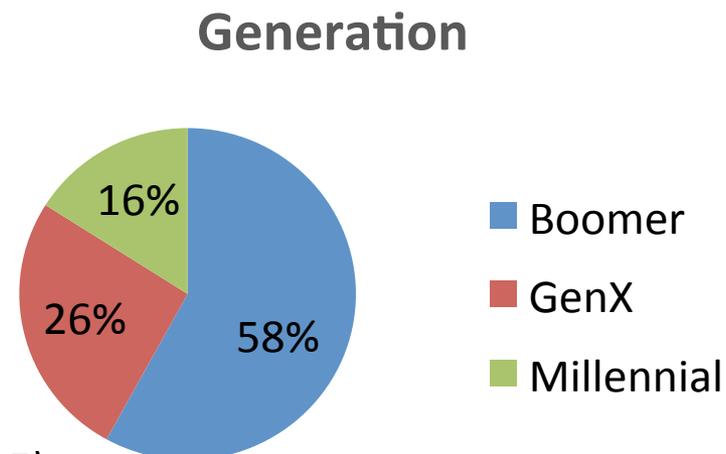
Oregon Wine – Especially in Willamette Valley 6/20/16 PAGE 85 is a PREMIUM Product

Oregon Wine Board commissioned research to better understand premium wine consumers and attitudes and perceptions of Oregon wine vis a vis competing wine regions

High Frequency High End: Consume wine at least a couple times a week and purchase wine over \$20 at least monthly.

8-10 million consumers in US who fit this profile

- Among audience, Oregon has strong perception of artisan/family wineries
- PINOT NOIR
- Exceptional quality



Wine Opinions Study (Oregon Wine Board 2015)

Luxury Wine Travelers

6/20/16
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PROFILE:

- High income culinary explorers
- Age 30-65. From Portland, Lake Oswego, Eugene, Seattle, San Francisco, LA, Vancouver BC, Texas
- (Note 32% of Amex spenders at The Allison are millennials)
- Tech savvy
- Avid home gardeners, love farmer's markets
- Into food scene / restaurants
- Green / sustainability oriented
- Buyers of the best



Luxury Wine Travelers

6/20/16
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Where to find them:

- Wine club members & wine groups
- Food forward, high-end grocers New Seasons, Whole Foods, Market of Choice, Zupans, Providore
- Arts organizations/boards; cultural creatives; professionals
- Chef driven restaurants – Sitka & Spruce, Whale & Carpenter (Seattle); Little Bird, Castagna, Ox, Imperial (Portland)
- Non-profit wine events - Classic Wines Auction (OR), Auction of NW Wines (WA)
- Culinary events: Feast Portland, Truffle Festival
- Facebook, Bon Appetit, Food & Wine, Eater, Portland/Seattle Monthly, 1859, Wine Spectator

Are we ready for them? ... **Not yet**

- The Newberg area already attracts this traveler to The Allison, & they tour the exceptional wineries nearby
- BUT downtown Newberg needs additional experiences that meet these traveler's desires: boutiques, more local restaurants (not chains), additional experiences (wine blending / cooking classes), robust arts scene

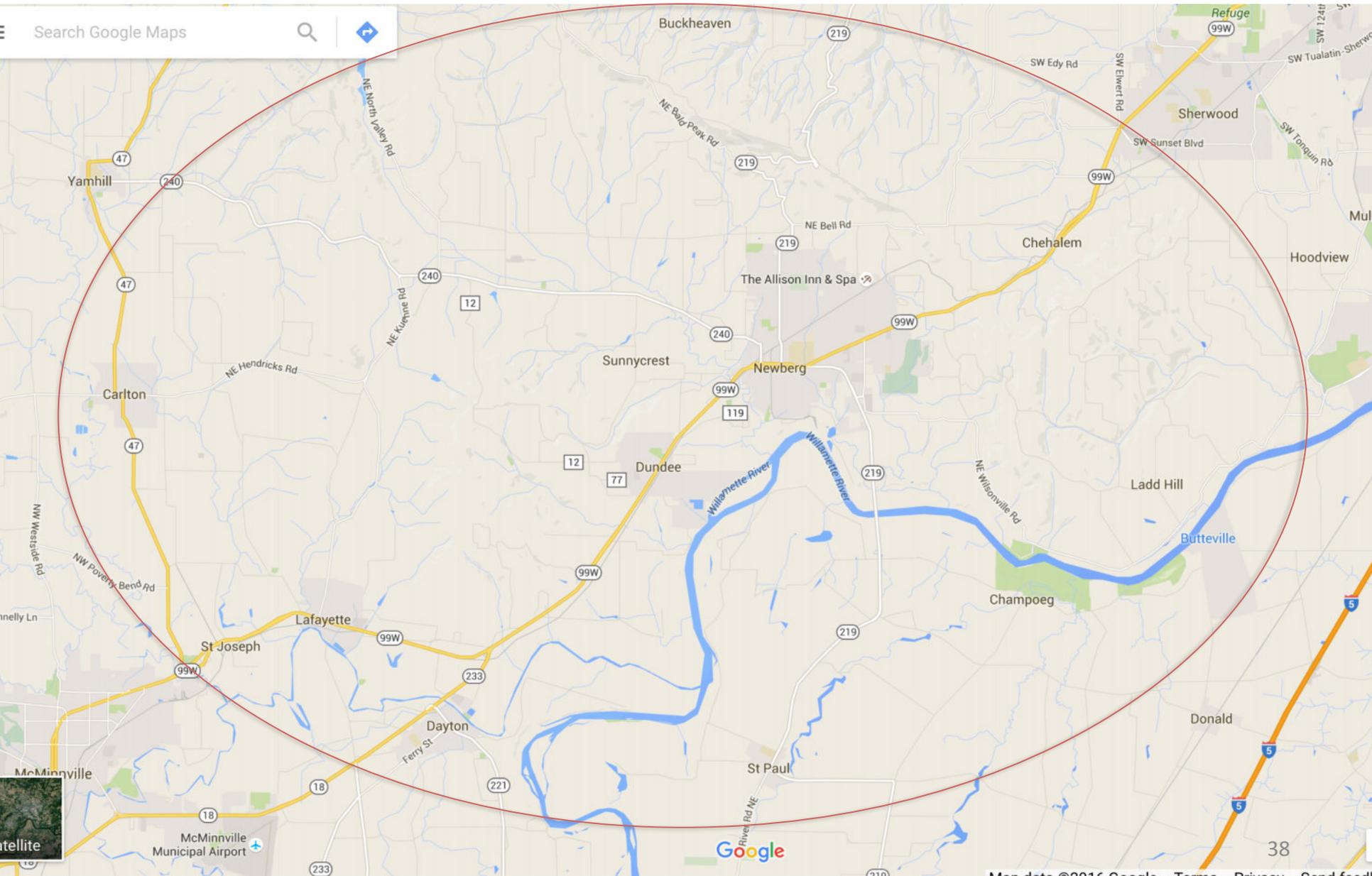
What we can do in the meantime:

- Develop & promote a very curated Newberg itinerary of specific experiences: E.g., The Painted Lady/Recipe/Ruddick Wood, Elements Art Gallery, Chehalem Cultural Center, Pulp & Circumstance, Valley Wine Merchants, Tasting Rooms, etc. & share through Allison front desk & in their channels



VISITOR
COMMUNICATIONS
LANDSCAPE

Newberg Hub & Spoke Model



Chamber Visitor Marketing Background

- The City of Newberg contracted with The Chehalem Valley Chamber (CVC) of Commerce to operate a visitor center for over 20 years. Visitor Center is staffed 7 days per week from Memorial Day - October 1st and 5 days/week. Serves 10,000 guests to VC/year.
- Scope of contract expanded to include a Marketing Services Contract when the funding was expanded in approximately 2007. \$137,000 funds not only Visitor Center operations but Tourism Marketing as well.
- Currently the CVC has a Marketing Services Contract with The City of Newberg that will expire on June 30, 2020.
- CVC provides the City of Newberg an annual budget and marketing services plan annually.
- CVC has funded \$228,481 in additional tourism marketing in the last 5 years. (providing leverage to the funds that the City provides)

REVENUE:

City of Newberg	\$137,000.00
City of Dundee Contribution	\$2,500.00
TOTAL REVENUES:	\$139,500.00

EXPENSE:

Personnel	\$62,000.00
<i>CEO</i>	
<i>Wine Education Center Manager</i>	
<i>Office Administrator</i>	
<i>Visitors Center – Seasonal Help</i>	
<i>Benefits – Retirement</i>	
<i>Taxes</i>	

Marketing	\$40,000.00
-----------	-------------

- Print Advertising*
- Online Advertising*
- Tourism Magazine – City Map*
- Willamette Valley Visitors Association – Co-op Ad Opportunities*
- Governor’s Conference on Tourism – Oregon Destination Marketing Conference*
- First Friday Artwalk participation/Trolley Sponsorship*
- Camellia Festival Support and Trolley Sponsorship*
- Newberg Christmas Lights Seasonal Electricity*
- Event Marketing – Camellia Festival, Tunes on Tuesday, Brews & BBQ*
- Website Modifications*
- Travel Yamhill Valley – Membership*
- Travel Oregon Co-op Advertising Opportunities*
- Travel Portland Magazine*
- Familiarization Tour Expenses*
- Contingency marketing dollars set-aside for unique opportunities*

Shared Expenses	\$47,979.00
-----------------	-------------

*Calculated as 1/3 of overhead in Chamber Budget applicable to tourism includes:
Dues/Subscriptions, Bank Fees, Insurance, Internet/Web Miscellaneous, Supplies,
Postage, Leases, Printing, Rent, Capital Improvements, Repair/Maintenance,
Telephone, Utilities, Professional Fees, Mileage*

TOTAL EXPENSES:	\$149,979.00
------------------------	---------------------

DIFFERENCE:	-\$10,479.00
--------------------	---------------------

Chehalem Valley Chamber funds any negative balance per contract.

Chehalem Valley Chamber

Marketing Plan (see full marketing plan in appendix)

1. To increase visitor volume, visitor spending, and economic impact for the Chehalem Valley.

Objective & Strategies: Marketing & Public Relations – To increase visitor volume, visitor spending and economic impact for the Chehalem Valley by developing awareness and preference.

- a. The Chehalem Valley Chamber will continue to advertise in regional/niche publications such as *Northwest Travel Magazine*, *Travel Portland*, and *Travel Oregon* publications to promote the Chehalem Valley as a tourist destination.
- b. Create talking points or fact sheet for use when trying to increase editorial content through guidebooks and travel writers.
- c. Leverage efforts of Travel Oregon and their contractors, to increase their knowledge of the Chehalem Valley product through personal research trips and communications.
- d. Continue to develop process for hosting media for “familiarization tours,” objective of obtaining minimum of six stories per year.
- e. Pitch story ideas to appropriate leisure and travel trade publications for the Chehalem Valley.
- f. The Chehalem Valley Chamber will engage in active prints and electronic promotions of the following annual events:
 - a. The Newberg Camellia Festival
 - b. Tunes on Tuesday
 - c. The Old Fashioned Festival
 - d. Brews & BBQ Event
- g. Increase the number of website users by 20% by increasing social media presence and increasing website usability on mobile devices.
- h. Continue use of Facebook, Twitter and Pinterest to promote the area.
- i. Continue to survey visitors to acquire a better understanding of their travel habits so that we can improve the precision of our consumer marketing.
- j. Maintain updated printed Collateral to support the objectives includes production of the Community Guide & Directory, The Chehalem Valley Field Guide, a Group travel brochure, A Wine Education Center brochure and the city/county map.
- k. Maintain content-rich visitor information on the website. On the website visitors can access information on activities, events, restaurants and lodging.

CVC Marketing Plan Cont'd.

2. Travel Trade Sales & Marketing – To increase leisure visitor volume, visitor spending and economic impact for the Chehalem Valley through the promotion and distribution of the Chehalem Valley's products to the travel trade.
3. Influence the long-term development of the destination and its brand.
4. Deliver a consistently remarkable customer service experience.
5. Foster high-value relationships with our stakeholders.

CVC Marketing Successes Past 5 Years

- Moved the Visitor Center back to Highway 99W – found private funding for a significant portion of remodel--more than doubled Visitor Center Foot Traffic. More than 10,000 visitors each year.
- Opened the Oregon Wine Education Center. Began booking independent wineries for tastings and speakers for interesting educational events that attract visitors.
- Awarded **Travel Oregon grant** to create the **Tasting Room Associate Hospitality Course (TRAHC)**. The Chehalem Valley Chamber has trained over 100 current and prospective tasting room associates.
- Continued legacy of creating events to draw visitors. (**Tunes on Tuesday, Chehalem Valley Food Wine & Art Festival, Brews & BBQ etc.**)
- **Earned media coverage** of the greater Newberg area during the tenure of the last five years has exceeded **\$3 Million dollars**.
- **Hosted in excess of 100 members of the media and travel industry**. Conduct tours; provide content for articles, source area photography, lodging, meals and activities.
- Promotes City of Newberg in print publications such as: NW Travel Magazine, Travel Portland Visitor Guide, Travel Oregon Visitor Guide, the Oregon Festival & Events Guide and more.

CVC Marketing Successes Past 5 Years

- Completed website re-fresh with expanded tourism information and more expansive events listings.
- Worked in collaboration with The Allison to create a “Group Travel” marketing brochure.
- Produced the **Chehalem Valley Field Guide** tourism magazine with distribution of **19,000**.
- Publish the City of Newberg & Dundee City Map
- Worked for the last 11 years to **create relationships with Travel Yamhill Valley, Willamette Valley Visitors Association and Travel Oregon** to provide ongoing content for their websites and publications. The Chamber has served as a strong advocate for the Newberg area.
- Chehalem Valley Chamber **recruited the Oregon Truffle Festival** which resulted in over 850 visitors in its 1st & 2nd year.
- The Chehalem Valley Chamber **recruited the 2017 American Camellia Society Conference** which will result in over 100 visitors in April 2017.
- “More Smiles” Community customer service training.
- CVC working closely with the City of Newberg to identify and **recruit a new lodging partner** to Newberg

THE
CHEHALEM
VALLEY
Field
GUIDE



A POCKET MANUAL FOR IDENTIFYING
FERMENTED AND EPICUREAN ADVENTURE

2015-2016

*
MORE THINGS
chehalemvalley.com

**INDOOR
*Activities***

1. Newberg's First Friday
2. Annual April Camellia Festival
3. Chehalem Cultural Center & Art Elements art openings
4. Coffee cupping at Caravan Coffee every Friday morning
5. Amazing free concerts offered by George Fox University / georgefox.edu

**OUTDOOR
*Events***

1. Play disc golf at Hoover Park
2. Stop and smell the roses at Heirloom Rose Gardens
3. Oregon olive oil tasting at the Oregon Olive Mill
4. Launch your kayak, canoe or rubber raft at the Chehalem Paddle Launch
5. Bicycle at Champoeg Park; bike to Butteville
6. Sherwood wildlife viewing area
7. Visit the world-class Chehalem BMX Track & Skatepark / cpdnewberg.org
8. Stroll down walking trails / cpdnewberg.org
9. Enjoy a picnic and photography at one of 200 area vineyards
10. Skip rocks at Rogers Landing on the Willamette River

**ALMOST
*Anytime***

1. Browse books and magazines at the Newberg Library
2. Visit the Chehalem Cultural Center
3. Olive oil tasting at the Oregon Olive Mill
4. Learn the history of winemaking in Yamhill County at the Oregon Wine Education Center in the Visitor's Center
5. Shop First Street in Newberg
6. Visit the fenced-in dog park
7. Check out the Champoeg Visitor Center
8. Pet the llamas at Rain Dance

**25
*Free things
to do***

**OUTDOOR
*Events***

1. Memorial Day Power Boat Races at Rogers Landing
2. Farmer's Market Entertainment on Wednesdays
3. Tunes on Tuesday (July 14 through August 25)
4. July Old Fashioned Festival Parade & Entertainment Stage
5. Newberg Historic Homes Walking Tour



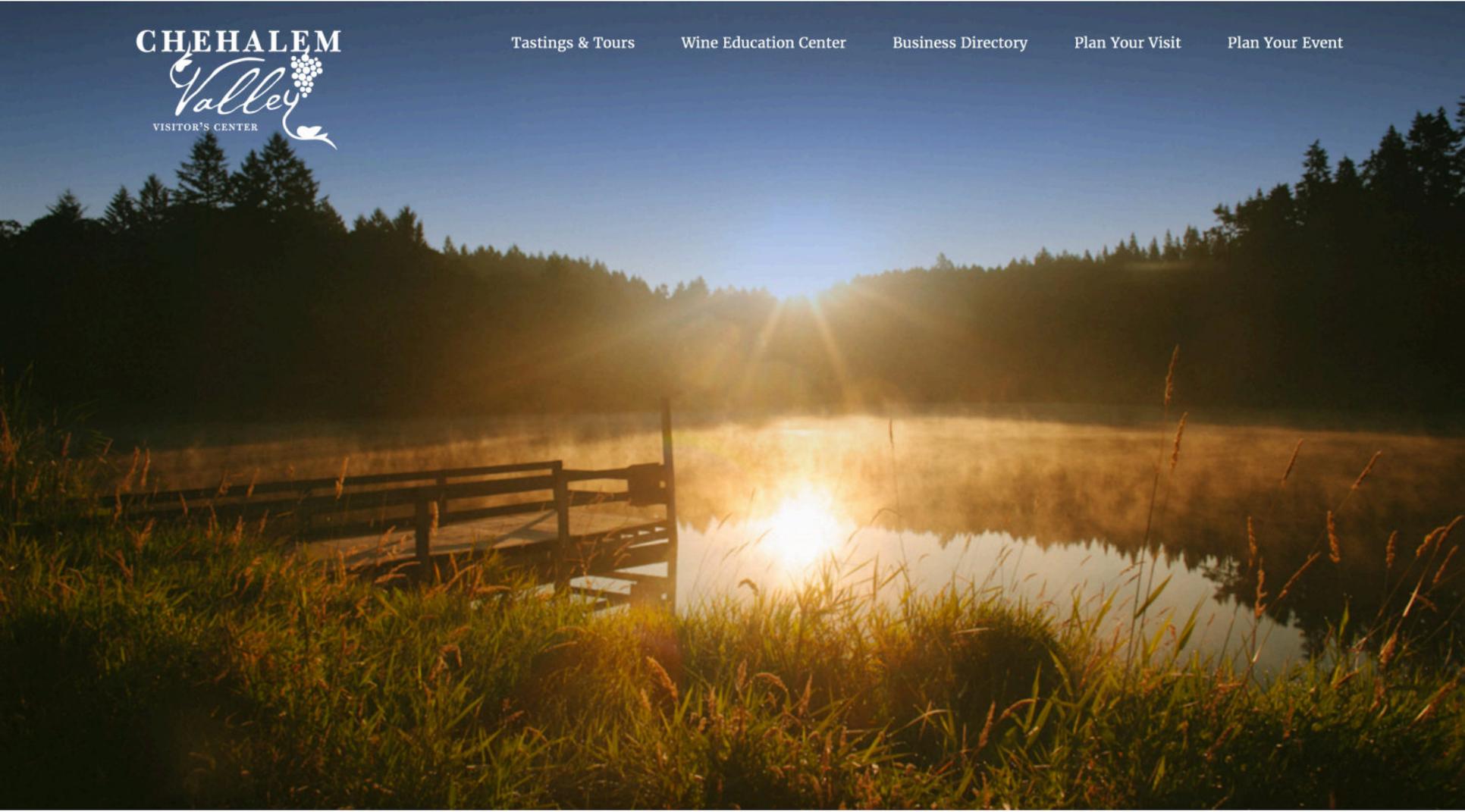
[Tastings & Tours](#)

[Wine Education Center](#)

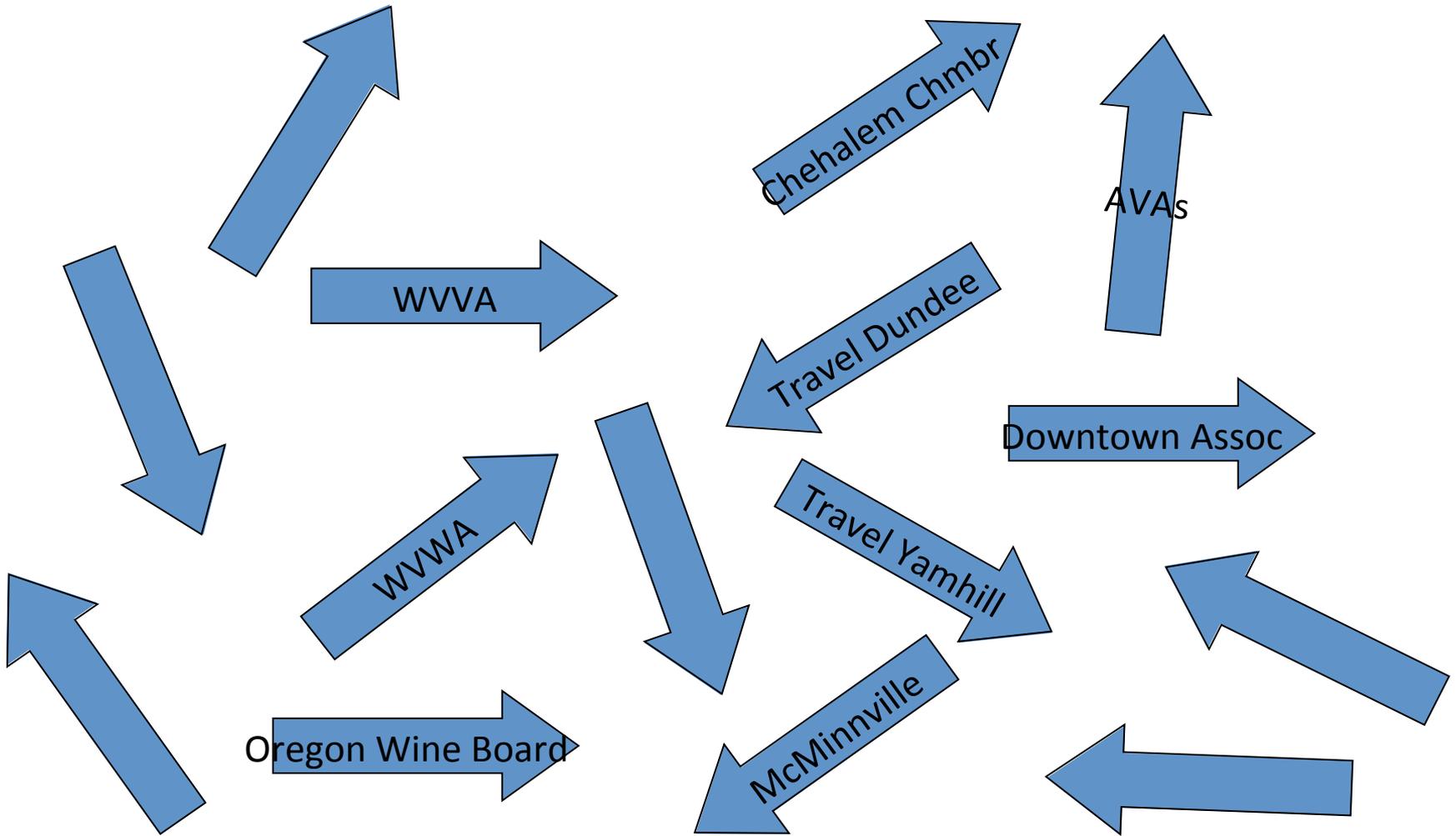
[Business Directory](#)

[Plan Your Visit](#)

[Plan Your Event](#)



We've Created a Chaotic Visitor Information Network



The Following Organizations each Publish Guides, Maps and Websites & Social media to Promote this Area

- Chehalem Valley Chamber (Newberg Chamber)
- Willamette Valley Wineries Association
- Travel Yamhill
- Visit Dundee
- Visit McMinnville
- Downtown Associations
- Willamette Valley Visitors Association
- North Willamette Vintners
- AVA Associations
- Oregon Wine Board
- And more....



DUNDEE EVENTS WINERIES RESTAURANTS SHOPPING LOGGING

Discover Dundee, nestled in the Red Hills of the Willamette Valley

"With the Willamette River on one side and the wine world-famous Dundee Hills on the other, this small town has one of the most beautiful locations in the Willamette Valley" - Terry Richard, *The Oregonian*

Sip & Savor

Stay

Shop



Escape to Oregon's Stomping Ground, in the heart of the Willamette Valley!



EXPLORE TIPS TO DO NOTES TYV CONTACT



McMINNVILLE
oregon

McMinnville Wine Dine Explore Stay Events Travel Tools About Us



McMinnville, Oregon - The Heart of Oregon Wine Country

A warm, inviting, and genuine friendly atmosphere is what you'll find on your next getaway to McMinnville, Oregon. Whether it's the nostalgic feeling of walking below the majestic maple trees lining the historic downtown's shopping district, or the satisfying sensation of drinking some of the world's best Pinot Noir grown and fermented at a vineyard just down the road, you're sure to experience the



Travel Dundee, Travel Yamhill Valley and Visit McMinnville websites



Willamette Valley Visitors Association
(Regional DMO – Destination
Marketing Organization)

Willamette Valley Wineries
Association – largest winery
association in the state



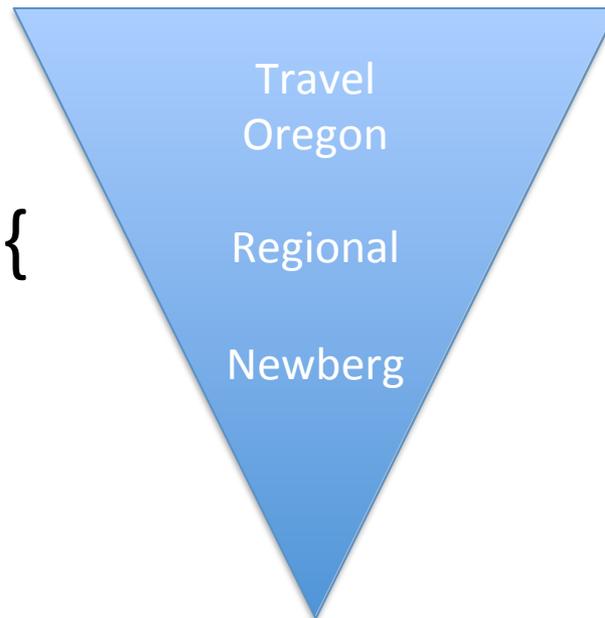
We are making it hard for our visitors to figure out how to visit the area

- No common messaging
- No shared events calendar or information source
- No consistent itineraries
- Confusing! What's Chehalem Valley? North Willamette Valley? Newberg? Yamhill County? Not to mention the AVAs

Most Effective Approach

- Travel Oregon gets visitors to the state \$\$\$
- A Strong Regional association attracts visitors to this area \$\$
- Local towns (including Newberg) lure visitors to your town \$

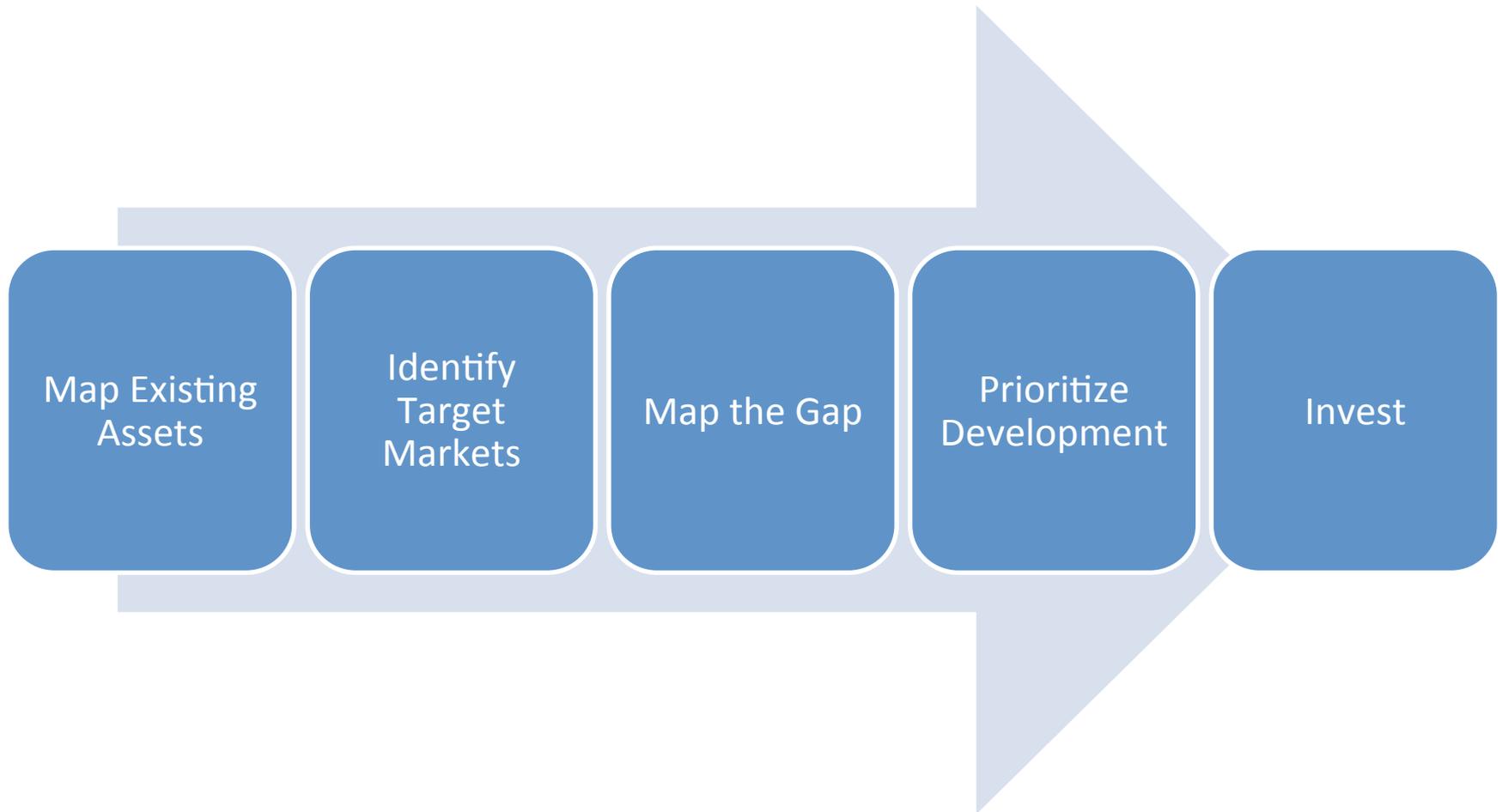
Message Alignment {



DESTINATION DEVELOPMENT



DESTINATION DEVELOPMENT PROCESS



DESTINATION DEVELOPMENT SWOT

6/20/16
PAGE 106

Strengths

- Wine country cache
- Community of makers – artists, brewers, wine makers, cultural center
- The Allison – market knowledge, growth, high value clientele, community engagement
- Already attracting luxury travelers
- Proximity to urban centers
- 200 + wineries within 1 hour

Weaknesses

- Historic perception of Newberg as “drive through – nothing to stop for”
- 99W
- Lack of lodging inventory
- Lack of safe cycling infrastructure
- Lack of cycling and outfitting companies
- Lack of partnerships – geographic and industry
- Restaurants – chef driven farm to table restaurants

Opportunities

- Alternative lodging
- Mid-tier, independent hotel recruitment
- Outdoor rec meets makers
- Willamette River access
- Connecting trails to wine country and downtown
- Cycling – connecting to WV Scenic Bikeway / Parrot Mt trails
- Bypass alleviating downtown congestion

Threats

- Workforce/labor – capacity, housing
- Downtown vacancies
- Variance in federal funding for needed infrastructure improvements (downtown)
- Corporate purchase and consolidation
- Rapid development could jeopardize character
- Confusion around destination brand and champions

DESTINATION DEVELOPMENT

Goal

Newberg is a thriving wine country destination known for its culture of makers, producers, and entrepreneurs, with a downtown that matches the allure of surrounding countryside.

It's a vibrant home base for wine country/ culinary and soft adventure travel.

DESTINATION DEVELOPMENT

Newberg: A Tale of Two Cities



Breathtaking rural
countryside/wine country
right outside of Newberg



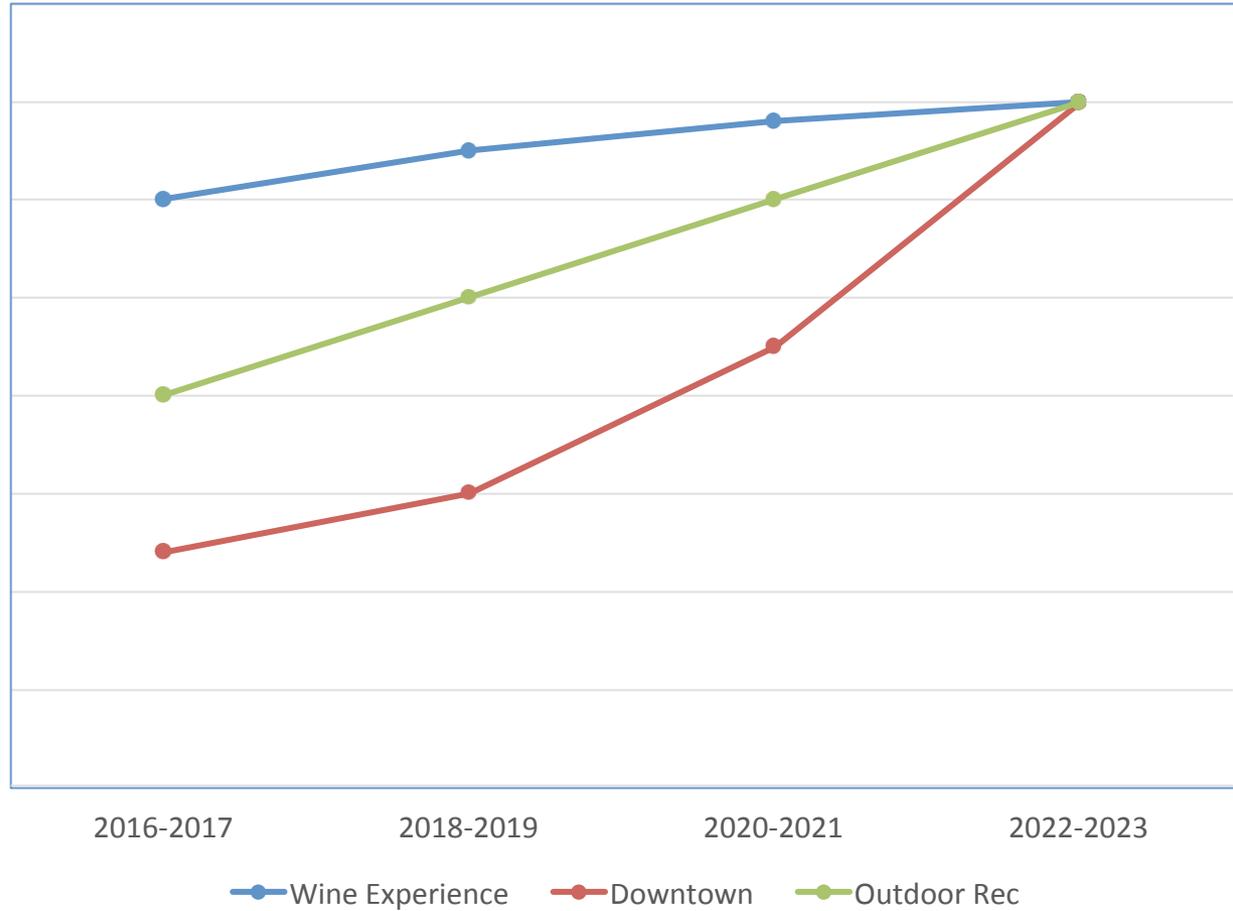
Hyper commercial approach to downtown
Newberg, then a downtown with mix of some
nice retail & restaurants, BUT also vacancies, car
lots & misc. businesses – some rundown

Newberg's Destination Development Pathway

Mature

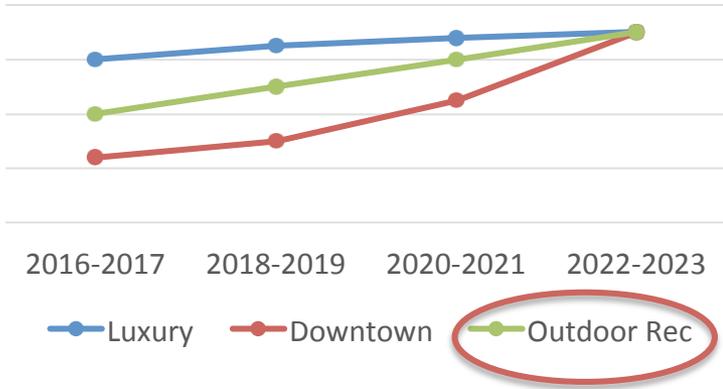
Emerging

Developing



OUTDOOR RECREATION

Newberg's Destination Development Pathway



Phase 2

- Recruit bike shop
- Recruit/enable water sport rentals
- Build out access to Rogers Landing, landfill and Ewing Young Park

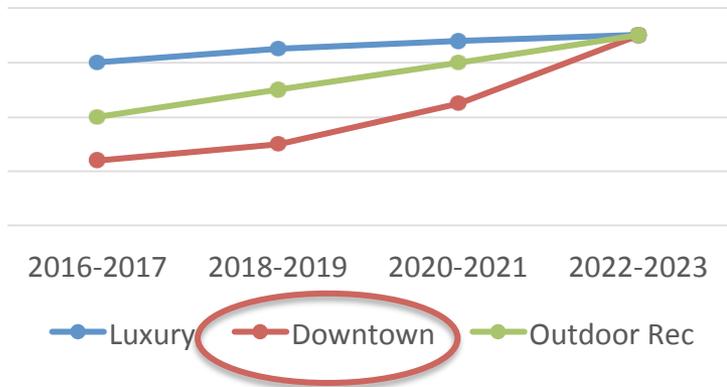
Phase 1

- Route connector from WV Scenic Bikeway & wayfinding
- Invest in 300 acres of Parrett Mtn. trail development
- Connect trails from Parrett Mtn. to downtown and tourism assets
- Invest in Chehalem Heritage Trails
- Build alternative lodging network (e.g., airbnb)

Phase 3

- Paddle launch infrastructure on waterfront
- Newberg-Dundee paddle launch connector
- Campsites at Chehalem Nature Park near 219 & Willamette River

Newberg's Destination Development Pathway



Phase 2

- Boutique shop recruitment
- Wayfinding
- Begin 1st St. redevelopment
- Bike lanes
- Hancock St reinvention
- Upper/mid independent hotel – needs to be top priority (80 rooms; avg. \$150/night)

DOWNTOWN DEVELOPMENT

Phase 1

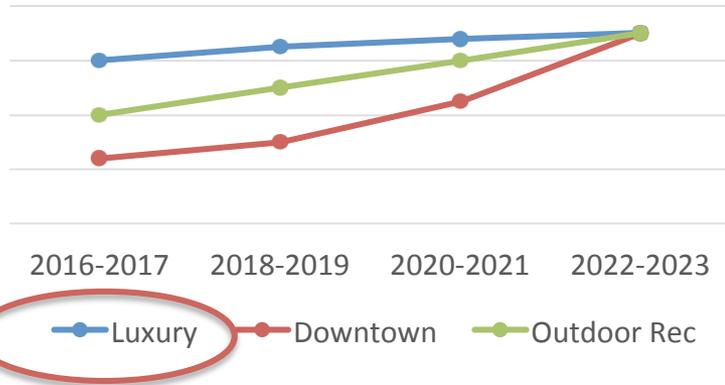
- Façade improvement program
- Visitor friendly permitting (e.g., sidewalk cafes, rooftop bars)
- Visitor friendly zoning (e.g., 3 lanes to 2, broader sidewalks, bike lanes, cross walks)
- Business incentives & recruitment
- Public art & Cultural Center investments
- Bypass completion
- Build alternative lodging network (e.g., airbnb)

Phase 3

- Emerging toward Willamette
- Private sector rides the wave

WINE COUNTRY LUXURY

Newberg's Destination Development Pathway



Phase 1

- Recruit chef driven restaurants (high quality, but doesn't need to be high priced)
- Recruit boutique shopping
- Cooking classes & maker events
- Cultural center classes for visitors

Phase 2

- See Downtown Development
- Cultural Center / Theater development

Phase 3

See Downtown Development

Newberg Downtown Improvement Plan

1. Downtown will be a ***vibrant, inviting, and fun destination*** for those coming from near and far
2. Downtown streets will be ***pedestrian-friendly and safe*** for all modes of transportation
3. Downtown will be the ***center for public life*** - a place to shop, work, visit, gather and play
4. Downtown will have ***increased density, a diverse mix of businesses*** and a ***broad range of places in which to live***
5. Downtown will be ***easy to navigate*** through attractive, effective signage and ***physical connections*** between activity centers and districts
6. Downtown will have a variety of ***easy-to-find parking*** options
7. New development and redevelopment will ***complement older and historic buildings***
8. Downtown will be “people-oriented” with attractive, comfortable, and functional ***amenities or public uses on the sidewalk*** or in other right of way
9. Downtown will build upon Newberg’s ***strong community spirit***, and ***incorporate public art*** reflecting the local character
10. Downtown will have the appropriate type and level of infrastructure to support the envisioned future type, mix and intensity of uses

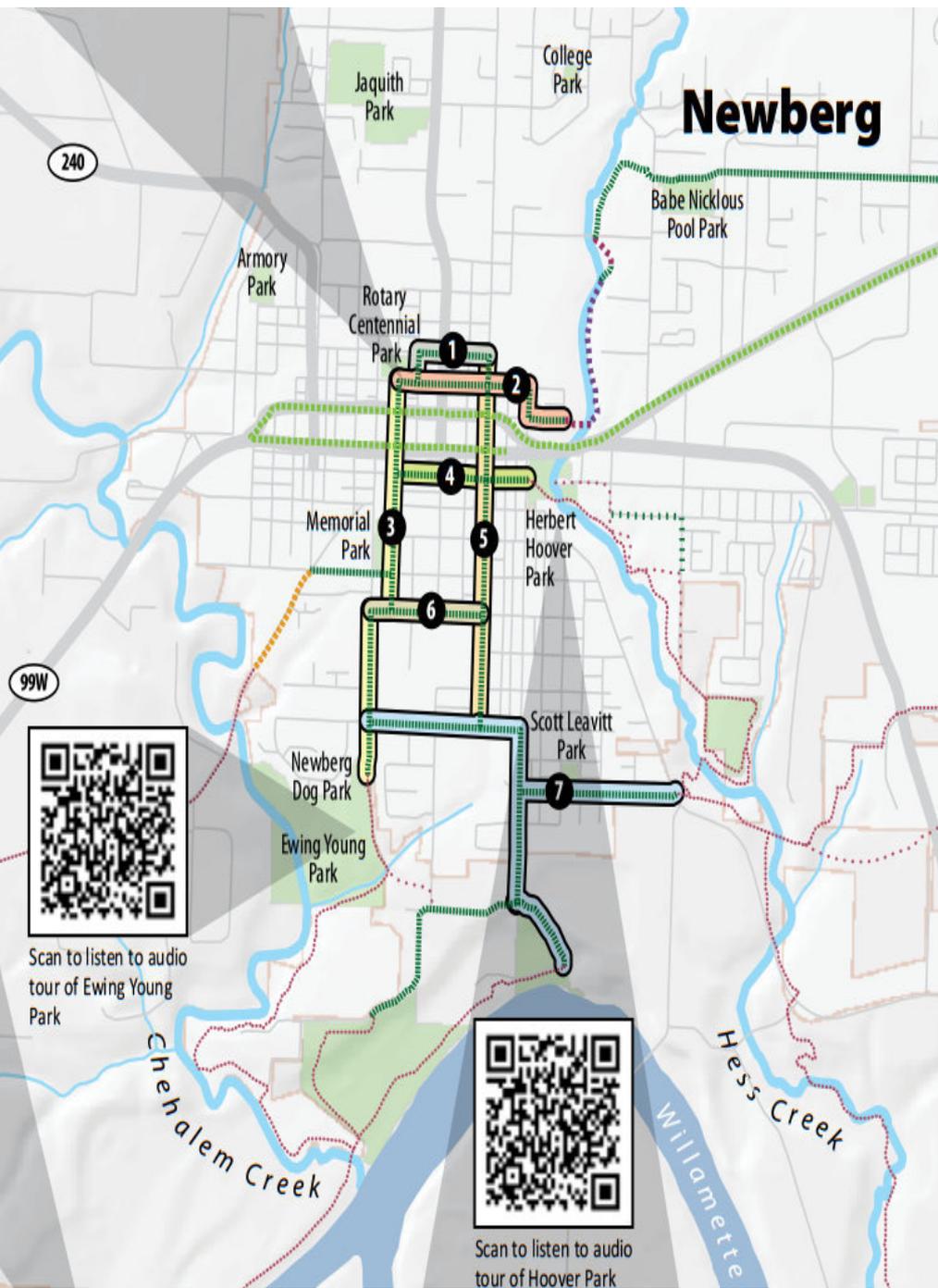
Newberg's Economic Development Strategy

- 2.1 Revitalization for Downtown Newberg
- 2.2 Retain Existing Commercial/Retail Businesses in Newberg
- 2.3 Redevelop Vacant and Underutilized Commercial/Retail Sites
- 2.6 Support Creation of New Retail/Commercial Businesses
- 3.1 Foster Entrepreneurial Business Formation and Growth
- 3.2 Establish an Innovation Accelerator
- 3.3 Buy Local Campaign
- 3.4 Enhance Business Mix in Downtown Newberg
- 3.5 Workforce Development
- 3.8 Business Financing Program
- 4.1 Increase Tourist/Visitor Counts In Newberg

4.2 Support and Expand Events that Increase Activity in Downtown Newberg Year Around

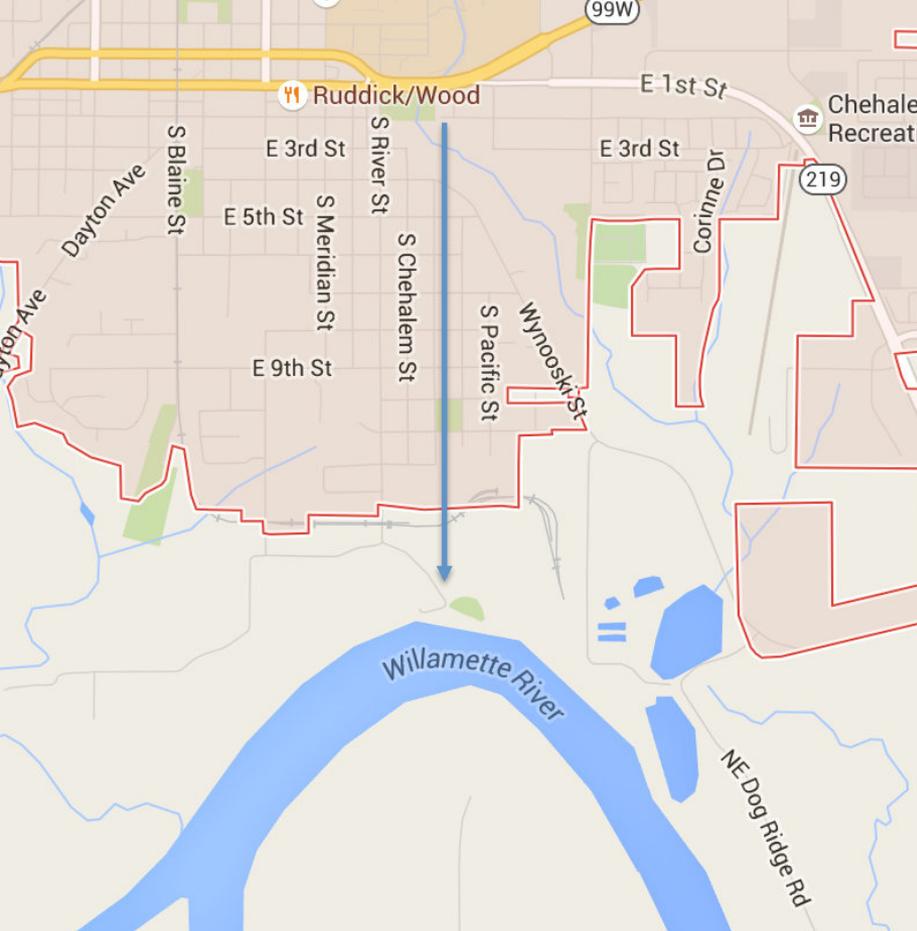
4.3	Transient Lodging Tax Program
Actions	1. Establish transient lodging tax workgroup on uses of Transient Lodging Tax.
	2. Engage consultant to develop a comprehensive Tourism Action Plan that encompasses the existing Visitor Center as well as new marketing initiatives funded by the 2014 increases in Transient Lodging Tax.

Newberg



Implementing these strategies will result in:

- Increase spend
- Stay another day
- Increase shoulder and off season travel
- Experiences that build Newberg's cache as a haven for makers and connoisseurs
- Drive downtown traffic (and bike traffic) and spend
- Make Newberg more wonderful for people who live there
- Increase businesses related to these industries (vertical wine industry integration, suppliers to makers, etc.)



MOON SHOT: RIVER TOWN

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What: Downtown Newberg is connected to the Willamette River. Downtown evolves south. Retail, restaurants, bike lanes & sidewalks encourage river to downtown flow.

River access is enhanced. Public space improvements include riparian enhancements, outdoor event space, possible campsites.

Why: Outdoor recreation meets wine country. Unique combination of experiences that appeal to high value market, proximity to downtown and increased spend. Significant lack of water recreation near urban centers.

Partners:

- Chehalem PRD
- Rental/Operator
- Yamhill County
- Oregon State Parks



Whatever happened to the Champoeg amphitheater?

For a five-year stretch in the 1990s, the open air amphitheater on the west side of Champoeg State Heritage Area was a prominent part of the park's summer programming. Original

NEWBERGGGRAPHIC.COM

What: A signature event that showcases Newberg's makers culture, and capitalizes on the booming music festival scene while building a destination brand.

Champoeg State Park and local hotels host overnight visitors. Tasting and making classes, hosted by local brewers, winemakers, chefs and artists, spread attendees out throughout the park and city. The festival's growth parallels Newberg's maturation as a destination, and cements its reputation as the makers destination.



MOON SHOT: REINVENT THE OLD MILLS SITE

What: A mixed use development that connects locals and visitors to the Willamette River. The development turns a liability into a centerpiece of sustainability, culture, outdoor recreation, events, and serves as a public square.

Comps:

- Torpedo factory, in Alexandria, Va. Redeveloped in 1983.
- Oregon City, OR, Pelican Site including Riverwalk and potential whitewater center, which will create a roadmap, and create demand.



What problem are we solving?

- Can you fill the visitor's day(s)?
- What can the visitor access?
- Are you maximizing visitor's value?
- What makes Newberg unique?

What Happens Next?

Destination Tourism – Successful Approaches

- 3 - 3 - Sleep
 - Encourages visitors to build their days around breakfast/activity/lunch/activity/dinner/activity – overnight
- 10 - 10 - 10 after 5
 - A successful visitor destination should have 10 unique eateries (bakery, café, restaurants, wine tasting rooms), 10 unique retail shops; 10 of those establishments from both categories need to be open after 5 pm

Destination Development & Marketing Strategy

Newberg will invest TLT funding in **DESTINATION DEVELOPMENT** projects that enhance the destination, particularly those that create unique wine country/culinary tourism-oriented experiences and links to outdoor recreation. Much work needs to be done before the City of Newberg is competitive as a stand-alone wine country destination: downtown renovation, recruitment of an upper/mid tier lodging property, more restaurants, shopping, signage and wayfinding, to name a few.

Newberg is uniquely positioned to appeal to visitors interested in experiencing wine country and outdoor recreation experiences, or wine country and creative arts. While the foundation for outdoor recreation and arts experiences exists, **they are still only about 80% ready for a quality visitor experience.** TLT funds should be focused on creating experiences that complete the 20% - connecting wine country to outdoor recreation, and arts experiences. Once these types of experiences are refined, TLT funds should be awarded through a granting program that aligns with the destination development strategy.

From a **DESTINATION MARKETING** standpoint, Newberg should focus on growing their marketing efforts over time. Our recommendation is that destination development should be the primary focus of funding projects for 2016-2018; however, developing early, effective key marketing tools can be wins in activating & maximizing the spend of “low hanging fruit” audiences already coming to the area. Focus on your current strengths, then in a year or two, grow your marketing to attract new audiences when the destination is more developed.

(see slides 84-85 for timeline)

Framework

This framework guides decision making for TLT investments and aligns with criteria for project selection.

It promotes economic development encouraging visitors to:

- Stay another day
- Increase visitor spend
- Shoulder and off-season visitation
- *Create unique wine country experiences that distinguish Newberg from nearby destinations*

It prioritizes destination development and marketing that:

- Connect visitors to trails, parks, and the Willamette River
- Provides access to the Willamette River
- Promotes and provides access to the arts, especially experiential arts, i.e., cooking classes, cultural center classes
- Improves the downtown experience
- Builds foundational tools for destination marketing
 - Targets outdoor recreation and George Fox travelers

Guidelines for how TLT Dollars can be spent

The TLT tourism amount can be spent on one of 3 categories (ORS 320.300):

(7) Tourism promotion means any of the following activities:

- (a)** Advertising, publicizing or distributing information for the purpose of attracting and welcoming tourists;
- (b)** Conducting strategic planning and research necessary to stimulate future tourism development;
- (c)** Operating tourism promotion agencies; **and**
- (d)** Marketing special events and festivals designed to attract tourists.

(8) Tourism promotion agency includes:

- (a)** An incorporated nonprofit organization or governmental unit that is responsible for the tourism promotion of a destination on a year-round basis.
- (b)** A nonprofit entity that manages tourism-related economic development plans, programs and projects.
- (c)** A regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income.

(9) Tourism-related facility means:

- (a)** A conference center, convention center or visitor information center; **and**
- (b)** Other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.

Tourists are defined as follows:

10) Tourist means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the persons community of residence, and that trip:

- (a)** Requires the person to travel more than 50 miles from the community of residence; **or**
- (b)** Includes an overnight stay.

Framework

Destination Development: Decision making framework TLT investment strategy

TLT Investment Framework	Yes/No	Notes
Align with TLT regulations		
Promote or create experiences for: <ul style="list-style-type: none"> - Outdoor recreation visitor - Experiential arts - Wayfinding - Downtown enhancement (years 5+) 		
Appeals to designated audiences in tourism plan		
The project will create or enhance an experience for shoulder or off-season visitors		
Is a priority for partner organization		
Builds on existing assets		
Leverages funding		

Criteria

Destination Development: Criteria for selecting destination development projects

	Weight	Score
Ratio at which TLT funds will be matched	Ratio	
Project will connect visitors to existing assets - strength of existing assets - strength of connecting asset		
Alignment with target market - Wine country adventurers - Millennial Explorers - George Fox visitors - Luxury Wine Traveler	(1-2 for each target audience) WCA ME GFV LWT	
Can be completed in 6-12 months	Yes 1/No 0	
Lasting impact and utility	(1-4)	

Criteria – Project EXAMPLE

Destination Development: Criteria for selecting destination development projects

EXAMPLE: Cultural Center Commercial Kitchen (22-18 = **greenlight**; 17-13 = **yellow**; 12 & below **red**/pass)

	Weight	Score
Ratio at which TLT funds will be matched	3:1	3
Project will connect visitors to existing assets		
- strength of existing assets	(1-4)	3
- strength of connecting asset	(1-4)	4
Alignment with target market	(1-2 for each target audience)	
- Wine country adventurers	WCA	1
- Millennial Explorers	ME	2
- George Fox visitors	GFV	1
- Luxury Wine Traveler	LWT	2
Can be completed in 6-12 months	Yes 1/No 0	1
Lasting impact and utility	(1-4)	4
Total Score		21 79

Budget Framework

Spend	Function	Cost
Marketing/Visitor Center	Audit	\$137,548
Destination Manager	Fundraising, collaboration, partnership building	\$100,000
Operating costs		Included in CV Chamber contract
Destination Development	80% -> Visitor ready	\$122,069

Projected TLT Revenues

**City of Newberg
Transient Lodging Tax
Revenues and Uses Analysis**
Prepared May 5, 2016

		Budget		Projections			
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Gross Operator Receipts		11,423,248	11,994,410	12,354,242	12,724,869	13,106,615	13,499,813
	<i>Year over Year % growth</i>	11.079%	5%	3%	3%	3%	3%
Net City Receipts **							
	6% tax	651,125	683,681	704,192	725,318	747,077	769,489
	3% tax	325,563	341,841	352,096	362,659	373,539	384,745
		976,688	1,025,522	1,056,288	1,087,977	1,120,616	1,154,234
Required Tourism Spending							
	17.60%	114,598	120,328	123,938	127,656	131,486	135,430
	70%	227,894	239,289	246,467	253,861	261,477	269,322
		342,492	359,617	370,405	381,517	392,963	404,752
Beginning Cash Balance 16/17		-	157,113				
Interest Earnings		1,621	2,564				
Total Available for Tourism 16/17			519,294				
Uses							
	Visitor Center ***	137,000	137,548	141,674	145,924	150,302	154,811
	TLT Plan	50,000					
	Unallocated Tourism Activity	157,113	381,746	228,731	235,593	242,661	249,941
	City Services	634,196	665,905	685,883	706,460	727,653	749,482
		978,309	1,185,199	1,056,288	1,087,977	1,120,616	1,154,234

** City Tax is applied to Gross Operator Receipts. Operators are allowed to retain 5% of that tax and submit 95% of the tax to the City.

*** 0.4% CPI-W for 2016-17 (actual figure) and assumed 3% CPI-W 2017-18 through 2020-21 Visitor Center payments.

Example Budget Only – Not Recommendations – Demonstrates Using TLT Funds to Leverage Grants for Larger Projects

Destination Development	TLT Match	Partners	Fund development	Total
2016-17				
Commercial Kitchen	\$25,000	Cultural Center, private foundation	\$100,000	\$125,000
Bathroom	\$10,000	CPRD, Land & Water Conservation Fund, Systems Development Charges	\$40,000	\$50,000
Permanent paddle launch at Rogers Landing	\$7,000	CPRD, Land & Water Conservation Fund, Systems Development Charges	\$18,000	\$25,000
Park development	\$35,000	CPRD, Land & Water Conservation Fund, Systems Development Charges	\$85,000	\$100,000
Parrett Mt. trail connectors	\$20,000	CPRD, Recreational Trails Program, FLAP funds	\$80,000	\$100,000
Festival seed funding	\$10,069	Sponsorship	\$54,931	\$75,000
Front line staff training	\$20,000	Private sector, ORLA	N/A	\$20,000
Total	\$122,069		\$377,931	\$495,000

Recommended Destination Marketing Priorities

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ASSET INVENTORY

- Audit current marketing program, tactics, materials
- Confirm inventory of agritourism/culinary/adventure/arts assets
- Load into database/ORB/map the gaps

BUILD TOURISM NETWORK

- Hold Newberg Tourism Summit
- Hold broader Regional Tourism Summit
- Build network, share current marketing efforts, encourage alignment; Focus on Will. Valley Wineries Assoc. as key partner (due to recent funding infusion \$500k+)

BUSINESS REFERRAL PROGRAM

- Train front line staff
- Increases local spend & length of stay
- 3-3-Sleep / 10-10, 10 after 5 (see slide 73)

COMMUNICATIONS AUDIT

- Are we sharing information aimed at meeting needs of our target audiences
- Audit current marketing program, tactics, materials to be on strategy, addressing target audiences
- Develop ONE events calendar
- Develop itineraries for 4 key audiences

DEVELOP BRAND

- Brand development recommended once product development is well underway/achieved
- Then develop brand guide, new creative and campaign

DESTINATION DEVELOPMENT & MARKETING STRATEGY TIMELINE

Downtown redevelopment begins

Bypass complete

2016-17

2017-18

2018-19

- Hire Tourism Director and appoint Tourism Board
- Board and tourism director develop work plans
- Map funding sources
- Fund park & paddle launch infrastructure on Willamette River at Rogers Landing
- Seed fund festival
- Fund commercial kitchen
- Fund trail connectors on Parrett Mt.
- Marketing/Communications Audit/visitor center
- Create itineraries
- Incorporate CPRD maps/collateral
- Customer service quality & consistency training
- Business referral program

- Create tourism alliance
- Inaugurate Chehalem Nature Park (near 219 & Willamette)
- Support paddle sport rental start up for Rogers Landing
- Connect Willamette Valley Scenic Bikeway to Parrett Mt. & Champoeg SP
- Grow festival, recruit influencers
- Fund landfill renovation + trails
- Begin wayfinding assessment
- Revise marketing strategy to reflect outdoor recreation & experiential arts
- Start alternative lodging network
- Recruit bike shop

- Begin match funding for visitor friendly downtown streetscape (lamp posts, banners, benches, pocket gardens)
- Recruit farm to table restaurants
- Invest in infrastructure to increase flow to and from Willamette
- Rebrand Newberg to reflect maturing product
- Recruit upper/mid hotel

DESTINATION DEVELOPMENT & MARKETING STRATEGY TIMELINE

Old mill site redevelopment begins

Downtown redevelopment continues

2019-20

2020-21

2021-22

- Connect Willamette Valley Scenic Bikeway spur to downtown and river
- Implement signage and wayfinding plan

- Begin work on trolley
- TLT appropriate investment in old mill site, i.e. paddle sports rental in retail space

- Downtown arts festival
- Create network of wine country wine trails connecting to Newberg



ORGANIZATIONAL DEVELOPMENT

ORGANIZATIONAL DEVELOPMENT

Goal

Tourism industry leaders are empowered to guide TLT investments in a manner that will enhance or create product and marketing materials that serve their target audiences.

The tourism industry closely collaborates with CPRD, Chamber, Newberg City Council, Community Development office, Newberg Downtown Coalition, and others to catalyze major redevelopments and city-wide improvements.

ORGANIZATIONAL DEVELOPMENT

What

- 360 degree tourism industry representation
 - Self interest and skin in the game
- Safeguard from political swings
 - Independent organizational structure
- Strategic investments in development & marketing
 - Leverage funds in targeted strategies

Avoid: tactics over strategy, disputes on funding qualifications, pet projects

Enable: 4:1 leverage of TLT funds, consistent strategy, rising tide

ORGANIZATIONAL DEVELOPMENT

Recommendation

- City as TLT pass through
- Tourism Director whose primary role over first several years is to build coalitions/partnerships/and leverage existing TLT funds to bring in additional funds/grants to move work forward. Tourism Director would work with...
- Independent board with 9 seats for industry representatives
 - The Allison (x2), alternative lodging, restaurant, tasting room, vineyard, retail, cultural/arts, Chehalem Valley Chamber
- 3-5 Ex-officio seats
 - Chehalem Parks & Rec Dept, Newberg Community Development, Downtown Newberg Coalition, Carlton, Dundee, Yamhill Co, Newberg City Council member, wine associations
- Not a fee-based organization
- Strategic planning approval with input from city, downtown, wine industry, generators

ORGANIZATIONAL DEVELOPMENT

- Step 1:
 - City establishes protocols for the operation of an independent Tourism Board, including open meetings, public notice, board selection and membership, and annual reporting
 - Constitute Board
 - File articles of incorporation
 - Hire Tourism Director (Skillset: Coalition building, partnerships, fundraising, leadership)
 - Create work plan
 - Move Visitor Center contract to Tourism Board for oversight
 - Tourism and chamber are housed together; & that chamber director sits on Tourism Board and Tourism Director sits on Chamber Board

- Step 2:
 - Review current marketing efforts for alignment with strategies and audiences outlined in this plan
 - Assess Visitor Center operations and impact

- Step 3:
 - Informed decisions on marketing budget allocation and management
 - Align with regional partners - Will. Valley Wineries Association should be a key partner – they recently raised new funds (\$500k +)

ORGANIZATIONAL DEVELOPMENT

Results

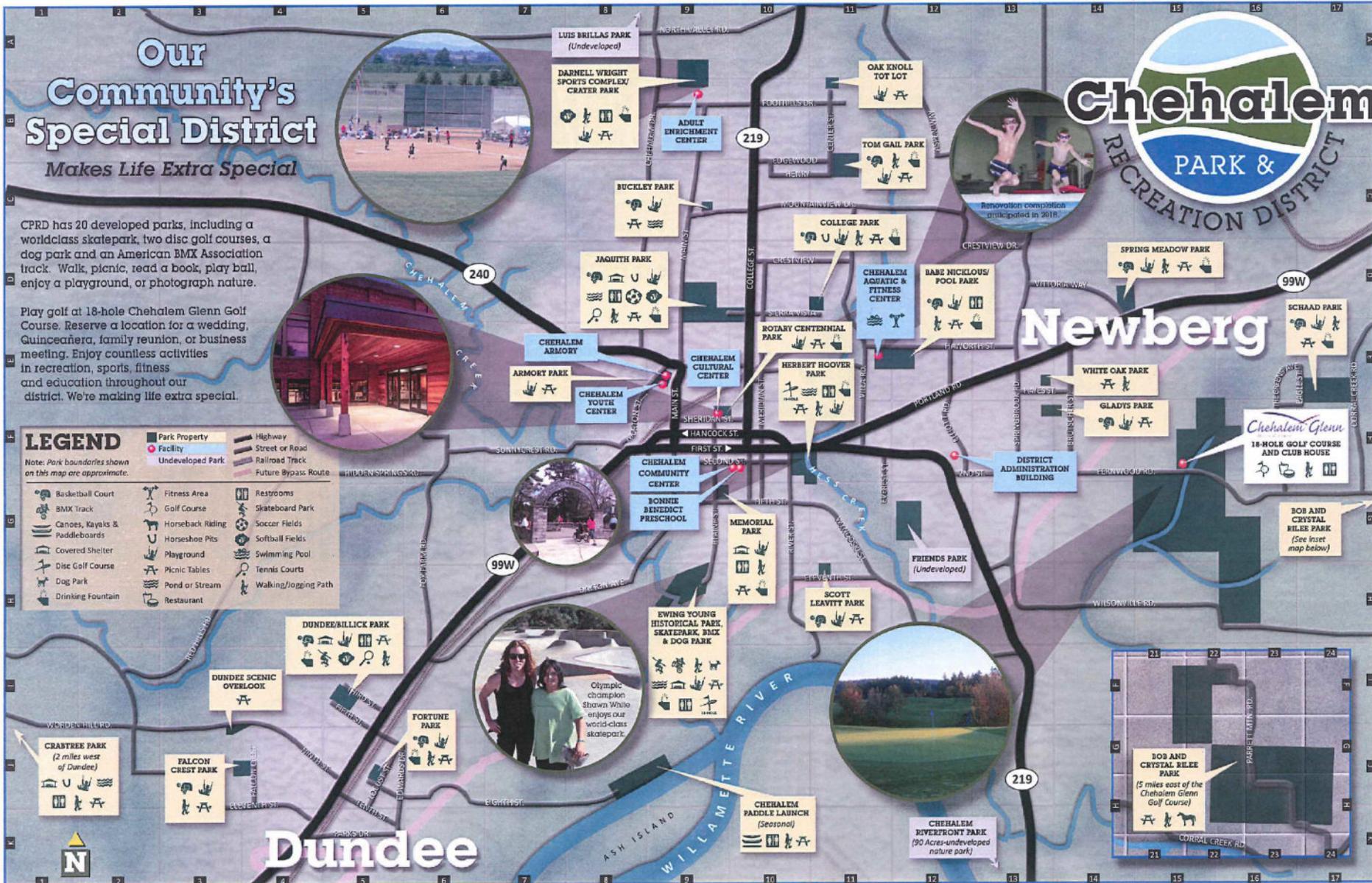
- Collaboration
- Leverage
- Expertise
- Consistency
- Safeguards
- Transparency

Prepared by:
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jonpaul.bowles@gmail.com



Appendix

*Note: photographs in this plan cannot be used for other purposes
or reproduced*



Our Community's Special District

Makes Life Extra Special

CPRD has 20 developed parks, including a worldclass skatepark, two disc golf courses, a dog park and an American BMX Association track. Walk, picnic, read a book, play ball, enjoy a playground, or photograph nature.

Play golf at 18-hole Chehalem Glenn Golf Course. Reserve a location for a wedding, Quinceañera, family reunion, or business meeting. Enjoy countless activities in recreation, sports, fitness and education throughout our district. We're making life extra special.

LEGEND

- Note: Park boundaries shown on this map are approximate.
- Park Property
 - Undeveloped Park
 - Highway
 - Street or Road
 - Railroad Track
 - Future Bypass Route
 - Basketball Court
 - BMX Track
 - Canoes, Kayaks & Paddleboards
 - Covered Shelter
 - Disc Golf Course
 - Dog Park
 - Drinking Fountain
 - Fitness Area
 - Golf Course
 - Horseback Riding
 - Horseshoe Pits
 - Playground
 - Picnic Tables
 - Pond or Stream
 - Restaurant
 - Restrooms
 - Skateboard Park
 - Soccer Fields
 - Softball Fields
 - Swimming Pool
 - Tennis Courts
 - Walking/Jogging Path



Chehalem Valley Chamber Marketing Plan

Chehalem Valley Chamber Annual Marketing Plan 2015-2016

To increase visitor volume, visitor spending, and economic impact for the Chehalem Valley.

An effective destination development and marketing program benefits the quality of life for residents while attracting visitors and enhancing tourism. A healthy return on transient room tax investment leverages services, amenities, and activities that appeal to visitors and residents alike. Additional spending by visitors in local communities results in a positive economic impact.

Objective & Strategies: Marketing & Public Relations – To increase visitor volume, visitor spending and economic impact for the Chehalem Valley by developing awareness and preference.

The Chehalem Valley Chamber will continue to advertise in regional/niche publications such as *Northwest Travel Magazine*, *Travel Portland*, and *Travel Oregon* publications to promote the Chehalem Valley as a tourist destination. Create talking points or fact sheet for use when trying to increase editorial content through guidebooks and travel writers.

Leverage efforts of Travel Oregon and their contractors, to increase their knowledge of the Chehalem Valley product through personal research trips and communications.

The Chehalem Valley Chamber will continue to develop a process for hosting media for “familiarization tours,” the objective of obtaining a minimum of six stories per year.

Pitch story ideas to appropriate leisure and travel trade publications for the Chehalem Valley.

The Chehalem Valley Chamber will engage in active prints and electronic promotions of the following annual events:

The Newberg Camellia Festival

Tunes on Tuesday

The Old Fashioned Festival

Brews & BBQ Event

Increase the number of website users by 20% by increasing social media presence and increasing website usability on mobile devices.

Continue use of Facebook, Twitter and Pinterest to promote the area.

Continue to survey visitors to acquire a better understanding of their travel habits so that we can improve the precision of our consumer marketing.

Maintain updated printed Collateral to support the objectives includes production of the Community Guide & Directory, The Chehalem Valley Field Guide, a Group travel brochure, A Wine Education Center brochure and the city/county map.

Maintain content-rich visitor information on the website. On the website visitors can access information on activities, events, restaurants and lodging.

CONT'D. Travel Trade Sales & Marketing – To increase leisure visitor volume, visitor spending and economic impact for the Chehalem Valley through the promotion and distribution of the Chehalem Valley's products to the travel trade.

Actively seek opportunities to promote the Chehalem Valley through travel trade partners through the following methods:

Quarterly presentation at the ODMO meetings on "What's New" in the Chehalem Valley.

Quarterly "What's New" email to the Willamette Valley Visitors Association

Continue to contact meeting planners for smaller organizations to solicit pre & post-convention trips to Chehalem Valley.

Influence the long-term development of the destination and its brand.

Work with travel writers, editors, bloggers, online media and other influencers to generate beneficial media placements that will reinforce the brand.

Produce high-quality publications including the Chehalem Valley Community Guide and the Chehalem Valley Field Guide in a manner that reinforces the destination brand.

Working with community partners, made Newberg and the Chehalem Valley the best destination experience possible.

Whenever possible, exert influence in community decision-making that impacts Newberg and the Chehalem Valley's quality of life and viability as a travel destination.

Maintain visibility in community; represent the interests of local tourism on decision-making committees, task forces and work groups; and provide input, as needed.

Provide demographic and research information to prospective tourism partners investigating the Chehalem Valley for new business.

Assist with site location as requested.

Develop additional exhibits, interactive programs, and educational opportunities for the public through the Oregon Wine Education Center.

Deliver a consistently remarkable customer service experience.

Operate a year-round visitor center that serves over 10,000 guests per year.

All CVCC staff and volunteers are fully trained in customer service, Chehalem Valley product knowledge and referral marketing.

All frontline staff is Q certified within their first three months of employment.

All frontline staff is trained to effectively serve the general visitor whether domestic or international.

All frontline staff will offer visitor reservation assistance for the local area.

Frontline staff participates in research trips to visit a wide variety of tourism destinations for increased product knowledge.

Develop a community-wide hospitality training program. Training will be available to every business in the Chehalem Valley that would like to participate.

Develop systems and metrics to monitor customer satisfaction and take positive action to improve the customer experience based on the feedback.

Foster high-value relationships with our stakeholders.

Distribute quarterly Visitor Center reports to the Newberg City Council.

Conduct two focus groups with tourism stakeholders each year.

How TLT Funds Can Be Used - Newberg City Attorney

Newberg City News Article

Written by: Truman Stone, City Attorney

June 2015

There has been discussion in the community about use of the Transient Lodging Tax revenue (TLT), including an editorial in the April 1, 2015 Newberg Graphic. This type of debate is evidence of a vibrant, active and involved community. Many good and creative ideas have been suggested. Use of TLT revenue is limited by state statute and the intent of this article is to explain TLT, explore state restrictions, and consider some proposed uses.

Transient lodging taxes are those taxes imposed on someone who provides temporary overnight lodging, typically hotels and motels, but also bed and breakfast facilities and short-term rental of apartments or residences. Under the Newberg Code, any stay under 30 days is subject to this tax. The customer owes the debt, but the obligation to collect the tax is placed on the business (the business receives compensation for collection of the tax). Newberg first enacted a TLT in 1976.

In 2003, the Oregon Legislature got into the lodging tax business when it imposed a 1% tax statewide, which is used to fund the Oregon Tourism Commission. That bill (HB2267) also imposed new limitations on Cities and Counties that collect TLT. For existing local lodging taxes, the State locked in a formula on how much of the receipts must be used for tourism; that is the formula the local government used on July 2, 2003. For new or expanded TLT amounts, the State requires 70% of the proceeds to be used for “tourism promotion or tourism related facilities.” The statutory definitions are the key to understanding these limitations.

The State defines “tourism” as economic activity resulting from tourists and “tourists” as those folks traveling more than 50 miles or combining an overnight stay with their activity.

The definition of “**tourism promotion**” includes any of the following activities:

- (a) Advertising, publicizing or distributing information for the purpose of attracting and welcoming tourists;
- (b) Conducting strategic planning and research necessary to stimulate future tourism development;
- (c) Operating tourism promotion agencies; and
- (d) Marketing special events and festivals designed to attract tourists.

The State defines “**tourism-related facility**” as:

- (a) a conference center, convention center or visitor information center; and
- (b) other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.

Conference, convention, and visitor information centers are also statutorily defined terms with specific meanings.

As you can see, there is no mention of streets, sidewalks, or parking lots, but an astute reader would deduce that these are improvements to real property with a useful life of 10 years or more, that might be included in subsection (b).

This question was presented in 2008 to the Attorney General by the head of the Oregon Tourism Commission. After extensive [analysis](#), the Department of Justice stated:

In sum, the history shows that the legislature did not intend to categorically exclude roads, sewers, sewer plants, and other transportation facilities from the definition of “tourism- related facilities.” If a specific road or sewer, etc., meets the criteria in ORS 320.300(9)(b), including having a substantial purpose of supporting tourism or accommodating tourist activities, it would qualify as a “tourism-related facility.” But legislators cited only three very limited types of roads and sewers that might qualify: roads that provide access to natural and recreational facilities, other improvements to recreational facilities, which could include sewers, and a restroom in a park.

Those types of roads and sewers either are part of tourist attractions or directly serve them. In that sense, those facilities might “draw” tourists to the extent that the attraction itself draws tourists. No legislator stated any intent to include roads and sewers merely because they are used heavily by tourists. Consequently, the history suggests that the legislature may have intended local infrastructure such as roads and sewers to be “tourism-related facilities” only to the extent that they either are part of or directly serve tourist attractions. [emphasis added]

We conclude, based on the text, context and history of ORS 320.300(9) and ORS 320.350(5) and (6) that the legislature most likely intended local roads, sewers, sewer plants, and transportation facilities to qualify as “tourism-related facilities” only if they drew tourists in themselves, directly serve a specific tourist attraction (such as an access road), or are part of the infrastructure of a specific tourist attraction (such as a restroom and the on-site sewer line). The legislature most likely did not intend “tourism-related facilities” to encompass roads and other infrastructure simply because they are used, even heavily, by tourists as well as locals.

Given this analysis of the statutory restrictions and the intent of the legislature, what are we to conclude? While there is no bright line test, some general observations can be made.

First, using TLT tourism dedicated funds to repair sidewalks, install bulb outs, or place benches in the downtown would be a violation of law. Second, under the same analysis, the repair of the City Lot on Second Street [aka Merchant’s Lot] with TLT tourism dedicated funds would also be a violation of law, since the lot is used primarily by downtown merchants or customers, tenants who live in downtown apartments, and City staff.

Installation of a public restroom might be a “tourism-related facility,” depending on whether or not it was located adjacent to a specific tourist attraction.

TLT tourism dedicated funds are restricted in the way the funds are spent, but there is no requirement that funds be spent in any given year. If there is a community desire to build tourism-related facilities, then the TLT funds might be banked until there are sufficient funds to either partially or fully fund a facility. This would take a long-range vision and plan to implement.

There is no doubt that City infrastructure, both public and private, is in need of repair. However, the TLT tourism restricted funds are not legally available to address these needs. The City is working on a process to administer the TLT funds, which will give structure and ensure legal compliance in the expenditure of these amounts.

Grant Opportunities

FMPP Grant (NOTE if you go after this one this one– BE SURE TO TIE IN LOCAL FARMERS MARKETS)

<https://www.ams.usda.gov/services/grants/fmpp>

Typical deadline timing: May

Travel Oregon Matching Grant

Typical Deadline timing: May

<http://industry.traveloregon.com/industry-resources/matching-grants-program/oregon-tourism-commission-matching-grants-program/>

Rural Business Development

<http://www.rd.usda.gov/programs-services/rural-business-development-grants>

Wine Country LP Grants

<http://industry.traveloregon.com/industry-resources/matching-grants-program/wine-license-plate-grant-program/>

SBDA Grants

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ No.	Ordinance ___ No.	Resolution ___ No.	Motion ___	Information <u>XX</u>
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SUBJECT: Newberg Financial Report for April 2016

**Contact Person (Preparer) for this
Item: Matt Zook
Dept.: Finance**

EXECUTIVE SUMMARY:

Included with this report are the financial summary statements for April 2016. These are provided for your information only. No action is required.

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16 BUDGET	MONTH OF APRIL 2016	2015-16 YTD	Current YTD Compare to Budget	2014-15 PRIOR YTD
				83%	
City Budget Totals					
Total Beg Fund Balance	\$ 33,764,928	\$ 38,243,710	\$ 38,243,710	113%	31,493,673
Total Revenues	58,225,620	3,065,071	51,902,821	89%	76,225,789
Total Beg Fund Bal & Revenues	91,990,548	41,308,782	90,146,531		107,719,462
Total Expenses	67,465,423	3,476,472	49,039,058	73%	41,276,140
Total Contingencies / Reserves	24,525,125	-	-	0%	-
Total Exp & Contingen / Reserves	91,990,548	3,476,472	49,039,058	53%	41,276,140
Total Monthly Activity Net Gain / (Loss)		\$ 37,832,310			
Total Ending Fund Balance			\$ 41,107,473		66,443,322
City Services					
<u>General Fund</u>					
Beg Fund Balance	\$ 2,528,413	\$ 2,797,675	\$ 2,797,675	111%	2,835,743
Revenues					
General Government	-	-	-	0%	15,155
Municipal Court	31,000	1,990	21,702	70%	23,752
Police	1,074,135	96,840	905,420	84%	928,361
Fire	330,504	130,097	525,490	159%	316,049
Communications	59,686	14,894	59,574	100%	56,615
Library	112,859	2,683	68,433	61%	99,930
Planning	476,700	40,539	395,993	83%	408,660
Property Taxes	7,200,000	-	6,929,897	96%	6,625,489
Other Taxes	1,400	5,943	10,466	748%	486,865
Franchise Fees	1,486,882	113,434	1,396,190	94%	1,318,841
Intergovernmental	1,246,755	54,268	993,010	80%	982,419
Miscellaneous	2,500	2,710	9,008	360%	1,657
Interest	7,300	1,769	10,183	139%	8,039
Transfers	620,000	-	354,681	57%	-
Revenue Total	12,649,721	465,168	11,680,048	92%	11,271,834
Expenses					
General Government	179,862	11,658	146,452	81%	282,103
Municipal Court	382,464	28,295	293,314	77%	270,064
Police	5,952,876	472,714	4,682,120	79%	4,540,133
Fire	3,403,276	297,939	2,929,819	86%	2,743,834
Communications	1,087,961	71,312	863,601	79%	921,378
Library	1,311,025	104,117	1,075,930	82%	975,351
Planning	626,365	49,392	498,356	80%	468,552
Transfers	34,263	-	12,323	36%	16,412
Contingency	1,100,042	-	-	0%	-
Unappropriated Ending Balance	1,100,000	-	-	0%	-
Total Expenses	15,178,134	1,035,426	10,501,915	69%	10,217,826
Monthly Activity Net Gain / (Loss)		\$ 2,227,417			
Ending Fund Balance			\$ 3,975,808		3,889,750

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16		MONTH OF		2015-16		Current YTD Compare to Budget 83%	2014-15 PRIOR YTD
	BUDGET		APRIL 2016		YTD			
<u>Public Safety Fee</u>								
Beg Fund Balance	\$	134,969	\$	197,858	\$	197,858	147%	196,153
Revenues		480,600		40,753		405,635	84%	481,055
Expenses		547,603		50,346		428,763	78%	319,189
Contingencies / Reserves		67,966		-		-	0%	-
Monthly Activity Net Gain / (Loss)				\$	188,266			
Ending Fund Balance					\$	174,731		358,018
<u>EMS</u>								
Beg Fund Balance	\$	595,725	\$	806,952	\$	806,952	135%	457,509
Revenues		1,886,600		209,933		1,937,003	103%	2,252,497
Expenses		1,911,034		158,521		1,467,247	77%	1,479,076
Contingencies / Reserves		571,291		-		-	0%	-
Monthly Activity Net Gain / (Loss)				\$	858,365			
Ending Fund Balance					\$	1,276,708		1,230,930
<u>911 Emergency</u>								
Beg Fund Balance	\$	19,768	\$	20,940	\$	20,940	106%	89,061
Revenues		196,200		2		103,089	53%	210,199
Expenses		204,628		17,452		177,586	87%	195,683
Contingencies / Reserves		11,340		-		-	0%	-
Monthly Activity Net Gain / (Loss)				\$	3,490			
Ending Fund Balance					\$	(53,557)		103,577
<u>Civil Forfeiture</u>								
Beg Fund Balance	\$	19,596	\$	20,146	\$	20,146	103%	-
Revenues		4,100		14		4,124	101%	20,129
Expenses		23,696		-		-	0%	-
Contingencies / Reserves		-		-		-	0%	-
Monthly Activity Net Gain / (Loss)				\$	20,160			
Ending Fund Balance					\$	24,270		20,129
<u>Library Gift & Memorial</u>								
Beg Fund Balance	\$	48,169	\$	86,434	\$	86,434	179%	92,623
Revenues		129,389		969		37,999	29%	136,321
Expenses		171,000		1,351		23,862	14%	38,461
Contingencies / Reserves		6,558		-		-	0%	-
Monthly Activity Net Gain / (Loss)				\$	86,052			
Ending Fund Balance					\$	100,571		190,483

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16 BUDGET	MONTH OF APRIL 2016	2015-16 YTD	Current YTD	2014-15 PRIOR YTD
				Compare to Budget 83%	
<u>Building Inspection</u>					
Beg Fund Balance	\$ 404,838	\$ 620,378	\$ 620,378	153%	339,929
Revenues	407,850	98,047	463,974	114%	942,263
Expenses	500,497	36,669	377,494	75%	345,661
Contingencies / Reserves	312,191	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 681,757			
Ending Fund Balance			\$ 706,858		936,532
<u>Streets (Operating)</u>					
Beg Fund Balance	\$ 808,548	\$ 798,186	\$ 798,186	99%	689,103
Revenues	1,343,520	117,916	1,068,369	80%	1,725,986
Expenses	1,549,803	89,298	1,175,708	76%	1,083,318
Contingencies / Reserves	602,265	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 826,804			
Ending Fund Balance			\$ 690,847		1,331,771
<u>Water (Operating)</u>					
Beg Fund Balance	\$ 3,294,255	\$ 3,773,455	\$ 3,773,455	115%	4,783,887
Revenues	9,984,346	334,777	9,920,927	99%	7,580,752
Expenses	8,307,724	401,673	5,085,730	61%	4,205,593
Contingencies / Reserves	4,970,877	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 3,706,559			
Ending Fund Balance			\$ 8,608,652		8,159,046
<u>Wastewater (Operating)</u>					
Beg Fund Balance	\$ 4,403,799	\$ 4,944,662	\$ 4,944,662	112%	7,576,184
Revenues	13,033,100	616,469	12,538,346	96%	9,997,660
Expenses	8,582,706	908,161	5,259,574	61%	5,710,068
Contingencies / Reserves	8,854,193	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 4,652,970			
Ending Fund Balance			\$ 12,223,433		11,863,775
<u>Stormwater (Operating)</u>					
Beg Fund Balance	\$ 573,645	\$ 731,487	\$ 731,487	128%	1,004,730
Revenues	1,924,972	114,072	1,747,741	91%	1,414,584
Expenses	1,685,057	125,082	1,206,802	72%	709,813
Contingencies / Reserves	813,560	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 720,477			
Ending Fund Balance			\$ 1,272,425		1,709,501

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16 BUDGET	MONTH OF APRIL 2016	2015-16 YTD	Current YTD	2014-15 PRIOR YTD
				Compare to Budget 83%	
<u>Administrative Support</u>					
Beg Fund Balance	\$ 563,272	\$ 588,457	\$ 588,457	104%	684,851
Revenues	3,652,103	305,206	3,054,413	84%	3,839,361
Expenses					
City Manager	805,374	47,477	564,096	70%	214,754
Human Resources	-	-	-	0%	141,259
City Recorder	-	-	-	0%	93,264
Emergency Management	-	-	-	0%	66
Finance	567,668	44,741	507,048	89%	468,936
Gen Office(Postage/Phones)	155,000	11,902	116,893	75%	114,408
Utility Billing	281,200	20,865	229,545	82%	214,632
Information Technology	704,856	53,086	575,091	82%	559,312
Legal	468,654	33,156	350,752	75%	363,064
Fleet Maintenance	178,866	13,406	143,714	80%	133,400
Facilities Repair/Replacement	471,312	30,052	390,392	83%	294,060
Insurance	353,168	600	353,311	100%	248,449
Transfers	-	-	-	0%	500,000
Contingencies / Reserves	229,277	-	-	0%	-
Total Expenses	4,215,375	255,286	3,230,843	77%	3,345,605
Monthly Activity Net Gain / (Loss)		\$ 638,376			
Ending Fund Balance			\$ 412,027		1,178,606

Capital Improvement ProjectsStreets CIP's

Beg Fund Balance	\$ 164,193	\$ 164,209	\$ 164,209	0%	109,838
Revenues	778,425	88,901	785,262	101%	711,918
Expenses	777,625	88,710	784,092	101%	547,848
Contingencies / Reserves	164,993	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 164,400			
Ending Fund Balance			\$ 165,379		273,908

Water / Wastewater / Stormwater CIP's

Beg Fund Balance	\$ -	\$ -	\$ -	0%	-
Revenues	6,346,875	200,496	3,292,303	52%	3,103,244
Expenses	6,346,875	200,496	3,202,551	50%	3,104,695
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ -			
Ending Fund Balance			\$ 89,751		(1,451)

Wastewater Financed CIP's

Beg Fund Balance	\$ (749,096)	\$ (749,096)	\$ (749,096)	100%	-
Revenues	1,500,000	-	922,122	61%	6,403,269
Expenses	750,904	-	206,569	28%	7,298,393
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ (749,096)			
Ending Fund Balance			\$ (33,543)		(895,124)

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16		MONTH OF		Current YTD Compare to Budget 83%	2014-15 PRIOR YTD
	BUDGET		APRIL 2016	2015-16 YTD		
<u>Street SDC</u>						
Beg Fund Balance	\$ 1,918,739	\$ 2,574,473	\$ 2,574,473	134%		2,534,551
Revenues	47,839	(40,567)	473,808	990%		2,743,377
Expenses	259,125	70,968	289,891	112%		189,871
Contingencies / Reserves	1,707,453	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ 2,462,938				
Ending Fund Balance			\$ 2,758,391			5,088,057
<u>Water SDC</u>						
Beg Fund Balance	\$ 36	\$ 1,239,405	\$ 1,239,405	3442793%		468,918
Revenues	927,540	57,697	340,066	37%		1,462,027
Expenses	846,856	274	758,596	90%		274,738
Contingencies / Reserves	80,720	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ 1,296,829				
Ending Fund Balance			\$ 820,876			1,656,207
<u>Wastewater SDC</u>						
Beg Fund Balance	\$ 3,475,181	\$ 4,175,483	\$ 4,175,483	120%		1,794,112
Revenues	75,120	100,806	544,450	725%		4,366,925
Expenses	739,361	24	286,885	39%		283,342
Contingencies / Reserves	2,810,940	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ 4,276,264				
Ending Fund Balance			\$ 4,433,047			5,877,695
<u>Stormwater SDC</u>						
Beg Fund Balance	\$ 138,259	\$ 131,416	\$ 131,416	95%		351,007
Revenues	3,980	4,723	35,534	893%		180,819
Expenses	3,125	-	1,713	55%		47,641
Contingencies / Reserves	139,114	-	-	0%		-
Monthly Activity Net Gain / (Loss)		\$ 136,139				
Ending Fund Balance			\$ 165,238			484,186

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16 BUDGET	MONTH OF APRIL 2016	2015-16 YTD	Current YTD	2014-15 PRIOR YTD
				Compare to Budget 83%	
Debt					
<u>Debt Service (General Op)</u>					
Beg Fund Balance	\$ 206,309	\$ 210,221	\$ 210,221	102%	195,259
Revenues	896,711	61,883	864,236	96%	1,099,223
Expenses	895,317	-	724,564	81%	736,426
Contingencies / Reserves	207,703	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 272,104			
Ending Fund Balance			\$ 349,893		558,056
<u>City Hall</u>					
Beg Fund Balance	\$ 529,638	\$ 535,601	\$ 535,601	101%	576,115
Revenues	89,400	11,050	65,912	74%	631,102
Expenses	108,240	21	95,245	88%	108,342
Contingencies / Reserves	-	-	-	0%	-
Unappropriated Ending Balance	510,798	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 546,631			
Ending Fund Balance			\$ 506,269		1,098,875
Reserves					
<u>Water Replacement Reserve</u>					
Beg Fund Balance	\$ 5,151,846	\$ 5,151,846	\$ 5,151,846	100%	2,961,007
Revenues	-	-	-	0%	5,401,858
Expenses	5,151,846	-	5,151,846	100%	219,698
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 5,151,846			
Ending Fund Balance			\$ -		8,143,167
<u>Wastewater Replacement Reserve</u>					
Beg Fund Balance	\$ 6,446,100	\$ 6,446,100	\$ 6,446,100	100%	1,234,745
Revenues	-	-	-	0%	6,388,777
Expenses	6,446,100	-	6,446,100	100%	(105,354)
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 6,446,100			
Ending Fund Balance			\$ -		7,728,876
<u>Stormwater Replacement Reserve</u>					
Beg Fund Balance	\$ 814,722	\$ 684,702	\$ 684,702	84%	-
Revenues	-	-	-	0%	865,135
Expenses	814,722	-	684,702	84%	180,696
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 684,702			
Ending Fund Balance			\$ -		684,439

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16 BUDGET	MONTH OF APRIL 2016	2015-16 YTD	Current YTD	2014-15 PRIOR YTD
				Compare to Budget 83%	
<u>Vehicle / Equipment Replacement</u>					
Beg Fund Balance	\$ 1,362,426	\$ 1,362,426	\$ 1,362,426	100%	1,658,968
Revenues	\$ 701,881	\$ 115,482	\$ 747,218	106%	1,933,925
Expenses					
General Government	1,348	-	-	0%	-
City Manager's Office	4,856	-	140	3%	-
Human Resources	-	-	-	0%	-
City Recorder/Clerk	-	-	-	0%	-
Finance	17,267	-	284	2%	-
Information Technology	235,606	-	77,586	33%	202,899
Legal	411	-	-	0%	-
Municipal Court	4,548	-	560	12%	-
Police	533,867	-	327,227	61%	89,453
Fire	516,625	-	217,912	42%	117,474
Communications	106,716	-	2,694	3%	6,149
Library	11,374	-	2,863	25%	-
Planning	-	-	-	0%	11,137
Building	49,573	610	27,655	56%	-
PW Administration	395,514	132	65,374	17%	138,626
Fleet Maintenance	14,736	44	296	2%	439
Facilities Repair/Replacement	157,000	-	97,958	62%	18,963
Contingencies / Reserves	14,866	-	-	0%	-
Total Expenses	2,064,307	785	820,549	40%	585,139
Monthly Activity Net Gain / (Loss)		\$ 1,477,123			
Ending Fund Balance			\$ 1,289,095		3,007,754
<u>Fire & EMS Equip Fee</u>					
Beg Fund Balance	\$ 244,012	\$ 246,483	\$ 246,483	101%	174,453
Revenues	143,700	12,387	122,872	86%	231,019
Expenses	387,712	-	11,179	3%	11,179
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 258,869			
Ending Fund Balance			\$ 358,175		394,293

SUMMARY REPORT

APRIL 2016

FUNDS	2015-16			Current YTD Compare to Budget 83%	2014-15 PRIOR YTD
	BUDGET	MONTH OF APRIL 2016	2015-16 YTD		
Community Projects					
<u>Cable TV Trust</u>					
Beg Fund Balance	\$ 38,171	\$ 37,339	\$ 37,339	98%	41,744
Revenues	200	21	167	83%	42,089
Expenses	38,371	-	50	0%	4,782
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 37,360			
Ending Fund Balance			\$ 37,456		79,051
<u>Economic Development</u>					
Beg Fund Balance	\$ 629,395	\$ 646,472	\$ 646,472	103%	643,183
Revenues	66,448	3,332	50,600	76%	788,442
Expenses	446,865	513	145,622	33%	138,411
Contingencies / Reserves	248,978	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 649,291			
Ending Fund Balance			\$ 551,449		1,293,214
<u>Transient Lodging Tax</u>					
Beg Fund Balance	\$ -	\$ -	\$ -	0%	-
Revenues	955,000	145,533	696,603	73%	-
Expenses	955,000	35,417	493,379	52%	-
Contingencies / Reserves	-	-	-	0%	-
Monthly Activity Net Gain / (Loss)		\$ 110,116			
Ending Fund Balance			\$ 203,224		-

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: June 20, 2016

Order ___ No.	Ordinance ___ No.	Resolution ___ No.	Motion ___	Information <u>XX</u>
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**SUBJECT: Information update on Council
Priorities**

**Contact Person (Preparer) for this
Information: Steve Rhodes
Dept.:
File No.:**

EXECUTIVE SUMMARY:

In October 2015 the Council and Department Heads met in a strategic planning session to explore priorities for staff efforts. The Council set 6 areas for priority action by the staff. Those areas were:

VISIONING

In 3 years, complete a community visioning process.

TECHNOLOGY

Within 3 years obtain functional software/hardware that reduces redundancies and duplications through the integration of departmental systems. Within one year the City will develop a technology plan that addresses the long-term equipment and software needs of all departments. The plan focus should be on the judicious use of funds to meet long-term needs rather than applying short-term “band-aid” fixes.

FUNDING/FISCAL

Within 18 – 24 months develop a 5-year financial plan to guide long term fiscal health for the City. Within one year create a fiscal policy that addresses use of debt, preservation of contingencies and reserves and insures that fee structures are consistent with service levels. These policies will be used to help develop the financial plan.

PROJECT PLANNING

In 3 years the council will have a schedule for reviewing of existing Master and Long Range plans. These will include acknowledgement of inter-departmental dependencies and demonstrate a mitigation of redundancy. The intent of this is to have a strategic approach for the Council to review existing plans in a scheduled manner to ensure that the original intentions and targets are being achieved. It is not intended that the council reviews the details of all the documents.

COMMUNICATIONS

In 3 years the City will have a consistent feedback mechanism to ensure that City communications are meeting community and staff needs. Within 12 months develop a communications plan, including staffing and training, which establishes an outreach process to the community and a method to obtain feedback.

STAFFING

In 18 months, we will create a fully functional and operational HR function to meet city-wide staffing goals as defined in a staffing plan.

On January 4, 2016 the Council formally adopted the Strategic Priorities listed above and directed staff to prepare work plans/timelines for accomplishing them. At the March 21, 2016 meeting the Council affirmed the timelines presented and requested regular updates on the progress made on the priorities. Timelines were presented for all the priorities except the Visioning and Communications priorities since those were deferred until the arrival of the new City Manager.

This is the first update on those priority timelines. The individual areas are as follows:

Technology - the work on outfitting the new building at Maintenance is delayed since work has not yet begun on the building. The TVF&R transfer and equipment cutover, network security, intrusion detection and video surveillance are on schedule. The access control system upgrade is behind schedule and will be completed by the middle of June instead of the end of May.

Funding/Fiscal – work is moving forward to review and update key financial policies. A Work Session is scheduled for August for Council review of the suggested policies.

Project Planning – Master and Long Range Plans have been collected and a master list prepared. Hard copy versions of plans for which digital copies are not available have been scanned into pdf format. The master plan list has been updated on the Community Development Department web page under Master Plan List.

Staffing – Majority of all non-represented position descriptions have been updated and the remaining few will be completed by 6/30/16. Two classifications remaining – City Attorney & Municipal Judge. Council action on both expected by 6/20/16. The updated Personnel Manual is scheduled for Council action on 6/20/16. Recruitment for Human Resources Director, is in process, two finalists scheduled for one/one meeting with new City Manager 6/6/16; anticipated start date of 6/21/16.

FISCAL IMPACT:

Identified as a part of the Budget process.

STRATEGIC ASSESSMENT:

These priorities set the process in motion for the future development of a Strategic Plan and can assist in conducting a Community Visioning program.