



City Council

July 7, 2025

6pm

Newberg Public Safety Building 401 E. Third Street

Denise Bacon Community Room

Online: <https://us06web.zoom.us/j/89536547180>

[Public Comment Registration](#)

[View Slides](#)

-
- 1. Call to Order**
 - 2. Roll Call**
 - 3. Pledge of Allegiance**
 - 4. [City Manager Report](#)**
 - 4.1. [June Narrative Report](#)**
 - 5. Public Comments**
 - 6. Continued Business**
 - 6.1. [Newberg Urban Renewal Agency Intergovernmental Agreement for River Street Repair Financing](#)**
 - a. [Exhibit A: Intergovernmental Agreement on River Street Improvements](#)
 - 6.2. [Motion to Approve Keller Engineering to Initiate River Street Scoping Work](#)**
 - a. [Attachment 1: Keller Engineering Proposal](#)
 - 6.3. [Water Treatment Plant Basin Cover Project](#)**
 - a. [Sample Basin Cover Photos](#)
 - b. [Attachment 1: Bid Review Letter](#)
 - c. [Attachment 2: Original Proposal Package](#)
 - d. [Attachment 3: Newberg Groundwater Treatment Tack Cover Value Engineering Proposal Updated](#)
 - e. [Attachment 4: First Tier Subcontractor Disclosure](#)
 - f. [Attachment 5: Bid Bond](#)
 - 7. Public Hearing**
 - 7.1. [Hearing for Vacation Rental Home Regulations](#)**
 - a. [Ordinance](#)
 - b. [Exhibits A-1 and A-2: Development Code Amendments and Findings](#)
 - c. [Exhibit B: Planning Commission Resolution 2025-399](#)

- d. [Exhibit C: May 8, 2025, Newberg Planning Commission Minutes](#)
- e. [Presentation](#)
- f. [Public Comments*](#)

8. New Business

8.1. [Work Session for Economic Opportunities Analysis](#)

- a. [Attachment 1: Executive Summary of Economic Opportunities Analysis](#)
- b. [Attachment 2: City of Newberg Economic Opportunities Analysis](#)
- c. [Attachment 3: City Council Resolution 2021-3728](#)
- d. [Attachment 4: City Council Resolution 2022-3858](#)
- e. [Attachment 5: Planning Commission Resolution 2022-382](#)
- f. [Presentation](#)

8.2. [De-Annexation Discussion](#)

- a. [Attachment 1: Pre25-0004 Pre-App Notes](#)
- b. [Attachment 2: Applicant Narrative and Materials](#)
- c. [Presentation](#)

9. Executive Session

9.1. Executive session pursuant to ORS 192.660(2)(e)

10. Adjournment

ADA Statement: Contact the City Recorder's Office for physical or language accommodation at least 2 business days before the meeting. Call (503) 537-1283 or email cityrecorder@newbergoregon.gov. For TTY services please dial 711.

*Indicates supplementary item

REQUEST FOR COUNCIL ACTION



Date Action Requested: July 7, 2025)

Order <input type="checkbox"/>	Ordinance <input type="checkbox"/>	Resolution <input type="checkbox"/>	Motion <input type="checkbox"/>	Information <input checked="" type="checkbox"/>	Proclamation <input type="checkbox"/>
Subject: CM narrative for June 2025.			Staff: Will Worthey CM Department: Administration		
Work Session <input type="checkbox"/> Business Session <input checked="" type="checkbox"/>			Order On Agenda: CM report		

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action: NA

Recommendation: NA

Executive Summary: The narrative summary of events conducted by city departments in June of 2025.

Fiscal Impact: All were conventionally budgeted items.

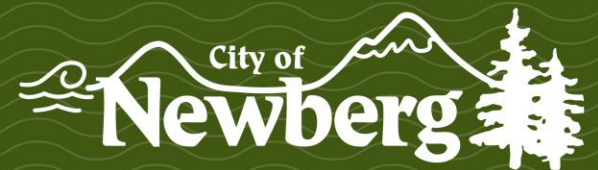
Council Goals:

Goal 4: Create and maintain a high level of transparency with our residents in order to build trust.

O1: Expand communication outreach in regard to regular city events and additional involvement with city businesses by the end of 2026.

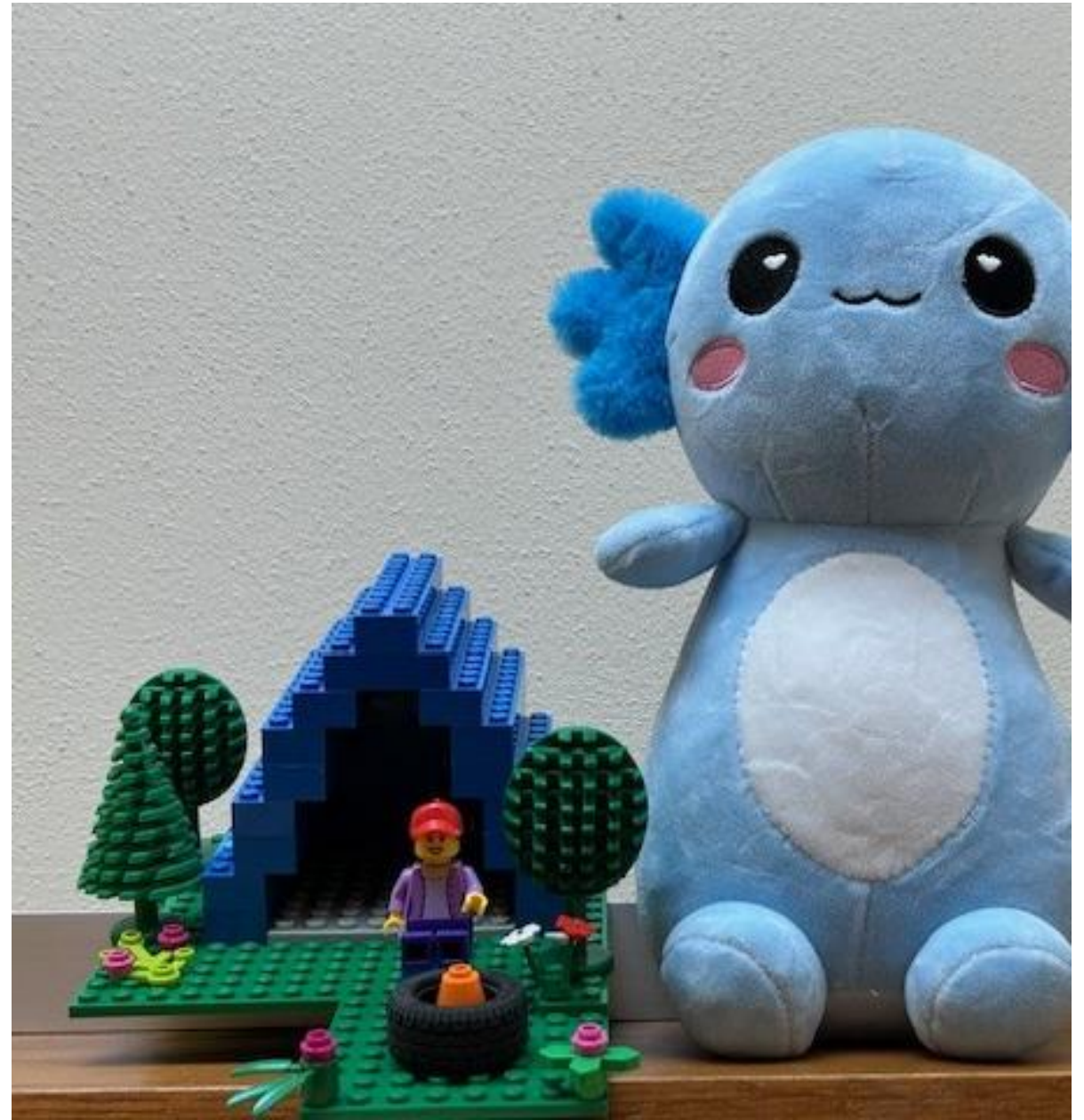
Newberg CM report

Monthly Events for June 2025



Library happenings

- The Summer Reading Program for all ages started on June 7th, and we are off to a great start!
- Armando the Axolotl is huge hit as this year's Summer Reading Mascot. The library is partnering with 20 local businesses for the downtown search-and-find.
- The concrete work at the north doors of the library is wrapping up. This gives the library an upstairs emergency exit that is ADA accessible for the first time ever.



More Library happenings

- Repairs to the library's Austin Meeting Room are underway. This is a multi-step process with carpet removal, sanding the concrete, and then sealing the concrete.
- We expect carpet installation in July. The new carpet is thanks to the Newberg Library Friends and the Austin Family Foundation.

Capital Engineering

Stormwater Master Plan Update – Phase 1

- Keller completed Phase 1 of the Stormwater Master Plan Update on June 16th.
- Phase 1 of the update included flow monitoring, identification of problem areas, evaluation of planning criteria and confirmation of buildable lands.
- Phase 2 of the update is anticipated to begin in July 2025

W. Franklin Storm Improvements

- Keller has 100% design and plans to bid at the beginning of July.

More on Capital Engineering

Groundwater Treatment Plant Filter Covers

- The bid opening was held on May 22nd, 2025, with a single contractor submitting a bid.
- Keller and the City are coordinating with the contractor for the project award.

For the month of June Finance did the following:

- Adopted both City and NURA biennial budgets
- Finalized and presented Supplemental Budget #3
- Attended 3 webinars from Piper Sandler and PERS (Public Employee Retirement System) on the status of PERS and the PERS Bond
- Began prepping for the end of the fiscal year (opening new year in finance system, getting biennial budget entered, opening for next year's POs)
- Attended two auditor-lead trainings on upcoming Governmental Accounting Standards Board pronouncements and changes

Community Development:

- 7 pre-application meetings in June for a range of remodels, housing, annexations, and commercial storage
- Vacation Rental Code update coming to Council for adoption in July
- Street Tree List approved; policy review scheduled for September
- Daycare Expansion at NW Christian Church (2315 N Villa Rd) has been submitted for design review (fees yet to be paid to process application). The project would add daycare services up to 200 children between 6 weeks and 5 years old.
- Building permits for 20 single family houses in Collina approved pending substantial completion of infrastructure

City Recorder June Events

- Began work on a full Records Management Policy and a long-awaited data retention plan.
- City Recorder attended Northwest Clerks Institute – completing the required training to become a Certified Municipal Clerk.
- Onboarded a temporary employee to cover a staff leave this summer.
- Conducted trainings on the Oregon Records Management System for our Human Resources department.
- Launched a recruitment for vacant Board, Committee, and Commission positions.

Human Resources Events

- Human Resources coordinated with Police to hold the 3rd Lunch and Learn of the year, presented by Officer Levi Fergus.
- Helped hand out hot dogs at Public Works Day
- Attended the CIS Employer Benefit Renewal/Benefits Advisory Committee meeting
- Onboarded 5 new employees (GIS, Maintenance, Police)

Community Engagement

- Public Works Day was a smashing success.
- Public Works week generated community engagement online and in person, and TUF summer work continued to draw attention from folks interested in ongoing road improvements in the community.
- Community Engagement also launched an Internal Communications survey to get a temperature check of where our team culture is at in terms of information transfer and transparency.
- We're working on some operational improvements, bringing in department heads and their teams to help engage staff and provide better customer service to our community!

IT Highlights:

- IT completed a network assessment and is now working with a vendor to update the network infrastructure.
- IT is working to change broad band vendors to greatly accelerate connectivity and emergency redundancy.
- Brittney is about to embark on getting her project management certification.

Safety Committee

- Trained City Hall Safety Rep on inspection at City Hall and Annex building.
- Ordered, received and delivered
 - Trauma Bleed kits (all sites)
 - Shelter in place supplies (City Hall)
 - CPR facemasks (fleet)
- Safety Committee inspection kits will be handed out at July committee meeting

Public Works Fleet

- Completed 35 work orders
- Got the new Vactor ready to go
- Working on getting the new engineering truck ready (waiting on parts).
- Working on the new saw cutting trailer set up for use.

Some recent Public Works maintenance tasks

- Sewer Main Clean – 855 ft
- Sewer Main Video – 805 ft
- Water Meter Service – 89 (Connects - 38, Disconnects - 37, Leak Checks – 14)
- Water Meter Maintenance – 24
- New Meters Installed – 10
- Street Sweeping Debris – 12 yds
- Street Sweeping Miles – 16 mi

Putting down asphalt Mastic on NOFF parade route streets



Gravel Street Dust Abatement



E. 2nd St. water line repair



Repaired Water Main Air Release Valve (ARV) Hwy 219 (N. College)



Installed new 2-inch water tap & service N College St.



Public Works Wastewater recent tasks:

- May Wastewater Treated = 70.716 MGD - Average Daily treated = 2.281 MGD
- Reuse water to Chehalem Glenn Golf Course = 1.859 MG
- Completed semi-annual lab work
- Installed new auto dialer for alarm calls at Wastewater Treatment Plant
- Ordered parts for failed reuse raw water pump
- Disconnected hypochlorite tank 1 in preparation for replacement tank
- Pulled and unclogged pump 1 at Fernwood – **please do not flush your underwear down the toilet**
- Repaired a failed chlorine analyzer, waiting on replacement unit
- Electricians resolved a wiring issue on a reuse effluent pump VFD
- Completed a Personal Protective Equipment Inventory

PW Water some recent events:

- May Water production = 74.28 MG – Ave Daily Demand = 2.43 MGD
- Non potable water production 1.48 MG
- Removed power service for Well 4
- Well 4 abandonment is scheduled for July
- Acid washed hypochlorite generator and found 2 failing cells, new cells have been ordered and delivered. Installation next week.
- Cleaned settling basin
- Installed new Scada pack at Oak Knoll Booster Station.
Programmed it to accept larger pumps for future pumping needs.

Newberg-Dundee Police Department News/Accomplishments

- Evidence prep room was updated with new cabinets and countertops. Providing much needed storage and counter space.
- Officer A. Maxfield was sworn in as our most recent officer. He will be at the academy for 4 months before he comes back to finish up his training with our FTO's.
- We ended out shift rotation with a "Shift Summer BBQ"



Officer McDonough at Mabel Rush
Mabel Rush had students dressed
up as who they want to be when
they grow up.



In honor of Officer
Fouch, we celebrated
the Army's
250th birthday



Chief Kosmicki and
Officer Maxfield
swearing-in

So that's it for June things!

As you can see, residents' tax dollars have been hard at work as usual.

Questions?

REQUEST FOR COUNCIL ACTION



Date Action Requested: (July 7, 2025)

Order ☐ Ordinance ☐ Resolution ☒ Motion ☐ Information ☐ Proclamation ☐

No. 2025-3979

Subject: Authorizing the Mayor and City Manager to execute a new IGA between the city and NURA to allow for the development of a financing instrument for River Street improvements.

Staff: Will Worthey & James Walker
Department: Administration & Legal

Business Session

Order On Agenda:

Hearing Type: Administrative

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action:

Recommendation:

Staff recommends the approval of the attached resolution so as to facilitate bond financing to improve sections of River Street. See Exhibit A.

A motion could be made to this effect:

“I move to approve resolution 2025-3979 to facilitate the improvement of River Street”.

Executive Summary:

In previous council and budget sessions the River Street capital improvement project was examined. The CM and Finance Director indicated that at the current rate of tax increment funding growth (currently less than \$450,000 per year) it would be at least a decade before NURA projects like the River Street improvement could occur. The option of continuing to do spot repairs on River Street was also considered previously and the consensus was that this interim work might be financially wasteful. This was because we would be spending grind and inlay dollars on a street that ultimately needs to be fully improved.

The execution of the attached IGA would facilitate work on River Street with dispatch. The funding model would have the City secure the debt but would have NURA pay for the debt with tax increment financing. The City would also dedicate SDC revenue to the project to create a maximum pool of \$12.6M to power the project.

Fiscal Impact:

The attached IGA would generate \$6M of a total of \$12.6M towards a complete River Street re-build. The debt would be paid by the urban redevelopment district (NURA) and not with Newberg City transportation dollars. The City has the financial muscle in the form of SDC revenue to power its share of the whole amount. Using our established principles of fiscal conservatism, the initial design work would

be paid for via SDCs and the debt will only be taken out when construction is imminent to seek the best rate possible.

Council Goals:

Continuous Goal A - Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply.

- Review the capital improvement projects annually.
- Focus on road and sidewalk improvements in Districts 1 & 3

RESOLUTION No. 2025-3979

A Resolution authorizing the Mayor and City Manager to execute a new intergovernmental agreement between the city and NURA to allow for financing River Street improvements.

Recitals:

The recitals are contained in the IGA and are reproduced here for convenience.

- A. Pursuant to ORS 457.190, NURA is authorized to borrow money and accept advances, loans, grants and any other form of financial assistance from a public body for the purposes of undertaking and carrying out urban renewal projects, listed in the Newberg Urban Renewal Plan adopted by the City of Newberg on April 18, 2022, as it has and may be amended (the “Plan”).
- B. Pursuant to ORS 457.320 the City is authorized to exercise any of its powers to assist in the planning or the carrying out of an urban renewal plan.
- C. Pursuant to ORS 271.390 the City has the power to enter into financing agreements to finance or refinance real and personal property.
- D. The NURA Citizen Advisory Committee or “CAC” met on July 30, 2024 and reaffirmed that the order and structure of initial NURA projects should follow that listed in the Plan with an emphasis on River Street to make the spaces colloquially known as the Mill Site and Rogers Landing more enticing to visitors.
- E. NURA affirmed the above course of action on August 19, 2024.
- F. The Newberg City Council reviewed and approved River Street as a capital improvement target at the City Council’s biennium Capital Improvement Project review on February 3, 2025. No councilors or NURA board members present had misgivings about the selection of River Street improvements as an early NURA objective.
- G. NURA has determined that a borrowing secured by the full faith and credit of the City will provide more beneficial terms to NURA than a borrowing issued directly by NURA and serviced solely by NURA’s tax increment revenues for the Newberg Urban Renewal Area (the “Area”).
- H. City Staff determined that Newberg Streets System Development funds can be contributed to the Urban Renewal Projects in the approximate amount of \$6 million.
- I. The City desires to finance certain capital projects in the Plan as identified in Section 3 of this Agreement (the “Urban Renewal Projects”) with a bond for approximately \$10.9 million (the “Bond”), of which \$6.6 million would be available to spend on projects (the remainder is estimated for interest, issuance, and bond counsel costs).
- J. NURA is committed to using tax increment revenues from the Area to service the debt on the Bond.
- K. The Area is projected to have sufficient tax increment revenues to pay the debt service on the Bond.
- L. The Parties intend to use this debt mechanism to complete the Urban Renewal Projects, which includes projects described in the Newberg Urban Renewal Plan and located on River Street.

The City of Newberg Resolves as Follows:

1. To approve the execution of an IGA to further the cited River Street improvements.

Effective Date of this resolution is the day after the adoption date, which is: July 8, 2025.

Adopted by the City Council of Newberg, Oregon, this 7th day of July, 2025.

Rachel Thomas, City Recorder

Attest by the Mayor this 7th day of July, 2025.

Bill Rosacker, Mayor

INTERGOVERNMENTAL AGREEMENT

City of Newberg and Newburg Urban Renewal Agency Debt Financing and Authorization of Debt Service for Certain Projects Described in the Newberg Urban Renewal Plan for the Newberg Urban Renewal Area.

This Intergovernmental Agreement (“Agreement”) is entered into by the City of Newberg (the “City”), a municipal corporation of the State of Oregon, County of Yamhill, and the Newberg Urban Renewal Agency (“NURA”), an Oregon urban renewal agency, the (collectively the “Parties”) as of the last date signed below by both Parties (the “Effective Date”).

RECITALS

- A. Pursuant to ORS 457.190, NURA is authorized to borrow money and accept advances, loans, grants and any other form of financial assistance from a public body for the purposes of undertaking and carrying out urban renewal projects, listed in the Newberg Urban Renewal Plan adopted by the City of Newberg on April 18, 2022, as it has and may be amended (the “Plan”).
- B. Pursuant to ORS 457.320 the City is authorized to exercise any of its powers to assist in the planning or the carrying out of an urban renewal plan.
- C. Pursuant to ORS 271.390 the City has the power to enter into financing agreements to finance or refinance real and personal property.
- D. The NURA Citizen Advisory Committee or “CAC” met on July 30, 2024 and reaffirmed that the order and structure of initial NURA projects should follow that listed in the Plan with an emphasis on River Street to make the spaces colloquially known as the Mill Site and Rogers Landing more enticing to visitors.
- E. NURA affirmed the above course of action on August 19, 2024.
- F. The Newberg City Council reviewed and approved River Street as a capital improvement target at the City Council’s biennium Capital Improvement Project review on February 3, 2025. No councilors or NURA board members present had misgivings about the selection of River Street improvements as an early NURA objective.
- G. NURA has determined that a borrowing secured by the full faith and credit of the City will provide more beneficial terms to NURA than a borrowing issued directly by NURA and serviced solely by NURA’s tax increment revenues for the Newberg Urban Renewal Area (the “Area”).
- H. City Staff determined that Newberg Streets System Development funds can be contributed to the Urban Renewal Projects in the approximate amount of \$6 million.

- I. The City desires to finance certain capital projects in the Plan as identified in Section 3 of this Agreement (the “Urban Renewal Projects”) with a bond for approximately \$10.9 million (the “Bond”), of which \$6.6 million would be available to spend on projects (the remainder is estimated for interest, issuance, and bond counsel costs).
- J. NURA is committed to using tax increment revenues from the Area to service the debt on the Bond.
- K. The Area is projected to have sufficient tax increment revenues to pay the debt service on the Bond.
- L. The Parties intend to use this debt mechanism to complete the Urban Renewal Projects, which includes projects described in the Newberg Urban Renewal Plan and located on River Street.

TERMS

The Parties agree as follows:

1. City’s Rights and Obligations. The City shall:

- a. Provide up to \$12.6 million in funding for the Urban Renewal Projects described herein as follows:
 - i. An amount not to exceed Six Million Dollars (\$6,000,000.00) shall be provided from the Newberg Streets System Development fund to the extent sufficient funds are available in the account that the City maintains for those funds.
 - ii. The City shall secure the Bond if reasonably available at a cost, and subject to interest rates, that are acceptable to the City in its sole discretion.
- b. Engage and pay for bond counsel fees.
- c. Provide staff time including administrative, legal, recording, financial, and human resources services, which will be accounted for in and refunded from the budget of the Urban Renewal Projects.
- d. Provide non-administrative engineering services for the Urban Renewal Projects, which will be accounted for in and refunded from the budget of the Urban Renewal Projects.

2. NURA’s Rights and Obligations. NURA shall:

- a. Transfer tax increment revenues in amounts and at times sufficient for the City to pay debt service on the Bond.

- i. This includes up to \$6.6 million of the principal amount, plus interest, and issuance costs as described in Recital I.
 - ii. “Tax increment revenues” means all ad valorem tax revenues from property which are attributable to the increase in assessed value of property within the Area pursuant to Section 1c, Article IX of the Oregon Constitution and Oregon Revised Statutes, Chapter 457, and all earnings thereon.
- b. Reimburse the City for all fees, costs and expense incurred for bond counsel, consultants and staff time described under Section 1(b) and 1(c) of this Agreement. NURA will provide reimbursement not later than sixty (60) days after receipt of an invoice from the City.

3. Projects.

The funds provided and secured through this Agreement will be used to finance the following NURA projects in the order listed below. The Parties anticipate that the work will commence on the southern portion of River Street near the Newberg-Dundee Bypass, and will progress north along River Street up to East 3rd Street. All funds that remain unspent after completion of Project One will be applied toward costs for Project Two. In the unlikely scenario that additional funds remain after completion of Project One and Project Two, the Parties agree that such surplus funds shall be used as described in Section 4.

Project One:

E. Sub-Area E Riverfront:

1. Public Transportation and Infrastructure

- a) S River Street improvements - E Ninth Street to Bypass. This includes street, curb, sidewalk, storm and water, as described and depicted on page 18 of the Plan.

Project Two:

F. Sub-Area F Downtown

1. Public Transportation and Infrastructure

- a) S River Street improvements - E Third Street to E Ninth Street. Including street, curb, sidewalk, wastewater and stormwater, as described and depicted on page 19 of the Plan.

4. Not to Exceed and Surplus Funds.

- a. The total amount of funding provided by the City toward costs of the Urban Renewal Projects shall not exceed \$12,600,000.
- b. If sufficient funds remain to address the third set of improvements listed for River Street in the Plan, the Parties will consider an amendment to this Agreement. The City anticipates that any amendment to this Agreement regarding a third set of improvements may include the addition of Yamhill County as a party

5. Delegation of Authority. NURA authorizes the City to take all necessary administrative and management action to implement the Plan and to meet the obligations and goals of the Plan set forth in this Agreement. The City shall have the authority to engage consultants in furtherance of NURA. The City may submit invoices from consultants engaged under this Agreement to NURA for reimbursement.

6. Agreement Supersedes Previous IGA with Respect to the Projects. To the extent that this Agreement conflicts with other intergovernmental agreements between the Parties the terms of this Agreement shall govern with respect to the Projects and the obligations designated in this Agreement.

7. Term. This Agreement shall automatically terminate upon completion of the Projects or full satisfaction of the Bond, whichever comes later, unless extended by an addendum or a new intergovernmental agreement.

8. Termination. This IGA may be terminated:

- a. **For Cause.** This Agreement may be terminated for cause by either Party in the event the other Party is not performing their obligations under this Agreement. The Party terminating the Agreement shall provide written notice to the other Party and their governing body which notice shall include the “for cause” reason for termination. The other Party shall have 60 days to cure or remedy the asserted cause. If the cause is not remedied within the 60-day cure period, this Agreement may be terminated effective on the first day of the month following the expiration of the 60-day cure period.
- b. **Without Cause.** Both Parties may mutually agree to terminate the Agreement.

- 9. Indemnification.** Subject to the limitations of the Oregon Tort Claims Act and the Oregon Constitution, each party agrees to indemnify, defend and hold harmless the other party and its officers, agents, employees and elected officials from any and all claims, liability, loss, and costs arising out of or resulting from the negligent acts or omissions, including intentional or willful misconduct, of the indemnifying party, its officers, agents, employees and elected officials in the performance of this Agreement. If any aspect of this indemnity shall be found to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of this indemnification.
- 10. Insurance.** The Parties agree to each maintain insurance or self-insurance consistent with provisions of the Oregon Tort Claims Act, ORS 30.270 and customary for public agencies of the same size and type.
- 11. Amendment.** This Agreement may be amended at any time upon the written agreement of all Parties.
- 12. No Third-Party Beneficiaries.** The Parties do not intend to assume any contractual obligations to any other parties and do not intend that there be any third-party beneficiaries to this Agreement.
- 13. Assignment.** No party shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Parties.
- 14. Severability.** Should any provision of this Agreement be rendered invalid by a court of competent jurisdiction or an arbitrator with authority to render a provision invalid, it is agreed that every other part of the Agreement shall remain in full force and effect.
- 15. Counterparts.** This Agreement may be signed in one or more counterparts, and each counterpart shall be deemed to be an original instrument.
- 16. Judicial Review.** This Agreement and its construction shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claims, action, suit or proceeding between the Parties that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Yamhill County for the State of Oregon.

17. Non-Waiver. Failure of any party at any time to require performance of any provision of this Agreement shall not limit the party's right to enforce the provision, nor shall any waiver of any breach of any provision be a waiver of any succeeding breach of the provision or a waiver of the provision itself or any other provisions.

18. Entire Agreement. This Agreement constitutes the entire and integrated agreement between the Parties and may be modified or amended only by the written agreement of the Parties.

City of Newberg

Bill Rosacker
Mayor, City of Newberg

Date

Newberg Urban Renewal Agency

Will Worthey
NURA Administrator

Date

REQUEST FOR COUNCIL ACTION



Date Action Requested: (July 7, 2025)

Order <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Information <input type="checkbox"/> Proclamation <input type="checkbox"/>	
Subject: A motion to initiate River Street design option analysis and pre-design review	Staff: Will Worthey Department: Capital Engineering
Business Session	Order On Agenda: Continuing Business (after IGA is resolved)

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action:

Recommendation:

Staff recommends (after the completion of the River Street IGA between NURA and the City of Newberg) that the city moves with dispatch to the next stage. This will allow Keller engineering to start a work order to conduct many tasks listed below in summary.

A suitable motion might be executed as follows:

“I move to approve Keller task order 2025_06_24 to initiate scoping River Street”

Executive Summary:

River Street is a long-neglected street and is in very poor condition. It also has inconsistent road width and improvements. The street is critical for the development of the former Mill Site, in line with council goals around industrial growth and employment, as well as recreation with its access to the river front. The development of River Street is also a prerequisite to future developments at the river front. With the adoption of this task order, Keller Engineering will be able to carry out all of the following items:

- Scoping the entire length of River Street including any required traffic counts.
- Conducting examinations of geotechnical considerations as required.
- Considering the use of multi-modal paths to meet state law while reducing road width.
- Considering the option to make River Street at least in part a one-way system.
- Conduct Geotechnical drilling to assess if subsurface conditions are sound and contain concrete slabs as we assume.
- Use ground penetrating radar to further scope below grade conditions.
- Locate franchise lines to avoid extremely expensive and time-consuming issues later.
- Work with PGE on electricity re-location options.
- Provide alternative cross section ideas to save construction dollars later.
- Consider right-of-way considerations (and try to minimize the purchase of private land for this development).
- Develop elements for public engagement.

- Provide detailed construction cost estimates.

See more complete detail of these tasks and dozens more within the task order document, attachment #1.

Fiscal Impact:

This first phase of the River Street project will cost the city of Newberg \$225,000 in transportation SDC funds. The city has been saving for just this eventuality. Currently it has \$7.5M in reserve for major roads projects. Unlike neighboring communities, we never waste SDC dollars on frivolous projects.

Council Goals:

Continuous Goal A: Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply.

The River Street project also connects to Goal 2 since it will help attract employment opportunities in the leisure and industrial sectors in the future:

Goal 2: Identify industrial land and attract employers to encourage family wage jobs.

SCOPE OF SERVICES *for*
RIVER STREET IMPROVEMENTS PRE-DESIGN
CITY OF NEWBERG, OREGON

PROJECT DESCRIPTION

The City of Newberg, Oregon (“Owner”, “City”) is seeking to improve River Street, from 3rd Street to 11th Street (“Project”) as shown in **Figure 1**. River Street is a residential 2-lane roadway within a fully developed and urban portion of town. Its layout varies from block to block, lacking consistency in road width and pedestrian facilities. Although River Street is considered residential, it is the main thoroughfare linking Oregon Highway 99 (OR 99) to an area of future development referred to as the “Mill Site”, accesses a designated truck route along 11th Street, and accesses the Willamette River at Rogers Landing. The Mill Site is part of an Urban Renewal District in the City of Newberg, making River Street a key corridor for improvements to encourage development at the Mill Site. The primary goal of the project is to propose corridor improvements that will improve connectivity and encourage opportunities for development at the Mill Site.

Figure 1. Approximate Project Limits





Keller Associates, Inc. (“Consultant”) will serve as the Prime Consultant to provide the Scope of Services. The Scope of Services will deliver a Corridor Improvement Report (CIR), as detailed below. In general, the CIR will evaluate improvement needs for River Street. The evaluation includes existing rights-of-way constraints, utilities impacts, intersection considerations (trucks, cars, bicyclists, and pedestrians), existing geotechnical conditions and the possible existing hazardous materials conditions. The CIR will include corridor design alternatives and recommendations, probable construction cost estimates, and a stakeholder engagement plan.

GENERAL ASSUMPTIONS & UNDERSTANDINGS

The Scope of Services relies on the following assumptions and understandings:

- The Owner has a total project budget including design, construction management and actual construction of 12.6 million local dollars.
- The Project falls within an urban renewal district under Newberg Urban Renewal Agency (NURA) jurisdiction.
- A primary goal of the project is to propose corridor improvements that will improve connectivity to and encourage opportunities for development at the Mill Site.
- The Mill Site and the areas around it are known to have disturbed soils that require geotechnical and environmental considerations.
- There is no existing access to the Mill Site from OR 18, nor is any access planned in the future.
- The Owner desires to determine a typical section unique to the needs of the River Street corridor. The City’s standard local section is not desired for this project and will not be applied.
- The Project needs to provide accommodation for multi-modal transportation, including bikes, pedestrians, passenger vehicles and highway trucks (WB-67) through a residential corridor.
- The Owner desires to consider the use of hybrid pedestrian facilities, such as Multi-Use Paths (MUP’s) and buffered pedestrian facilities.
- Portions of existing River Street are understood to have been constructed over an existing concrete street.
- Mature trees and landscaping exist throughout the corridor and will be impacted by the Project.
- Project review meetings are assumed to be online and no longer than two (2) hours in length, including preparation and meeting minutes.
- Cost estimates or opinion of probable cost will be based on the Consultant’s perception of current conditions at the project location. This estimate reflects the Consultant’s opinion of probable costs at this time and is subject to change as the project design matures. The Consultant has no control over variances in the cost of labor, materials, equipment, services provided by others, contractor’s methods of determining prices, competitive bidding or market conditions, practices or bidding strategies. The Consultant cannot and does not warrant or guarantee that proposals, bids or actual construction costs will not vary from the Consultant’s opinion of probable cost.

TASK 1: BACKGROUND DATA COLLECTION

Task Services: The Consultant will complete the following services:

- 1.1 Kick-off Meeting:** Participate in an in-person project kickoff meeting to discuss the Owner’s goals for the Project, general design criteria, review the CIR schedule, discuss known constraints and objectives, and discuss available data. The Consultant will prepare the agenda and meeting minutes.
- 1.2 Corridor Visit:** Perform a corridor visit, in which up to three (3) Consultant team members will walk the corridor to review existing field conditions and collect photographs and aerial imagery. For purposes of budget, the Kick-off Meeting and Corridor Visit will occur on the same day.



1.3 Request For Information:

i. The City will provide the following information electronically:

1. Existing short and long-term planning documents
2. GIS data including right-of-way, property ownerships, and utilities
3. Existing utility franchise agreements and easements
4. Known areas and locations of concern
5. Existing documents showing right-of-way, including plats and record of surveys.
6. Existing zoning information and historic city maps
7. Existing development policies and procedures
8. Any previously completed studies affecting the project area including water, wastewater, transportation, and traffic studies.
9. Any existing geotechnical investigations known to the City including Building Department of properties along the corridor alignment.
10. Any existing information on historical concrete pavement extents, width, and depth.

ii. The Consultant will process and review the received materials: Review, organize and assess all response materials. Provide follow-up request to the City for clarification or further information.

1.4 Geotechnical Data Collection: Working with a Sub-consultant (Central Geotechnical Services, LLC), collect geotechnical information regarding existing condition by performing the following tasks:

1.4.1 Subconsultant Coordination: Conduct coordination and management of tasks including review findings and reports.

1.4.2 Field Investigation: Coordinate and manage a field investigation including public and private utility notification.

1.4.3 Geotechnical Bores:

1.4.3.1 Explore subsurface conditions by drilling four (4) bores to a depth of 5 feet below ground surface (bgs), or refusal, between 3rd street and 11th street

1.4.3.2 Drill one (1) bore to a depth of 25 feet bgs, or refusal, south of 11th street.

1.4.4 Infiltration Test: Perform 1 infiltration test south of 11th street.

1.4.5 Traffic Control: Provide traffic control to support operations.

1.4.6 Bore Logs: Prepare bore logs detailing the soil strata found at each bore location.

1.4.7 Ground-Penetrating Radar (GPR): Complete GPR mapping in the wheel track of the main travel lanes.

1.4.8 Geotechnical Report: Prepare a report summarizing the findings of the geotechnical investigation including general recommendations for pavement options, including drainage subgrade and base rock preparation.

1.5 Level 1 Hazardous Materials Corridor Assessment (HMCA): Working with a Sub-consultant (Central Geotechnical Services, LLC), conduct a level 1 HMCA between 3rd street and 14th street by performing the following tasks:

1.5.1 Subconsultant Coordination: Conduct coordination and management of tasks including review findings and reports.

1.5.2 Federal and State Records Review: Review state and federal standard environmental record source lists.

1.5.3 Local Records Review: Review and supplement information obtain in 1.5.1 with local information source including the local fire and health departments, regional pollution control agencies and utility companies.

1.5.4 Historical Review: Review prior occupancies and/or uses of the corridor from 1940 to present.

1.5.5 Site Reconnaissance: Conduct a site reconnaissance of the corridor to summarize information pertaining to the likelihood of hazardous materials.

1.5.6 Report: Provide an HMCA report summarizing findings and observations.

1.6 Franchise Utility Mapping: Contact Oregon811 and request contact information of known utilities in the corridor. Contact identified utilities and request mapping of their facilities within the corridor.

Deliverables:

- 1) Geotechnical Report
- 2) Level 1 HMCA Report

TASK 2: ALTERNATIVES DEVELOPMENT

Task Services: The Consultant will complete the following services:

- 2.1 Existing Street Network:** Review existing mapping, ownership information, and Transportation System Plan (TSP) documents to familiarize the context of the Project within the greater footprint of the City.
- 2.2 Consideration of Couplet:** At a high level, consider the viability of creating a couplet featuring a northbound 1-way street along River Street, and a southbound 1-way street along Center Street. Provide a high-level summary of the costs associated with this approach (>AAEC Class 5, -25% to +75% accuracy), the impacts on the existing right-of-way, and existing grid functionality and wayfinding. Detail the recommendations in CIR.
- 2.3 Portland General Electric (PGE) Coordination:** Engage with PGE to discuss the viability of underground relocation of the power lines along the east edge of River Street, the feasibility of remaining above ground, and cost implications associated with both approaches.
- 2.4 Utility Research:** Review utility mapping completed during Task 1 to consider the Project's impact on existing utilities in the corridor. Review extent of existing and proposed city-owned utility improvements (water, sewer and storm water) within the project limits.
- 2.5 Alternative Typical Sections:** The City's standard local section is not desired for this project and will not be applied. Two (2) alternative typical roadway cross sections for the corridor will be developed.
- 2.6 Alternative Roadway Intersections:** Consider existing intersection layout for a typical 4-leg intersection and produce at maximum of two (2) typical intersection layouts to include in the CIR. Provide a plan-view 2-D visualization of the two concepts.
- 2.7 Alternative Special Intersections:** Provide specific consideration and recommendations for the truck route intersection at 11th & River, showing proposed tie-in to River Street and truck route accommodations. Perform turning analysis for highway trucks utilizing the truck route. Provide a plan-view 2-D visualization of the two concepts.
- 2.8 Alternative Corridor Plan:** Develop up to three concept plans for the entire length of the roadway corridor using commercially available aerial imagery and apply the Alternate Typical Sections and Intersections to the concept. The concepts will be a plan-view 2-D visualization of the corridor.
- 2.9 Storm Water Utility Considerations:** Develop a Concept Stormwater Management Plan for the corridor (approximately a 10% level of design) following the City's Public Works Design Standards. The concept plan will include up to two (2) concepts for stormwater management designs to address water quality and flow control requirements along the Project corridor. The Consultant will attempt to prioritize Low-Impact Development Approaches over manufactured technologies that fit within the existing right-of-way and assess the potential of right-of-way acquisition for stormwater needs.
- 2.10 Right-of-Way Considerations:** Based on City right-of-way mapping, summarize potential right-of-way impacts resulting from the implementation of the typical sections, typical intersections, special intersection and stormwater facilities. Summarize impacts and include cost considerations with opinions of probable construction cost.
- 2.11 Opinions of Probable Construction Cost (OPCC):** Produce concept level OPCC's for proposed roadway concepts, typical sections, and intersection layouts. OPCC's will be consistent with AAEC Class 4 (-15% to +50% accuracy). The OPCC will include design, construction, construct administration and inspection, right-of-way acquisition, utility relocation, and contingency.
- 2.12 Project Review Meeting #1:** Meet with the Owner to review the tasks above findings/recommendations from the above tasks. Gather comment from Owner and produce meeting minutes documenting action items.

Deliverables:

- 1) Alternative Typical Section Visualization(s) in PDF format
- 2) Alternative Typical Intersection Visualization(s) in PDF format
- 3) Alternative Special Intersection Visualization(s) in PDF format
- 4) Alternative Corridor Plan Visualization(s) in PDF format
- 5) Concept Stormwater Management Plan in PDF format
- 6) Opinions of Probable Construction Cost in PDF format

TASK 3: DRAFT REPORT

Task Services: The Consultant will complete the following services:

- 3.1 Stakeholder Engagement Plan:** Develop a public involvement strategy or plan to be executed in future Project development tasks.
- 3.2 Draft Report:** Prepare a draft report to a 75% level of completeness for review with the Owner. The draft report will primarily focus on content, with graphics, tables, formatting, and concentrated grammatical reviews refined with the final report. Generally, the draft report will include the following sections (this is a preliminary list and is subject to change as the Project develops):
- Executive Summary
 - Introduction
 - Needs Assessment & Existing Conditions
 - Design Criteria
 - Alternatives Analysis
 - Opinions of Probable Construction Cost
 - Stakeholder Engagement Recommendations
 - Recommended Next Steps
 - Appendices
- 3.3 Project Review Meeting #2:** Meet with the Owner to review the draft report. Gather comments from the Owner and produce meeting minutes documenting action items.

Deliverables:

- 1) Draft Report, in PDF format

TASK 4: FINAL REPORT

Task Services: The Consultant will complete the following services:

- 4.1 Update Alternative Figures:** Update the alternative figures developed in Task 3 in accordance with the Owner's comments.
- 4.2 Final Report:** Revise the draft report in accordance with the Owners' comments. Advance the report to a 100% completeness level. Finalize, stamp and sign the report. Deliver to the Owner.

Deliverables:

- 1) Final Report, in PDF format

TASK 5: TASK ORDER ADMINISTRATION

Task Services: The Consultant will complete the following services:

- 5.1 Project Management.** Provide general project administration services including: contract administration, project accounting, project update and coordination meetings will occur every two weeks, scheduling, monthly progress reports, and internal project administration. The Consultant will keep in regular contact with the City via written and verbal communications. Provide an initial comprehensive project schedule that identifies start and stop dates, anticipated task durations, and scheduled reviews. Consultant will provide the City with two updated schedules during the project.



SCHEDULE

The Consultant's scope of services will be completed in accordance with the following milestone schedule:

TASK	DESCRIPTION	TIMELINE
1	Background Data Collection	Deliver 12 weeks from receipt of NTP
2	Alternatives Development	Deliver 12 weeks from completion of Task 1
3	Draft Report	Deliver 8 weeks from completion of Task 2
4	Final Report	Deliver 8 weeks from completion of Task 3
	TOTAL WEEKS TO COMPLETION	40 Weeks (10 months)

FEE

The Consultant will be compensated for their work on a Lump Sum basis, in accordance with the fee schedule provided below:

PROFESSIONAL SERVICES FEE			
TASK	DESCRIPTION	FEE	BASIS OF FEE
1	Background Data Collection	\$40,000	LS
2	Alternatives Development	\$120,000	LS
3	Draft Report	\$33,000	LS
4	Final Report	\$27,000	LS
5	Task Order Administration	\$5,000	LS
	TOTAL	\$225,000	LS

REQUEST FOR COUNCIL ACTION



Date Action Requested: (July 7, 2025)

Order <input type="checkbox"/>	Ordinance <input type="checkbox"/>	Resolution <input type="checkbox"/>	Motion <input checked="" type="checkbox"/>	Information <input type="checkbox"/>	Proclamation <input type="checkbox"/>
Subject: Authorizing the City Manager to execute a contract with Cedar Mill Construction to build new structures to cover our water basins at the water treatment plant.				Staff: Will Worthey CM Trevis Smith City Engineer	
Business Session				Department: Capital Engineering Order On Agenda: Continuing business	

Is this item state mandated? Yes ☒ No ☐

If yes, please cite the state house bill or order that necessitated this action:

DEQ mandate (their interpretation of the clean water act).

See: <https://www.oregon.gov/deq/wq/dwp/pages/dwp-source.aspx>

Recommendation:

Staff recommends that the city council approve the contract with Cedar Mill Construction LLC.
This could be moved as follows:

“I move that we approve Cedar Mill Construction LLC’s contract for \$911,850 to build covering structures over our water basins at the water treatment plant”.

Executive Summary:

For many years the City of Newberg has been working with an unfunded mandate from Oregon DEQ to cover the water basins at the water treatment plant. The City of Newberg obtained a stay on DEQ action while it was scoping the Consor bid to build a new water plant.

This matter was introduced to council previously during the CIP presentation for BY 2025 – 2027.

To summarize greatly here are some of the events that have already taken place:

On March 5, 2020, the City of Newberg responded to DEQs mandate that we cover the water basins. At that time, we indicated that we needed more time to study alternatives. DEQ accepted this.

On December 22, 2021, we indicted to DEQ that we had completed interim measures and were weighing up the cost / benefits of a new water plant versus covering the basins. DEQ accepted this.

Interim measures to scare birds and deter mammals were adopted. The City engaged with DEQ and worked towards building a new ground water treatment plant. This was budgeted at \$17M. This cost

quickly rose to \$21.5M and then rose above \$35M, an amount that was unsustainable for the City at that time.

The City cancelled the Consor water plant construction in December 2023. This cancelation of the water plant construction effort re-initiated the DEQ timeline for action and we have met their “shot clock” by having designs ready for construction that went out to bid in April of 2025.

On May 22nd, 2025, the City opened bids and received only one for the construction work. This bid was for \$1.24M with part of the additional cost being related to extractor fans that DEQ had insisted upon. The CM directed Keller Engineering to engage with Cedar Mill on value engineering options to make this sole bid lower.

By June 16th, 2025, following many site visits and negotiations, Cedar Mill was able to propose value engineering cost reductions that still meet the demands of DEQ.

If the city does not build covers that match their approved specifications DEQ has the authority to put the city on a permanent boil water notice and / or fine the city up to \$1000 per day. As a result, although staff do not relish this unfunded mandate, I can see no option but to comply. See supporting documents gathered together as attachment numbers #1 to #5. Attachment #1 is Kellers detailed explanation of the process to date. Attachment #2 is the original bid while #3 is the revision with value engineering reductions.

Fiscal Impact:

\$911,850 from the water fund, as opposed to the hoped for \$750,000, versus the risk of DEQ fines. The pricing structure for this construction is believed by staff to be the lowest price that will meet DEQ’s requirements. It is considerably less than the \$2.5M that was proposed by the previous city engineer. The updated bid is \$911,850.

The value engineered bid is \$161,000 more than we had anticipated in the budget, however this can be balanced against the fact that other CIP projects in the last year have been \$300,000 under budget net.

Council Goals:

No council Goals directly relate to this unfunded mandate.

FIGURE 1: EXISTING CONTACT BASINS



FIGURE 2: TYPICAL FABRIC SHELTER – CONTACT BASINS



FIGURE 3: EXISTING FILTER BASIN



FIGURE 4: SAMPLE PHOTO OF STEEL BUILDING ENCLOSURE



FIGURE 5: SKETCH OF STEEL BUILDING ENCLOSURE

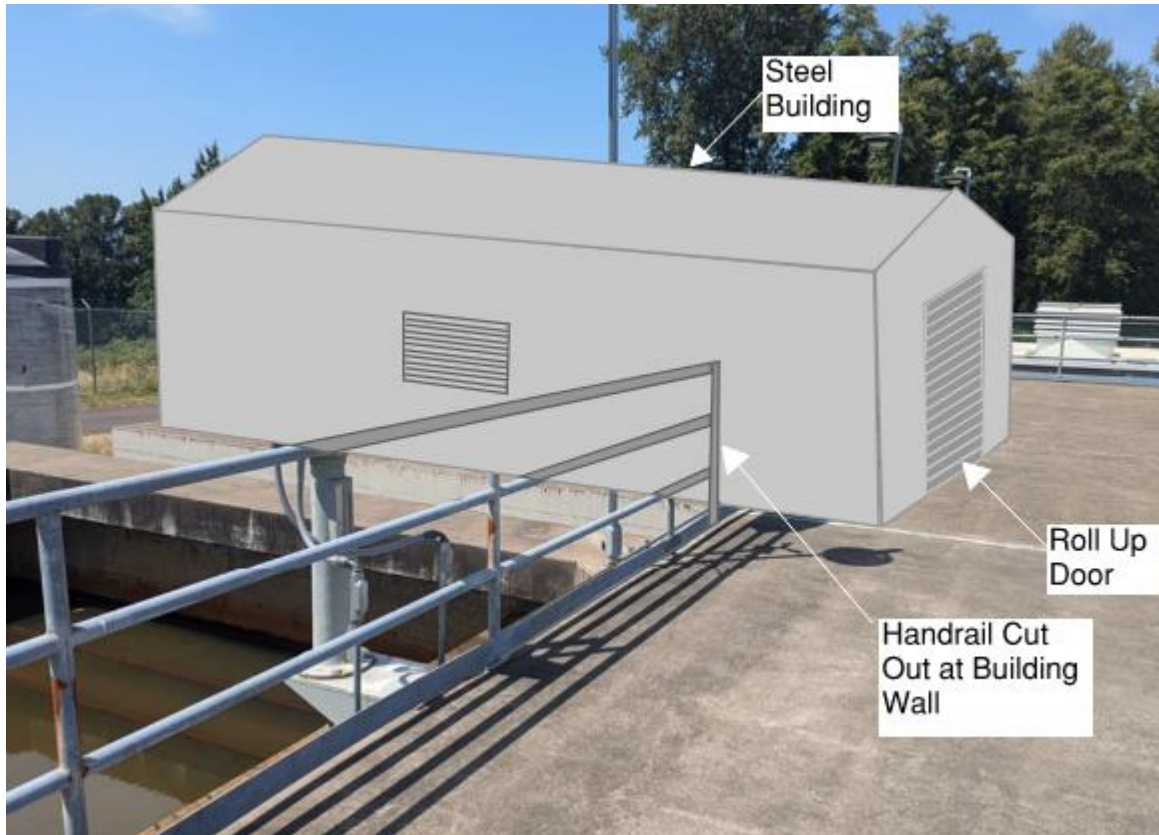


FIGURE 6: TYPICAL STEEL BUILDING INTERIOR WITH SKYLIGHTS





245 Commercial Street SE, Suite 210
Salem, OR 97301

(503) 364-2002

June 25, 2025

City of Newberg
Attn: Will Worthey, City Manager
414 E. First Street
Newberg, OR 97132

**Re: Groundwater Treatment Plant Covers Project
Engineer's Recommendation to Award**

Dear Will,

On Thursday, May 22nd, 2025, the City of Newberg (City) received a single bid from Cedar Mill Construction Company, LLC (Cedar Mill) from Tualatin, for the Groundwater Treatment Plant Covers Project. Their qualifications depict a reputable, licensed Oregon contractor in our region. Cedar Mill's bid documents were found in order and responsive, however their bid of \$1,244,210.00 significantly exceeded the pre-bid engineering estimate range of \$650,000 to \$850,000.

Cedar Mill expressed the desire to investigate value engineering (VE) cost reductions, and an on-site VE meeting was held on June 3rd, 2025 with the Contractor, Subcontractors, City staff, and Keller Associates in attendance. The VE meeting provided Cedar Mill's subcontractors the opportunity to review the project scope of work in person to re-evaluate initial cost estimates. Two of the proposed cost reduction items were subsequently approved, both of which are summarized in Cedar Mill's proposal. The proposed cost reduction items do not significantly alter the scope of this project.

Following the VE meeting, Cedar Mill submitted a VE proposal dated June 16, 2025, which reduced the total bid amount to \$911,850.00, representing a reduction of \$332,360.00 from the original bid. Part of this reduction resulted from removing the 10% construction contingency from the contract, at \$113,110.00.

This letter presents our recommendation to award the project to Cedar Mill at the reduced contract price of \$911,850.00. The next step is to issue a Notice of Award to Cedar Mill Construction Company along with the Owner/Contractor agreement. If the City concurs with this recommendation, please sign the provided Notice of Award. Upon receipt of the signed Notice of Award we will proceed with providing the contract documents for Owner and Contractor signatures.

Sincerely,

Trevis Smith, PE
Sr. Project Manager
KELLER ASSOCIATES, INC.

Enclosures: Cedar Mill Bid Proposal Package dated May 22, 2025
Cedar Mill Value Engineering Proposal dated June 16, 2025
Notice of Award

EXHIBIT A – BID FORM

Enclose in a separate sealed opaque envelope.

Project Name: Groundwater Treatment Plant Tank Covers Project

Due Date: May 22nd, 2025 at 2:00 pm local time

Bid From: Cedar Mill Construction Company, LLC

The undersigned hereby proposes to provide to the City all materials, services, and labor necessary to perform all work in connection with the project in strict accordance with the terms of the Invitation to Bid ("ITB").

In submitting this bid, the undersigned agrees:

- a. To hold this bid open for 60 days from the date of the Bid Closing and to accept the provisions of the ITB regarding bid security.
- b. To execute the Contract relating to this bid if the bid is selected.
- c. To perform under the Contract according to the agreed-upon schedule.

The price bid must include one lump-sum cost for the proposed project and correspond to the Schedule of Prices in Exhibit B to this ITB.

One Million Two Hundred Forty Four Thousand Two Hundred Ten Dollars
(\$ 1,244,210.00). The amount must be written in both words and figures. Bidder represents that the price bid is made according to the terms of the Contract made a part of this ITB, and that the price bid covers all expenses incurred in performing the Work under the Contract.

Bidder must respond to each of the yes/no prompts below, otherwise the bid will not be considered. Boxes checked as Required below must be submitted with the bid.

1. First-Tier Subcontractor Disclosure:

☒ Required¹ ☐ Not Required

Bidders must disclose information about certain first-tier subcontractors under ORS 279C.370 on the First-Tier Subcontractor Disclosure Form attached as Exhibit D. A bidder must disclose first-tier subcontractors that: (a) will be furnishing labor or will be furnishing labor and materials in connection with the public improvement contract; and (b) will have a contract value that is equal to or greater than 5% of the total project bid or \$15,000, whichever is greater, or \$350,000 regardless of the percentage of the total project bid.

Addenda:

Complete this section if any addenda were issued and received.

Bidder has received:

☒ Bid Addendum No. 1 only. ☐ Bid Addendum No. 1 through No. ____.

Issue date of the most recent addendum: May 14, 2025.

¹ Disclosure of first-tier contractors must be required if the contract is for a public improvement with a cost estimated by the City of more than \$100,000, unless the public improvement contract has been exempted from competitive bidding requirements under ORS 279C.335(2).

Bid Security:

☒ Required ☐ Not Required

Each bid must be accompanied by a certified or cashier's check payable to City of Newberg, or a bond naming City of Newberg as an obligee, in an amount of 10% of the total bid amount. Bidder agrees that (a) the Bid Security accompanying this bid will be held in escrow by the City to compensate for damages (including expenses and related attorney fees) that the City sustains as a result of the selected bidder's failure to execute and deliver the Contract and performance and payment bond, and (b) if the selected bidder defaults in either executing the Contract, providing proof of required insurance, or providing a performance or payment bond within 7 days of receipt of the Notice of Intent to Award the Contract or as otherwise required by the City, then the Bid Security may become the property of the City at its option. If, however, this bid is not accepted within 60 days of its submission date, or if the bidder executes and timely delivers the Contract, proof of required insurance, and performance and payment bonds, the Bid Security will be returned to the bidder.

Performance, Payment, and Public Works Bonds:

☒ Required ☐ Not Required

No later than 7 days after the receipt of the Notice of Intent to Award the Contract, the selected bidder must be prepared to execute the Contract provided by the City and to deliver performance and payment bonds to the City to the extent required under ORS 279C.380. The bidder must have also filed a public works bond with the Oregon Contractors Construction Board to the extent required under ORS 279C.836.

Prevailing Wages Certification:

This Contract is a "Public Works" contract within the meaning of ORS 279C.800 and is therefore subject to the following requirements:

- The hourly rate of wage to be paid by Contractor or any subcontractor to workers in each trade or occupation required for the public works employed in the performance of this Contract shall not be less than the specified minimum rate of wage in accordance with ORS 279C.838 and ORS 279C.840.
- The latest prevailing wage rates for public works contracts in Oregon are contained in the following publications: The January 5, 2025 Prevailing Wage Rates for Public Works Projects in Oregon and the January 5, 2025 PWR Apprenticeship Rates. Such publications can be reviewed electronically at <https://www.oregon.gov/boli/employers/Pages/prevailing-wage-rates.aspx> and are hereby incorporated as part of the Contract Documents.

By signing below, bidder certifies that bidder will pay the Oregon prevailing wage rate.

Nondiscriminatory Subcontractor Participation:

Bidder certifies that bidder has not and will not discriminate against disadvantaged business enterprises, minority-owned, women-owned, or service-disabled-veteran-owned businesses, or emerging small-business enterprises in awarding any subcontract relating to this ITB or any contract awarded under it:

☒ Yes ☐ No

Reciprocal Preference Law/Resident Bidder:

Bidder certifies that bidder is a "resident bidder" as defined in ORS 279A.120:

☒ Yes ☐ No

If bidder selected "no" above, name of state in which bidder resides:_____.

Construction Contractors Board or Landscape Contractors Board Registration:

☒ Required ☐ Not Required

The City will not consider a bid from a bidder that is not registered with the Oregon Construction Contractors Board, if required by ORS 701.021, or the Oregon Landscape Contractors Board, if required by ORS 671.530.

Construction Contractors Board

Registration Number: 131345

Expiration Date: 02/12/2027

Landscape Contractors Board

Registration Number: N/A

Expiration Date: N/A

Asbestos Abatement:

☐ Required ☒ Not Required

Bidder must be licensed under ORS 468A.710 to perform asbestos abatement.

Conflicts of Interest:

Bidder certifies that no officer, agent, or employee of the City that has a pecuniary interest in the bid has participated in the contract negotiations on the part of the City; that the bid is made in good faith without fraud, collusion, or connection of any kind with any other bidder in connection with this ITB; and that the bidder is competing solely on its own behalf without connection with or obligation to any undisclosed person or firm.

Oregon Office for Business Inclusion and Diversity Certification:

Please indicate whether your business is certified under ORS 200.055 as any of the following:

☐ Minority Business Enterprise

☐ Women Business Enterprise

☐ Emerging Small-Business Enterprise

☐ Service-Disabled-Veteran Enterprise

Bidder's Signature and Identification:

I hereby certify that this bid is genuine and that I have not entered into collusion with any other entity or person relating to this bid.

Name of Proprietor, Partnership, or Corporation: Cedar Mill Construction Company, LLC

Authorized Official Name and Title (Please Print): Taylor Skipton

Signature of Authorized Official: Taylor Skipton Date Signed: 5/22/2025

19465 SW 89th Avenue Tualatin, OR 97062
Street Address City, State, and Zip Code

Mailing Address (if different from street address) City, State, and Zip Code

503-885-9370 93-1262175
Phone Number Employer Federal ID Number

taylor@cedarmillcc.com www.cedarmillcc.com
Email Address Website Address

EXHIBIT B – SCHEDULE OF PRICES**Groundwater Treatment Plant Tank Covers**

Item No.	Items of Work and Materials	Unit	Quantity	Unit Price	Total Amount
1	Contact Basin Enclosures - Complete	LS	1	\$ 569,110.00	\$ 569,110.00
2	Filter Basin Enclosure - Complete	LS	1	\$ 561,990.00	\$ 561,990.00
Total for Groundwater Treatment Plant Tank Covers Bid Items:					\$ 1,131,100.00
10% of Total for Contingency:					\$ 113,110.00
Grand Total:					\$ 1,244,210.00

Bidders must include in their bid prices the entire cost of each item of work set forth in the bid, and when, in the opinion of the City, the prices in any bid are obviously unbalanced, such bid may be rejected. The lump sum prices for the various bid items shall be full compensation for all things of whatsoever nature required for the complete incorporation of the item into the work the same as though the item were to read "In Place." The bid award is based on the "Grand Total" which includes the 10% contingency.

EXHIBIT E – FORM OF BID BOND

KNOW ALL MEN BY THESE PRESENTS That we Cedar Mill Construction Company, LLC, hereinafter called Principal, and Markel Insurance Company, a corporation authorized to transact a general surety business in the State of Oregon, herein after called "Surety", are held firmly bound unto the City of Newberg, Oregon, hereinafter called "Owner" in the penal sum of Ten Percent (10%) of Bid Amount Dollars (\$ 10% of Bid Amount) lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

WHEREAS, the Principal is herewith submitting their bid proposal for the construction of the Groundwater Treatment Plant Tank Covers of which said bid is made a part hereof as if fully incorporated herein.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION are such that if the Owner does not award a contract to the Principal within the time specified in the Invitation to Bid for the work described in said Invitation to Bid, or in the alternate if the bid submitted by the Principal be accepted and the contract be conditionally awarded to the Principal and if the Principal shall execute the proposed contract and shall furnish the performance and payment bonds as required by the Invitation to Bid and contract documents within the time fixed by said documents, then this obligation shall be void, otherwise to remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees that the obligation of the Surety and this bond shall be in no way impaired or affected by any extension of the time within which the Owner may accept such bid; and the Surety does hereby waive notice of any extension.

IN WITNESS WHEREOF, said Principal and said Surety have caused these presents to be duly signed and sealed this 22nd day of May, 2025.

PRINCIPAL

Cedar Mill Construction Company, LLC
principal company (SEAL)

by: Taylor Skipton
authorized signer for principal

Taylor Skipton
please print

SURETY

Markel Insurance Company
surety (SEAL)

by: Lois F. Weathers
*attorney-in-fact**

Lois F. Weathers, Attorney-In-Fact
please print

1111 Main Street #640
address

Vancouver, WA 98660
city, state, zip

(804) 747-0136 (804) 527-7905
phone fax

*Provide additional documentation from Surety, appointing and/or authorizing signer to perform every act necessary on behalf of said Surety.

JOINT LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That SureTec Insurance Company, a Corporation duly organized and existing under the laws of the State of Texas and having its principal office in the County of Harris, Texas and Markel Insurance Company (the "Company"), a corporation duly organized and existing under the laws of the state of Illinois, and having its principal administrative office in Glen Allen, Virginia, does by these presents make, constitute and appoint:

Aliceon A. Keltner, Annelies M. Richie, Carley Espiritu, Christopher Kinyon, Jamie L. Marques, Holli Albers, Tamara A. Ringeisen, Katharine J. Snider, Cynthia L. Jay, Amelia G. Burrill, Justin Dean Price, Alyssa J. Lopez, Lindsey Elaine Jorgensen, Lois F. Weathers, Sarah Whitaker, Julianne Morris, Julie A. Craker, Charla M. Boadle, Travis J. Robles

Their true and lawful agent(s) and attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal and deliver for and on their own behalf, individually as a surety or jointly, as co-sureties, and as their act and deed any and all bonds and other undertaking in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

Fifty Million and 00/100 Dollars (\$50,000,000.00)

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolutions adopted by the Board of Directors of SureTec Insurance Company and Markel Insurance Company:

"RESOLVED, That the President, any Senior Vice President, Vice President, Assistant Vice President, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the SureTec Insurance Company and Markel Insurance Company, as the case may be, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

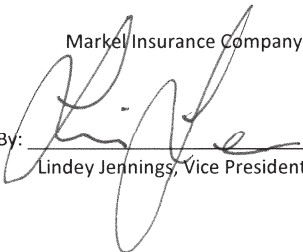
IN WITNESS WHEREOF, Markel Insurance Company and SureTec Insurance Company have caused their official seal to be hereunto affixed and these presents to be signed by their duly authorized officers on the 3rd day of December, 2024.

SureTec Insurance Company

By: 
Michael C. Keimig, President



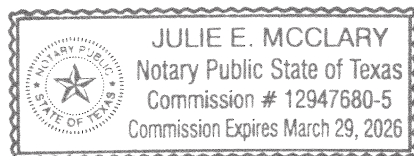
Markel Insurance Company

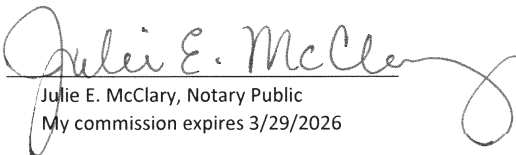
By: 
Lindsey Jennings, Vice President

State of Texas
County of Harris:

On this 3rd day of December, 2024 A. D., before me, a Notary Public of the State of Texas, in and for the County of Harris, duly commissioned and qualified, came THE ABOVE OFFICERS OF THE COMPANIES, to me personally known to be the individuals and officers described in, who executed the preceding instrument, and they acknowledged the execution of same, and being by me duly sworn, disposed and said that they are the officers of the said companies aforesaid, and that the seals affixed to the proceeding instrument are the Corporate Seals of said Companies, and the said Corporate Seals and their signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of the said companies, and that Resolutions adopted by the Board of Directors of said Companies referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Harris, the day and year first above written.

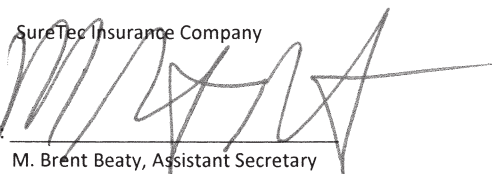


By: 
Julie E. McClary, Notary Public
My commission expires 3/29/2026

We, the undersigned Officers of SureTec Insurance Company and Markel Insurance Company do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

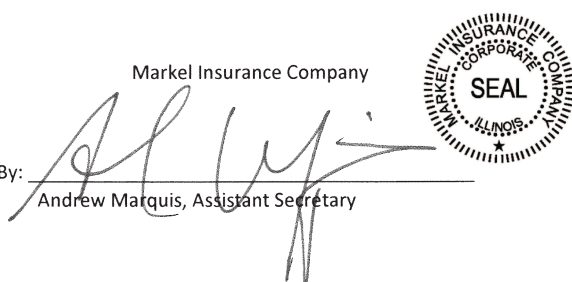
IN WITNESS WHEREOF, we have hereunto set our hands, and affixed the Seals of said Companies, on the 22nd day of May, 2025.

SureTec Insurance Company

By: 
M. Brent Beaty, Assistant Secretary



Markel Insurance Company

By: 
Andrew Marques, Assistant Secretary



**CONSENT TO ACT IN LIEU OF MEETING OF MEMBERS OF
CEDAR MILL CONSTRUCTION COMPANY LLC**

WHEREAS, the undersigned Members hold one hundred percent (100%) of the Membership Interests in Cedar Mill Construction Company LLC (the "Company");

WHEREAS, the undersigned desire to take the actions hereinafter set forth without a meeting pursuant to Oregon law, and waive any notice thereof required by law, the Company's Operating Agreement, as amended;

NOW, THEREFORE, the undersigned hereby consent and adopt the following resolutions:

1. Senior Operations Manager. RESOLVED, Will Turner is appointed Senior Operations Manager of Bend and Tualatin. In such office, and subject to the seventh resolution below, Will Turner is authorized to take the following actions with respect to the Company's operations in Bend and Tualatin: (a) Establish a branch of the Company in Bend, Oregon; (b) Oversee the day-to-day operations; (c) Manage employees, including hiring, firing and evaluating employees; (d) sign bid documents, proposals, contracts and contract modifications; (e) Estimate and manage projects; (f) Purchase tools, vehicles and equipment; and (g) Schedule labor and equipment resources.

2. Assistant Operations Manager. RESOLVED, Ian Anderson is appointed Assistant Operations Manager of Tualatin. In such office, and subject to the seventh resolution below, Ian Anderson is authorized to take the following actions with respect to the Company's operations in Tualatin: (a) Oversee the day-to-day operations of the Company; (b) Assist the Senior Operations Manager with hiring, firing and evaluating employees; (c) Sign bid documents, proposals, contracts and contract modifications; (d) Estimate and manage projects; (e) Purchase tools, vehicles and equipment; and (f) Schedule labor and equipment resources.

3. Contracts Manager. RESOLVED, Taylor Skipton is appointed Contracts Manager. In such office, and subject to the seventh resolution below, Taylor Skipton is authorized to take the following actions: (a) Review and sign contracts and contract modifications between the Company and customers; (b) Prepare and sign contracts and contract modifications with subcontractors; (c) Sign bid documents; (d) Bind insurance; and (e) Engage the services of attorneys.

4. Human Resources and Accounting Manager. RESOLVED, Maryanne Kern is appointed Human Resources and Accounting Manager. In such office, and subject to the seventh resolution below, Maryanne Kern is authorized to take the following actions: (a) Assist the Senior Operations Manager with hiring, firing and evaluating employees; (b) Sign bid, loan and lease documents; (c) Bind insurance; (d) Engage the services of an attorney; and (e) Manage the Company's bank, credit and loan accounts.

5. Senior Projects Manager. RESOLVED, Jesse Vail is appointed Senior Projects Manager. In such office, and subject to the seventh resolution below, Jesse Vail is authorized to take the following actions: (a) Assist the Senior Operations Manager with hiring, firing and evaluating employees; (b) Assist with the oversight of day-to-day operations (c) Estimate and manage projects; (d) Sign bid documents, proposals, contracts and contract modifications; and (e) Purchase tools and equipment.


6. **Projects Manager.** RESOLVED, Tyler Anderson is appointed Projects Manager. In such office, and subject to the seventh resolution below, Tyler Anderson is authorized to take the following actions: (a) Estimate and manage projects; (b) Sign bid documents, proposals, contracts and contract modifications; (c) Purchase tools and equipment; and (d) Schedule labor and equipment resources.

7. **Limitation on Authority.** RESOLVED, notwithstanding the foregoing delegations of authority, no Manager elected herein shall take any of the following actions without the written consent of the Members: (a) Sell the Company's assets; (b) Purchase assets over \$5,000; (c) Commit the Company to any work without a written and signed contract; or (d) Open or close bank, credit, or loan accounts.

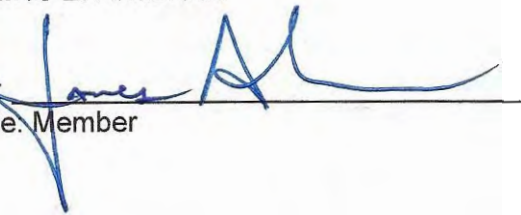
This Consent of the Members shall have the full force and effect of a meeting of the Members of the Company duly called and convened in accordance with Oregon law or by the Articles of Organization or Operating Agreement of the Company.

EFFECTIVE January 01, 2022

Valerie L. Anderson

By: 
Title: Member

James E. Anderson

By: 
Title: Member



6/16/2025

Proposal

Submitted to: City of Newberg
Attn: Will Worthey
414 E. First Street
Newberg, OR 97132
will.worthey@newbergoregon.gov

Job: Groundwater Treatment Plant
Tank Covers

Scope of Work:

This Value Engineering Proposal modifies the original Bid Proposal submitted on May 22, 2025 by Cedar Mill Construction Company for the above referenced project as follows:

Contact Basin	442,680.00
Filter Basin	469,170.00
Total	911,850.00
10% Contingency Removed	
Grand Total	\$911,850.00

- Value engineering options represented in this total include
- 1/8" diamond plate aluminum grate covers. Replaces FRP Floor Plate specified in Notes 5-8, Sheet G-002
- Handrails and stair platforms to be touched up in place using cold galvanizing paint in lieu of hot dipped galvanizing. Replaces General Note 3, Sheet G-002
- Includes all other conditions of the Keller Associates issued Contract Documents, Specifications and Drawings remain the same.

Notes:

1. Work hours per contract documents.
 2. Conditions of contract shall be according to above referenced Contract Documents issued by Keller Associates.
-

Meeting all phases of your construction needs

503-885-9370 · 19465 SW 89th Ave · Tualatin, Oregon 97062 · info@cedarmillcc.com · www.cedarmillcc.com
OR CCB# 131345 · WA# CEDARMC000PB

Authorized Signature: Tyler Anderson

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Date _____

EXHIBIT D - FIRST-TIER SUBCONTRACTOR DISCLOSURE FORM

(ORS 279C.370)

PROJECT NAME: Groundwater Treatment Plant Tank Covers

BID #: 224060-003

BID CLOSING: DATE: 5/22/2025

TIME: 2:00 PM

This form must be submitted at the location specified in the Invitation to Bid on the advertised closing date and within two (2) working hours of the advertised bid closing date after the advertised bid closing time.

List below the name of each subcontractor that will be furnishing labor or will be furnishing labor and materials and that is required to be disclosed, the category of work that the subcontractor will be performing, and the dollar value of the subcontract. Enter "NONE" if there are no subcontractors that need to be disclosed. (Attach additional sheets if needed.)

NAME	DOLLAR VALUE	CATEGORY OF WORK
1. Clear Span Buildings	\$ 205,256.00	Metal Building
CCB # 225995		
2.	\$	
CCB #		
3.	\$	
CCB #		
4.	\$	
CCB#		
5.	\$	
CCB#		

**FAILURE TO SUBMIT THIS FORM BY THE DISCLOSURE DEADLINE WILL RESULT IN A NON-RESPONSIVE BID.
A NON-RESPONSIVE BID WILL NOT BE CONSIDERED FOR AWARD.**

Form submitted by (Bidder Name): Cedar Mill Construction Company, LLC

Contact Name: Taylor Skipton

Phone #: 503-885-9370

UNLESS OTHERWISE STATED IN THE ORIGINAL SOLICITATION, THIS DOCUMENT MAY NOT BE FAXED OR E-MAILED. IT IS THE RESPONSIBILITY OF BIDDERS TO SUBMIT THIS DISCLOSURE FORM AND ALL ADDITIONAL SHEETS, WITH THE BID NUMBER AND PROJECT NAME CLEARLY MARKED, AT THE SAME LOCATION AS REQUIRED FOR THE BID BY THE SPECIFIED DISCLOSURE DEADLINE. SEE SECTION II OF THE "BID INFORMATION" DOCUMENT.

EXHIBIT E – FORM OF BID BOND

KNOW ALL MEN BY THESE PRESENTS That we Cedar Mill Construction Company, LLC, hereinafter called Principal, and Markel Insurance Company, a corporation authorized to transact a general surety business in the State of Oregon, herein after called "Surety", are held firmly bound unto the City of Newberg, Oregon, hereinafter called "Owner" in the penal sum of Ten Percent (10%) of Bid Amount Dollars (\$ 10% of Bid Amount) lawful money of the United States of America, for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

WHEREAS, the Principal is herewith submitting their bid proposal for the construction of the Groundwater Treatment Plant Tank Covers of which said bid is made a part hereof as if fully incorporated herein.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION are such that if the Owner does not award a contract to the Principal within the time specified in the Invitation to Bid for the work described in said Invitation to Bid, or in the alternate if the bid submitted by the Principal be accepted and the contract be conditionally awarded to the Principal and if the Principal shall execute the proposed contract and shall furnish the performance and payment bonds as required by the Invitation to Bid and contract documents within the time fixed by said documents, then this obligation shall be void, otherwise to remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees that the obligation of the Surety and this bond shall be in no way impaired or affected by any extension of the time within which the Owner may accept such bid; and the Surety does hereby waive notice of any extension.

IN WITNESS WHEREOF, said Principal and said Surety have caused these presents to be duly signed and sealed this 22nd day of May, 2025.

PRINCIPAL

Cedar Mill Construction Company, LLC
principal company (SEAL)

by: Taylor Skipton
authorized signer for principal

Taylor Skipton
please print

SURETY

Markel Insurance Company
surety (SEAL)

by: Lois F. Weathers
*attorney-in-fact**

Lois F. Weathers, Attorney-In-Fact
please print

1111 Main Street #640
address

Vancouver, WA 98660
city, state, zip

(804) 747-0136 (804) 527-7905
phone fax

*Provide additional documentation from Surety, appointing and/or authorizing signer to perform every act necessary on behalf of said Surety.

JOINT LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That SureTec Insurance Company, a Corporation duly organized and existing under the laws of the State of Texas and having its principal office in the County of Harris, Texas and Markel Insurance Company (the "Company"), a corporation duly organized and existing under the laws of the state of Illinois, and having its principal administrative office in Glen Allen, Virginia, does by these presents make, constitute and appoint:

Aliceon A. Keltner, Annelies M. Richie, Carley Espiritu, Christopher Kinyon, Jamie L. Marques, Holli Albers, Tamara A. Ringeisen, Katharine J. Snider, Cynthia L. Jay, Amelia G. Burrill, Justin Dean Price, Alyssa J. Lopez, Lindsey Elaine Jorgensen, Lois F. Weathers, Sarah Whitaker, Julianne Morris, Julie A. Craker, Charla M. Boadle, Travis J. Robles

Their true and lawful agent(s) and attorney(s)-in-fact, each in their separate capacity if more than one is named above, to make, execute, seal and deliver for and on their own behalf, individually as a surety or jointly, as co-sureties, and as their act and deed any and all bonds and other undertaking in suretyship provided, however, that the penal sum of any one such instrument executed hereunder shall not exceed the sum of:

Fifty Million and 00/100 Dollars (\$50,000,000.00)

This Power of Attorney is granted and is signed and sealed under and by the authority of the following Resolutions adopted by the Board of Directors of SureTec Insurance Company and Markel Insurance Company:

"RESOLVED, That the President, any Senior Vice President, Vice President, Assistant Vice President, Secretary, Assistant Secretary, Treasurer or Assistant Treasurer and each of them hereby is authorized to execute powers of attorney, and such authority can be executed by use of facsimile signature, which may be attested or acknowledged by any officer or attorney, of the company, qualifying the attorney or attorneys named in the given power of attorney, to execute in behalf of, and acknowledge as the act and deed of the SureTec Insurance Company and Markel Insurance Company, as the case may be, all bond undertakings and contracts of suretyship, and to affix the corporate seal thereto."

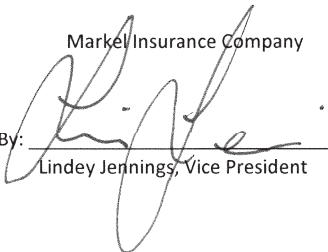
IN WITNESS WHEREOF, Markel Insurance Company and SureTec Insurance Company have caused their official seal to be hereunto affixed and these presents to be signed by their duly authorized officers on the 3rd day of December, 2024.

SureTec Insurance Company

By: 
Michael C. Keimig, President



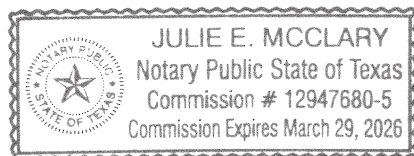
Markel Insurance Company

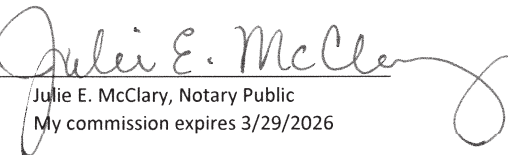
By: 
Lindsey Jennings, Vice President

State of Texas
County of Harris:

On this 3rd day of December, 2024 A. D., before me, a Notary Public of the State of Texas, in and for the County of Harris, duly commissioned and qualified, came THE ABOVE OFFICERS OF THE COMPANIES, to me personally known to be the individuals and officers described in, who executed the preceding instrument, and they acknowledged the execution of same, and being by me duly sworn, disposed and said that they are the officers of the said companies aforesaid, and that the seals affixed to the proceeding instrument are the Corporate Seals of said Companies, and the said Corporate Seals and their signatures as officers were duly affixed and subscribed to the said instrument by the authority and direction of the said companies, and that Resolutions adopted by the Board of Directors of said Companies referred to in the preceding instrument is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my Official Seal at the County of Harris, the day and year first above written.



By: 
Julie E. McClary, Notary Public
My commission expires 3/29/2026

We, the undersigned Officers of SureTec Insurance Company and Markel Insurance Company do hereby certify that the original POWER OF ATTORNEY of which the foregoing is a full, true and correct copy is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, we have hereunto set our hands, and affixed the Seals of said Companies, on the 22nd day of May, 2025.

SureTec Insurance Company

By: 
M. Brent Beaty, Assistant Secretary



Markel Insurance Company

By: 
Andrew Marques, Assistant Secretary



REQUEST FOR COUNCIL ACTION



Order ☐ Ordinance ☒ Resolution ☐ Motion ☐ Information ☐ Proclamation ☐

No. 2025-2935

Subject: Hearing for Vacation Rental Home Regulations

Staff: James Dingwall, Scot Siegel
Department: Community Development

Business Session

Order On Agenda: Public Hearing

Hearing Type: Legislative ☒ Quasi-Judicial ☐ Administrative ☐ Not Applicable ☐

Date Action Requested: July 7, 2025

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action: N/A

Recommendation: Adopt Ordinance No. 2025-2935 amending the Newberg Municipal Code, Title 3 Revenue and Finance and Title 15 Development code with updates to the City's vacation rental home policy.

Executive Summary: On May 8, 2025 the Newberg Planning Commission held a public hearing to make a recommendation to City Council on the proposed vacation rental home policy updates. After receiving public comments and deliberating, the Planning Commission approved Resolution No. 2025-399 recommending the Newberg City Council amend the Newberg Municipal Code to update vacation rental home policy. The Newberg City Council held a work session on June 2, 2025 to review the recommendation and proposed development code amendments. The Planning Commission recommendations include:

- Title 3 Revenue and Finance
 - o Require vacation rental agents (e.g., AirBnB) to collect and remit transient lodging tax where an agent is used to advertise, manage, or book the vacation rental home.
- Title 15 Development Code
 - o Amend the zoning use table to require a Type II Special Use Permit for vacation rental home land use approval.
 - o Update the parking requirement for vacation rental homes (1 off-street space for every two bedrooms, rounding up, with a minimum of two spaces). For example:
 - 1-4 bedroom = 2 parking spaces
 - 5-6 bedrooms = 3 parking spaces
 - 7-8 bedrooms = 4 parking spaces
 - o Create a cap of the total number of vacation rental homes permitted in Newberg at two percent of the number of households in the city. Provide for grandfathering of legal nonconforming rental homes and define amortization of illegal vacation rental homes.
 - o Require designation of a local manager within 40 miles of the vacation rental home.

- Require vacation rental home operator to provide annual “good neighbor” notice to surrounding property owners.
- Limit transferability of vacation rental home registration to ensure compliance with city standards.
- Increase penalty for unregistered vacation rental home operation.

Following the City Council work session on June 2, 2025, the following development code amendment was included:

- Conditional use permits for vacation rental home issued prior to the updated vacation rental home policy’s effective date are transferrable to one subsequent owner or contract purchaser, and thereafter subject to the updated ownership provisions.

Fiscal Impact: The primary additional cost will be staff time to track amortized home rentals, though this will diminish over time and eventually end. The Rentalscape software for vacation rental home activity monitoring, included in the Planning Division budget, will assist with enforcement. The primary cost savings is the procedural change from the Conditional Use Permit (Type III) procedure to a Special Use Type II permit, which will save staff time and City resources.

Council Goals: This item is related to:

Goal 7. Preserve the balance between the needs of the tourism industry and preserving the character of our town.

Objective 1: Implement and codify the new STR rules within one year.

Attachments:

Ordinance No. 2025-2935

Exhibit A-1. Development Code Amendments

Exhibit A-2. Findings

Exhibit B. Planning Commission Resolution No. 2025-399

Exhibit C. May 8, 2025 Newberg Planning Commission Minutes

STAFF REPORT

AMENDING THE NEWBERG MUNICIPAL CODE, TITLE 3 REVENUE AND FINANCE AND TITLE 15 DEVELOPMENT CODE, FOR UPDATES TO VACATION RENTAL HOME POLICY

- A. SUMMARY:** Updates to the City’s vacation rental home policy are reflected in the attached code amendments. The proposed amendments include changes to the Zoning Use Table classifications (NMC 15.305), Special Use Standards (NMC 15.445), and Transient Lodging Tax (NMC 3.10).
- B. BACKGROUND:** In March 2022, The Community Development Department provided an update to the Newberg City Council on the status of vacation rental homes. During that update, City staff noted that the rate of applications for vacation rental home applications had slowed during the COVID-19 pandemic, but had subsequently increased, raising concerns about how to balance business and tourism opportunities for vacations rental homes with potential changes in the character of neighborhoods and reductions in potentially available housing stock. Newberg City Council made no policy changes at that time but requested that Community Development Department staff return in the following year for another update. In August and September 2023, the Planning Commission received the Draft *Vacation Rental Home and Short-Term Rental White Paper*. During the public meetings, the Planning Commission created a request for a temporary moratorium on new vacation rental home applications and a series of recommendations on future updates to Vacation Rental Home regulations which were both provided to City Council in later meetings.

The City Council did not impose a moratorium, but in September 2023, the Newberg City Council established the Short-Term Rental Ad Hoc Committee, comprised of City Councilors and members of the public. Community Development Department staff provided an overview of the *Vacation Rental Home and Short-Term Rental White Paper* and Planning Commission recommendations to the City Council in November. The Vacation Rental Home and Short-Term Rental White Paper included background on the City’s existing regulations, recent trends related to vacation rental home operations, an analysis of public comments on vacation rental homes permitted between 2016 and 2023, and an overview of regulatory approaches that jurisdictions in Oregon and other communities use to manage vacation rental activities.

The Short-Term Rental Ad Hoc Committee convened five times between September 2023 and February 2024 to receive information and develop recommendations to Newberg City Council for future updates to the vacation rental home regulations. On February 1, 2024, the committee unanimously voted on a suite of recommendations to be shared with the City Council. The meetings included discussion on the pros and cons of vacation rental homes; land use application procedures; improving operator compliance, including transient lodging tax remittances, business licenses, and land use permitting approvals; software options for short-term rental program management by City staff; and criteria enhancements related to Newberg Municipal Code requirements.

On March 4, 2024, the Newberg City Council received an update on the Short-Term Rental Ad Hoc Committee’s recommendations, and directed staff to update regulations and operations for vacation rental homes. The Short-Term Rental Ad Hoc Committee was also decommissioned by the City Council during this meeting. The work assignment was added to the *2024 Planning*

Division Work Plan as a Critical Project.

In August 2024, the Newberg City Council hosted a community listening session which introduced issues related to vacation rental homes and invited public comments related to the topic. The City Council and Planning Commission held a joint work session in October to review the development code amendment scope of work and provide an opportunity for the Planning Commission to communicate past interaction with the public and thoughts on the City's current vacation rental home regulation, implementation, and initial policy recommendations. Following the approval of the project's scope of work in November and December 2024, the Community Development Department held a series of community engagement events to provide information on current policy and receive input from the public on the proposed policy recommendations. The community engagement events included two in-person open houses, one focused on vacation rental home operators, one virtual open house, and an online survey.

Updating vacation rental home policy within one year was adopted as a Newberg City Council objective in January 2025 to support the goal of "Preserving the balance between the needs of the tourism industry and preserving the character of our town."

On March 17, 2025 the Newberg City Council received a summary of the project's community engagement efforts and provided direction on policy. The Planning Commission held a work session on the draft proposed development code amendments on April 10, 2025. The Planning Commission held a public hearing on the proposed development code amendments on May 8, 2025, approving Planning Commission Resolution No. 2025-399 recommending that the City Council amend the Newberg Municipal Code Title 3 Finance and Revenue and Title 15 Development Code to update vacation rental home policy. The City Council held a work session on June 2, 2025, to review the Planning Commission recommendation and proposed development code amendments.

- C. PROCESS:** A Development Code Amendment initiated by the City is a legislative action which follows Type IV procedures pursuant to Newberg Municipal Code 15.100.060 and procedures for published notice on Type IV procedures pursuant to Newberg Municipal Code 15.100.270. The Planning Commission will hold a legislative public hearing on the application. The Commission will make a recommendation to the Newberg City Council. Following the Planning Commission's recommendation, the Newberg City Council will hold a legislative public hearing to consider the matter. Important dates related to this application are as follows:

03/04/24:	The Newberg City Council initiated amendments to the Newberg Municipal Code updating vacation rental home policy by a motion.
10/28/24:	The Newberg City Council and Planning Commission held a joint work session to approve the DCA24-0003 project scope of work.
4/3/25	Planning staff published a Post-Acknowledgement Plan Amendment (PAPA) notice with the Department of Land Conservation and Development.

4/10/25	Planning Commission conducted a workshop on the proposed development code amendment.
10/31/24:	Planning staff placed notice of public hearing on Newberg’s website and posted notice in four public buildings.
4/24/25:	The <i>Newberg Graphic</i> published notice of the hearing.
5/8/25:	The Planning Commission held a public hearing, took public testimony, and deliberated on the proposed amendments. The Planning Commission approved Planning Commission Resolution No. 2025-399 recommending that the City Council adopt the Development Code Amendments to update the City’s vacation rental home policy.
6/2/25:	The City Council held a work session to review the Planning Commission recommendation and conduct a workshop on the proposed development code amendments.
7/7/25:	The City Council will hold a public hearing to consider Ordinance No. 2025-2935

- D. STAFF/AGENCY COMMENTS:** Per NMC 15.100.120, on Type IV procedures, the director shall provide referrals to ODOT and other agencies in compliance with state law and as otherwise determined by the City. A referral request was sent to ODOT, and no comment was provided. A post-acknowledgement plan amendment was submitted to the Department of Land Conservation and Development on April 3, 2025.
- E. PUBLIC COMMENTS:** As of the writing of this report, the City has not received any public comments for the City Council public hearing.
- F. DISCUSSION:** The proposed development code amendment includes a range of policy updates designed to increase compliance with registration and transient lodging tax remittance, manage the number of vacation rental homes and approval process, require additional noticing and local management, and clarify permit duration. Policy changes include:
- Requiring agents to collect transient lodging tax and submit returns where used by an operator.
 - Applying the same Special Use standards to vacation rental rentals in all zones. (The amendment replaces the conditional use permit requirement for vacation rentals in the R-1 and R-2 zones with the special use permit requirement.)
 - Creating a citywide cap on the number of vacation rental home permits issued limited to two percent of the number of households in Newberg.
 - Establishing additional penalties for operating without registration.
 - Requiring vacation rental home operators to complete annual “good neighbor” mailings to properties within 500 feet.

- Clarifying that permit approvals for vacation rental home operation are limited to the property owner-applicant. Vacation rental permits terminate with the sale or transfer of a property to a new owner.
- Requiring a vacation rental home operator to designate a local manager located within 40 miles of the site.
- Allowing existing conditional use permits for vacation rental homes to be transferred to subsequent owners or contract purchasers one time, after which they would be subject to the updated ownership provisions.

The proposed policy changes are recommended along with operational changes implemented by the Community Development Department including utilizing a software solution to track vacation rental home operations within the City and to support code compliance efforts. This software solution is being introduced in concert with the introduction of the City's new online permitting system and updated website.

ORDINANCE NO. 2025-2935

An Ordinance amending the Newberg Municipal Code Title 3 Revenue and Finance and Title 15 Development Code to update vacation rental home policy.

Recitals:

1. On September 15, 2013, the Newberg City Council adopted Ordinance No. 2013-2763 containing multiple amendments to the Newberg Municipal Code zoning use table and definitions, approval criteria, and development standards for the operation of vacation rental homes.
2. On September 5, 2023, the Newberg City Council formed a Short-Term Rental Ad Hoc Committee.
3. On September 14, 2023, the Newberg Planning Commission approved recommendations for updates to the City's vacation rental home regulations.
4. On February 1, 2024, the Short-Term Rental Ad Hoc Committee unanimously approved recommendations for updates to the City's vacation rental home regulations.
5. On March 4, 2024, the Newberg City Council directed staff to updated regulations and operations for vacation rental homes.
6. On August 22, 2024, the Newberg City Council hosted a community listening session and on November 20, 2024, December 3, 2024, and December 4, 2024, staff held public engagement events to receive community feedback on recommended policy updates.
7. On April 3, 2025, staff submitted a Post-Acknowledgement Plan Amendment notice with the Department of Land Conservation and Development.
8. On April 10, 2025, the Newberg Planning Commission conducted a work session on the proposed development code amendments.
9. On May 8, 2025, after proper notice, the Newberg Planning Commission opened a public hearing, considered public testimony, deliberated, and approved Planning Commission Resolution No. 2025-399, recommending that the Newberg City Council amend the Newberg Municipal Code Title 3 Revenue and Finance and Title 15 Development Code to update vacation rental home policy.
10. On June 2, 2025, the Newberg City Council conducted a work session on the Planning Commission recommendation and proposed development code amendments.

11. On July 7, 2025, after proper notice, the Newberg City Council opened a public hearing, considered public testimony, deliberated, and found that the proposed amendments were in the best interests of the City of Newberg.

The City of Newberg Ordains as Follows:

1. The Newberg Development Code is amended as shown in Exhibit “A-1”.
2. The adoption is based upon the findings in Exhibit “A-2”.
3. Exhibits “A-1” and “A-2” are hereby adopted and by this reference incorporated.

Effective Date of this ordinance is the 30 days after the adoption date, which is: August 6th, 2025.

Adopted by the City Council of Newberg, Oregon, this 7th day of July, 2025, by the following votes:

AYE: **NAY:** **ABSTAIN:**

Rachel Thomas, City Recorder

Attest by the Mayor this _____ day of _____, 2025.

Bill Rosacker, Mayor

Exhibit “A-1” to Ordinance No. 2025-2935 Development Code Amendments – File DCA24-0003

Note: Formatting of amendments:

1. Code edits and revisions are indicated using double underline for text additions and ~~strike-out~~ for text deletions.
2. Backslashes “\\” indicate text that is unchanged and has been omitted for brevity.

The Newberg Municipal Code shall be amended as follows:

Section 1. Revenue and Finance, 3.10 is amended as follows:

Chapter 3.10 TRANSIENT LODGING TAX

Sections:

- 3.10.010 Definitions.
- 3.10.020 Levy.
- 3.10.030 Collection.
- 3.10.040 Operator’s duties.
- 3.10.050 Exemptions.
- 3.10.060 Returns.
- 3.10.070 Penalties and interest.
- 3.10.080 Deficiencies, fraud, evasion, and delay.
- 3.10.090 Redeterminations.
- 3.10.100 Security for collection.
- 3.10.110 Lien.
- 3.10.120 Refunds.
- 3.10.130 Expenditure of funds and collection fee.
- 3.10.140 Administration.
- 3.10.150 Appeal to city council.
- 3.10.160 Violations.
- 3.10.170 Penalty.

3.10.010 Definitions

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“**Agent**” includes, but is not limited to, an on-line or Internet based booking service (Craigslist, AirBnB, VRBO, HomeAway, FlipKey, VactionHomeRentals, Roomorama, as examples), a travel intermediary, or a person licensed by the Oregon Real Estate Agency.

\\

“**Operator**” means the person who is proprietor of a hotel and motel in any capacity and, where

the operator performs their functions through a managing agent other than an employee, the managing agent who shall have the same duties and liabilities as their principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

\\

3.10.030 Collection.

A. Every operator renting a room in this city, the occupancy of which is not exempted under the terms of NMC 3.10.050, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall collect the applicable transient lodging tax.

2. Where no agent is used for the advertisement, management, or booking of a vacation rental home, the operator shall collect the applicable transient lodging tax.

B. In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.

C. The tax administrator shall enforce this chapter and may adopt rules and regulations consistent with this chapter and necessary to aid in the enforcement. [Ord. 1835A, 12-6-76. Code 2001 § 36.17.]

3.10.040 Operator's duties.

Each operator or agent as applicable shall collect the tax imposed by NMC 3.10.020 on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator's records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded. [Ord. 1835A, 12-6-76. Code 2001 § 36.18.]

Penalty: See NMC 3.10.170.

\\

3.10.060 Returns.

A. The tax imposed by NMC 3.10.020 shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding quarter and are delinquent on the first day of the following month in which they are due.

B. On or before the fifteenth day of the month following each quarter of collection by an operator, the operator shall file a return for that quarter's tax collections with the tax

administrator. The return shall be filed in such form as the tax administrator prescribes.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall file the applicable transient lodging tax return. The operator shall file a form confirming submission of transient lodging tax through the agent, or that no tax was collected to be remitted, in such form as the tax administrator provides.

C. A return shall show the amount of tax collected or otherwise due for the period for which the return is filed. The total rentals upon which the tax is collected or otherwise due, gross receipts of the operator for the period, and an explanation in detail of any discrepancy between such amounts, and the amount of rents exempt, if any.

D. The person required to file the return shall deliver the return, together with the remittance of the amount of the tax due, with the tax administrator's office either by personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery.

E. For good cause, the tax administrator may extend, not to exceed one month, the time for making any return or payment of tax. Any operator to whom an extension is granted shall pay interest at the rate of one-half of one percent per month or fraction thereof. If a return is not filed, the tax and interest shall become a part of the tax for computation of penalties prescribed in NMC 3.10.070.

F. The tax administrator, if the tax administrator deems it necessary in order to ensure payment or facilitate collection by the city of the amount of taxes in any individual case, may require returns and payment of the amount of taxes for other than monthly periods. [Ord. 1835A, 12-6-76.Code 2001 § 36.20.]

\\

Section 2. Development Code, 15.305.020 is amended as follows:

Chapter 15.305 ZONING USE TABLE

Sections:

- 15.305.010 Classification of uses.
- 15.305.020 Zoning use table – Use districts.
- 15.305.030 Zoning use table – Use subdistricts.

15.305.010 Classification of uses.

The zoning use table under NMC 15.305.020 identifies the land uses that are allowed in the various zoning districts. The specific land use categories are described in Chapter 15.303 NMC. The table identifies each use as one of the following:

- P Permitted Use. The use is a permitted use within the zone. Note that the use still may require design review, building permits, or other approval in order to operate.
- C Conditional Use. A conditional use permit is required for the use. See Chapter 15.225 NMC.
- S Special Use. The use is subject to specific standards as identified within this code. The applicable section is included in the last column of the table.
- (#) A note indicates specific limits on the use. These notes are listed at the bottom of the table.
- X Prohibited Use. The use is specifically prohibited.

If none of the codes above are indicated, then the use is not permitted within the zone. [Ord. 2763 § 1 (Exh. A § 6), 9-16-13.]

15.305.020 Zoning use table – Use districts.

Newberg Development Code – Zoning Use Table

\\

#	Use	R-1	R-2	R-3	R-4	RP	C-1	C-2	C-3	C-4	M-E	M-1	M-2	M-3	M-4-I	M-4-C	M-5	CF	I	AR	AI	Notes and Special Use Standards
460	COMMERCIAL LODGING																					
Def.	Vacation rental home	€S	€S	S	S	S	S(13)	S(13)	S(13)	S(13)	X						S(13)					Chapter 15.445 NMC, Article VII
(13) Permitted in existing dwelling units only. New dwelling units may not be created for this use unless the dwelling unit would otherwise be allowed.																						

\\

Section 3. Newberg Development Code, 15.440 is amended as follows:

\\

15.440.030 Parking spaced required.

\\

Table 15.440.030(A) Minimum Parking Spaces Required and Maximum Parking Spaces Allowed by Use

Use	Minimum Parking Spaces Required	Maximum Parking Spaces Allowed		Rate and Units
		Uses fronting a street with abutting on- street parking	Uses fronting no street with abutting on- street parking	
\\				
<u>Vacation rental home</u>	<u>1</u>	<u>None</u>	<u>None</u>	<u>For every two bedrooms</u> <u>See NMC 15.445.330(A)</u>
\\				

\\

Section 4. Newberg Development Code, 15.445 is amended as follows:

\\

15.445.310 Where allowed.

Vacation rental homes are permitted in areas shown on Chapter 15.305 NMC. The vacation rental home must be a structure approved for occupancy as a single-family dwelling unit. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

A. The total number of vacation rental homes permitted in the City of Newberg shall not exceed two percent of the total number of households existing in the City of Newberg based on data published annually by the Community Development Department. The Director shall annually publish the total number of vacation rental homes permitted within the City and the number of available licenses. Should the City reach the two percent limit, no new vacation rental home permit shall be issued until an equal number of vacation rental permits become inactive or are terminated.

B. A vacation rental home permit is considered inactive if a business license for the

vacation rental is not renewed within one year of its expiration.

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section. Vacation rental homes approved between October 13, 2013 and August 6, 2025 may continue to operate as legal nonconforming uses with two off-street parking spaces while meeting other standards in Chapter 15.445.330 NMC. Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use. All vacation rental homes in operation prior to August 6, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than November 4, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than August 6, 2026, or shall be terminated.

15.445.320 Registration required.

Prior to use or advertising for use of a dwelling as a vacation rental home, the owner or operator shall register the vacation rental home with the city on forms provided by the director to obtain a land use permit, business license, and Transient Lodging Tax registration. The registration shall include such information required by the director, including the name and contact information for the owner, operator and local contact.

Penalty. Upon being notified by the City that a vacation rental home is operating without registration in violation of this code, its owner shall apply to register the vacation rental within 45 days of the date of notice and cease operation until registration has been obtained. Violation of a provision of this section shall be subject to an administrative civil penalty not to exceed \$2,000 for the first offense and \$5,000 for each additional offense and shall be processed in accordance with the procedures set forth in this code. Each confirmed rental booking following the 45 day notice shall constitute a separate violation.

[Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

15.445.330 Standards.

~~A. The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants. In no case may a vacation rental home provide less than two off-street parking spaces.~~

B. The applicant shall provide for regular refuse collection.

C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.

D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

E. The applicant shall provide annual good neighbor notices to properties within 500 feet. The notice shall include such information required by the director, including the name and contact information of the owner, local contact, and complaint procedures per Chapter 15.445.350 NMC. Compliance shall be documented at vacation rental home business license renewal.

F. Ownership. The land use approval of the dwelling unit as a vacation rental home is in the names of the property owners and the land use approval is not transferable. Except as provided in subsections F(1) and F(2), below, when any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease.

1. For purposes of this chapter, "sells or transfers" means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners, except a change in ownership where title is held in survivorship with a spouse, domestic partner, or child, or transfers on the owner's death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of the spouse, domestic partner, or child. An owner may transfer ownership of the real property to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to loss of short-term rental land use approval so long as the transferor lives and remains the only owner of the entity to which ownership was transferred. Upon the transferor's death or upon the sale or transfer of his or her interest in the entity to another person, the short-term rental land use approval shall terminate.

2. Conditional use permits for vacation rental home approvals issued prior to August 6, 2025 may transfer to one subsequent owner or contract purchaser, and thereafter are subject to Chapter 15.445.330(F).

G. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

15.445.340 Registration posting.

The applicant shall post the vacation rental home registration within the dwelling adjacent to the front door. At a minimum, the posting will contain the following information:

- A. The name of the operator and a telephone number where the operator may be reached.
- B. The telephone number for the police department.
- C. The maximum number of occupants permitted to stay in the dwelling.
- D. The standards for the rental occupancy.
- E. The solid waste collection day. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

15.445.350 Complaints and revocation of registration.

If the city receives two or more written complaints within a one-year period regarding vacation rental home occupancy compliance, and the issues have not been resolved through the code enforcement officer, the city manager may schedule a hearing to consider revoking the vacation rental home registration. The hearing may be conducted by the city manager, or other such hearings officer as the city manager may appoint for this purpose. The city manager shall notify the owner and operator of the hearing, those submitting written complaints, and may invite others to submit testimony at the hearing. After hearing the facts, the city manager may do any of the following:

- A. Revoke the registration for noncompliance with the standards in this section. If this permit is revoked, the premises may not be used as a vacation rental home for a period of two years, or a period of lesser time as determined by the hearings officer.
- B. Impose additional conditions necessary to fulfill the purpose of this section.
- C. Establish a probationary period to monitor compliance.
- D. Dismiss the complaint.
- E. Refer the matter to the code enforcement officer for citation in municipal court or other appropriate jurisdiction.

The hearings officer's decision may be appealed to the planning commission by the applicant, owner, or person filing the written complaint within 14 calendar days of the date of the decision in the manner provided in NMC 15.100.170. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

Exhibit "A-2" to Ordinance No. 2025-2935

Findings for Vacation Rental Home Policy Update Related to Comprehensive Plan and Statewide Planning Goals – File DCA24-0003

A. FINDINGS FOR Statewide Planning Goals (the "Goals")

GOAL 1: CITIZEN INVOLVEMENT

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

Finding: The Newberg Planning Commission developed initial recommendations on vacation rental home policy updates at regularly noticed meetings on August 10 and September 12, 2023. The Short-Term Rental Ad Hoc Committee was formed by the Newberg City Council on September 5, 2023 and held 5 public meetings to discuss policy alternatives and receive feedback from the public. Following the initiation of the development code amendment at the City Council's March 4, 2024 meeting, the City Council hosted a community listening session August 22, 2024 introducing issues related to vacation rental homes and inviting public comment. The City Council and Planning Commission held a public joint work session to approve the project's scope of work, and the Community Development Department held three

open house events to provide information on existing policy and prevalence of vacation rental homes and receive feedback on recommended policies. The open house events were targeted at the general public and vacation rental home operators, and were provided in in-person and online formats. The City Council provided policy direction at its March 17, 2025 meeting, and the Planning Commission held a work session on draft development code language on April 10, 2025. The Planning Commission will conduct a public hearing at its May 8, 2025 meeting to consider the staff report, public testimony, and findings, deliberate, and make a recommendation to the Newberg City Council. Public notice was published by the Newberg Graphic on April 24, 2025 and posted in four public places on May 1, 2025. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025 (DLCD File # 001-25). The Newberg City Council held a public work session on the proposed development code amendment on June 2, 2025 followed by a public hearing on adoption on July 7, 2025.

The Goal is met.

GOAL 2: LAND USE PLANNING

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed legislative amendment to the Newberg Comprehensive Plan follows the Type IV procedure outlined in Newberg Municipal Code Chapter 15.100.060 and notice procedures for Type IV legislative hearings in NMC Chapters 15.100.250 and 15.100.270. The recommendations of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council were informed by background information related to the City's existing adopted regulations, recent trends related to rental home operations, analysis of public comments, and an overview of regulatory approaches that jurisdictions in Oregon and other communities are using to manage vacation rental activities. The Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council considered policy and operational alternatives in making their recommendations at work sessions and public meetings. As discussed elsewhere in these findings, the proposed policy updates and implementation measures are consistent with the Newberg Comprehensive Plan goals and policies.

The Goal is met.

GOAL 3: AGRICULTURAL LANDS

To preserve and maintain agricultural lands.

Finding: Not applicable because the proposal does not propose any land use regulation changes to agricultural lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

GOAL 4: FOREST LANDS

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

Finding: Not applicable because the proposal does not propose any land use regulation changes to forest resource lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES

To protect natural resources and conserve scenic and historic areas and open spaces.

Finding: The proposed amendment will not negatively impact inventoried Goal 5 resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with Goal 5.

For the preservation of designated historic resources identified in Newberg's Historic Resources Inventory, procedures and applicable criteria for historic resources are reviewed pursuant to Chapter 15.344 Historic Landmarks (H) Subdistrict for landmark designation, exterior modifications, destruction and relocation, delisting, and general administration.

This Goal is met.

GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY

To maintain and improve the quality of the air, water and land resources of the state.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies.

This Goal is met.

GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS

To protect people and property from natural hazards.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

GOAL 8: RECREATIONAL NEEDS

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Finding: The proposed development code amendments provide for the regulation and facilitation of vacation rental homes within the City. Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's recreational goals and policies.

This Goal is met.

GOAL 9: ECONOMIC DEVELOPMENT

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Finding: The proposed development code amendments provide a consolidated land use review process for vacation rental homes and policies to preserve the balance between the needs of the tourism industry and preserve the character of the town. Newberg has an acknowledged Comprehensive Plan that complies with this goal, which includes general policies related to the economy encouraging tourist-related activities and services and promoting Newberg as a tourist destination location. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

GOAL 10: HOUSING

To provide for the housing needs of citizens of the state.

Finding: Newberg has seen an increase in the number of vacation rental home applications since the current policies were established in 2013. The proposed development code amendments include a limit on the number of vacation rental homes permitted in the City. This cap, limited to two percent of the number of households within Newberg, will ensure that the City's housing stock is available for residents and continued growth in the City. The proposed development code amendments do not impact the adopted municipal code provisions intended to provide flexibility in development standards to affordable housing projects or to the incentive programs adopted by the Newberg City Council to promote a diversity of housing types and sizes. The proposal also does not modify the housing goals and policies identified within Newberg's

Comprehensive Plan.

This Goal is met.

GOAL 11: PUBLIC FACILITIES AND SERVICES

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's public facilities requirements such as infrastructure or utilities or the City's Capital Improvement Program.

This Goal is met.

GOAL 12: TRANSPORTATION

To provide and encourage a safe, convenient and economic transportation system.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's transportation requirements or transportation capital improvements or the City's adopted Transportation System Plan.

This Goal is met.

GOAL 13: ENERGY CONSERVATION

To conserve energy.

Finding: The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

GOAL 14: URBANIZATION

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Finding: The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the existing Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal. The proposal will maintain Newberg's identity and enhance the quality living and employment environment by balancing growth and providing varying business activities.

This Goal is met.

GOAL 15: WILLAMETTE RIVER GREENWAY

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding:

The City of Newberg is located along the Willamette River on its southern border. The proposed amendment does not alter any area or protections otherwise established in the Newberg Comprehensive Plan or Newberg Municipal Code within the boundaries of the Willamette River Greenway.

This Goal is not applicable.

B. FINDINGS FOR Newberg Comprehensive Plan Goals and Policies

A. CITIZEN INVOLVEMENT

GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Finding: The City meets this goal through its Type IV legislative procedures subject to NMC 15.100.060 and 15.100.250 as well as through completion of public outreach, noticing, and public meetings that were conducted. There have been public meetings of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, Newberg City Council, and public engagement events. A webpage was prepared to inform the public of the pending proposal. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal I of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

B. LAND USE PLANNING

GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: The City meets this goal by having a comprehensive plan that follows state goals and implementing ordinances such as the Newberg Municipal Code. Policy B(2) requires that "The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as

needed.” The proposed development code updates achieve this goal by providing an opportunity for review of the City’s vacation rental home policies.

The Goal is met.

C. AGRICULTURAL LANDS

GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the development of areas of transition from rural to urban land uses or conversion of urbanizable land from agricultural to urban uses.

This Goal is not applicable.

D. WOODED AREAS

GOAL: To retain and protect wooded areas.

Finding: The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the preservation of wooded areas or other implementing policies such as the Stream Corridor Overlay Subdistrict protections.

This Goal is not applicable.

E. AIR, WATER, AND LAND RESOURCE QUALITY

GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

POLICIES

1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.
3. As public sanitary sewer systems become available, all development shall connect to the public system. To encourage economic development, the City may permit subsurface sewerage disposal where the system meets State and County requirements and where unique circumstances exist.
4. The Newberg airshed shall be protected from excessive pollution levels resulting from urbanization.
5. New industry should be located in area which minimize the impacts upon the air, water, and land resources base, as well as upon surrounding land uses.
6. The City will cooperate with State and Federal agencies which regulate environmental quality and shall adhere to the standards established by these agencies in the issuance of any permits or approvals given by the City. This policy is intended to cover discharges and emissions which may impair air, water or land quality or exceed the established standards for noise or other emissions.

7. The threat of excessive noise will be considered when reviewing land use requests. In addition, and new commercial and industrial developments shall conform to DEQ noise pollution standards.
8. The City will continue to support soil conservation measures designed to prevent unnecessary losses through excavation, stripping, erosion, and sedimentation.
9. The City will seek abatement of the aesthetic degradation of the environment resulting from blighted neighborhoods, indiscriminate waste disposal, offensive outdoor storage.
10. The City shall promote community cleanup programs.
11. The City will continue to encourage and support the three R's of recycling (re-use, reduction, and recycling)

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Any permit submittal will be required to meet state requirements regarding emissions and noise as well as local ordinances, as applicable.

This Goal is met.

F. AREAS SUBJECT TO NATURAL HAZARDS

GOAL: To protect life and property from flooding and other natural hazards.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES

GOALS:

1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

[...]

POLICY: 3. Historic Resources Policies

- a. The continued preservation of Newberg's designated historic sites and structures shall be encouraged.

[...]

- d. The City will encourage the re-use of historic structures such as the establishment of bed and breakfast operations, specialty shops, restaurants and professional offices.

[...]

Finding: The proposed amendment will not negatively impact open space or historic resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans, and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with State Goal 5.

The proposed policy updates for vacation rental homes do not change the designated historic resources that already exist in the proposed zone or what it would take to modify them. The proposed policies do not currently provide recreational resources or open space and is not located in the Willamette River Greenway. The proposed policies are designed to provide regulated use of vacation rental homes that grow as the City's population increases, facilitating access to adequate recreational resources and opportunities for visitors.

The Goal is met.

H. THE ECONOMY

GOAL: To develop a diverse and stable economic base.

1. General Policies

- a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.
- b. The City shall encourage economic expansions consistent with local needs
- c. The City will encourage creation the creation of a diversified employment base, the strengthening of trade centers and the attraction of both capital and labor intensive enterprises.
- d. Newberg will encourage the development of industries which represent the most efficient use of existing resources including land, air, water, energy and labor
- e. Economic expansion shall not exceed the carrying capacity of the air, water or land resource quality of the planning area.
- f. The City shall participate with local and regional groups to coordinate economic planning.
- g. The City shall encourage business and industry to locate within the Newberg City limits.
- h. Yamhill County history, products and activities should be promoted.
- i. The City shall encourage tourist-related activities and services such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities.
- j. A mixed-use river-oriented commercial area should be encourage to be developed near the Willamette River.
- k. The City shall promote Newberg as a tourist destination location.
- l. The City shall promote the expansion of local viticulture and wine productions as a method for increasing tourism.

Finding: Tourism is a key part of Newberg’s economy, and policies H(1)(i) and H(1)(k) highlight that “the City shall encourage tourist-related activities such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities” and that “the City shall promote Newberg as a tourist destination.” The commercial use of vacation rental homes provides accommodation for tourists. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

I. HOUSING

GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels. (Ordinance 2006-2634).

Finding: The proposed development code amendment includes policies to limit the number of vacation rental home to grow as the City’s population increases. This cap will allow additional residential development to be used by Newberg residents. The proposed policy updates do not change the Comprehensive Plan’s density, location, or mix policies, and do not impact development code development standards for additional residential or middle housing development.

This Goal is met.

J. URBAN DESIGN

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

GOAL 2: To develop and maintain the physical context needed to support the livability and unique character of Newberg.

Finding: Vacation rental homes require a special use permit and are subject to the special use standards in Newberg Municipal Code Chapter 15.445. The proposed development code amendments maintain the special use standards and apply new standards to increase the compatibility of vacation rental homes in residential areas. The vacation rental home use occurs in single-family dwellings and the setbacks, landscaping, sign regulations, building heights and design standards apply to new residential development.

This Goal is met.

K. TRANSPORTATION

GOAL 1: Establish cooperative agreements to address transportation based planning, development, operation and maintenance.

GOAL 2: Establish consistent policies which require concurrent consideration of transportation/land use system impacts.

GOAL 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

- GOAL 4: Minimize the impact of regional traffic on the local transportation system.
- GOAL 5: Maximize pedestrian, bicycle and other non-motorized travel throughout the City.
- GOAL 6: Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.).
- GOAL 8: Maintain and enhance the City's image, character and quality of life.
- GOAL 9: Create effective circulation and access for the local transportation system.
- GOAL 10: Maintain the viability of existing rail, water and air transportation systems.
- GOAL 11: Establish fair and equitable distribution of transportation improvement costs.
- GOAL 12: Minimize the negative impact of a Highway 99 bypass on the Newberg community.
- GOAL 13: Utilize the Yamhill County Transit Authority (YCTA) Transit Development Plan (TDP) as a Guidance Document.
- GOAL 14: Coordinate with Yamhill County Transit Area.
- GOAL 15: Implement Transit-Supportive Improvements.

Finding: The City of Newberg has an adopted Transportation System Plan from 2016 which includes the Addendum Riverfront Master Plan 2021 which have gone through the Post Acknowledgment Amendment process. The transportation system is planned to accommodate the population growth of the community for a 20-year planning period. There are no proposed modifications to the transportation system.

This Goals are met.

L. PUBLIC FACILITIES AND SERVICES

GOAL: To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban development.

Finding: Existing public facilities and services are already available and planned for the City. No new roads or infrastructure are planned for this amendment, and no changes are proposed to the City's Capital Improvement Program.

This Goal is not applicable.

M. ENERGY

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

Finding: The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

N. URBANIZATION

GOALS:

1. To provide for the orderly and efficient transition from rural to urban land uses.
2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.
3. To create a quality living environment through a balanced growth of urban and cultural activities.

Finding: The proposed amendment is within City Limits and will not create any new growth or transition from rural to urban land uses.

This Goal is met.

Conclusion: Based on the findings above, the proposed development code amendments for updates to the City's vacation rental home policies meets all statewide planning goals and goals of the Newberg Comprehensive Plan, or the goals are not applicable.



PLANNING COMMISSION RESOLUTION 2025-399

A RESOLUTION RECOMMENDING CITY COUNCIL AMEND THE NEWBERG MUNICIPAL CODE, TITLES 3 AND 15 TO UPDATE VACATION RENTAL HOME POLICY

RECITALS

1. On September 15, 2013, the Newberg City Council adopted Ordinance No. 2013-2763 containing multiple amendments to the Newberg Municipal Code zoning use table and definitions, approval criteria, and development standards for the operation of vacation rental homes.
2. On September 5, 2023, the Newberg City Council formed a Short-Term Rental Ad Hoc Committee.
3. On September 14, 2023, the Newberg Planning Commission approved recommendations for updates to the City's vacation rental home regulation.
4. On February 1, 2024, the Short-Term Rental Ad Hoc Committee unanimously approved recommendations for updates to the City's vacation rental home regulations.
5. 5. On March 4, 2024, the Newberg City Council directed staff to update regulations and operations for vacation rental homes.
6. 6. On August 22, 2024, the Newberg City Council hosted a community listening session and on November 20, 2024, December 3, 2024, and December 4, 2024, staff held public engagement events to receive community feedback on recommended policy updates.
7. 7. On April 3, 2025, staff submitted a Post-Acknowledgement Plan Amendment (PAPA) notice with the Department of Land Conservation and Development (DLCD)
8. 8. On April 10, 2025, the Newberg Planning Commission conducted a work session on the proposed development code amendments.
9. On May 8, 2025, after proper notice, the Newberg Planning Commission opened a public hearing, considered public testimony, deliberated, found that the proposed amendments were in the best interests of the City of Newberg.

The Newberg Planning Commission resolves as follows:

1. The Planning Commission of the City of Newberg recommends the City Council adopt the proposed changes to the Newberg Municipal Code amendments for Title 3 Revenue and Finance and Title 15 Development Code to update vacation rental home policy.

2. This recommendation is based on the staff report, Exhibit "A" Development Code Amendment language and Findings in Exhibit "B".
3. Exhibits "A" and "B" are incorporated by reference.

Adopted by the Newberg Planning Commission this 8th day of May 2025.

ATTEST:



Planning Commission Chair



Planning Commission Secretary

List of Exhibits:

Exhibit "A": Development Code Amendments
Exhibit "B": Findings

Exhibit “A” to Planning Commission Resolution No. 2025-399 Development Code Amendments – File DCA24-0003

Note: Formatting of amendments:

1. Code edits and revisions are indicated using double underline for text additions and ~~strike-out~~ for text deletions.
2. Backslashes “\\” indicate text that is unchanged and has been omitted for brevity.

The Newberg Municipal Code shall be amended as follows:

Section 1. Revenue and Finance, 3.10 is amended as follows:

Chapter 3.10 TRANSIENT LODGING TAX

Sections:

- 3.10.010 Definitions.
- 3.10.020 Levy.
- 3.10.030 Collection.
- 3.10.040 Operator’s duties.
- 3.10.050 Exemptions.
- 3.10.060 Returns.
- 3.10.070 Penalties and interest.
- 3.10.080 Deficiencies, fraud, evasion, and delay.
- 3.10.090 Redeterminations.
- 3.10.100 Security for collection.
- 3.10.110 Lien.
- 3.10.120 Refunds.
- 3.10.130 Expenditure of funds and collection fee.
- 3.10.140 Administration.
- 3.10.150 Appeal to city council.
- 3.10.160 Violations.
- 3.10.170 Penalty.

3.10.010 Definitions

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

“**Agent**” includes, but is not limited to, an on-line or Internet based booking service (Craigslist, AirBnB, VRBO, HomeAway, FlipKey, VactionHomeRentals, Roomorama, as examples), a travel intermediary, or a person licensed by the Oregon Real Estate Agency.

\\

“Operator” means the person who is proprietor of a hotel and motel in any capacity and, where the operator performs their functions through a managing agent other than an employee, the managing agent who shall have the same duties and liabilities as their principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

\\

3.10.030 Collection.

A. Every operator renting a room in this city, the occupancy of which is not exempted under the terms of NMC 3.10.050, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall collect the applicable transient lodging tax.

2. Where no agent is used for the advertisement, management, or booking of a vacation rental home, the operator shall collect the applicable transient lodging tax.

B. In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.

C. The tax administrator shall enforce this chapter and may adopt rules and regulations consistent with this chapter and necessary to aid in the enforcement. [Ord. 1835A, 12-6-76. Code 2001 § 36.17.]

3.10.040 Operator’s duties.

Each operator or agent as applicable shall collect the tax imposed by NMC 3.10.020 on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator’s records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded. [Ord. 1835A, 12-6-76. Code 2001 § 36.18.]

Penalty: See NMC 3.10.170.

\\

3.10.060 Returns.

A. The tax imposed by NMC 3.10.020 shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding quarter and are delinquent on the first day of the following month in which they are due.

B. On or before the fifteenth day of the month following each quarter of collection by an operator, the operator shall file a return for that quarter's tax collections with the tax administrator. The return shall be filed in such form as the tax administrator prescribes.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall file the applicable transient lodging tax return. The operator shall file a form confirming submission of transient lodging tax through the agent, or that no tax was collected to be remitted, in such form as the tax administrator provides.

C. A return shall show the amount of tax collected or otherwise due for the period for which the return is filed. The total rentals upon which the tax is collected or otherwise due, gross receipts of the operator for the period, and an explanation in detail of any discrepancy between such amounts, and the amount of rents exempt, if any.

D. The person required to file the return shall deliver the return, together with the remittance of the amount of the tax due, with the tax administrator's office either by personal delivery or by mail. If the return is mailed, the postmark shall be considered the date of delivery.

E. For good cause, the tax administrator may extend, not to exceed one month, the time for making any return or payment of tax. Any operator to whom an extension is granted shall pay interest at the rate of one-half of one percent per month or fraction thereof. If a return is not filed, the tax and interest shall become a part of the tax for computation of penalties prescribed in NMC 3.10.070.

F. The tax administrator, if the tax administrator deems it necessary in order to ensure payment or facilitate collection by the city of the amount of taxes in any individual case, may require returns and payment of the amount of taxes for other than monthly periods. [Ord. 1835A, 12-6-76.Code 2001 § 36.20.]

\\

Section 2. Development Code, 15.305.020 is amended as follows:

Chapter 15.305 ZONING USE TABLE

Sections:

- 15.305.010 Classification of uses.
- 15.305.020 Zoning use table – Use districts.
- 15.305.030 Zoning use table – Use subdistricts.

15.305.010 Classification of uses.

The zoning use table under NMC 15.305.020 identifies the land uses that are allowed in the

various zoning districts. The specific land use categories are described in Chapter 15.303 NMC. The table identifies each use as one of the following:

- P Permitted Use. The use is a permitted use within the zone. Note that the use still may require design review, building permits, or other approval in order to operate.
- C Conditional Use. A conditional use permit is required for the use. See Chapter 15.225 NMC.
- S Special Use. The use is subject to specific standards as identified within this code. The applicable section is included in the last column of the table.
- (#) A note indicates specific limits on the use. These notes are listed at the bottom of the table.
- X Prohibited Use. The use is specifically prohibited.

If none of the codes above are indicated, then the use is not permitted within the zone. [Ord. 2763 § 1 (Exh. A § 6), 9-16-13.]

15.305.020 Zoning use table – Use districts.

Newberg Development Code – Zoning Use Table

\\

#	Use	R-1	R-2	R-3	R-4	RP	C-1	C-2	C-3	C-4	M-E	M-1	M-2	M-3	M-4-I	M-4-C	M-5	CF	I	AR	AI	Notes and Special Use Standards
460	COMMERCIAL LODGING																					
Def.	Vacation rental home	€S	€S	S	S	S	S(13)	S(13)	S(13)	S(13)	X						S(13)					Chapter 15.445 NMC, Article VII
(13) Permitted in existing dwelling units only. New dwelling units may not be created for this use unless the dwelling unit would otherwise be allowed.																						

\\

Section 3. Newberg Development Code, 15.440 is amended as follows:

\\

15.440.030 Parking spaced required.

\\

Table 15.440.030(A) Minimum Parking Spaces Required and Maximum Parking Spaces Allowed by Use

Use	Minimum Parking Spaces Required	Maximum Parking Spaces Allowed		Rate and Units
		Uses fronting a street with abutting on- street parking	Uses fronting no street with abutting on- street parking	
\\				
<u>Vacation rental home</u>	<u>1</u>	<u>None</u>	<u>None</u>	<u>For every two bedrooms</u> <u>See NMC 15.445.330(A)</u>
\\				

\\

Section 4. Newberg Development Code, 15.445 is amended as follows:

\\

15.445.310 Where allowed.

Vacation rental homes are permitted in areas shown on Chapter 15.305 NMC. The vacation rental home must be a structure approved for occupancy as a single-family dwelling unit. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

A. The total number of vacation rental homes permitted in the City of Newberg shall not exceed two percent of the total number of households existing in the City of Newberg based on data published annually by the Community Development Department. The Director shall annually publish the total number of vacation rental homes permitted within the City and the number of available licenses. Should the City reach the two percent limit, no new vacation rental home permit shall be issued until an equal number of vacation rental permits become inactive or are terminated.

B. A vacation rental home permit is considered inactive if a business license for the vacation rental is not renewed within one year of its expiration.

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section. Vacation rental homes approved between October 13, 2013 and August 6, 2025 may continue to operate as legal nonconforming uses with two off-street parking spaces while meeting other standards in Chapter 15.445.330 NMC. Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use. All vacation rental homes in operation prior to August 6, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than November 4, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than August 6, 2026, or shall be terminated.

15.445.320 Registration required.

Prior to use or advertising for use of a dwelling as a vacation rental home, the owner or operator shall register the vacation rental home with the city on forms provided by the director to obtain a land use permit, business license, and Transient Lodging Tax registration. The registration shall include such information required by the director, including the name and contact information for the owner, operator and local contact.

Penalty. Upon being notified by the City that a vacation rental home is operating without registration in violation of this code, its owner shall apply to register the vacation rental within 45 days of the date of notice and cease operation until registration has been obtained. Violation of a provision of this section shall be subject to an administrative civil penalty not to exceed \$2,000 for the first offense and \$5,000 for each additional offense and shall be processed in accordance with the procedures set forth in this code. Each confirmed rental booking following the 45 day notice shall constitute a separate violation.

[Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

15.445.330 Standards.

A. The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants. In no case may a vacation rental home provide less than two off-street parking spaces.

B. The applicant shall provide for regular refuse collection.

C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.

D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

E. The applicant shall provide annual good neighbor notices to properties within 500 feet. The notice shall include such information required by the director, including the name and contact information of the owner, local contact, and complaint procedures per Chapter 15.445.350 NMC. Compliance shall be documented at vacation rental home business license renewal.

F. Ownership. The land use approval of the dwelling unit as a vacation rental home is in the names of the property owners and the land use approval is not transferable. Except as provided in subsection F(1), below, when any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease,

1. For purposes of this chapter, “sells or transfers” means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners, except a change in ownership where title is held in survivorship with a spouse, domestic partner, or child, or transfers on the owner’s death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of the spouse, domestic partner, or child. An owner may transfer ownership of the real property to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to loss of short-term rental land use approval so long as the transferor lives and remains the only owner of the entity to which ownership was transferred. Upon the transferor’s death or upon the sale or transfer of his or her interest in the entity to another person, the short-term rental land use approval shall terminate.

G. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

15.445.340 Registration posting.

The applicant shall post the vacation rental home registration within the dwelling adjacent to the front door. At a minimum, the posting will contain the following information:

- A. The name of the operator and a telephone number where the operator may be reached.
- B. The telephone number for the police department.
- C. The maximum number of occupants permitted to stay in the dwelling.
- D. The standards for the rental occupancy.
- E. The solid waste collection day. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

15.445.350 Complaints and revocation of registration.

If the city receives two or more written complaints within a one-year period regarding vacation rental home occupancy compliance, and the issues have not been resolved through the code enforcement officer, the city manager may schedule a hearing to consider revoking the vacation rental home registration. The hearing may be conducted by the city manager, or other such hearings officer as the city manager may appoint for this purpose. The city manager shall notify the owner and operator of the hearing, those submitting written complaints, and may invite others to submit testimony at the hearing. After hearing the facts, the city manager may do any of the following:

- A. Revoke the registration for noncompliance with the standards in this section. If this permit is revoked, the premises may not be used as a vacation rental home for a period of two years, or a period of lesser time as determined by the hearings officer.
- B. Impose additional conditions necessary to fulfill the purpose of this section.
- C. Establish a probationary period to monitor compliance.
- D. Dismiss the complaint.
- E. Refer the matter to the code enforcement officer for citation in municipal court or other appropriate jurisdiction.

The hearings officer's decision may be appealed to the planning commission by the applicant, owner, or person filing the written complaint within 14 calendar days of the date of the decision in the manner provided in NMC 15.100.170. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

Exhibit “B” FINDINGS FOR SIGN CODE UPDATE RELATED COMPREHENSIVE PLAN AND STATEWIDE PLANNING GOALS

A. FINDINGS FOR Statewide Planning Goals (the “Goals”)

GOAL 1: CITIZEN INVOLVEMENT

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

Finding: The Newberg Planning Commission developed initial recommendations on vacation rental home policy updates at regularly noticed meetings on August 10 and September 12, 2023. The Short-Term Rental Ad Hoc Committee was formed by the Newberg City Council on September 5, 2023 and held 5 public meetings to discuss policy alternatives and receive feedback from the public. Following the initiation of the development code amendment at the City Council’s March 4, 2024 meeting, the City Council hosted a community listening session August 22, 2024 introducing issues related to vacation rental homes and inviting public comment. The City Council and Planning Commission held a public joint work session to approve the project’s scope of work, and the Community Development Department held three open house events to provide information on existing policy and prevalence of vacation rental homes and receive feedback on recommended policies. The open house events were targeted at the general public and vacation rental home operators, and were provided in in-person and online formats. The City Council provided policy direction at its March 17, 2025 meeting, and the Planning Commission held a work session on draft development code language on April 10, 2025. The Planning Commission will conduct a public hearing at its May 8, 2025 meeting to consider the staff report, public testimony, and findings, deliberate, and make a recommendation to the Newberg City Council. Public notice was published by the Newberg Graphic on April 24, 2025 and posted in four public places on May 1, 2025. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025 (DLCD File # 001-25) The Newberg City Council is scheduled to hold a public work session on the proposed development code amendment on June 2, 2025 followed by a public hearing on adoption on July 7, 2025.

The Goal is met.

GOAL 2: LAND USE PLANNING

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed legislative amendment to the Newberg Comprehensive Plan follows the Type IV procedure outlined in Newberg Municipal Code Chapter 15.100.060 and notice procedures for Type IV legislative hearings in NMC Chapters 15.100.250 and 15.100.270. The recommendations of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council were informed by background information related to the City's existing adopted regulations, recent trends related to rental home operations, analysis of public comments, and an overview of regulatory approaches that jurisdictions in Oregon and other communities are using to manage vacation rental activities. The Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, and Newberg City Council considered policy and operational alternatives in making their recommendations at work sessions and public meetings. As discussed elsewhere in these findings, the proposed policy updates and implementation measures are consistent with the Newberg Comprehensive Plan goals and policies.

The Goal is met.

GOAL 3: AGRICULTURAL LANDS

To preserve and maintain agricultural lands.

Finding: Not applicable because the proposal does not propose any land use regulation changes to agricultural lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

GOAL 4: FOREST LANDS

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land consistent with sound management of soil, air, water, and fish and wildlife resources and to provide for recreational opportunities and agriculture.

Finding: Not applicable because the proposal does not propose any land use regulation changes to forest resource lands. The proposal is for lands inside the Newberg Urban Growth Boundary.

The Goal is not applicable.

GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES

To protect natural resources and conserve scenic and historic areas and open spaces.

Finding: The proposed amendment will not negatively impact inventoried Goal 5 resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans and Master Plans to protect these resources. Newberg has an acknowledged

Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with Goal 5.

For the preservation of designated historic resources identified in Newberg's Historic Resources Inventory, procedures and applicable criteria for historic resources are reviewed pursuant to Chapter 15.344 Historic Landmarks (H) Subdistrict for landmark designation, exterior modifications, destruction and relocation, delisting, and general administration.

This Goal is met.

GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY

To maintain and improve the quality of the air, water and land resources of the state.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies.

This Goal is met.

GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS

To protect people and property from natural hazards.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

GOAL 8: RECREATIONAL NEEDS

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts.

Finding: The proposed development code amendments provide for the regulation and facilitation of vacation rental homes within the City. Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's recreational goals and policies.

This Goal is met.

GOAL 9: ECONOMIC DEVELOPMENT

To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

Finding: The proposed development code amendments provide a consolidated land use review process for vacation rental homes and policies to preserve the balance between the needs of the tourism industry and preserve the character of the town. Newberg has an acknowledged Comprehensive Plan that complies with this goal, which includes general policies related to the economy encouraging tourist-related activities and services and promoting Newberg as a tourist destination location. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

GOAL 10: HOUSING

To provide for the housing needs of citizens of the state.

Finding: Newberg has seen an increase in the number of vacation rental home applications since the current policies were established in 2013. The proposed development code amendments include a limit on the number of vacation rental homes permitted in the City. This cap, limited to two percent of the number of households within Newberg, will ensure that the City's housing stock is available for residents and continued growth in the City. The proposed development code amendments do not impact the adopted municipal code provisions intended to provide flexibility in development standards to affordable housing projects or to the incentive programs adopted by the Newberg City Council to promote a diversity of housing types and sizes. The proposal also does not modify the housing goals and policies identified within Newberg's Comprehensive Plan.

This Goal is met.

GOAL 11: PUBLIC FACILITIES AND SERVICES

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's public facilities requirements such as infrastructure or utilities or the City's Capital Improvement Program.

This Goal is met.

GOAL 12: TRANSPORTATION

To provide and encourage a safe, convenient and economic transportation system.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's transportation requirements or transportation capital improvements or the City's adopted Transportation System Plan.

This Goal is met.

GOAL 13: ENERGY CONSERVATION

To conserve energy.

Finding: The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

GOAL 14: URBANIZATION

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Finding: The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the existing Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal. The proposal will maintain Newberg's identity and enhance the quality living and employment environment by balancing growth and providing varying business activities.

This Goal is met.

GOAL 15: WILLAMETTE RIVER GREENWAY

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding:

The City of Newberg is located along the Willamette River on its southern border. The proposed amendment does not alter any area or protections otherwise established in the Newberg Comprehensive Plan or Newberg Municipal Code within the boundaries of the Willamette River Greenway.

This Goal is not applicable.

B. FINDINGS FOR Newberg Comprehensive Plan Goals and Policies

A. CITIZEN INVOLVEMENT

GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Finding: The City meets this goal through its Type IV legislative procedures subject to NMC 15.100.060 and 15.100.250 as well as through completion of public outreach, noticing, and public meetings that were conducted. There have been public meetings of the Newberg Planning Commission, Short-Term Rental Ad Hoc Committee, Newberg City Council, and public engagement events. A webpage was prepared to inform the public of the pending proposal. Finally, notice was published in the Newberg Graphic newspaper and posted in four public places. A post-acknowledgement plan amendment notice was submitted to the Department of Land Conservation and Development on April 3, 2025.

The amendments are subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with Goal I of the Oregon Statewide Planning Goals. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

The Goal is met.

B. LAND USE PLANNING

GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: The City meets this goal by having a comprehensive plan that follows state goals and implementing ordinances such as the Newberg Municipal Code. Policy B(2) requires that “The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as needed.” The proposed development code updates achieve this goal by providing an opportunity for review of the City’s vacation rental home policies.

The Goal is met.

C. AGRICULTURAL LANDS

GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the development of areas of transition from rural to urban land uses or conversion of urbanizable land from agricultural to urban uses.

This Goal is not applicable.

D. WOODED AREAS

GOAL: To retain and protect wooded areas.

Finding: The proposed amendments impact the regulation and policies applicable to the use of residential property as vacation rental homes. The proposed policies do not impact the preservation of wooded areas or other implementing policies such as the Stream Corridor Overlay Subdistrict protections.

This Goal is not applicable.

E. AIR, WATER, AND LAND RESOURCE QUALITY

GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

POLICIES

1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.
3. As public sanitary sewer systems become available, all development shall connect to the public system. To encourage economic development, the City may permit subsurface sewerage disposal where the system meets State and County requirements and where unique circumstances exist.
4. The Newberg airshed shall be protected from excessive pollution levels resulting from urbanization.
5. New industry should be located in area which minimize the impacts upon the air, water, and land resources base, as well as upon surrounding land uses.
6. The City will cooperate with State and Federal agencies which regulate environmental quality and shall adhere to the standards established by these agencies in the issuance of any permits or approvals given by the City. This policy is intended to cover discharges and emissions which may impair air, water or land quality or exceed the established standards for noise or other emissions.
7. The threat of excessive noise will be considered when reviewing land use requests. In addition, and new commercial and industrial developments shall conform to DEQ noise pollution standards.
8. The City will continue to support soil conservation measures designed to prevent unnecessary losses through excavation, stripping, erosion, and sedimentation.
9. The City will seek abatement of the aesthetic degradation of the environment resulting from blighted neighborhoods, indiscriminate waste disposal, offensive outdoor storage.
10. The City shall promote community cleanup programs.

11. The City will continue to encourage and support the three R's of recycling (re-use, reduction, and recycling)

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. Protections are already in place for air, water, and land resource quality. This proposal does not modify the existing goals and policies. Any permit submittal will be required to meet state requirements regarding emissions and noise as well as local ordinances, as applicable.

This Goal is met.

F. AREAS SUBJECT TO NATURAL HAZARDS

GOAL: To protect life and property from flooding and other natural hazards.

Finding: Newberg has an acknowledged Comprehensive Plan that complies with this goal. This proposal does not modify the City's natural hazards requirements such as flood plain or landslide areas. This proposal does not modify the existing goals and policies.

This Goal is met.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES

GOALS:

1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

[...]

POLICY: 3. Historic Resources Policies

- a. The continued preservation of Newberg's designated historic sites and structures shall be encouraged.

[...]

- d. The City will encourage the re-use of historic structures such as the establishment of bed and breakfast operations, specialty shops, restaurants and professional offices.

[...]

Finding: The proposed amendment will not negatively impact open space or historic resources because the amendments do not change protections that already exist in the Newberg Municipal Code, Specific Plans, and Master Plans to protect these resources. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources, and identified open spaces in compliance with State Goal 5.

The proposed policy updates for vacation rental homes do not change the designated historic resources that already exist in the proposed zone or what it would take to modify them. The

proposed policies do not currently provide recreational resources or open space and is not located in the Willamette River Greenway. The proposed policies are designed to provide regulated use of vacation rental homes that grow as the City's population increases, facilitating access to adequate recreational resources and opportunities for visitors.

The Goal is met.

H. THE ECONOMY

GOAL: To develop a diverse and stable economic base.

1. General Policies

- a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.
- b. The City shall encourage economic expansions consistent with local needs
- c. The City will encourage creation the creation of a diversified employment base, the strengthening of trade centers and the attraction of both capital and labor intensive enterprises.
- d. Newberg will encourage the development of industries which represent the most efficient use of existing resources including land, air, water, energy and labor
- e. Economic expansion shall not exceed the carrying capacity of the air, water or land resource quality of the planning area.
- f. The City shall participate with local and regional groups to coordinate economic planning.
- g. The City shall encourage business and industry to locate within the Newberg City limits.
- h. Yamhill County history, products and activities should be promoted.
- i. The City shall encourage tourist-related activities and services such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities.
- j. A mixed-use river-oriented commercial area should be encourage to be developed near the Willamette River.
- k. The City shall promote Newberg as a tourist destination location.
- l. The City shall promote the expansion of local viticulture and wine productions as a method for increasing tourism.

Finding: Tourism is a key part of Newberg's economy, and policies H(1)(i) and H(1)(k) highlight that "the City shall encourage tourist-related activities such as motor inns, restaurants, parks and recreation facilities, a visitor center, conference and seminar activities" and that "the City shall promote Newberg as a tourist destination." The commercial use of vacation rental homes provides accommodation for tourists. The proposed amendments to the Newberg Municipal Code further these policies. The proposed limit on vacation rental homes is based on the number of households within the city, positioning vacation rental home activities to continue

growing as Newberg grows and serve as a vital part of the local economy.

The Goal is met.

I. HOUSING

GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels. (Ordinance 2006-2634).

Finding: The proposed development code amendment includes policies to limit the number of vacation rental home to grow as the City's population increases. This cap will allow additional residential development to be used by Newberg residents. The proposed policy updates do not change the Comprehensive Plan's density, location, or mix policies, and do not impact development code development standards for additional residential or middle housing development.

This Goal is met.

J. URBAN DESIGN

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

GOAL 2: To develop and maintain the physical context needed to support the livability and unique character of Newberg.

Finding: Vacation rental homes require a special use permit and are subject to the special use standards in Newberg Municipal Code Chapter 15.445. The proposed development code amendments maintain the special use standards and apply new standards to increase the compatibility of vacation rental homes in residential areas. The vacation rental home use occurs in single-family dwellings and the setbacks, landscaping, sign regulations, building heights and design standards apply to new residential development.

This Goal is met.

K. TRANSPORTATION

GOAL 1: Establish cooperative agreements to address transportation based planning, development, operation and maintenance.

GOAL 2: Establish consistent policies which require concurrent consideration of transportation/land use system impacts.

GOAL 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

GOAL 4: Minimize the impact of regional traffic on the local transportation system.

GOAL 5: Maximize pedestrian, bicycle and other non-motorized travel throughout the City.

GOAL 6: Provide effective levels of non-auto oriented support facilities (e.g. bus shelters, bicycle racks, etc.).

GOAL 8: Maintain and enhance the City's image, character and quality of life.

- GOAL 9: Create effective circulation and access for the local transportation system.
- GOAL 10: Maintain the viability of existing rail, water and air transportation systems.
- GOAL 11: Establish fair and equitable distribution of transportation improvement costs.
- GOAL 12: Minimize the negative impact of a Highway 99 bypass on the Newberg community.
- GOAL 13: Utilize the Yamhill County Transit Authority (YCTA) Transit Development Plan (TDP) as a Guidance Document.
- GOAL 14: Coordinate with Yamhill County Transit Area.
- GOAL 15: Implement Transit-Supportive Improvements.

Finding: The City of Newberg has an adopted Transportation System Plan from 2016 which includes the Addendum Riverfront Master Plan 2021 which have gone through the Post Acknowledgment Amendment process. The transportation system is planned to accommodate the population growth of the community for a 20-year planning period. There are no proposed modifications to the transportation system.

This Goals are met.

L. PUBLIC FACILITIES AND SERVICES

GOAL: To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban development.

Finding: Existing public facilities and services are already available and planned for the City. No new roads or infrastructure are planned for this amendment, and no changes are proposed to the City's Capital Improvement Program.

This Goal is not applicable.

M. ENERGY

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

Finding: The proposed development code amendments apply to vacation rental homes which are located in single-family dwellings. There will likely not be additional energy usage demands separate from those associated with additional residential development that may take place within the City.

This Goal is met.

N. URBANIZATION

GOALS:

1. To provide for the orderly and efficient transition from rural to urban land uses.
2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.

3. To create a quality living environment through a balanced growth of urban and cultural activities.

Finding: The proposed amendment is within City Limits and will not create any new growth or transition from rural to urban land uses.

This Goal is met.

Conclusion: Based on the findings above, the proposed development code amendments for updates to the City's vacation rental home policies meets all statewide planning goals and goals of the Newberg Comprehensive Plan, or the goals are not applicable.



Planning Commission Meeting

May 8, 2025

CALL MEETING TO ORDER

Vice Chair Layne Quinn called meeting to order at 7:00 p.m.

ROLL CALL

Commissioners Present:

Layne Quinn (Vice Chair)
Jason Dale
Mathew Mansfield
Randy Rickert
Jose Villalpando
Kriss Wright

Commissioners Absent: Elise Steffen (Student)
Linda Newton-Curtis (Chair)

City Council Representative:

Jeri Torgesen (absent)

Staff Present:

Community Development Director: Scot Siegel
Assistant Planner: James Dingwall
Administrative Assistant: Rachel Thomas

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

[4/10/2025 Planning Commission Meeting Minutes](#)

Commissioner Kriss Wright motioned to approve the April 10, 2025 Planning Commission meeting minutes with amendments to page 2, paragraph 4, second sentence. The amendments clarified that Commissioner Wright, not Chair Newton-Curtis, expressed concern about the limited public input process with special use permits and eliminating LUBA in the process. It also added that Chair Newton-Curtis felt the Planning Commission was making waves and facing retaliation from city council by being removed from the short-term rental or vacation rental hearings process.

Motion: Commissioner Kriss Wright moved to approve the April 10, 2025 Planning Commission meeting minutes as amended. Commissioner Randy Rickert seconded the motion.

The motion passed unanimously.

LEGISLATIVE PUBLIC HEARINGS

DCA24-0003: Updates to the City's vacation rental home policy that include changes to the Zoning Use Table classifications (NMC 15.305), Special Use Standards (NMC 15.445), and Transient Lodging Tax (NMC 3.10).

James Dingwall, Assistant Planner, presented the staff report on proposed updates to the city's vacation rental home policy. He outlined the process to date, including community engagement events and previous Planning Commission discussions. Dingwall explained the proposed amendments to Title 3 Revenue and Finance and Title 15 Development Code.

Key changes included:

- Requiring agents to collect transient lodging tax when used for vacation rentals
- Changing vacation rentals from conditional use to special use in the zoning table
- Implementing a 2% cap on total vacation rental permits based on households in the city
- Establishing grandfathering and compliance timelines for existing vacation rentals
- Requiring registration, including land use permit, business license, and transient lodging tax registration
- Proposing penalties for unregistered vacation rentals

Dingwall noted that no changes were currently proposed to development standards like parking requirements, but a memo was provided on potential parking standard options for the commission's consideration.

Public testimony was received from two residents:

- Robert Soppe expressed concerns about the lack of density caps in specific neighborhoods and urged keeping vacation rentals as a conditional use requiring Planning Commission approval. He worried about the potential for entire blocks to become dominated by vacation rentals without additional restrictions.
- Michael Pender, a vacation rental owner, supported automating tax collection to improve compliance. He noted bookings were down and suggested some owners may drop out with new rules. Pender questioned how downtown rentals without on-site parking would be affected by parking requirements.

The commissioners then deliberated on the proposed changes, focusing extensively on parking requirements. Commissioner Matthew Mansfield proposed adopting the bed and breakfast parking standard for vacation rentals. After discussion, the commission agreed to recommend a minimum of 2 parking spaces for rentals with 3 or fewer bedrooms, and for 4+ bedrooms, the number of spaces would be calculated as bedrooms divided by 2, rounded up with a minimum of 2 off street spaces.

There was also discussion about keeping vacation rentals as a conditional use permit in R1 and R2 zones to allow for more public input, rather than changing to a special use permit as staff recommended.

Motion: Chair Layne Quinn moved to adopt resolution number 2025-399 which recommends that the city council adopt the development code amendments to update the city's vacation rental home policy with the corrections of the findings as recommended per the staff, with the contingency that staff create a table with regards to parking to create a base 2 spaces with additional spaces calculated based on the number of sleeping rooms (for 4+ bedrooms, number of spaces = bedrooms divided by 2, rounded up). Commissioner Jason Dale seconded the motion.

ITEMS FROM STAFF

Community Development Director Scot Siegel provided an update on upcoming Planning Commission activities:

- June 12th meeting will include a conditional use permit for an extension to an existing wireless facility
- July meeting will tentatively start work sessions on the next round of annual code maintenance amendments
- A housing development update is planned for later in the summer to align with state reporting requirements

ITEMS FROM COMMISSIONERS

Commissioner Kriss Wright reminded everyone about the upcoming special district election on May 20, 2025, and encouraged all to vote.

ADJOURNMENT

Vice Chair Layne Quinn adjourned the meeting at: 8:29 p.m.

Attest:



Linda Newton-Curtis, Planning Commission Chair

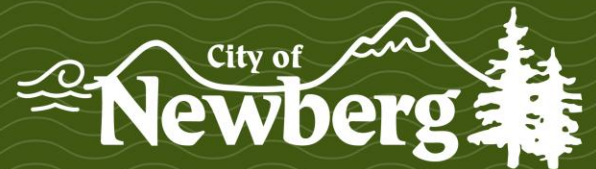


Fé Bates, Office Assistant

Vacation Rental Home Regulations Public Hearing

File No. DCA24-0003

Newberg City Council
Monday, July 7, 2025



Staff Recommendation

1. Consider the staff report, public testimony, and the findings.
2. Deliberate.
3. Adopt Ordinance No. 2025-2935 amending the Newberg Municipal Code, Title 3 Revenue and Finance and Title 15 Development code with updates to the City's vacation rental home policy.

Process

- March 4, 2024 – City Council directed staff to update vacation rental home regulations.
- August 22, 2024 – City Council hosts a community listening session.
- November 20, December 3-4 – Staff held public engagement events.
- April 3, 2025 – A Post-Acknowledgement Plan Amendment notice was filed with DLCD
- April 10, 2025 – Planning Commission work session
- April 24, 2025 – Notice of the public hearing was published by the Newberg Graphic
- May 8, 2025 – Planning Commission public hearing, approving Planning Commission Recommendation No. 2025-399
- June 4, 2025 – City Council work session

Project Scope of Work | Project Objectives

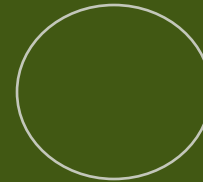
Leverage opportunities at the City of Newberg to foster growth in tourism while minimizing conflicts between the City's residents and visitors.

1. Grow Tourism Responsibly



Implement operational changes and update local regulations that improve compliance rates for permitting, business licensing, and transient lodging tax remittances.

2. Improve Compliance Rates



Improve the understanding of local vacation rental activities and remain responsive community needs relating to them.

3. Improve Knowledge of Vacation Rental Home Operations



Proposed Development Code Amendments

- Title 3 Revenue and Finance
 - NMC 3.10 Transient Lodging Tax
- Title 15 Development Code
 - NMC 15.305 Zoning Use Table
 - NMC 15.445 Special Use Standards
 - Article VII. Vacation Rental Homes

NMC 3.10 Transient Lodging Tax

- “**Agent**” includes, but is not limited to, an on-line or Internet based booking service (Craigslist, AirBnB, VRBO, HomeAway, FlipKey, VactionHomeRentals, Roomorama, as examples), a travel intermediary, or a person licensed by the Oregon Real Estate Agency.
- “**Operator**” means the person who is proprietor of a hotel and motel in any capacity and, where the operator performs their functions through a managing agent other than an employee, the managing agent who shall have the same duties and liabilities as their principal. Compliance with the provisions of this chapter by either the principal or the managing agent shall be considered to be compliance by both.

NMC 3.10 Transient Lodging Tax

3.10.030 Collection.

A. Every operator renting a room in this city, the occupancy of which is not exempted under the terms of NMC 3.10.050, shall collect a tax from the occupant of the room. The tax collected or accrued by the operator constitutes a debt owing by the operator to the city.

1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall collect the applicable transient lodging tax.

2. Where no agent is used for the advertisement, management, or booking of a vacation rental home, the operator shall collect the applicable transient lodging tax.

B. In all cases of credit or deferred payment of rent, the payment of the tax to the operator may be deferred until the rent is paid, and the operator shall not be liable for the tax until the credit is paid or the deferred payment is made.

C. The tax administrator shall enforce this chapter and may adopt rules and regulations consistent with this chapter and necessary to aid in the enforcement. [Ord. 1835A, 12-6-76. Code 2001 § 36.17.]

NMC 3.10 Transient Lodging Tax

3.10.040 Operator's duties.

- Each operator or agent as applicable shall collect the tax imposed by NMC 3.10.020 on a transient at the same time as the operator collects rent from the transient. The amount of the tax shall be separately stated upon the operator's records and on any receipt for the rent rendered by the operator to the transient. No operator shall advertise that the tax or any part of the tax will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, when added, any part will be refunded. [Ord. 1835A, 12-6-76. Code 2001 § 36.18.]

NMC 3.10 Transient Lodging Tax

3.10.060 Returns.

A. The tax imposed by NMC 3.10.020 shall be paid by the transient to the operator when the transient pays rent to the operator. All such taxes collected by any operator are due and payable to the tax administrator on the fifteenth day of the month for the preceding quarter and are delinquent on the first day of the following month in which they are due.

B. On or before the fifteenth day of the month following each quarter of collection by an operator, the operator shall file a return for that quarter's tax collections with the tax administrator. The return shall be filed in such form as the tax administrator prescribes.

- 1. Where an agent is used for the advertisement, management, or booking of a vacation rental home, the agent shall file the applicable transient lodging tax return. The operator shall file a form confirming submission of transient lodging tax through the agent, or that no tax was collected to be remitted, in such form as the tax administrator provides.

[...]

15.305.020 Zoning use table – Use districts

#	Use	R-1	R-2	R-3	R-4	RP	C-1	C-2	C-3	C-4	M-E	M-1	M-2	M-3	M-4-I	M-4-C	M-5	CF	I	AR	AI	Notes and Special Use Standards
460	COMMERCIAL LODGING																					
Def.	Vacation rental home	GS	GS	S	S	S	S(13)	S(13)	S(13)	S(13)	X						S(13)					Chapter 15.445 NMC, Article VII

“**Vacation rental home**” means a [single-family dwelling](#) unit that is used, rented or occupied for periods of less than 30 days, or is available, advertised, or listed by an agent as available for [use](#), rent for occupancy for periods of less than 30 days. “**Vacation rental home**” excludes [bed and breakfast establishments](#).

(13) Permitted in existing [dwelling units](#) only. New [dwelling units](#) may not be created for this [use](#) unless the [dwelling unit](#) would otherwise be allowed.

15.440.310 Parking spaces required

Table 15.440.030(A) Minimum Parking Spaces Required and Maximum Parking Spaces Allowed by Use

Use	Minimum Parking Spaces Required	Maximum Parking Spaces Allowed ***		Rate and Units
		Uses fronting a street with abutting on-street parking	Uses fronting no street with abutting on-street parking	
Residential Types				
\\				
Vacation rental home	1	None	None	For every two bedrooms. See NMC 15.445.330.
\\				

15.445.310 Where allowed

Vacation rental homes are permitted in areas shown on Chapter 15.305 NMC. The vacation rental home must be a structure approved for occupancy as a single-family dwelling unit. [Ord. 2763 § 1 (Exh. A § 17), 9-16-13.]

- A. The total number of vacation rental homes permitted in the City of Newberg shall not exceed two percent of the total number of households existing in the City of Newberg based on data published annually by the Community Development Department. The Director shall annually publish the total number of vacation rental homes permitted within the City and the number of available licenses. Should the City reach the two percent limit, no new vacation rental home permit shall be issued until an equal number of vacation rental permits become inactive or are terminated.
- B. A vacation rental home permit is considered inactive if a business license for the vacation rental is not renewed within one year of its expiration.

15.445.310 Where allowed

C. All vacation rental homes in operation prior to October 13, 2013 and not meeting the standards in Chapter 15.445.330(A-D), or in structure types other than a single-family unit, may continue to operate as legal nonconforming uses pursuant to Chapter 15.205.030 NMC and this section.

Vacation rental homes approved between October 13, 2013 and August 6, 2025 may continue to operate as legal nonconforming uses with two off-street parking spaces while meeting other standards in Chapter 15.445.330 NMC.

Specifically, discontinuance or abandonment of vacation rental home operation including not renewing a business license within one year of expiration shall constitute termination of nonconforming vacation rental use.

All vacation rental homes in operation prior to August 6, 2025 shall apply for registration per Chapter 15.445.320 NMC no later than November 4, 2025 and shall have received approval per Chapter 15.445.320 NMC no later than August 6, 2026, or shall be terminated.

15.445.310 Where allowed

Grandfathering

- If demonstrates operation prior to vacation rental regulations (October 13, 2013) may continue operating without meeting current development standards or in other dwelling types.
- Vacation rental homes approved between October 12, 2013 and August 6, 2025 may continue operating with 2 off-street parking spaces as legal nonconforming uses.

Amortization

- If began operating after October 13, 2013 must meet current standards and be a single-family dwelling.

Compliance

- All operators must apply/become fully registered within the grace period window and comply with new notification requirements.

15.445.320 Registration required

Prior to use or advertising for use of a dwelling as a vacation rental home, the owner or operator shall register the vacation rental home with the city on forms provided by the director to obtain a land use permit, business license, and Transient Lodging Tax registration. The registration shall include such information required by the director, including the name and contact information for the owner, operator and local contact.

15.445.320 Registration required

Penalty. Upon being notified by the City that a vacation rental home is operating without registration in violation of this code, its owner shall apply to register the vacation rental within 45 days of the date of notice and cease operation until registration has been obtained.

Violation of a provision of this section shall be subject to an administrative civil penalty not to exceed \$2,000 for the first offense and \$5,000 for each additional offense and shall be processed in accordance with the procedures set forth in this code.

Each confirmed rental booking following the 45 day notice shall constitute a separate violation.

15.445.330 Standards

- A. ~~The vacation rental home shall provide a minimum of two parking spaces on the site that are available for use of the rental occupants.~~ The off-street parking requirements in NMC 15.440.030 shall apply. In no case shall less than two off-street parking spaces be provided.
- B. The applicant shall provide for regular refuse collection.
- C. The vacation rental home may not be occupied by more than two rental occupants per bedroom, up to a maximum of 15 people.
- D. The premises of the vacation rental home may not include any occupied recreational vehicle, trailer, tent or temporary shelter during the rental occupancy.

15.445.330 Standards

E. The applicant shall provide annual good neighbor notices to properties within 500 feet. The notice shall include such information required by the director, including the name and contact information of the owner, local contact, and complaint procedures per Chapter 15.445.350 NMC. Compliance shall be documented at vacation rental home business license renewal.

15.445.330 Standards

F. Ownership. The land use approval of the dwelling unit as a vacation rental home is in the names of the property owners and the land use approval is not transferable. Except as provided in subsection F(1) or F(2), below, when any owner of record at the time of land use approval sells or transfers a property approved, occupied, or rented as a vacation rental home, the vacation rental home land use approval shall cease.

15.445.330 Standards

1. For purposes of this chapter, “sells or transfers” means any change of ownership during the lifetime of any of the owners, whether or not there is consideration, or after the death of any of the owners, except a change in ownership where title is held in survivorship with a spouse, domestic partner, or child, or transfers on the owner’s death to a trust which benefits only a spouse, domestic partner, or child for the lifetime of the spouse, domestic partner, or child. An owner may transfer ownership of the real property to a trustee, a limited liability company, a corporation, a partnership, a limited partnership, a limited liability partnership, or other similar entity and not be subject to loss of short-term rental land use approval so long as the transferor lives and remains the only owner of the entity to which ownership was transferred. Upon the transferor’s death or upon the sale or transfer of his or her interest in the entity to another person, the short-term rental land use approval shall terminate.

15.445.330 Standards

2. Conditional use permits for vacation rental home approvals issued prior to August 6, 2025 may transfer to one subsequent owner or contract purchaser, and thereafter are subject to NMC 15.334.330(F).

15.445.330 Standards

G. Local Manager. The owner or designated property manager shall be located within 40 miles of the vacation rental home.

Findings - Oregon Statewide Land Use Goals

1. Citizen Involvement
2. Land Use Planning
3. Agricultural Lands
4. Forest Lands
5. Natural Resources, Scenic and Historic Areas, and Open Spaces
6. Air, Water, and Land Resources Quality
7. Areas Subject to Natural Hazards
8. Recreation Needs
9. Economic Development
10. Housing
11. Public Facilities and Services
12. Transportation
13. Energy Conservation
14. Urbanization
15. Willamette River Greenway

Findings - Newberg Comprehensive Plan

A. Citizen Involvement

B. Land Use Planning

C. Agricultural Lands

D. Wooded Areas

E. Air, Water, and Land Resources
Quality

F. Areas Subject to Natural
Hazards

G. Open Space, Scenic, Natural,
Historic and Recreational
Resources

H. The Economy

I. Housing

J. Urban Design

K. Transportation

L. Public Facilities and Services

M. Energy

N. Urbanization

Staff Recommendation

1. Consider the staff report, public testimony, and the findings.
2. Deliberate.
3. Adopt Ordinance No. 2025-2935 amending the Newberg Municipal Code, Title 3 Revenue and Finance and Title 15 Development code with updates to the City's vacation rental home policy.

Thank you!

Questions?

Rachel Thomas

From: noreply@revize.com
Sent: Friday, July 4, 2025 12:00 PM
To: City Recorder
Subject: New Public Comment
Attachments: Newberg Commission Letter.pdf

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07
Meeting-Body = Planning Commission
Agenda-Item =
Subject-Matter-to-Comment-On =
Name = Stevie Curtis
Representing =
Email-Address = [REDACTED]
Phone Number =
Contact-Info-release[] = Yes
Is-this-a-public-hearing[] = Yes
Written-or-Spoken[] = Written
Written-Comment =
Client IP = 50.39.147.132

Friday, July 4th, 2025

Dear Members of the Newberg Town Commission,

I write to express my strong opposition to the proposed changes for short term rentals in Newberg. As someone who has called this area home for 30 years, since I was 10 years old, my concerns are grounded both in personal investment in our community and in our city's own Development Code and the fundamental principles that guide our community's growth and character.

I have lived in transient places like New York City and Phoenix, where anonymity is the norm. I know firsthand what it means to live without community connection, where no one knows your name or cares about your wellbeing.

What drew me back, and what I believe draws many of us here, is precisely what short term rental density threatens: the value of knowing your neighbors. Here, people still wave from their front porches, check on each other during illness, and share concerns about our shared spaces. Children play safely because multiple sets of caring eyes watch out for them. This isn't nostalgia, it's the lived reality that makes small town life worth preserving.

When I see short term rentals converting neighbor homes into a constant revolving door of strangers, I see the erosion of everything that makes Newberg special. We risk becoming just another place where people don't know who lives next door, where community connection is replaced by commercial transaction.

1. Direct Conflict with Newberg's Development Code Purpose

Our Development Code explicitly states that it exists "to protect and promote the public health, safety, and general welfare, and to provide the economic and social advantages which result from an orderly, planned use of land resources." The expansion of short term rentals directly undermines these foundational objectives by:

- **Disrupting orderly land use:** Converting residential properties to commercial operations fundamentally alters the character of neighborhoods designed for residential living.
- **Reducing social advantages:** The Code specifically mentions social advantages from planned land use. Short term rentals fragment the social fabric that makes neighborhoods function as communities.

2. Violation of Residential Zone Intent

Newberg's residential zones were established to provide stable, quiet neighborhoods where families can put down roots. Short term rentals transform these residential properties into quasi commercial enterprises that:

- Create noise and disturbance issues that residential zoning is meant to prevent. For example, just the other day I could hear music being blasted from a nearby vacation rental property as I walked my dogs.
- Introduce parking pressures that residential infrastructure wasn't designed to handle
- Undermine the predictable, stable environment that residential zoning promises to existing homeowners

3. Fiscal Inequity and Community Burden

The expansion of short term rentals creates a two tiered system where:

- **Permanent residents** bear the consistent tax burden supporting our schools, infrastructure, and services year round
- **Short term rental operators** generate commercial level profits while paying residential level taxes and fees
- **Public services** face increased demands (police calls, parking enforcement, noise complaints) without proportional revenue increases

This imbalance violates the principle of equitable contribution to our community's costs and benefits.

4. Housing Stock Depletion

Each home converted to short term rentals use represents:

- One less opportunity for a family to establish roots in Newberg
- Reduced housing availability for essential workers (teachers, healthcare workers, first responders)
- Artificial inflation of housing costs as investor demand competes with homebuyer demand
- Long term demographic shifts that could undermine the community workforce

5. Erosion of Neighborhood Stability

The Development Code's emphasis on "orderly, planned use of land resources" recognizes that stable neighborhoods require:

- **Predictable neighbors** who have long term investment in property maintenance and community relationships

- **Consistent traffic patterns** that don't surprise residents with unpredictable volumes
- **Informal social networks** that provide security, community connection, and mutual support

Short term rentals systematically undermine each of these stability factors.

6. Infrastructure Strain and Maintenance Costs

Short term rentals accelerate infrastructure wear through:

- **Increased utility demands** (water, sewer, garbage) with visitor heavy usage patterns exceeding residential design parameters
- **Parking infrastructure stress** from visitor turnover patterns that residential areas weren't designed to accommodate
- **Maintenance cost shifts** from property specific wear to city wide infrastructure, essentially subsidizing STR operations with taxpayer funds

7. Enforcement Challenges and Legal Accountability

The proposed expansion creates significant enforcement problems:

- **Absentee ownership** makes it difficult to serve legal notices or hold someone accountable for violations
- **Constantly changing occupants** mean violations often go unaddressed until after guests have left
- **Insufficient staffing** in current code enforcement to monitor compliance across expanded short term rental operations
- **Complaint resolution delays** that leave neighbors dealing with ongoing issues while bureaucratic processes play out

Who is ultimately responsible when STR guests violate city ordinances? Current residents shouldn't bear the burden of ongoing enforcement issues.

8. Transparency Concerns: Conditional Use vs. Special Use

The proposed shift from Conditional Use permits to Special Use permits represents a fundamental erosion of democratic process and community input:

- **Conditional Use requires public hearings** where neighbors can voice concerns, ask questions, and understand impacts on their streets
- **Special Use allows private approval** by the planning director without public notice or community input

- **Neighbors deserve to know** when properties on their street are being converted to commercial short term rental operations
- **Transparency builds trust** while closed door decisions breed suspicion and resentment
- **Community input often reveals problems** that planning staff might miss from desk reviews

The shift to Special Use permits essentially removes the community from decisions that directly impact neighborhood character and daily life. This is exactly backwards from what good governance requires.

9. Inadequate Density Protections

While the proposal includes citywide short term rentals limits, it fails to address neighborhood level density concerns:

- **Citywide caps don't prevent clustering** where entire blocks could convert from residential to short term rental use
- **Neighborhood character depends on distribution** not just total numbers
- **Livability suffers** when short term rentals concentrate in specific areas
- **Infrastructure impacts multiply** when multiple short term rentals operate on the same street
- **Community cohesion breaks down** when too many homes on a block become transient

Without density limits per neighborhood or street, the proposal could create short term rental dominated areas that lose all residential character while technically staying within citywide limits.

Recommended Alternative Approach

I urge the Commission to:

1. **Conduct a comprehensive impact study** measuring current effects on housing availability, neighborhood character, municipal service demands, and infrastructure costs
2. **Implement strict density caps**
3. **Establish enforcement mechanisms** with dedicated staff, 24/7 local contact requirements, and meaningful penalties for violations
4. **Create mandatory review and sunset provisions** including:
 - Mandatory infrastructure impact assessments every two years
 - Automatic sunset clause requiring Commission reapproval of STR allowances after three years
 - Performance metrics tied to livability indicators, not just revenue generation
 - Clear triggers for policy rollback if negative impacts exceed projections

Conclusion

I can say with certainty that Newberg's greatest asset isn't its potential as a tourist destination. It's the community bonds that make it a place where people choose to stay, raise families, and grow old among friends.

Newberg's Development Code provides clear guidance: our land use decisions must prioritize public health, safety, and general welfare while ensuring orderly, planned development. The proposed STR expansion fails this test by:

- Converting residential properties to commercial uses without proper zoning considerations
- Undermining the social cohesion that makes neighborhoods livable
- Creating fiscal inequities that burden permanent residents while straining municipal services
- Depleting housing stock needed for workforce stability
- Imposing enforcement challenges that current city resources cannot adequately address
- Accelerating infrastructure wear without proportional cost responsibility
- Removing community input through the shift to Special Use permits
- Failing to protect neighborhoods from short term rental clustering and density impacts

The proposed changes represent a fundamental shift away from transparent, community centered governance toward closed door decision making that prioritizes convenience over community input. The Commission must honestly assess whether our city has the resources, staff, and systems in place to manage the increased demands. The responsible approach is to establish mandatory review periods, sunset clauses, and clear performance metrics that prioritize community livability over short term revenue.

I urge you to focus on policies that strengthen our residential neighborhoods, support our permanent residents, and ensure that any short term rental activity truly serves the broader community interest rather than just individual profit motives.

Very best,

Stevie Curtis

Rachel Thomas

From: noreply@revize.com
Sent: Tuesday, July 1, 2025 6:17 PM
To: City Recorder
Subject: New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07

Meeting-Body = City Council

Agenda-Item = Item 7. Short-Term Rental Ordinance

Subject-Matter-to-Comment-On =

Name = Jeremiah Cromie

Representing = Myself

Email-Address = [REDACTED]

Phone Number =

Contact-Info-release[] = Yes

Is-this-a-public-hearing[] = Yes

Written-or-Spoken[] = Written

Written-Comment = I would first like to say my comments are as a personal citizen of Newberg and not as a staff member of the City or representing the City in any form. As a citizen of Newberg, I am disappointed that the City Council is not considering distance restrictions on short-term rentals. While I appreciate the cap consideration and good neighbor notice, this means entire neighborhoods including those that our Council members live in could be turned into vacation rentals and you could be the only owner left in an entire subdivision (unless HOA bans STR's themselves). While I think the good neighbor notice is a good step, it is not enough.

If you need any further context, look at the concentration of short-term rentals near downtown here or look at McMinnville which had to update the buffer from 200 feet to 500 feet due to the concentration of short-term rentals clustering together. I ask that the Council seriously reconsider this matter before passing an updated short-term rental ordinance.

-Jeremiah Cromie

Client IP = 97.185.153.203

Rachel Thomas

From: noreply@revize.com
Sent: Wednesday, July 2, 2025 5:28 PM
To: City Recorder
Subject: New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07
Meeting-Body = Written Testimony Attached
Agenda-Item = Written testimony regarding the proposed new rules for short term vacation rentals.
Subject-Matter-to-Comment-On =
Name = Ramona Mangelsdorf
Representing =
Email-Address = [REDACTED]
Phone Number =
Contact-Info-release[] = Yes
Is-this-a-public-hearing[] = Yes
Written-or-Spoken[] = Written
Written-Comment =
Wednesday, July 2, 2025

Newberg City Council
414 E First Street
Newberg, OR 97132

Dear Members of the Newberg City Council,

I am writing to express my deep concern regarding the proposed change in the approval type for short-term vacation rentals (STRs) in Newberg—from a conditional use to a special use permit—as well as the lack of any density limits within residential neighborhoods.

As a resident who cares deeply about the character and livability of our community, I urge you to reconsider these changes. Allowing STRs to proliferate without density restrictions poses a serious threat to the fabric of our neighborhoods and the well-being of long-term residents.

While I understand that short-term rentals can provide economic benefits to individual homeowners and local businesses, the broader impacts must not be ignored. Not regulating density limits and easing permitting requirements will likely accelerate the conversion of long-term housing into vacation rentals, leading to:

Reduced housing availability and affordability – This change may encourage investors to buy up homes for short-term rental income, displacing local residents and driving up housing costs, which is already a very serious issue.

Increased noise and disruption – Visitors unfamiliar with neighborhood norms often bring excessive noise, late-night gatherings, and parking issues, especially in quiet residential areas.


Erosion of community character – A high turnover of temporary guests undermines neighborly relationships and diminishes the sense of safety and community we've worked hard to build.

Strain on local infrastructure – Transient use of homes can increase wear on city services, including trash collection, street parking (another very big issue in my neighborhood, near the Cultural Center, and public safety resources.

The conditional use process currently in place provides a necessary opportunity for public input and thoughtful review of each STR application, helping to ensure compatibility with surrounding homes. Replacing it with a special use designation—and forgoing density caps—effectively removes this safeguard and opens the door to unchecked expansion of STRs.

I respectfully urge the Council to maintain the conditional use requirement for short-term rentals and to establish or retain reasonable density limits that preserve the residential nature of our neighborhoods. Thoughtful regulation is not about opposing tourism—it is about balancing the needs of visitors with the rights and quality of life of permanent residents.

Thank you for your attention to this important issue and for your ongoing service to our community.

Sincerely,
Ramona Mangelsdorf

Newberg, OR

Client IP = 73.11.50.163

Rachel Thomas

From: noreply@revize.com
Sent: Friday, July 4, 2025 10:32 AM
To: City Recorder
Subject: New Public Comment

This email originated from outside the City of Newberg's organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Date = 2025-07-07
Meeting-Body = The Short-Term Rental Ad Hoc Committee
Agenda-Item = Conditional Use vs Special Use
Subject-Matter-to-Comment-On =
Name = Jacob Morris
Representing =
Email-Address = [REDACTED]
Phone Number =
Contact-Info-release[] = Yes
Is-this-a-public-hearing[] = Yes
Written-or-Spoken[] = Written
Written-Comment = Hello,

My wife and I have been residents in Newberg for 4 years so far. We live next to a house that has been converted into some sort of Short Term Rental on Sherman Street. While the guests themselves have been overall pleasant, the increased traffic and demand for parking on our small street has caused a lot of inconvenience for us, to the point where we are considering moving to a new town.

We only have on-street parking available, so during Vacation Rental season, we often have to find other streets to park our vehicles which decreases our safety and the safety of our toddler. There have also been times we've been unable to put our garbage can on the road due to the large amount of vehicles parked in front of our house, which caused our garbage to not be picked up.

While these inconveniences don't sound like the end of the world on their own, they have been going on for a couple of years now and at the end of a long day at work, it's the last thing we want to deal with when we just want to get home. We're not against the idea of vacation rentals, but having them in neighborhoods that already struggle for road space is causing a lot of undue headache for us and our neighbors.

Client IP = 50.109.234.239

REQUEST FOR COUNCIL ACTION



Order ☐ Ordinance ☐ Resolution ☐ Motion ☐ Information ☒ Proclamation ☐

Subject: Work Session for Economic Opportunities Analysis

Staff: James Dingwall, Scot Siegel
Department: Community Development

Business Session

Order On Agenda: New Business

Hearing Type: Legislative ☐ Quasi-Judicial ☐ Administrative ☐ Not Applicable ☒

Date Action Requested: July 7, 2025

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action:

Recommendation: Review and discuss the City of Newberg Economic Opportunities Analysis prior to public hearing for adoption.

Executive Summary: This work session is for Council to refamiliarize itself with the Newberg Economic Opportunities Analysis (EOA), which is scheduled for a public hearing on August 4, 2025. Adoption of the EOA is a required step for the City as it updates the Economic Development chapter of its Comprehensive Plan and works toward implementing the City Council goal to, “Identify industrial land and attract employers to encourage family wage jobs” (Goal 2). The EOA also serves Council’s 2025 objective to, “Make application to bring land into the urban growth boundary to zone for light manufacturing within 5 years.” Exhibit A contains an EOA Executive Summary.

Background: The City of Newberg has been involved in a variety of initiatives to address its land supply sufficiency since 2018. The City received a grant from the Department of Land Conservation and Development (DLCD) in 2018 to prepare a Housing Needs Analysis (HNA). The HNA was completed and accepted by City Council in 2019 and updated in 2021. While the HNA work was being conducted the City received a grant from DLCD to prepare an Economic Opportunities Analysis, which was accepted by City Council in 2021. The City additionally prepared a Public and Semi-Public Land Need analysis, accepted by City Council in February 2021. In 2022, The Newberg Planning Commission approved Planning Commission Resolution No. 2022-382 recommending the City Council adopt the land need analyses, including the EOA, amend the Newberg Comprehensive Plan, and initiate an urban growth boundary expansion process. The proposed adoption decouples the EOA from the former draft of the HNA, which has been withdrawn.

In February 2024, City Council elected to use a Sequential Urban Growth Boundary (UGB) review process from DLCD to adopt the analysis documents and consider a potential UGB amendment, which was approved on April 9, 2024. On August 19, 2024, City Council heard an update on potential modifications to the approved Sequential UGB Review work program and directed staff to request that the

approved work program be modified to include only the EOA. DLCD indicated that the EOA could be adopted through an update to the existing Post-Acknowledgement Plan Amendment rather than the Sequential UGB review process. On October 21, 2024, City Council requested the Department of Land Conservation and Development (DLCD) to dissolve the Sequential UGB Review work program approved on April 9, 2024, and modify the deadlines for the City of Newberg to adopt a Housing Capacity Analysis and Housing Production Strategy, respectively, to 2027 and 2028, in compliance with state housing requirements, which was approved by DLCD on December 19, 2024. The City is pursuing housing planning grants from DLCD to complete updated Housing Capacity Analysis and Housing Production Strategy work in alignment with the 2027-2028 schedule.

The EOA evaluates development trends and inventory the City's existing land supply and demand to determine if sufficient employment land capacity for future growth exists. Adoption of the land need analyses by ordinance is the first step in a potential UGB expansion process, required by state land use laws to incorporate the land needs analyses into the Comprehensive Plan.

The 2021-2041 population forecast used in this analysis indicates that over the twenty-year planning period, Newberg will see an increase of 7,995 people, growing from 25,204 to 33,119 residents. The analysis indicates that to meet this projected growth for employment land needs, Newberg will need an additional 152 acres of industrial land between 2021 and 2041. DLCD has confirmed that the 2020 population projections may still be used in updating the Post-Acknowledgement Plan Amendment to adopt the Economic Opportunities Analysis. The study is vested under the then applicable population and employment forecasts, and the City may update the EOA with new forecasts at any time.

Fiscal Impact: The Economic Opportunities Analysis is complete. The analysis was funded by a grant from the Department of Land Conservation and Development.

Council Goals:

- Goal 2: Identify industrial land and attract employers to encourage family wage jobs.
 - Objective 2. Work to bring land into the urban growth boundary to zone for light manufacturing within 5 years.

Attachments:

Attachment 1: Executive Summary of the Economic Opportunity Analysis

Attachment 2: City of Newberg Economic Opportunity Analysis

Attachment 3: City Council Resolution No. 2021-3728

Attachment 4: City Council Resolution No. 2022-3858

Attachment 5: Planning Commission Resolution No. 2022-382

Attachment 1. Executive Summary of Economic Opportunities Analysis

The following is a summary of the Newberg Employment Opportunities Analysis including language, exhibits, and data from the reports.

A) Newberg Economic Opportunities Analysis

- 1) Factors Affecting Future Economic Growth
- 2) Employment Growth and Site Needs
- 3) Buildable Lands Inventory
- 4) Land Sufficiency

Economic Opportunities Analysis

The City's Economic Opportunities Analysis (EOA) provides a factual basis for evaluating employment land within the City's UGB. The EOA predicts the amount of land needed to accommodate future employment growth between 2021 and 2041, evaluates the existing employment land supply to determine if it is adequate to meet the need, and fulfill state planning requirements of a twenty-year supply of employment land outlined in Statewide Land Use Planning Goal 9. The EOA includes a summary of factors affecting future economic growth, projected employment growth and site needs, a buildable lands inventory, and land sufficiency reconciliation.

1. Factors Affecting Future Economic Growth

As a part of the regional economy, multiple factors impact economic development in Newberg. These impact new firms deciding to locate in the City, the ability of existing employers to expand and modernize, and the diversification of employment supported in the City. At a base level, these factors that impact a firm's ability to be productive include labor, land, local infrastructure, access to markets, materials, and entrepreneurship. Conducting long-range economic development planning using tools such as the EOA will allow Newberg to facilitate the growth of and access to these factors more effectively for local businesses. In addition, firms decide to locate and grow based on policy decisions including regulation, taxes, and financial incentives and indirect factors such as locating near industry clusters, quality of life, and innovative capacity. National, state, and regional trends impact economic development outcomes in Newberg, and key trends analyzed in the EOA are listed below.

- County and local employment growth
- Increases in regional economic diversity
- Changes in manufacturing and the concentration of manufacturing in Oregon
- Increases in automation
- Importance of small businesses in Newberg's economy
- Changes in the retail sector
- Continued increase in demand for energy
- A tight labor market that changed abruptly
- Availability of trained and skilled labor
- Lower household income and average wages
- Education as a determinant of wages
- Aging of the population and need for replacement workers
- Increases in racial and ethnic diversity

The EOA also examined employment trends in Newberg and Yamhill County. Key points included that Yamhill County increased employment between 3,874 jobs between 2008 and 2018, with the largest increases in education and health services, leisure and hospitality, natural resources and mining, and professional and business services. Employment in Newberg in 2018 accounted for approximately 27 percent of the County's employment total. Over that same period, Newberg saw an increase of 837 employees. The largest increases were in health care and social assistance and private education while the largest loss was in manufacturing. Regional employment projections in the Mid-Valley region (Linn, Marion, Polk, and Yamhill Counties) expect the greatest employment growth in private educational and health services, government, trade, transportation, and utilities, professional

and business services, construction, and leisure and hospitality. Yamhill County accounts for approximately 14 percent of employment in these four counties.

The EOA highlights Newberg’s competitive advantages and disadvantages that will affect economic development opportunities in Newberg.

Competitive Advantages

Location
Transportation
Access to Workers
Remote Workers
Access to Job Training
Small Business and Entrepreneurial Growth
Access to Agricultural Products
Collaborative Economic Development
Partnerships
Tourism and Related Industries
Scenic Resources
Quality of Life

Competitive Disadvantages

Land Availability and Serviceability
Affordable Housing for Workers
Aging Population
Environmental and Climate Change Risks

2. Employment Growth and Site Needs

The EOA’s estimate of employment land need and site characteristics for Newberg is based on expected employment growth and the types of firms that are likely to locate in Newberg over the 2021-2041 planning period. The employment projections in the EOA are based on Newberg’s existing employment base and assumes future growth is similar to Yamhill County’s long-term historical employment growth rates. The projection process includes four steps:

- *Establish base employment for the projection.* Start with the estimate of covered employment in Newberg, adjusted to reflect total employment in the city.
- *Project total employment.* The projection considers forecasts and factors that may affect employment growth over the 20-year planning period.
- *Allocate employment.* Employment is allocated to different land use types.
- *Estimate Land Demand.* Estimate general employment land demand based on employment growth and assumptions about future employment densities.

In 2018, Newberg had 9,675 covered employees (those covered by unemployment insurance). This does not include workforce such as sole proprietors, contractors or 1099 employees, among others. Covered employment in Yamhill County represents approximately 72 percent of total employment reported by the US Department of Commerce, and the EOA looked at each industry sector to identify its estimated total employment within Newberg, approximately 13,466 total employees within the Newberg UGB in 2018.

To establish the employment projection for the 2021-2041 planning period, the EOA uses a state safe harbor method allowing the City to assume that the current number of jobs in the Newberg UGB will grow during the 20-year planning period at a rate equal to the population growth rate provided in the 2020 forecast published by Portland State University’s Population Research Center. The forecast indicates that Newberg’s population will grow at an annual average growth rate of 1.39 percent,

resulting in an employment projection of 18,486 employees within the UGB by 2041, an increase of 4,452 employees (32 percent) between 2021 and 2041.

The EOA allocates this future employment into broad land use categories (see Table 6):

- *Industrial* – Forecast to increase to 32% of employment (creating 2,407 new jobs) in 2041, up from 25% in 2021. This is based largely on the City’s economic development vision, strategy, goals, and policies in *A NewBERG Community Vision* and the *Newberg Economic Development Strategy Update*.
- *Retail Commercial* – expected to decrease from 11% of employment in 2021 to 9% by 2041 due to the national trend to purchasing goods online.
- *Office and Commercial Services* – expected to account for more than 1,000 new jobs (53% of employments) by 2041, up from 45% in 2008. Types of sectors expected to grow include health-care services and tourism-related industries (accommodation and food services).
- *Government* – expected to grow by more than 100 jobs, most in K-12 schools and public administration.

Table 6. Projected Employment Allocation

Land Use Type	2021		2041		Change 2021 to 2041
	Employment	% of Total	Employment	% of Total	
Industrial	3,509	25%	5,916	32%	2,407
Retail	1,544	11%	1,664	9%	120
Office	7,999	57%	9,798	53%	1,799
Government	982	7%	1,108	6%	126
Total	14,034	100%	18,486	100%	4,452

In estimating the amount of commercial land (retail commercial and office and commercial service above, industrial is analyzed below and government is analyzed in the PSP), consideration was given for employment located in residential plan designations and employment located in existing built space. The EOA assumes that the share of employment in residential land is expected remain the same as in 2018 (15.8 percent), and that 10 percent of new commercial employment will occur in existing space. This means 1,424 of the expected 1,919 new commercial jobs in Newberg will require vacant or partially vacant employment land. Using expected employment densities in these sectors, and accounting for land required for public right-of-way, the EOA forecasts a commercial land demand of 83 gross acres (7 acres for retail commercial and 76 acres for office and commercial services).

The EOA considers site characteristics that commercial businesses need, including:

- Space in an existing building,
- Land for construction of a building designed for the firm,
- Land for construction of a commercial center,
- Visibility of location, and
- Proximity/access to a major automotive route.

To calculate an estimate of demand for land for the 2,407 new industrial employees, the EOA identifies potential growth industries and the site needs for those industries. Given Newberg’s limited

supply of a diverse type of existing industrial sites, the EOA conducts a survey of comparable cities in the Willamette Valley to align identified growth industries with the types of site needed. The growth industries identified seek to address two questions: (1) which industries are most likely to be attracted to Newberg, and (2) which industries best meet Newberg's economic development goals. The selected target industries include:

- Advanced and General Manufacturing
- Technology and High-Tech Manufacturing
- Food/Beverage Production and Agricultural Products
- Forestry and Wood Products
- Aviation-Related Industries

To identify the site needs for these potential growth industries, and analysis of site characteristics including site size, slope, railroad access, highway access, and special utility needs was conducted. Newberg has 51 unconstrained vacant or potential infill sites (one larger than 10 acres with the majority smaller than 5 acres). Newberg's potential growth industries generally need land between 5-25 acres, with the potential of up to 100 acres. Given the limited selection of sites to base demand analysis on within Newberg, the EOA examines developed site employment in Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn. Allocating the 2,407 new industrial employees to sites based on distributions and employment densities from the comparative analysis, Newberg should expect to need 131 industrial sites covering 281 acres (see Table 7). Just over 60 percent of new employment is projected on sites less than five acres, approximately 27 percent on sites between five and 25 acres, and 12 percent on larger sites.

Table 7. Employment Site Needs

	Site Size (acres)				Total
	< 5 acres	5-25 acres	25-50 acres	> 50 acres	
New Employment by Site Size					
% of New Employment*	61%	27%	4%	8%	100%
# of New Industrial Employees	1,468	650	96	193	2,407
New Sites Needed					
Employees per Site*	12	90	98	225	
New Sites Needed in Newberg	122	7	1	1	131
New Land Needed					
Average Site Size*	0.7	9.2	24.5	96.6	
Acres of Land in Newberg	85	64	35	57	281

**Based on regional comparative analysis*

When seeking land to address its employment land deficit, the EOA identifies site characteristics the City should target, including site size/acreage, land ownership, proximity/access to a major automotive route, topography of no or little slope, presence of natural features, and compatible surrounding land uses.

3. Buildable Lands Inventory

As completed in the HNA, a buildable lands inventory was conducted to identify commercial and industrial lands within the Newberg UGB available for development. The same inventory categories and development constraints were used as in the HNA (although the topography threshold was lowered to exclude lands with slopes greater than 15 percent rather than 25 percent). Table 8 provides an overview of the land classifications and areas resulting from BLI analysis.

Table 8. Employment Buildable Lands Inventory Summary

Generalized Plan Desig.	# of Lots	Acres	% of Acres	Committed Acres	Constrained Acres	Buildable Acres	Buildable Vacant	Buildable – Potent. Infill
Commercial	353	266	27%	201	12	53	26	28
Commercial	338	163	17%	146	2	15	6	10
Riverfront	5	7	1%	4	2	1	1	-
Specific Plan	5	9	1%	3	2	4	4	-
P-QP (Hospital)	1	41	4%	32	1	8	-	8
SD – Hospitality	3	35	4%	16	5	14	4	10
SD – Neighbor.	1	11	1%	-	-	11	11	-
Mixed Use	242	217	22%	169	1	25	20	4
Mixed Use	63	83	9%	73	-	10	6	4
Riverfront	12	22	2%	19	-	3	2	-
Specific Plan	161	78	8%	77	1	-	-	-
SD – Village	6	34	4%	-	-	12	-	-
Industrial	172	434	45%	299	84	52	12	10
Industrial	161	246	25%	194	25	27	42	7
Riverfront	5	108	11%	64	41	3	20	-
Specific Plan	3	53	5%	35	18	-	3	-
SD – Employ.	3	27	3%	6	-	22	19	3
Other - Airpark	2	54	6%					
Industrial	1	12	1%	(discussed in other analysis)				
P-QP	1	42	4%					
Total	769	971	100%	669	97	130	88	42

Springbrook Village -34 total acres, assumes 12 for commercial per Master Plan (accounted in EOA), 22 buildable for residential.

Of the 917 employment acres across 769 tax lots in the City’s UGB, approximately 45 percent are in industrial plan designations, 27 percent in commercial designations, 22 percent in mixed use designations, and six percent in other designations. Across employment plan designation areas, approximately 130 acres are considered buildable, approximately 13 percent of the total acres within the City’s UGB. Just over two thirds of this buildable area is on vacant tax lots. Figure 2 shows the location of these lands across the City.

The EOA also identifies potentially redevelopable land within the UGB, land that may develop more intense employment uses in the future. Newberg has 92 acres of unconstrained potentially redevelopable land across 18 sites (26 acres in commercial plan designations and 66 acres in industrial plan designations). Vacant land is present at Sportsman Airpark, however given the additional regulations (from the FAA, Airport Master Plan, or Development Code) and limited uses, only a 10.6 acre portion available for sale is included in the City’s BLI.

The analysis also indicates the availability of short-term versus long-term employment lands. Short-term availability is defined by the state as land that is ready for construction within one year of an application for a building permit or request for service extension. Considering access to water, sanitary sewer, and stormwater, of the 130 acres of unconstrained buildable land on vacant and potential infill tax lots, 58 acres of commercial and mixed use and 44 acres of industrial land were determined to be in the short-term supply (approximately 78 percent of all unconstrained buildable land).

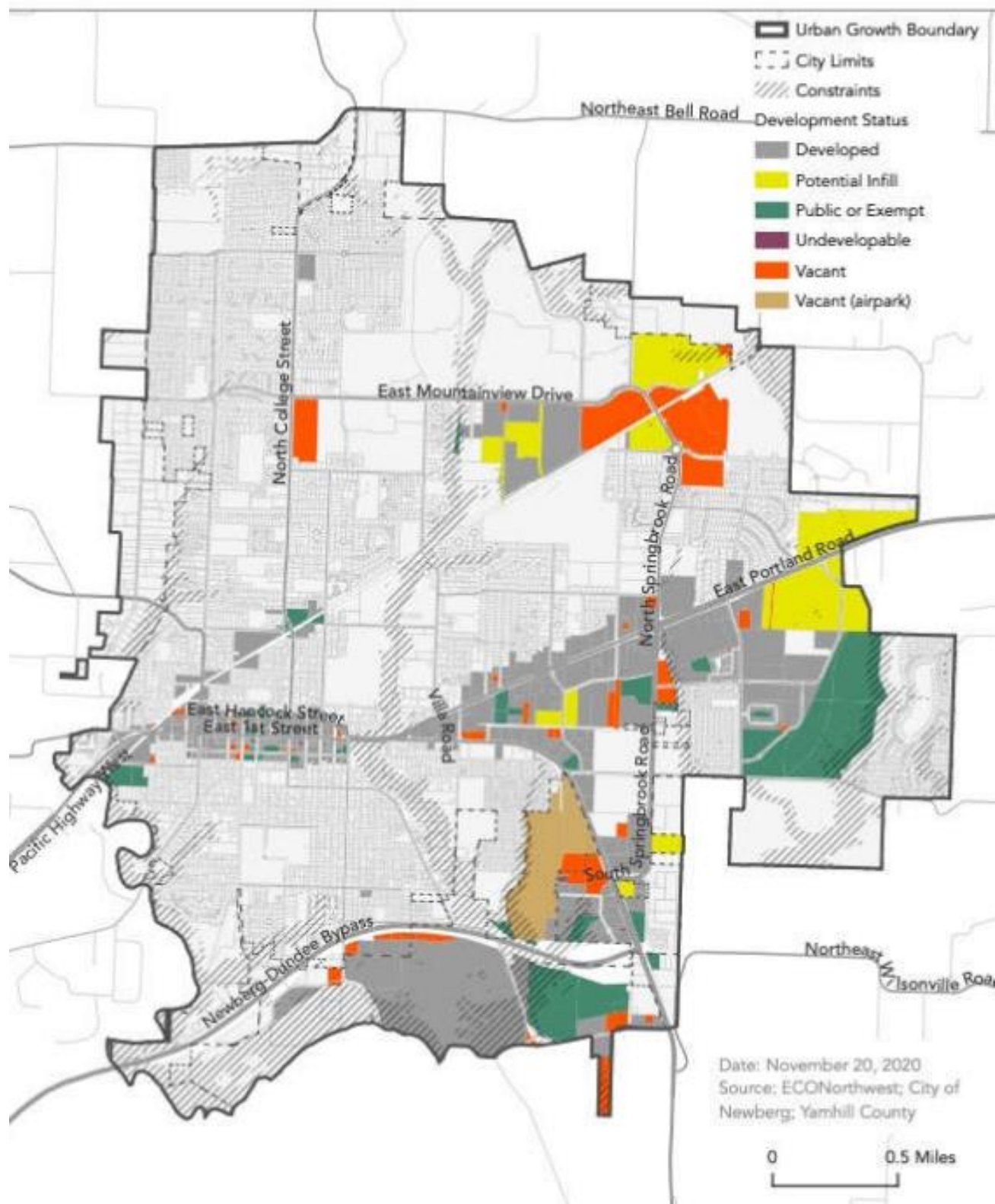
4. Land Sufficiency

The supply of buildable unconstrained commercial land in Newberg is 104 gross acres. Between 2021 - 2041 the commercial sectors are expected to need 83 acres, resulting in a commercial surplus of 21 acres. In evaluating the vacant site size types required for future industrial growth, Newberg has a deficit of sites less than five acres in size (89 sites, 62 acres), five to 25 acres (6 sites, 55 acres), and 25 to 50 acres (1 site, 35 acres). The WestRock Mill site serves as the one site larger than 50 acres projected in the EOA. This means that across site size categories, Newberg needs 96 sites and 152 acres of industrial land, as shown in Table 9.

Table 9. Employment Land Need

	Site Size (acres)				Total
	< 5 acres	5-25 acres	25-50 acres	> 50 acres	
Number of Vacant Sites (BLI)	33	1	-	1	35
New Sites Needed	122	7	1	1	131
Comparison of Land Supply and Need (Land Surplus or Deficit)	(89)	(6)	(1)	-	(96)
Acres of Land Needed	(62)	(55)	(35)	-	(152)

Figure 2
Newberg Buildable Lands Inventory
 Commercial and Industrial Development Status



City of Newberg Economic Opportunities Analysis

March 2021

Prepared for:
City of Newberg

Final Report

ECONorthwest

ECONOMICS • FINANCE • PLANNING

KOIN Center
222 SW Columbia Street
Suite 1600
Portland, OR 97201
503-222-6060

This page intentionally blank

Acknowledgments

ECONorthwest prepared this report for the City of Newberg. ECONorthwest and the City thank the many people who helped to develop the Newberg Economic Opportunities Analysis. This project is funded by Oregon General Fund dollars through the Department of Land Conservation and Development. The contents of this document do not necessarily reflect the views or policies of the State of Oregon.

Technical Advisory Committee

Abisha Stone, SEDCOR
Daniel Holbrook, Business Oregon
Dennie Houle, Business Oregon
Daniel Fricke, ODOT
Lance Woods, Yamhill County
Patrick O'Connor, OED

Citizens Advisory Committee

Gene Piros
Curt Walker
Allen Routt
Philip Higgins
Rob Hallyburton
Carr Biggerstaff
Bob Woodruff
Alvin Elbert
Keith Hansen
Isa Pena
Jim Bush

State of Oregon

Leigh McIlvaine, Economic Development
Specialist, DLCD

City of Newberg

Doug Rux, Community Development Director
Brett Musick, Senior Engineer

ECONorthwest Consulting Staff

Beth Goodman, Project Director

Margaret Raimann, Technical Manager

For over forty years, ECONorthwest has helped its clients make sound decisions based on rigorous economic, planning, and financial analysis. For more information about ECONorthwest: www.econw.com. For more information about this report, please contact:

Doug Rux
City of Newberg
414 E First Street
Newberg OR 97132
503-537-1212
Doug.Rux@newbergoregon.gov

Beth Goodman
ECONorthwest
222 SW Columbia, Suite 1600
Portland, OR 97201
503-222-6060
goodman@econw.com

Table of Contents

ACKNOWLEDGMENTS	I
EXECUTIVE SUMMARY	IV
1. INTRODUCTION	1
FRAMEWORK FOR AN ECONOMIC OPPORTUNITIES ANALYSIS	2
ORGANIZATION OF THIS REPORT	3
2. FACTORS AFFECTING FUTURE ECONOMIC GROWTH.....	4
FACTORS THAT AFFECT ECONOMIC DEVELOPMENT	4
SUMMARY OF THE EFFECT OF NATIONAL, STATE, AND REGIONAL TRENDS ON ECONOMIC DEVELOPMENT IN NEWBERG	10
EMPLOYMENT TRENDS IN NEWBERG AND YAMHILL COUNTY	14
NEWBERG’S COMPETITIVE ADVANTAGE.....	22
3. EMPLOYMENT GROWTH AND SITE NEEDS	29
FORECAST OF EMPLOYMENT GROWTH	29
ESTIMATE OF DEMAND FOR COMMERCIAL LAND	34
ESTIMATE OF DEMAND FOR INDUSTRIAL LAND.....	37
4. BUILDABLE LANDS INVENTORY	51
DEFINITIONS	51
DEVELOPMENT CONSTRAINTS.....	53
LAND BASE	53
DEVELOPMENT STATUS	55
VACANT BUILDABLE LAND	57
POTENTIALLY REDEVELOPABLE	60
SPORTSMAN AIRPARK	61
SUMMARY OF SUITABLE BUILDABLE UNCONSTRAINED LAND.....	63
SHORT-TERM SUPPLY OF LAND	64
5. LAND SUFFICIENCY AND CONCLUSIONS.....	65
LAND SUFFICIENCY	65
CONCLUSIONS AND RECOMMENDATIONS.....	66
APPENDIX A. NATIONAL, STATE, AND REGIONAL AND LOCAL TRENDS	69
NATIONAL TRENDS	69
STATE TRENDS.....	78
REGIONAL AND LOCAL TRENDS	85
APPENDIX B. BUILDABLE LANDS INVENTORY.....	100
METHODS AND DEFINITIONS	100

This page intentionally blank

Executive Summary

This report presents an economic opportunities analysis consistent with the requirements of Statewide Planning Goal 9 and the Goal 9 Administrative Rule (OAR 660-009). Goal 9 describes the EOA as

“an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends” and states that “a principal determinant in planning for major industrial and commercial developments should be the competitive advantage of the region within which the developments would be located.”

The primary goals of the EOA are to (1) project the amount of land needed to accommodate the future employment growth within the Newberg Urban Growth Boundary (UGB) between 2021 and 2041, (2) evaluate the existing employment land supply within the city to determine if it is adequate to meet that need, and (3) to fulfill state planning requirements for a twenty-year supply of employment land.

How much buildable employment land does Newberg currently have?

Newberg has 971 total acres in its commercial or industrial plan designations. Of these 971 acres, about 233 acres (24%) are unconstrained and buildable within its UGB. Of Newberg's buildable acres, 104 (45%) are designated for commercial uses and 129 (55%) are designated for industrial uses.

How much growth is Newberg planning for?

Goal 9 requires that cities provide for an adequate supply of commercial and industrial sites consistent with plan policies. To meet this requirement, Newberg needs an estimate of the amount of commercial and industrial land that will be needed over the 2021 to 2041 planning period.

Newberg's employment base is 14,034 employees in 2021. Newberg is forecast to have 18,486 employees by 2041. This is an increase of 4,452 jobs over the planning period.

How much land will be required for employment?

The forecast for land needed to accommodate employment growth in Newberg shows that the growth of 1,919 new commercial (retail and office) employees will result in demand for about 83 gross acres of commercial employment lands. The growth of 2,407 new industrial employees will result in a demand for 131 industrial sites with a range of site size needs.

Does Newberg have enough land to accommodate employment growth?

Newberg has sufficient land to accommodate demand for commercial employment in the Newberg UGB, but it does not have sufficient land to accommodate demand for industrial employment.

Based on land demand, Newberg is forecast to have a 21-gross-acre surplus of commercial land and a 152-gross-acre deficit of industrial land (on 96 sites).

What are the conclusions of the EOA?

- **Newberg is forecast for growth in both the commercial and industrial employment sectors.** Newberg is planning for growth of 4,452 new jobs in the city over the 2021 to 2041 period. About 2,407 of the jobs will be industrial, 1,799 of the jobs will be in office and commercial services, and 120 in retail. Growth of these jobs will result in demand for about 83 gross acres of commercial land and 131 new sites for industrial uses.
- **Newberg has a surplus of commercially designated land of 21 acres.** Exhibit 32 shows that Newberg has enough land for commercial employment growth over the next 20 years, with a surplus of 21 acres. Commercial uses include services for residents and visitors (e.g., retail) as well as office services. This surplus includes commercial land in the Springbrook and Riverfront Districts, which are located in different parts of Newberg. This ensures that commercial development will be distributed throughout the city, providing reasonable access to services for residents and visitors.
- **Newberg has a deficit of land for industrial uses across all site sizes.** Newberg has a deficit of 96 sites or 152 acres of land for industrial uses. This need covers a range of site sizes from less than 5 acres to 50 acres. The majority of sites need at the less than 5-acre size, but the range of site sizes is key to diversifying Newberg's economy and aligning with the city's potential growth industries.
- **Newberg will need an additional 2.9 acres of commercial land and 12.3 acres of industrial land for public and semipublic uses.** The Newberg Public and Semi-Public Land Needs memorandum concludes that Newberg will need commercial and industrial land to accommodate public and semipublic uses over the 20-year period.
- **Newberg's wages are comparable to the regional average.** Newberg's average wage of \$43,480 is slightly higher than the average of \$43,299 for Yamhill County. Newberg's potential growth industries generally have above-average wages, except for some types of food or agricultural product industries, such as wineries or vineyards, which also tend to hire seasonally.
- **Newberg will need to address key infrastructure needs in the Riverfront District.** While water and wastewater connections will be relatively easy for eventual developers to access, the Riverfront Master Plan identifies potential challenges with connecting a road along the bluff area. This would require geotechnical studies that may present cost barriers for potential developers of the area.

- **Newberg’s lack of industrial land presents barriers for business retention, expansion, and recruitment.** Since 2014, the City has documented recruitment and retention of businesses looking to stay or locate in Newberg. A key issue businesses have cited is the lack of available or suitable greenfield sites. This has led to recent relocation of existing Newberg businesses, as well as lack of new businesses choosing to locate in Newberg. Businesses are attracted to Newberg because of the access to a skilled workforce and quality of life, but the lack of suitable sites remains a key issue for many of these businesses.

What are the key recommendations?

In short, the City should continue to implement the *Newberg Economic Development Strategy* to continue to support the type of industrial and commercial growth described in the EOA.

Additional recommendations as a result of the EOA are listed below:

- The City has actively worked on implementing recent plans that in part address issues related to commercial and industrial land, including the *Newberg Economic Development Strategy*, *Newberg Downtown Improvement Plan*, *A NewBERG Community Vision*, and *Riverfront Master Plan*. This EOA implements the *Newberg Economic Development Strategy* by supporting the goals in the *Strategy*, such as identifying the need for land to support retention and expansion of businesses (item 1.2 in the *Strategy*), coordinating recruitment of traded-sector companies with partners such as SEDCOR and Business Oregon (item 1.3 in the *Strategy*), conducting analyses that support commercial development opportunities (item 2.1 and 2.2 in the *Strategy*), and providing other analyses and recommendations that implement the *Strategy*.

The redevelopment plans that are proceeding on the WestRock Mill site show that the City’s *Economic Development Strategy* and broader redevelopment plans are being implemented. Implementing the *Riverfront Master Plan* and using of Urban Renewal, as well as using the City’s Enterprise Zone and the Opportunity Zone at the WestRock Mill site, have all resulted in plans for the redevelopment and implementation of these plans.

- Newberg should develop a policy that supports preservation of prime industrial land for sites over 10 acres in size. The City may consider identifying prime industrial sites using the following criteria: sites larger than 10 acres, sites with direct access to a highway or major arterial road, sites with existing investments in infrastructure needed by industrial uses, and sites surrounded by properties that are planned for industrial uses.
- The City should consider using incentives to support economic development. These incentives could include creating an economic or business district, developing a downtown partnership, developing a parking management plan in key commercial areas, supporting land assembly, reducing costs of development via regulatory streamlining, using SDC “deferrals” or changing how SDCs are assessed, using New Market Tax Credits and EB-5 Investment programs to support business growth, and supporting growth of particular industries (such as tourism and hospitality).

- The City should address the deficit of industrial land identified in the EOA, for 152 acres of land on about 96 sites. Given the limited amount of vacant land within Newberg's existing UGB, the City has few opportunities to accommodate expected growth within the UGB. The best opportunity, redevelopment of the WestRock Mill site, as well as the other sites shown in Exhibit 30, are the City's primary opportunities to increase land use efficiency within the existing UGB. The City should consider opportunities for the expansion of the UGB to accommodate industrial land needs.

1. Introduction

This report presents an Economic Opportunities Analysis (EOA) for the City of Newberg. The EOA includes technical analysis to address a range of questions that Newberg faces in managing its commercial and industrial land. The EOA includes an employment forecast that describes how much growth Newberg should plan for over the 2021 to 2041 period and identifies the amount and type of employment land necessary to accommodate growth in Newberg over that period. The EOA also includes an inventory of commercial and industrial land within Newberg's urban growth boundary (UGB) to provide information about the amount of land available to accommodate employment growth. This EOA complies with the requirements of Statewide Planning Goal 9, the Goal 9 Administrative Rules (OAR 660 Division 9), and the court decisions that have interpreted them.

The City of Newberg last completed an EOA in 2010, based on the 2000 Census data. Substantial changes have occurred in the national and regional economy since 2010 that have implications for economic growth in Newberg, such as the recovery from the Great Recession, the impacts of the COVID-19 recession, and changes in the retail and manufacturing sectors.

In 2019, Newberg completed a community visioning process, which resulted in the *NewBERG Community Profile, Community Vision, and Action Plan*. Part of this community visioning process included goals and objectives related to economic development and the *Newberg Economic Development Strategy*, which was updated in 2019. The City is also in the process of implementing the *Riverfront Master Plan*, which includes updating the comprehensive plan designations in the Riverfront area that includes the former Westrock Mill site. Information from these plans is incorporated into the EOA.

The purpose of the EOA was to develop a factual basis to provide the City with information about current economic conditions. This report identifies opportunities to meet the City's economic development objectives and policies identified in the *A NewBERG Community Vision, and Action Plan*, in addition to developing comprehensive plan policies and implementation strategies necessary to implement the EOA.

The EOA also provides information essential to addressing the City's challenges in managing economic development, such as a lack of industrial sites to support growth of businesses that require large sites, underutilized commercial land, underutilized industrial land, and a lack of policy direction to address these issues.

The EOA draws on information from numerous data sources, such as the Oregon Employment Department, US Bureau of Economic Analysis, US Bureau of Labor Statistics, and the US Census. The EOA also uses information from the following reports:

- *Newberg Economic Development Strategy* (2016, updated in 2019)
- *Newberg Riverfront Master Plan* (2019)

- *A NewBERG Community Profile, Community Vision, and Action Plan* (2019)
- *Mid-Willamette Valley Regional Comprehensive Economic Development Strategy* (2018)

Framework for an Economic Opportunities Analysis

The content of this report is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The analysis in this report is designed to conform to the requirements for an Economic Opportunities Analysis in OAR 660-009 as amended.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The Economic Opportunities Analysis (EOA) requires communities to identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county, or local trends; to identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; to include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and to estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning or some other public input-based process in conjunction with state agencies.
2. *Industrial and commercial development policies (OAR 660-009-0020)*. Cities are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types, and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.
3. *Designation of lands for industrial and commercial uses (OAR 660-009-0025)*. Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage, and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies and must designate serviceable land suitable to meet identified site needs.

Organization of This Report

This report is organized as follows:

- **Chapter 2. Factors Affecting Future Economic Growth** summarizes historic economic trends that affect current and future economic conditions in Newberg, as well as Newberg's competitive advantages for economic development.
- **Chapter 3. Employment Growth and Site Needs** presents a forecast for employment growth in Newberg and describes potential growth industries and site needs for potential growth in industries.
- **Chapter 4. Buildable Lands Inventory** presents a summary of the inventory of employment lands.
- **Chapter 5. Land Sufficiency and Conclusions** compares the supply of and demand for buildable lands and presents key concluding recommendations for Newberg.

This report also includes two appendices:

- Appendix A. National, State, and Regional and Local Trends
- Appendix B. Buildable Lands Inventory Methodology

2. Factors Affecting Future Economic Growth

Newberg exists as part of the economy of the Mid-Willamette Valley region and is the second-largest city in Yamhill County. Its proximity to the Portland region, as well as Salem and the agricultural industries in Yamhill County, provides opportunities for the city's residents and access to a larger labor pool for employers. The focus of Newberg's economy includes several types of manufacturing, health-care, and service-sector industries focused on agriculture and wine tourism. The city's location in the Willamette Valley makes Newberg a popular destination for tourism in the area's wine country. The quality of life and available amenities also attract people to live and work in Newberg.

This chapter describes the factors affecting economic growth in Newberg within the context of national and regional economic trends. The analysis presents the City's competitive advantages for growing and attracting businesses, which forms the basis for identifying potential growth industries in Newberg.

Factors that Affect Economic Development¹

The fundamental purpose of Goal 9 is to make sure that a local government plans for economic development. The planning literature provides many definitions of economic development, both broad and narrow. Broadly,

"Economic development is the process of improving a community's well-being through job creation, business growth, and income growth (factors that are typical and reasonable focus of economic development policy), as well as through improvements to the wider social and natural environment that strengthen the economy."²

That definition acknowledges that a community's well-being depends in part on narrower measures of economic well-being (e.g., jobs and income) and on other aspects of quality of life (e.g., the social and natural environment). In practice, cities and regions trying to prepare an economic development strategy typically use a narrower definition of economic development; they take it to mean business development, job growth, and job opportunity. The assumptions are that:

- Business and job growth are contributors to and consistent with economic development, increased income, and increased economic welfare. From the municipal point of view,

¹ The information in this section is based on previous Goal 9 studies conducted by ECONorthwest and the following publication: *An Economic Development Toolbox: Strategies and Methods*, Terry Moore, Stuart Meck, and James Ebenhoh, American Planning Association, Planning Advisory Service Report Number 541, October 2006.

² *An Economic Development Toolbox: Strategies and Methods*, Terry Moore, Stuart Meck, and James Ebenhoh, American Planning Association, Planning Advisory Service Report Number 541, October 2006.

investment and resulting increases in property tax are important outcomes of economic development.

- The evaluation of trade-offs and balancing of policies to decide whether such growth is likely to lead to overall gains in well-being (on average and across all citizens and businesses in a jurisdiction, and all aspects of well-being) is something that decision makers do after an economic strategy has been presented to them for consideration.

That logic is consistent with the tenet of the Oregon land use planning program: all goals matter, no goal dominates, and the challenge is to find a balance of conservation and development that is acceptable to a local government and the State. Goal 9 does not dominate, but it legitimizes and requires that a local government focus on the narrower view of economic development regarding economic variables.

In that context, a major part of local economic development policy is about local support for business development and job growth; that growth comes from the creation of new firms, the expansion of existing firms, and the relocation or retention of existing firms. Specifically, new, small businesses are accounting for a larger share of the job growth in the United States.³ This shift toward a focus on entrepreneurship, innovation, and small businesses presents additional options for local support for economic development beyond firm attraction and retention. Thus, the key questions for economic development policy are, *What are the factors that influence business and job growth, and what is the relative importance of each?* This document addresses that question in depth.

What factors matter?

Why do firms locate where they do? There is no single answer—different firms choose their locations for different reasons. Key determinants of a location decision are a firm's *factors of production*. For example, a firm that spends a large portion of total costs on unskilled labor will be drawn to locations where labor is relatively inexpensive. A firm with large energy demands will give more weight to locations where energy is relatively inexpensive. In general, firms choose locations they believe will allow them to maximize net revenues: if demand for goods and services are held roughly constant, then revenue maximization is approximated by cost minimization.

The typical categories that economists use to describe a firm's production function are:

- **Labor.** Labor is often the most important factor of production. Other things equal, firms look at productivity—labor output per dollar. Productivity can decrease if certain types of labor are in short supply, which increases the costs by requiring either more pay to

³ According to the 2018 Small Business Profile from the US Small Business Office of Advocacy, small businesses account for over 99 percent of total businesses in the United States, and their employees account for nearly 50 percent of American workers. <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-US.pdf>

acquire the labor that is available, the recruiting of labor from other areas, or the use of the less productive labor that is available locally.

- **Land.** Demand for land depends on the type of firm. Manufacturing firms need more space and tend to prefer suburban locations where land is relatively less expensive and less difficult to develop. Warehousing and distribution firms need to locate close to interstate highways.
- **Local infrastructure.** An important role of government is to increase economic capacity by improving quality and efficiency of infrastructure and facilities, such as roads, bridges, water and sewer systems, airport and cargo facilities, energy systems, and telecommunications.
- **Access to markets.** Though part of infrastructure, transportation merits special attention. Firms need to move their product, either goods or services, to the market, and they rely on access to different modes of transportation to do this.
- **Materials.** Firms producing goods, and even firms producing services, need various materials to develop products that they can sell. Some firms need natural resources (i.e., raw lumber) and others may need intermediate materials (i.e., dimensioned lumber).
- **Entrepreneurship.** This input to production may be thought of as good management, or even more broadly as a spirit of innovation, optimism, and ambition that distinguishes one firm from another even though most of their other factor inputs may be quite similar. Entrepreneurial activity, even when unsuccessful, can offer information about the local market that other entrepreneurs can use in starting a new firm. Entrepreneurs are typically willing to take on more risk in uncertain markets, and a strengthened entrepreneurial environment can help to reduce that risk and uncertainty.⁴ Entrepreneurs also tend to have more mobility than larger firms and are more likely to locate in areas with a strong entrepreneurial environment.⁵ To some degree, local governments can promote the high quality of life in an area to attract entrepreneurs, in addition to adopting regulations with minimal barriers—or at least, clear guidelines—for new small businesses.

⁴ Tessa Conroy and Stephan Weiler “Local and Social: Entrepreneurs, Information Network Effects, and Economic Growth” (2017). https://redi.colostate.edu/wp-content/uploads/sites/50/2017/05/gender_gia_Jun2017-2.pdf

⁵ Emil E. Malizia and Edward J. Feser. *Understanding Local Economic Development*. (1999).

The supply, cost, and quality of any of these factors depend on market factors: on conditions of supply and demand locally, nationally, and even globally. But they also depend on public policy. In general, public policy can affect these factors of production through:

- **Regulation.** Regulations protect the health and safety of a community and help maintain quality of life. Overly burdensome regulations, however, can be disincentives for businesses to locate in a community. Simplified bureaucracies and straightforward regulations can reduce the burden on businesses and help them react quickly in a competitive marketplace.
- **Taxes.** Firms tend to seek locations where they can optimize their after-tax profits. Tax rates are not a primary location factor—they matter only after businesses have made decisions based on labor, transportation, raw materials, and capital costs. The costs of these production factors are usually similar within a region. Therefore, differences in tax levels across communities within a region are more important in the location decision than are differences in tax levels between regions.
- **Financial incentives.** Governments can offer firms incentives to encourage growth. Most types of financial incentives have had little significant effect on firm location between regions. For manufacturing industries with significant equipment costs, however, property or investment tax credit or abatement incentives can play a significant role in location decisions. Incentives are more effective at redirecting growth within a region than they are at providing a competitive advantage between regions.

This discussion may make it appear that a location decision is based entirely on a straightforward accounting of costs, with the best location being the one with the lowest level of overall costs. Studies of economic development, however, have shown that location decisions depend on a variety of other factors that indirectly affect costs of production. These indirect factors include agglomerative economies (also known as industry clusters), quality of life, and innovative capacity.

- **Industry clusters.** Firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. For this reason, firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities.
- **Quality of life.** A community that features many quality amenities, such as access to recreational opportunities, culture, low crime, good schools, affordable housing, and a clean environment can attract people simply because it is a nice place to be. A region's quality of life can attract skilled workers, and if the amenities lure enough potential workers to the region, the excess labor supply pushes their wages down so that firms in the region can find skilled labor for a relatively low cost. The characteristics of local communities can affect the distribution of economic development within a region, with different communities appealing to different types of workers and business owners. Sometimes location decisions by business owners are based on an emotional or historical

attachment to a place or set of amenities, without much regard for the cost of other factors of production.

- **Innovative capacity.** Increasing evidence suggests that a culture promoting innovation, creativity, flexibility, and adaptability is essential to keeping US cities economically vital and internationally competitive. Innovation is particularly important in industries that require an educated workforce. High-tech companies need to have access to new ideas typically associated with a university or research institute. In addition to innovations in research and development within firms or research institutions, firms may also draw on the innovative capacity of entrepreneurs in an area. These entrepreneurs may be former employees of the larger firm or businesses that relocated to an area because of the proximity to an industry cluster. Strong networks and communication between firms, research institutions, and entrepreneurs are key components to leveraging innovative capacity in an area.⁶ Local governments are well-equipped to help foster these networks through supporting economic development tools such as small business assistance centers or incubation centers. Government can also be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

How important are these factors?

To understand how changes in public policies affect local job growth, economists have attempted to identify the importance for firms with different locational factors. They have used statistical models, surveys, and case studies to examine detailed data on the key factors that influence the business location decision.

Economic theory says that firms locate where they can reduce the costs of their factors of production (assuming demand for products and any other factors are held constant). Firms locate in regions where they have access to inputs that meet their quality standards at a relatively low cost. Because firms are different, the relative importance of different factors of production varies both across industries and, even more importantly, across firms.

No empirical analysis can completely quantify firm location factors because numerous methodological problems make any analysis difficult. For example, some would argue simplistically that firms would prefer locating to a region with a low tax rate to reduce tax expenses. However, the real issue is the value provided by the community for the taxes collected. Because taxes fund public infrastructure that firms need, such as roads, water, and sewer systems, regions with low tax rates may end up with poor infrastructure, making it less attractive to firms. When competing jurisdictions have roughly comparable public services (type, cost, and quality) and quality of life, then tax rates (and tax breaks) can make a difference.

Further complicating any analysis is the fact that many researchers have used public expenditures as a proxy for infrastructure quality. But large expenditures on roads do not

⁶ Nancey Green Leigh and Edward Blakely. *Planning Local Economic Development: Theory and Practice*. 2013.

necessarily equal a quality road system. It is possible that the money has been spent ineffectively and the road system is in poor condition.

An important aspect of this discussion is that the business function at a location matters more than a firm's industry. A single company may have offices spread across cities, with headquarters located in a cosmopolitan metropolitan area, research and development divisions located near a concentration of universities, back offices located in a suburb, and manufacturing and distribution located in areas with cheap land and good interstate access.

The location decisions of businesses are primarily based on the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region. Most economic development strategies available to local governments, however, only indirectly affect the cost of these primary location factors. Local governments can most easily affect tax rates, public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest effect on the level and type of economic development in the community.

Local governments can provide support for new and existing small businesses through policies and programs that support entrepreneurship and innovation. The National League of Cities suggests strategies for local governments, including strong leadership from elected officials; better communication with entrepreneurs, especially about the regulatory environment for businesses in the community; and partnerships with colleges, universities, small business development centers, mentorship programs, community groups, businesses groups, and financial institutions.⁷

Local governments in Oregon also play a central role in the provision of buildable land through inclusion of lands in the Urban Growth Boundary, as well as through determination of plan designations and zoning, and through provision of public services. Obviously, businesses need buildable land to locate or expand in a community. Providing buildable land alone is not sufficient to guarantee economic development in a community—market conditions must create demand for this land, and local factors of production must be favorable for business activity. In the context of expected economic growth and the perception of a constrained land supply in Newberg, the provision of buildable land has the potential to strongly influence the level and type of economic development in the city. The provision of buildable land is one of the most direct ways that Newberg can affect the level and type of economic development in the community.

⁷ National League of Cities "Supporting Entrepreneurs and Small Businesses" (2012).
<https://www.nlc.org/supporting-entrepreneurs-and-small-business>

Summary of the Effect of National, State, and Regional Trends on Economic Development in Newberg

This section presents a summary and the implications of national, state, and regional economic trends on economic growth in Newberg, which are presented in detail in Appendix A. As of August 2020, several counties across Oregon continue with the process of reopening from the stay-at-home orders associated with the COVID-19 pandemic. While it is difficult to predict the long-term implications of the pandemic at this point, it is certain that the COVID-19 pandemic will disrupt the economy in Newberg and the entire state over the next month and longer. This section focuses on long-term trends that are likely to affect economic growth in Newberg over the 20-year planning period. It considers some near-term impacts of the COVID-19 pandemic but focused on long-term trends.

- **County and local employment growth.** Employment increased in Yamhill County since 2008, with a gain of about 3,874 employees between 2008 and 2018. The largest increases were in education and health services and leisure and hospitality. Newberg accounted for about 27% of employment in Yamhill County in 2018. Employment in Newberg increased between 2008 and 2018 by about 837 employees or 9%.
- **Increases in regional economic diversity.** Within the Mid-Willamette Valley region (which includes Marion, Polk, and Yamhill Counties), industries have transitioned away from the traditional natural resource extraction-based economy to a more diverse economic base, which includes value-add agricultural products, metals and machinery, specialty product manufacturing, and professional and technical services.⁸ The increasing diversity of regional economic development provides opportunities for the development of new businesses in Newberg, as clusters of similar businesses continue to locate in the Mid-Willamette Valley region.
- **Changes in manufacturing and concentration of manufacturing in Oregon.** Newberg's location in the Willamette Valley, as well as its access to highways and a skilled workforce, presents opportunities for growth in manufacturing businesses. In 2018, manufacturing accounted for about 22% of Newberg's total covered employment and had an average wage of \$59,194, higher than the city's average wage of \$43,480.

Between 2008 and 2018, the manufacturing sector in Newberg decreased from 2,475 to 2,085 employees, a decrease of 390 employees. Statewide, manufacturing employment remained relatively constant, decreasing by about 212 employees (or -0.01%) during the same time period. The largest decreases in manufacturing employment were in wood product, paper product, and transportation equipment manufacturing, while Oregon employment in industries such as food and beverage and machinery manufacturing

⁸ Mid-Willamette Valley Regional Comprehensive Economic Development Strategy (CEDS). Mid-Willamette Valley Community Development Partnership Board. June 2018.

increased. These growing industries in Oregon align with Newberg's target industries defined in Chapter 3.

Major reasons for the decrease in manufacturing employment in Newberg were closure of the WestRock paper mill in 2016 and the closure of the Suntron electronics plant in 2009. However, over the 2008 to 2018 period, manufacturing added more than 260 jobs (as well as maintaining existing jobs) in sectors such as apparel manufacturing, specialty manufacturing, furniture manufacturing, and other types of manufacturing.

Another reason for the decrease in manufacturing employment in Newberg was a lack of vacant buildings and developable sites for manufacturing. Examples of businesses that left include NW Alpine, which moved to Salem in 2019 and increased its workforce from about 30 employees to 70 employees. They expect to add about 20 more employees during 2020 and 2021.

National changes in manufacturing and demand for industrial land suggest future demand for industrial land in Oregon, including in Newberg. In recent years, US industries with global supply chains have shifted in response to geopolitical issues (e.g., trade policy) and increased demand for e-commerce (e.g., warehousing and distribution). These shifts have included reshoring some supply chain elements to the United States and leading to increased demand for industrial space. These dynamics accelerated during the COVID-19 pandemic, and are expected to continue in the future.⁹ Regionally, reports for markets on the West Coast, including the Portland region, confirm these trends with continued demand for industrial land and building space in 2020.¹⁰ Business Oregon reported that agriculture and food and beverage industries are the most competitive traded-sector industries in the region of Marion, Polk, and Yamhill Counties, followed by forestry and wood products, metals and machinery, and other manufacturing.¹¹

- **Increases in automation.** Businesses in both industrial and commercial industries will continue to respond to increases in automated processes, decreasing employment in some types of manufacturing processes and slightly increasing need for workers with skills in computers and other high-tech. While automation has been a factor in industrial sectors for decades (e.g., manufacturing), recent increases in automation for commercial industries have also occurred, such as certain functions of retail or office jobs. Oregon's overall risk of automation is similar to that of the nation with lower and middle-wage jobs at higher risk of being automated. Jobs that are considered to be at lower risk include those that provide personal services or experiences, such as food service or hospitality. Higher-wage jobs that are also considered to be at a lower risk of automation include jobs that require social intelligence, perception, creativity, or fine motor skills.

⁹ CBRE Research. "The Changing Flow of International Trade." 2020. <https://www.cbre.us/research-and-reports/US-Industrial---The-Changing-Flow-of-International-Trade-July-2020>

¹⁰ CBRE Research. "Industrial continues to make positive strides despite pandemic." Q3 2020.

¹¹ Business Oregon. "Regional Competitive Industries: Marion, Polk, and Yamhill Counties." 2018.

Most industrial sectors will still hire employees to complete certain tasks, though the types of skills required for these jobs may change as automation increases. Newberg's access to a skilled workforce is an advantage for businesses in the city, as long as the educational opportunities in the region continue to align with the needs for skills in industries in Newberg.

- **Importance of small businesses in Newberg's economy.** The average business in Newberg has 11 employees, the same as the state average. The creation of new businesses is vital to Oregon's (and Newberg's) economy as their formations generate new jobs and advance innovations into markets. Younger workers are important to continued growth of small businesses, as more than one-third of millennials in the nation are self-employed. Newberg's access to a relatively young workforce from across the Willamette Valley and Portland Metro regions presents opportunities for small businesses to grow in the city. The Chehalem Valley Innovation Accelerator provides resources for local entrepreneurs to build their business in the region. The Accelerator has partnerships with several regional organizations, businesses, and educational institutions to help bridge gaps and promote partnerships with local small businesses in Newberg.
- **Changes in the retail sector.** The retail sector has reacted over the past two decades to changing consumer preferences for shopping at large supercenters as well as online shopping. The growth of shopping online is likely to continue, accelerated as a result of the COVID-19 pandemic. There will continue to be demand for local purchase of retail goods. Consumers still prefer physical, brick-and-mortar stores for certain items, such as large furniture, specialty goods, and groceries. Furthermore, consumer preferences have shifted to spending at restaurants and experience-focused series (e.g., entertainment or recreation). Retail businesses that compete with online retailers may become less common in Newberg (and other cities), but businesses providing experiences or goods that cannot be purchased online may grow and expand in Newberg. This presents opportunities for Newberg's retail industry to build on the city's high quality of life, providing experiences for residents and visitors, especially those in the wine industry.
- **Continued increase in demand for energy.** While energy prices were unusually low in early 2020, energy prices are forecasted to increase over the planning period. If energy prices increase over the long term, these higher prices will likely affect the mode of commuting before affecting workers' willingness to commute. For example, commuters may choose to purchase a more energy-efficient car or carpool. In Newberg, the options for modes of commuting into the city from other areas are more limited than in larger urban areas with access to transit, bike, and pedestrian infrastructure. Very large increases in energy prices may affect workers' willingness to commute, especially workers living the furthest from Newberg or workers with lower-paying jobs. In addition, very large increases in energy prices may make shipping freight long distances less economically feasible, resulting in a slowdown or reversal of offshore manufacturing, especially of large, bulky goods.

- **A tight labor market that changed abruptly.** In 2019, the unemployment rate in Yamhill County was 3.4%, slightly lower than Oregon's rate of 3.7% and the national rate of 3.6%. However, the sudden onset of the COVID-19 pandemic resulted in an abrupt increase in unemployment across the nation and in Oregon. In April 2020, unemployment rates increased to 13.2% in Yamhill County, 14.8% in Oregon, and 14.7% nationwide.¹² By November 2020, the unemployment rate in Yamhill County decreased to 5.1% (6.0% statewide). Between March 2020 and November 2020, Yamhill County lost approximately 2,790 jobs concentrated in manufacturing, accommodations and food services, health services, and retail trade.¹³ It is unclear how many of these jobs are lost in the long term and how many will come back as the regional and statewide economy reopens. The Oregon Office of Economic Analysis estimates that employment will not return to early 2020 levels until mid-2023, assuming the effects of the COVID-19 pandemic are alleviated by a vaccine or effective treatment.¹⁴
- **Availability of trained and skilled labor.** Availability of labor depends, in part, on population growth and in-migration. Newberg's population increased by 5,981 people between 2000 and 2019 at an average annual growth rate of 1.5%. Most of the population increase occurred between 2000 and 2010, with an increase of 4,004 residents. In comparison, Oregon's population grew at an average annual growth rate of 1.1% between 2000 and 2019 with 69% of the population coming from in-migration.

The current labor force participation rate is another important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. According to the 2014–2018 American Community Survey, Newberg had about 11,987 people in its labor force and Yamhill County had over 49,800. The labor force participation rate in Newberg (65%) was higher than Yamhill County (60%) and Oregon (62%) in the 2014–2018 period. Nonparticipants in the labor force (the 35% of people not participating in Newberg's labor force) include students 16 years and older, retirees, and unemployed people not actively seeking work. A higher concentration of older residents in an area, or a mismatch between the types of jobs available in an area and the types of skills of the labor force, can contribute to low labor force participation rates.

Twenty-three percent of workers at businesses in Newberg live in Newberg and 48% live in Yamhill County. Businesses in Newberg draw employees from across Yamhill County as well as Washington, Clackamas, and Marion Counties.

- **Lower household income and average wages.** Newberg's median household income is lower relative to both the county and the state. In the 2014–2018 period, Newberg's median household income was \$56,599, lower than Yamhill County's median household

¹² Note that these unemployment rate estimates are preliminary and may be revised as the year continues.

¹³ Based on information from the Oregon Employment Department for Yamhill County as of November 2020. <https://www.qualityinfo.org/covid-19>

¹⁴ Oregon Employment Department, Oregon Economic and Revenue Forecast, September 2020.

income of \$59,484 and Oregon's median household income of \$59,393. The average wage at private businesses in Newberg was about \$43,480 in 2018, which was higher than the Yamhill County average of \$42,302 in 2018 but below the state average of \$53,000.¹⁵

- **Education as a determinant of wages.** Newberg's population has a larger share (31%) of college graduates (bachelor's degree or higher) than Yamhill County (26%) but a smaller share than Oregon (33%). About 35% of Newberg's residents have some college or an associate degree, and about 34% have a high school diploma or less. Businesses that need employees with a college degree may be more likely to move to Newberg, and some may need to recruit employees from outside of the city. Newberg businesses have access to students from the local campus of George Fox University, the Portland Community College Newberg Center, and neighboring Linfield College in McMinnville.
- **Aging of the population and need for replacement workers.** Newberg has a smaller percentage of residents 60 years and older (18%) relative to Oregon (24%) and Yamhill County (23%). Newberg's median age, which was 30.1 in 2000, increased to 33.7 in the 2014–2018 period. In comparison, Yamhill County's median age was 38.1, and Oregon's median age was 39.2 in the 2014–2018 period.

Yamhill County's population is expected to continue aging, with people 60 years and older increasing from 25% of the population in 2020 to 28% of the population in 2045, consistent with statewide trends. As workers retire, businesses need to replace them with new workers. This need for replacement workers will continue to drive need for workers.

- **Increases in racial and ethnic diversity.** Overall, both the nation and Oregon are becoming more racially and ethnically diverse. Between 2000 and 2014–2018, the Hispanic and Latino population in Oregon increased from 8% to 13%, while it increased in Newberg from 11% to 14%. The population of people of color has increased from 13% to 16% in Oregon since 2000 and from 10% to 12% in Newberg.

Employment Trends in Newberg and Yamhill County

The economy of the nation changed substantially between 1980 and 2018. These changes affected the composition of Oregon's economy, including Newberg's economy. At the national level, the most striking change was the shift from manufacturing employment to service-sector employment. The most important shift in Oregon during this period has been the shift from a timber-based economy to a more diverse economy, with the greatest employment in services. This section focuses on changes in the economy in Yamhill County and Newberg since 2008.

¹⁵ Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

Employment Trends in Yamhill County

Exhibit 1 shows covered employment¹⁶ in Yamhill County for 2008 and 2018. Employment increased by 3,874 jobs, or 12%, over this period. The sectors with the largest increases in numbers of employees were education and health services (1,180 jobs), leisure and hospitality (1,088 jobs), natural resources and mining (743 jobs), and professional and business services (310 jobs).

The average wage for employment in Yamhill County in 2018 was about \$42,302. Employment in higher-wage industries, such as manufacturing and professional and business services, increased over the 2008 to 2018 time period. One exception is the financial activities sector, which saw a decrease of 70 jobs.

Exhibit 1. Covered Employment by Industry, Yamhill County, 2008–2018

Industry Sector	2008	2018	Change 2008 - 2018			Average Wage (2018)
			Number	Percent	AAGR	
Natural resources and mining	2,926	3,669	743	25%	2.3%	\$37,840
Construction	1,760	1,977	217	12%	1.2%	\$51,966
Manufacturing	6,592	6,896	304	5%	0.5%	\$52,331
Trade, transportation and utilities	4,547	4,844	297	7%	0.6%	\$35,692
Information	213	242	29	14%	1.3%	\$54,512
Financial activities	1,077	1,007	-70	-6%	-0.7%	\$54,405
Professional and business services	1,630	1,940	310	19%	1.8%	\$48,464
Education and health services	5,212	6,392	1,180	23%	2.1%	\$43,299
Leisure and hospitality	2,704	3,792	1,088	40%	3.4%	\$20,279
Other services	1,082	1,386	304	28%	2.5%	\$24,071
Unclassified	19	9	-10	-53%	-7.2%	\$51,094
Government	4,702	4,184	-518	-11%	-1.2%	\$50,765
Total	32,464	36,338	3,874	12%	1.1%	\$42,302

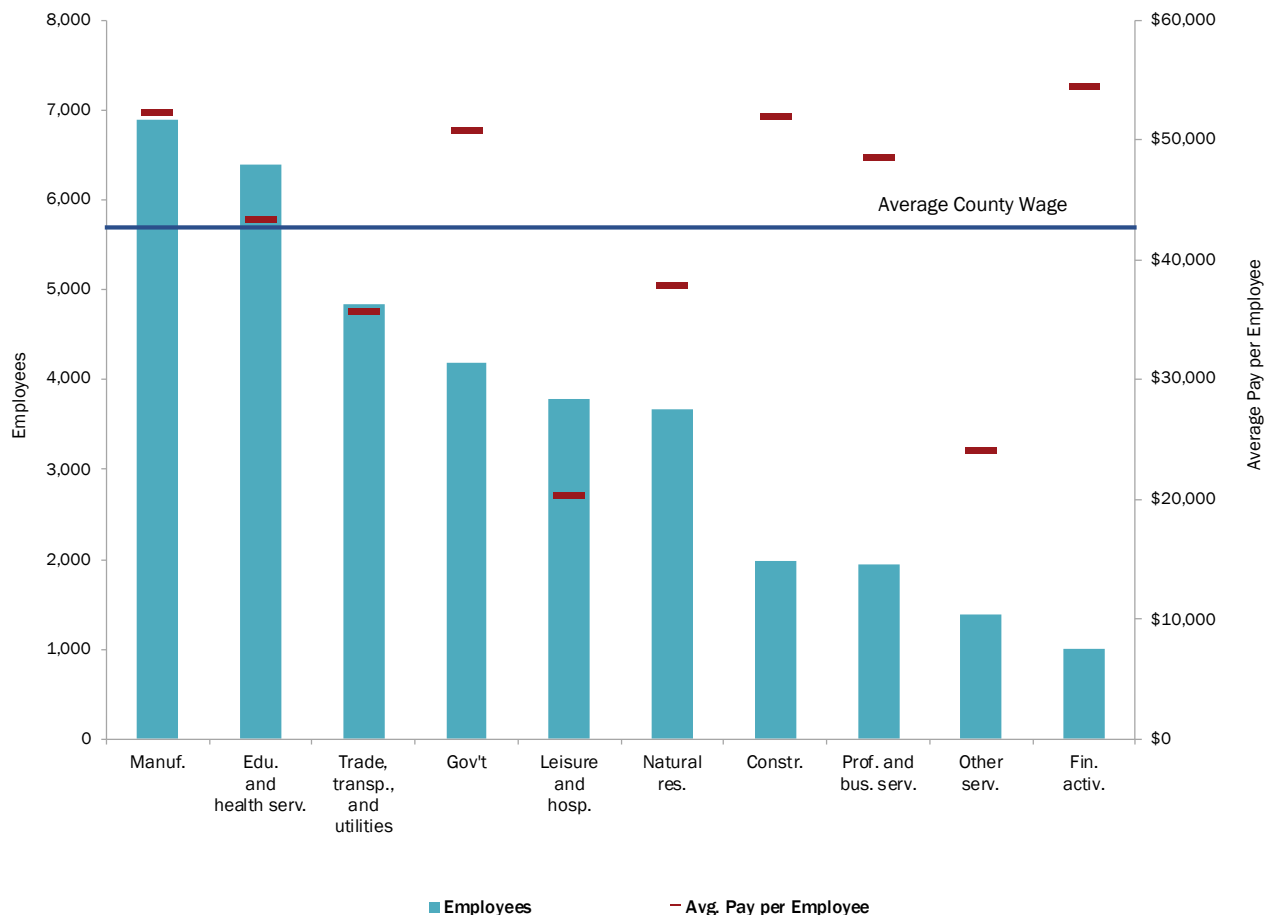
Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2008–2018.

Note: “ND” stands for “Not Disclosed” and indicates that the data has been suppressed by the BLS due to confidentiality constraints. The total amount of not-disclosed employment is shown in the table.

¹⁶ **Covered** employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as “1099 employees”), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Exhibit 2 shows covered employment and average wage for the ten largest industries in Yamhill County. Jobs in manufacturing accounted for approximately 19% of the county's total covered employment, followed by education and health services (18%) and trade, transportation, and utilities (13%). However, of these sectors, only manufacturing and education and health services pay above the county wage (\$52,331 and \$43,299, respectively). Jobs in government, construction, professional and business services, and financial activities also paid more per year than the county average, but they account for a smaller share of covered employment in the county. In addition to trade, transportation and utilities, leisure and hospitality, natural resources and mining, and other services paid below the 2018 county average.

Exhibit 2. Covered Employment and Average Pay by Sector, 10 Largest Sectors Yamhill County, 2018



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2018.

The loss of statewide employment due to the COVID-19 pandemic impacted the accommodation and food services industry the most, followed by the health-care and social assistance industry, as well as the retail trade industry.¹⁷ Other services, which include personal care services such as barber shops and beauty salons, nonveterinary pet care, and fitness instructors also experienced acute impacts. Jobs in these industries tend to have lower wages, and the Oregon Employment Department (OED) reported that in the first nine weeks of the pandemic, about 68% of all initial unemployment claims came from individuals working jobs that pay less than \$20 per hour.¹⁸ Furthermore, OED reported that the manufacturing, construction, and health-care industries had a large quantity of initial unemployment insurance claims. For the manufacturing and construction industries, OED suggested that this is likely due to businesses' inability to put effective social distancing requirements into place.

In their September 2020 economic and revenue forecast, the Oregon Office of Economic Analysis (OEA) anticipates that over one-third of the initial job losses due to the pandemic will return by the end of 2020, with slower growth in the beginning of 2021.¹⁹ However, the Oregon economy will be far from full recovery by then. OEA expects that after this initial economic snapback, Oregon's economy will recover more quickly than the Great Recession. OEA forecasts that the economy should recover to health by mid-2023.

¹⁷ Based on information from the Oregon Employment Department for Yamhill County as of June 2020. <https://www.qualityinfo.org/covid-19>

¹⁸ Damon Runberg. "Who Are the COVID-19 Unemployed in Oregon?" Salem, OR: State of Oregon Employment Department. May 21, 2020. <https://www.qualityinfo.org/-/who-are-the-covid-19-unemployed-in-oregon->

¹⁹ Oregon Employment Department, Oregon Economic and Revenue Forecast, September 2020.

Employment in Newberg

Between 2008 and 2018, employment in Newberg increased by about 837 employees (9%). Employment in health care, social assistance, and private education increased by about 391 employees (19%), while manufacturing employment decreased by about 390 employees (16%) (Exhibit 3).

Exhibit 3. Change in Covered Employment, Newberg UGB, 2008–2018

Sectors highlighted in blue have wages higher than the city average.

Sector	2008 Employment	2018 Employment	Change (Number)	Change (Percent)	AAGR
Construction; Natural Resources	420	531	111	26%	2.4%
Manufacturing	2,475	2,085	(390)	-16%	-1.7%
Wholesale Trade	66	99	33	50%	4.1%
Retail Trade	872	1,083	211	24%	2.2%
Transportation and Warehousing; Utilities	93	122	29	31%	2.8%
Information	55	62	7	13%	1.2%
Finance and Insurance	178	181	3	2%	0.2%
Real Estate and Rental and Leasing	95	105	10	11%	1.0%
Professional Services; Management of Companies	189	219	30	16%	1.5%
Administrative and Waste Services	115	139	24	21%	1.9%
Health Care and Social Assist.; Private Education	2,050	2,441	391	19%	1.8%
Arts, Entertainment, and Recreation	33	54	21	64%	5.0%
Accommodation and Food Services	849	1,292	443	52%	4.3%
Other Services (except Public Administration)	376	387	11	3%	0.3%
Government	972	875	(97)	-10%	-1.0%
Total	8,838	9,675	837	9%	0.9%

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2008 and 2018.

Employment in Newberg accounted for about 27% of employment in Yamhill County in 2018. Exhibit 4 shows a summary of covered employment data for the Newberg UGB in 2018. The sectors with the greatest number of employees were health care, social assistance, and private education²⁰ (25%); manufacturing (22%); accommodation and food services (13%); and retail trade (11%).

Exhibit 4. Covered Employment and Average Pay by Sector, Newberg UGB, 2018²¹

Sector	Establishments	Employees	Payroll	Average Wage
Natural Resources	6	72	\$ 2,976,629	\$ 41,342
Utilities	3	34	\$ 2,374,556	\$ 69,840
Construction	74	459	\$ 26,030,085	\$ 56,710
Manufacturing	53	2,085	\$ 123,419,738	\$ 59,194
Wholesale Trade	37	99	\$ 5,455,352	\$ 55,105
Retail Trade	73	1,083	\$ 33,930,351	\$ 31,330
Transportation and Warehousing	10	88	\$ 2,583,193	\$ 29,354
Information	14	62	\$ 3,657,441	\$ 58,991
Finance and Insurance	46	181	\$ 9,772,257	\$ 53,990
Real Estate and Rental and Leasing	40	105	\$ 3,555,991	\$ 33,867
Professional Services; Management of Companies	57	219	\$ 15,170,897	\$ 69,274
Administrative and Waste Services	35	139	\$ 3,456,261	\$ 24,865
Health Care and Social Assist.; Private Education	113	2,441	\$ 107,106,088	\$ 43,878
Arts, Entertainment, and Recreation	6	54	\$ 582,001	\$ 10,778
Accommodation and Food Services	74	1,292	\$ 28,533,996	\$ 22,085
Other Services (except Public Administration)	150	387	\$ 9,823,593	\$ 25,384
Government	23	875	\$ 42,241,881	\$ 48,276
Total	814	9,675	\$ 420,670,310	\$ 43,480

Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

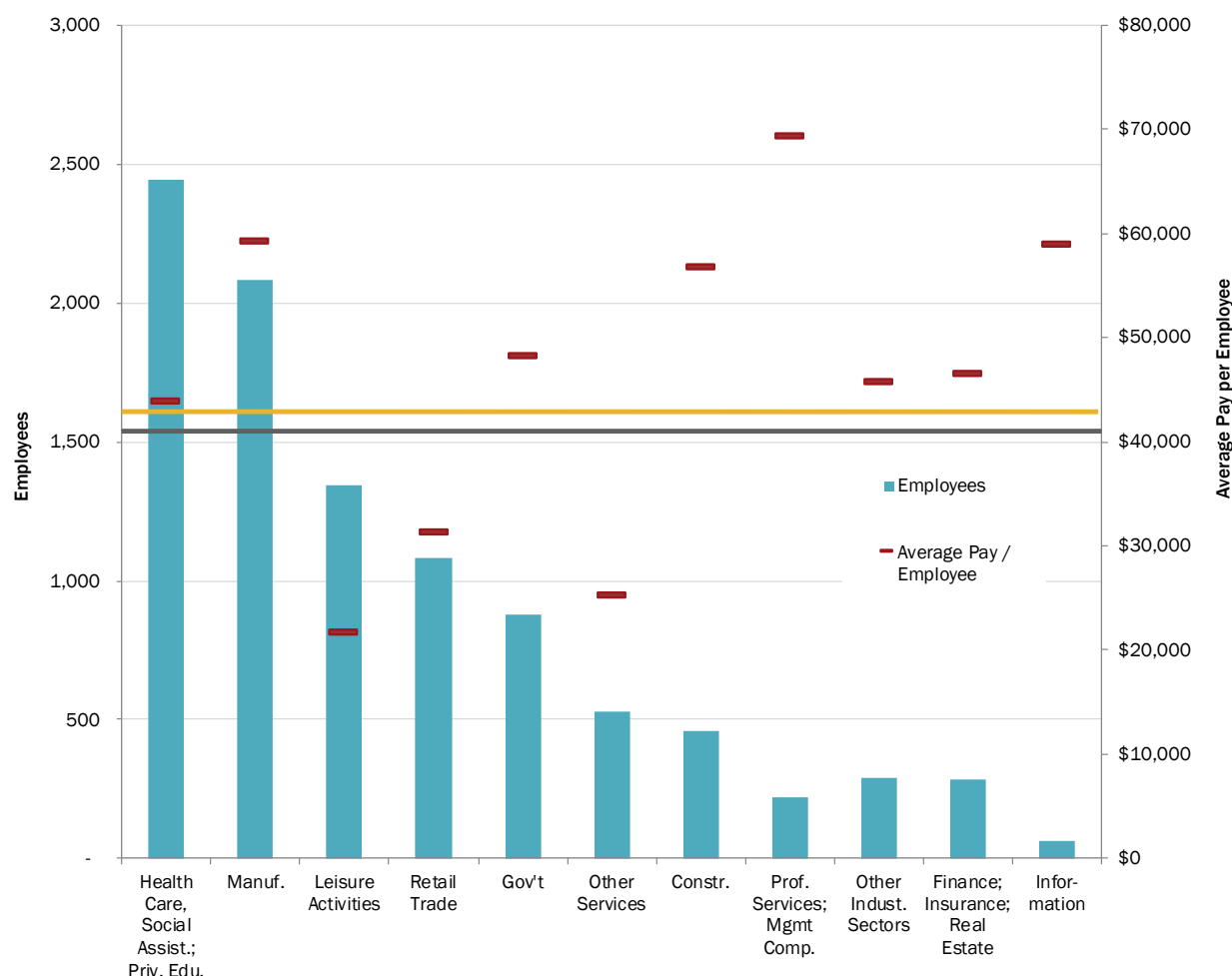
The average size for a private business in Newberg was 11 employees per business, the same as the state average. Businesses with 9 or fewer employees accounted for 18% of private employment, and businesses with 50 or fewer employees accounted for 52% of private employment.

Exhibit 5 shows the employment and average pay per employee for sectors in Newberg. Average pay for all employees (\$43,480) is shown as a yellow line across the graph and average pay for individual sectors as short red lines. The figure shows that health care and social assistance; finance, insurance, and real estate; professional, scientific, and technical services; government; and industrial sectors had above average wages. The lowest wages were in retail trade and leisure activities, which includes arts, entertainment, and recreation and accommodation and food services.

²⁰ These sectors are combined due to confidentiality. Health care makes up a larger share of the jobs in this sector grouping.

²¹ The following sectors were combined due to confidentiality of QCEW data: Utilities, Transportation and Warehousing; Manufacturing and Wholesale Trade; Finance and Insurance, Real Estate and Rental and Leasing; Health Care and Social Assistance and Private Education; Arts, Entertainment and Recreation and Accommodation and Food Services.

Exhibit 5. Covered Employment and Average Pay by Sector, Newberg UGB, 2018²²



Source: Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

Though data are not readily available at the city level to inform the impacts of the COVID-19 pandemic, OED reports that Yamhill County had lower rates of unemployment insurance (UI) claims as a share of labor force relative to all Oregon counties.²³ In the months following the onset of the pandemic (for data ending June 30, 2020), nearly 3,303 continued UI claims were made in Yamhill County. Of these claims, almost 650 were in the manufacturing sector (20% of the county total). Accommodation and food services had the next largest share of claims at about 18% of the county total, followed by health care and social assistance with 12%. The depth of the impact on wages is not fully apparent in the data yet; however, the sharp job loss in these sectors and others is expected to decrease or at least stagnate in the short run.

²² “Industrial sectors” includes natural resources, construction, transportation and warehousing, utilities, and wholesale trade. “Leisure activities” includes accommodation and food services and arts, entertainment, and recreation.

²³ Based on information from the Oregon Employment Department for Yamhill County as of June 2020. <https://www.qualityinfo.org/covid-19>

Outlook for Growth in Yamhill County

Given the large change in the economy starting in March 2020 as a result of the COVID-19 pandemic, it is difficult to accurately understand the likely outlook for growth in Yamhill County. The best currently available data is as follows. Exhibit 6 shows the Oregon Employment Department's forecast for employment growth by industry for the Mid-Valley region (Linn, Marion, Polk, and Yamhill Counties) over the 2019 to 2029 period. Employment in the region is forecasted to grow at an average annual growth rate of 0.8%.

The sectors that will lead employment in the region for the ten-year period are private educational and health services (adding 6,700 jobs); government (3,100); trade, transportation, and utilities (2,600); professional and business services (2,400); construction (2,300); and leisure and hospitality (2,300). In sum, these sectors are expected to add 19,400 new jobs or about 81% of employment growth in the Mid-Valley region. Yamhill County accounts for about 14% of employment in these four counties, and Newberg accounts for about 27% of the county's employment.

Exhibit 6. Regional Employment Projections, 2019–2029, Mid-Valley Region (Linn, Marion, Polk, and Yamhill Counties)

Industry Sector	2019	2029	Change 2019 - 2029		
			Number	Percent	AAGR
Total private payroll employment	215,700	235,500	19,800	9%	0.9%
Natural resources and mining	18,000	19,300	1,300	7%	0.7%
Mining and logging	1,200	1,200	0	0%	0.0%
Construction	17,400	19,700	2,300	13%	1.2%
Manufacturing	28,900	30,300	1,400	5%	0.5%
Durable goods	17,100	18,200	1,100	6%	0.6%
Wood product manufacturing	4,400	4,500	100	2%	0.2%
Nondurable goods	11,800	12,100	300	3%	0.3%
Trade, transportation, and utilities	43,700	46,300	2,600	6%	0.6%
Wholesale trade	6,400	7,000	600	9%	0.9%
Retail trade	27,900	28,500	600	2%	0.2%
Transportation, warehousing, and utilities	9,400	10,800	1,400	15%	1.4%
Information	2,000	2,000	0	0%	0.0%
Financial activities	9,600	9,700	100	1%	0.1%
Professional and business services	20,400	22,800	2,400	12%	1.1%
Private educational and health services	42,100	48,800	6,700	16%	1.5%
Health care and social assistance	37,400	43,600	6,200	17%	1.5%
Leisure and hospitality	23,300	25,600	2,300	10%	0.9%
Accommodation and food services	20,700	22,800	2,100	10%	1.0%
Other services and private households	10,300	11,000	700	7%	0.7%
Government	54,000	57,100	3,100	6%	0.6%
Federal government	2,200	2,300	100	5%	0.4%
State government	21,200	22,800	1,600	8%	0.7%
Local government	30,600	32,000	1,400	5%	0.4%
Self Employment	15,500	16,700	1,200	8%	0.7%
Total employment	285,200	309,300	24,100	8%	0.8%

Source: Oregon Employment Department. Employment Projections by Industry 2019–2029.

Newberg's Competitive Advantage

Local conditions, as well as national and state economic conditions, will affect economic development opportunities in Newberg. Economic conditions in Newberg relative to other portions of the Willamette Valley region form Newberg's competitive advantage for economic development. Newberg's competitive advantages have implications for the types of firms most likely to locate and expand in the area.

Newberg's primary competitive advantages and key economic assets are access to US Highway 99, access to a skilled labor force, and high quality of life. These factors make Newberg attractive to residents and businesses that want a high quality of life where they live and work.

The discussion earlier in this chapter provided information about Newberg's existing base of businesses and access to labor, which are key to understanding Newberg's competitive advantages. This section summarizes these and other local factors that form Newberg's competitive advantage, with additional details in the sections following this summary.²⁴

- **Location.** Newberg is located in Yamhill County, less than an hour from Portland. Because of its relative proximity to the Portland metropolitan area, the city has access to infrastructure such as the Portland International Airport and Interstate Highway 5. These locational aspects allow both goods and workers to move in and out of Newberg with relative efficiency. Newberg's location can be an advantage, especially for workers who prefer to live in or near Newberg for its quality of life but still need access to urban amenities.
- **Transportation.** Newberg is located along Oregon Route 99W, providing a connection to McMinnville and the Portland Metro area. The Highway runs through Newberg, allowing for freight and automotive transportation within and beyond the city. Most recently, the Oregon Department of Transportation (ODOT) has completed the first phase of the Newberg-Dundee Bypass, which includes a 4-mile expressway extending from OR 219 to OR 99W.²⁵ In its final phase, the 11-mile expressway will feature four lanes running from Dayton to just outside of Newberg. The bypass is being built to improve livability for the surrounding areas and will hopefully, in turn, alleviate traffic around downtown Newberg.
- **Access to workers.** Newberg pulls workers from across Yamhill County. Newberg, unlike Yamhill County, has a higher share of residents in their early working lives. While many areas face the challenges of an aging workforce, Newberg has attracted younger residents who may help balance these effects.

²⁴ The analysis in this section also incorporates information from the *Newberg Economic Development Strategy* (2016, updated 2019).

²⁵ Oregon Department of Transportation. (2019). Oregon Department of Transportation – Region 2 (Willamette Valley and Coast). <http://oregonjta.org/region2/?p=highway99w>

- **Remote workers.** The number of remote workers is expected to increase over time. Some of these workers will likely work from home, but they may also seek small office spaces if available.²⁶ This presents an opportunity for the development of coworking or shared office spaces in Newberg. Business for service-sector industries could increase beyond current seasonal demand, as remote workers may require access to local shops, restaurants, and other services to connect and collaborate.
- **Access to job training.** Aside from on-the-job training, workers in Newberg have access to an extension of the Portland Community College located in the city. The Newberg Center is about 30 miles from the main campus and offers associate and transfer degrees to students who plan on transferring to a State of Oregon college or university. Newberg has also made efforts to increase career and technical education (CTE) at the high school level. The city is home to George Fox University, a private, Christian university with extensions in Portland, Salem, and Redmond. The university offers bachelor's, master's, and doctorate degrees and has recently been ranked 24th out of 127 institutions in the "Best Regional Universities" West category by *US News & World Report*.²⁷ In addition to this accolade, both *Forbes* and *The Princeton Review* have named the university a top regional institution.²⁸
- **Small business and entrepreneurial growth.** On average, private businesses in Newberg average 11.1 employees per business. Newberg's quality of life, especially its wineries and access to river-based recreation, make the community attractive as a place to grow small businesses. The City can continue working with regional and state resources, such as the Chehalem Valley Chamber of Commerce, to help connect small businesses and entrepreneurs with available resources and services.
- **Access to agricultural products.** Farming and processing of value-add agricultural products remains a large industry in Newberg and surrounding Yamhill County. In 2017, Yamhill County accounted for 6% of the state's total agricultural sales. The products with the largest sales produced in Yamhill County include nursery and greenhouse products, as well as fruits, tree nuts, and berries. The crops with the most acreage in Yamhill County include grass seed, hay, hazelnuts, grapes, and harvested vegetables. Farms in the county also produce animal products, including poultry, eggs, and milk.²⁹

²⁶ People working from home for businesses located outside of Newberg are likely not counted in annual employment figures. QCEW and the US Census' Longitudinal Employer-Household Dynamics (LEHD) data sets use employment data that is based on the location of the employer. Some employers have multiple locations, but an employee may not physically work at that location. For example, a Newberg resident may work remotely for a business located in Portland. While the employee does not commute to Portland, the employer reports the employee as a worker at the Portland location.

²⁷ George Fox University. (2019). George Fox University again receives recognition in 2019 'US News & World Report' Rankings. <https://blogs.georgefox.edu/newsreleases/?p=7571>

²⁸ George Fox University. (2019). High rankings testify to the quality of a George Fox education. <https://www.georgefox.edu/academics/rankings.html>

²⁹ US Census of Agriculture. Yamhill County Profile. 2017.

Newberg's location within Oregon's largest wine region, the North Willamette Valley, contributes to the strength of the agricultural industry in the area. As of 2018, the North Willamette Valley had 651 vineyards with 20,279 planted acres of grapes and 503 wineries.³⁰

- **Collaborative economic development partnerships.** Newberg is part of a regional ecosystem of economic development partnerships. Successful local economic development is often a result of effective collaboration among governments, business owners, and community members. Newberg has existing collaborative partnerships with public agencies, including the Chehalem Valley Chamber of Commerce, Chehalem Valley Innovation Accelerator, SEDCOR, Mid-Willamette Valley Council of Governments, Polk County Economic Development, Willamette Workforce Partnership, Business Oregon, Oregon Department of Transportation (ODOT), George Fox University, and Portland Community College. The City can continue to build on these relationships with key partners to improve infrastructure, identify opportunities for education and training for needed skills in potential growth industries, and expand on existing resources.
- **Tourism and related industries.** Tourism is growing in Yamhill County. The number of overnight visitors to Yamhill County has increased from 1,683,000 in 2016 to 1,773,000 in 2018, an increase of 90,000 overnight stays or 5.3%.³¹ Growth in tourism creates opportunities for services for visitors, such as river guides, restaurants, tasting rooms, a brew pub, overnight accommodations, and other services for visitors. Newberg shares many similar attributes with McMinnville, such as climate, outdoor recreation opportunities, and arts and culture. Marketing Newberg as a place with attributes similar to other cities in the Willamette Valley may help attract new visitors to Newberg.
- **Scenic resources.** Newberg is located in the northern part of the Willamette Valley, which is valued for its outdoor recreational activities, wineries, vineyards, and mountain ranges. Many residents and visitors to Newberg choose to live in and visit Newberg for its scenic beauty and tourism opportunities.
- **Quality of life.** Many residents of Newberg value the city's scenic beauty, friendly small-town character, pleasant climate, arts and culture, access to retail and other urban amenities, and access to outdoor recreational amenities.

Newberg's disadvantages for economic development include:

- **Land availability and serviceability.** Newberg has relatively little vacant, unconstrained commercial and industrial land within the city or urban growth boundary. Landowner willingness to sell or develop land varies, making some sites unavailable for development for the foreseeable future. Some sites within Newberg lack

³⁰ University of Oregon. *2018 Oregon Winery and Vineyard Report*. Institute for Policy Research and Engagement. September 2019.

³¹ Dean Runyan Associates, Oregon Travel Impacts.

urban infrastructure (e.g., water, sewer, or roads), making development infeasible at this time. The cost to provide services to these sites can be prohibitive to potential developers, requiring coordination and assistance from the City.

Businesses have relocated or expanded outside of Newberg due to lack of available and suitable industrial sites. Recent examples of businesses that left Newberg include Polymax, NW Alpine, Halstead Cabinets, Advance Machinery, and Aviatrix. Furthermore, new businesses interested in locating on industrial land in Newberg have cited lack of available land and infrastructure as key issues for locating elsewhere. According to recruitment information collected by City staff, since 2014 potential businesses interested in locating in Newberg ranged from industries in advanced manufacturing to aviation related services to food and agricultural products.

SEDCOR is the lead economic development agency for the Mid-Willamette Valley, including Newberg. SEDCOR has long worked with the City of Newberg to provide opportunities for businesses to grow, expand, and locate in Newberg. SEDCOR describes the following impacts of the lack of available and suitable industrial sites in Newberg for business growth, expansion, and attraction:

“SEDCOR, like most economic development organizations, considers the retention and expansion of our region’s traded-sector employers as our top priority. Our efforts to retain growing employers in Newberg have been hampered by the lack of available industrial sites in the city. A business with expansion opportunities has been forced to look outside the community for a site ready and able to accommodate its future growth. Moreover, business recruitment, also an important part of a community’s economic development strategy, depends on an inventory of project-ready sites. Marketable, attractive sites that are development-ready provide a community with an advantage to grow the successful businesses that have already made investments there, as well as attract new employers to sustain and grow the local economy into the future.” (Erik Andersson, President, SEDCOR)

- **Affordable housing for workers.** A growing concern among Newberg leaders and community members is the lack of available workforce housing. Those who choose to live and work in Newberg have lower wages than those who commute out of the city to surrounding areas for work. The lack of affordable housing pulls qualified workers away from the city’s employers and may inhibit employment and industry growth. The Housing Needs Analysis showed the following barriers to production of affordable housing: deficiency of land in medium and high-density residential plan designations, as well as increasing housing costs.

In addition, the winery businesses in and around Newberg need housing for migrant farmworkers. Vineyards rely heavily on migrant workers and the challenges these workers face in finding affordable short-term housing, and accommodations may deter

them from coming to Newberg or the surrounding agricultural areas during the harvest season.

- **Aging population.** Newberg has a higher labor force participation rate than Yamhill County and Oregon; however, the aging workforce will still present challenges to the City. As workers in Newberg retire, or new residents locate in Newberg after retirement, the need for skilled, educated replacement workers will increase.
- **Environmental and climate change risks.** Newberg's economy relies heavily on outdoor, recreation-focused tourism. Environmental factors, including climate change, can threaten the success of tourism industries that rely on favorable weather conditions. Forest fires and floods are both a concern for communities in Oregon, and the risk of these natural hazards is likely to increase as a result of climate change.³² Forest fires also cause poor air quality, which can detract visitors and decrease quality of life for residents. Other potential natural hazards that will likely increase in Newberg as a result of climate change include drought, increased invasive species, and loss of wetland ecosystems.³³

Public Facilities and Services

Provision and costs of public facilities and services can impact a firm's decision regarding location within a region. One of the primary considerations about developing a site is whether it has infrastructure to the site or near the site, including water, wastewater, stormwater, and transportation. If infrastructure is not developed to or near the site, the consideration becomes whether infrastructure can be extended in a timely manner and at a financially feasible cost.

This section discusses Newberg's large infrastructure systems, including the water system, wastewater system, and stormwater system. It answers the question of whether Newberg has or is planning to have sufficient capacity to support the amount and types of development proposed in the EOA.

Water

Generally, Newberg has adequate water capacity and treatment facilities to meet current and future demand to serve population and employment growth. The City's main water source is a well field in Marion County and has an overall maximum capacity to pump 8.5 million gallons per day. The water system includes three reservoirs each with the capacity to hold 4 million gallons—two are located at the North Valley Reservoir and the third is the Corral Creek Reservoir. The average winter demand for water in Newberg is 2.0 million gallons per day, while the average summer demand is 3.6 million gallons per day.³⁴ Currently, the City is able to

³² Oregon Climate Change Research Institute. Climate Change Influence on Natural Hazards in Oregon Counties. August 2018 and Fourth Oregon Climate Assessment Report. January 2019.

³³ Ibid.

³⁴ The peak maximum daily demand was reported at 6.1 million gallons per day on July 21, 2006. The average maximum demand during the summer months is 4.5 million gallons per day.

serve current and future water uses on commercial and industrial land. However, the City may not have capacity to accommodate development of a new industry with significant water needs, such as water-intense food processing or electronics manufacturing, until the upgrades (described below) are completed by approximately 2025.

The City is in the process of updating its water master plan and addressing the needs identified in the Riverfront Master Plan, such as extending water mains to the area and improving water distribution north of the bypass. The industrial areas identified in the Riverfront Master Plan are located in close proximity to the water treatment plant near the southern boundary of the UGB. There is opportunity for infrastructure development for industrial uses in this area, but it would need to be addressed in future development. The Riverfront area also has opportunities to extend the City's water reuse program.

Finally, the City is in the process of working to develop a redundant supply to provide secondary support for the existing water system, with one of the options as the Willamette River as a local source with intake near the existing water treatment plant. These additional water rights would add another 5.2 million gallons per day to the City's water capacity, increasing the City's potential capacity to 13.7 million gallons per day. The City expects to complete the water right acquisition by 2025. Based on the City's existing capacity, the average demand, and the redundant water supply available about five years into the 20-year planning period, Newberg will be able to accommodate heavy water users in the future.

Wastewater

Newberg's wastewater treatment facilities are also adequate to meet current and future needs over the 20-year planning period. The City's 5-Year Capital Improvements Plan includes wastewater system improvement projects developed from the Wastewater Master Plan. These projects include improvements to lift stations, the treatment plant, and the collection and conveyance system. The City has an ongoing annual inflow and infiltration (I&I) project. The reduction of I&I adds capacity back into the wastewater system, which will assure that the plant will adequately serve existing and future users for the next 20 years. Due to their proximity to the wastewater treatment plant, connections to wastewater infrastructure will be relatively simple for future users in the Riverfront area. The City is in the process of updating its wastewater master plan, and addressing needs identified in the Riverfront Master Plan such as extension of wastewater mains to the area and improvements of wastewater distribution north of the bypass.

Stormwater

Drainage for stormwater in Newberg flows to three creeks—Chehalem Creek, Hess Creek, and Spring Brook—all of which flow to the Willamette River. The City's stormwater system is over 50-miles long through closed (pipe) and open networks. The 2014 Stormwater Master Plan identified potential deficiencies in the capacity of Newberg's stormwater system, including needed improvements to pipe infrastructure, as well as drainage and flooding issues. The City

has also observed an increase in state regulation related to the development of new outlets in natural drainages. Additional requirements have resulted in challenges to develop new outfalls into drainages. The City is in the process of updating its stormwater master plan, which includes an analysis of regulatory requirements and the reprioritization of system needs. The City is also working to address needs identified in the Riverfront Master Plan, such as the extension of stormwater mains to the area and improvements of stormwater distribution north of the bypass.

3. Employment Growth and Site Needs

Goal 9 requires cities to prepare an estimate of the amount of commercial and industrial land that will be needed over a 20-year planning period. The estimate of employment land need and site characteristics for Newberg is based on expected employment growth and the types of firms that are likely to locate in Newberg over the 20-year period. This chapter presents an employment forecast and analysis of potential growth industries that build from recent economic trends.

Forecast of Employment Growth

OAR 660-009-0015(4) requires the EOA to “estimate the types and amounts of industrial and other employment uses likely to occur in the planning area.” The Goal 9 rule does not specify how jurisdictions conduct this analysis. The *types* of employment are described in the land use types shown in Exhibit 9 and the potential growth industries described later in this chapter. The *amounts* of employment uses are shown as number of employees (Exhibit 9) and acres of land for each land use type (see Exhibit 11 for commercial land need and Exhibit 21 for industrial land need). The sections in the chapter about commercial site needs and industrial site needs also describe the types of land needed to accommodate the forecast of employment growth in Newberg.

Demand for industrial and commercial land will be driven by the expansion and relocation of existing businesses and by the growth of new businesses in Newberg. This employment land demand is driven by local growth independent of broader economic opportunities, including the growth of potential growth industries.

The employment projections in this section build off Newberg’s existing employment base, assuming future growth is similar to Yamhill County’s long-term historical employment growth rates. The employment forecast does not take into account a major change in employment that could result from the location (or relocation) of one or more large employers in the community during the planning period. Such a major change in the community’s employment would exceed the growth anticipated by the City’s employment forecast and its implied land needs (for employment, but also for housing, parks, and other uses). Major economic events, such as the successful recruitment of a very large employer, are difficult to include in a study of this nature. The implications, however, are relatively predictable: more demand for land (of all types) and public services.

Projecting demand for industrial and nonretail commercial land has four major steps:

1. **Establish base employment for the projection.** We start with the estimate of covered employment in Newberg presented in Exhibit 4. Covered employment does not include all workers, so we adjust covered employment to reflect total employment in the city.

2. **Project total employment.** The projection of total employment considers forecasts and factors that may affect employment growth in Newberg over the 20-year planning period.
3. **Allocate employment.** This step involves allocating types of employment to different land use types.
4. **Estimate land demand.** This step estimates general employment land demand based on employment growth and assumptions about future employment densities.

Employment Base for Projection

The purpose of the employment projection is to model future employment land need for general employment growth. The forecast of employment growth in Newberg starts with a base of employment growth on which to build the forecast. Exhibit 7 shows ECONorthwest's estimate of total employment in Newberg in 2018.

To develop the figures, ECONorthwest started with estimated covered employment in the Newberg UGB from confidential Quarterly Census of Employment and Wages (QCEW) data provided by the Oregon Employment Department. Based on this information, Newberg had about 9,675 covered employees in 2018.

Covered employment does not reflect all workers in an economy, including sole proprietors. Analysis of data shows that *covered* employment reported by the Oregon Employment Department for Yamhill County is only about 72% of *total* employment reported by the US Department of Commerce.³⁵ We evaluated this ratio for each industrial sector for Yamhill County and used the resulting ratios to determine the number of noncovered employees. This allowed us to determine the total employment in Newberg. Exhibit 7 shows Newberg had an estimated 13,466 *total* employees within its UGB in 2018.

³⁵ *Covered* employment includes employees covered by unemployment insurance. Examples of workers not included in covered employment are sole proprietors, some types of contractors (often referred to as "1099 employees"), or some railroad workers. Covered employment data is from the Oregon Employment Department.

Total employment includes all workers based on data from the US Department of Commerce. Total employment includes all covered employees, plus sole proprietors and other noncovered workers.

Exhibit 7. Estimated Total Employment by Sector, Newberg UGB, 2018

	Covered Employment	Estimated Total Employment	Covered % of Total
Natural Resources	72	72	100%
Utilities	34	76	45%
Construction	459	662	69%
Manufacturing	2,085	2,324	90%
Wholesale Trade	99	140	71%
Retail Trade	1,083	1,441	75%
Transportation and Warehousing	88	196	45%
Information	62	105	59%
Finance and Insurance	181	365	50%
Real Estate and Rental and Leasing	105	796	13%
Prof., Sc., and Tech. Services; Mgmt of Comp.	219	544	40%
Admin. and Support and Waste Mgmt and Remed. Serv.	139	268	52%
Health Care and Social Assist.; Priv. Edu.	2,441	3,234	75%
Arts, Entertainment, and Recreation	54	150	36%
Accommodation and Food Services	1,292	1,459	89%
Other Services (except Public Administration)	387	701	55%
Government	875	933	94%
Total Non-Farm Employment	9,675	13,466	72%

Source: 2018 covered employment from confidential Quarterly Census of Employment and Wage (QCEW) data provided by the Oregon Employment Department.

Employment Projection

The employment forecast covers the 2021 to 2041 period, requiring an estimate of total employment for Newberg in 2021. The base employment starts with the estimate of 13,466 total jobs in Newberg in 2018, shown in Exhibit 7.

Newberg does not have an existing employment forecast, and there is no required method for employment forecasting. OAR 660-024-0040(9) sets out some optional “safe harbors” that allow a city to determine employment land need.

Newberg is relying on the safe harbor described in OAR 660-024-0040(9)(a)(B), which allows the City to assume that the current number of jobs in the Newberg UGB will grow during the 20-year planning period at a rate equal to the population growth rate provided in the most recent forecast published by Portland State University’s Oregon Population Forecast Program. The latest forecast shows that population in Newberg will grow at an average annual growth rate of 1.39%.³⁶

Exhibit 8 shows employment growth in Newberg between 2021 and 2041, based on the assumption that the city will grow at an average annual growth rate of 1.39%. Newberg will

³⁶ Final Population Forecasts prepared by Population Research Center, Portland State University, June 30th, 2020.

have 18,486 employees within the UGB by 2041, which is an increase of 4,452 employees (32%) between 2021 and 2041.

Exhibit 8. Employment Growth in Newberg UGB, 2021–2041

Year	Total Employment
2021	14,034
2041	18,486
Change 2021 to 2041	
Employees	4,452
Percent	32%
AAGR	1.39%

Source: ECONorthwest.

Allocate Employment to Different Land Use Types

The next step in forecasting employment is to allocate future employment to broad categories of land use. Firms wanting to expand or locate in Newberg will look for a variety of site characteristics, depending on the industry and specific circumstances. We grouped employment into four broad categories of land use based on the North American Industrial Classification System (NAICS): industrial, retail commercial, office and commercial services, and government.

Exhibit 9 shows the expected share of employment by land use type in 2021 and the forecast of employment growth by land use type in 2041 in the Newberg UGB. For each land use type, we assumed that the *share* of total employment will decrease, except for industrial employment, which will increase to a similar share of Newberg’s employment as in 2008. Exhibit 9 shows the following changes in the mix of employment:

- **Industrial.**³⁷ Industrial employment is forecast to increase to 32% of employment by 2041, resulting in 2,407 new jobs. This change is based on expected implementation of the City’s economic development vision in the City’s adopted economic development strategy and community vision. In *A NewBERG Community Vision* and the *Newberg Economic Development Strategy Update*, Newberg assessed their community economic development potential and developed the community’s vision for economic development (consistent with OAR 660-009-0015[5]). These documents state Newberg’s economic development objectives, which include strong policies for the development of industrial employment (consistent with OAR 660-009-0020[1]).³⁸

³⁷ Industrial employment includes employment in the following NAICS sectors: construction, natural resources, manufacturing, wholesale trade, transportation and warehousing, and utilities.

³⁸ The City adopted *A NewBERG Community Vision* in August 2019 and the *Newberg Economic Development Strategy Update* in November 2019.

The City's first economic development goal is enhancing industrial development capabilities and opportunities. The strategies to implement this goal are:

- building traded-sector industries (discussed later in the EOA as potential growth industries),
- retaining, expanding, and recruiting traded-sector industrial companies,
- participating in economic development partnerships,
- increasing the supply of industrial land,
- ensuring adequate infrastructure to support growth,
- and improving transportation access for industrial land.

The *Newberg Economic Development Strategy Update* provides details about the implementation of each of these strategies, including actions that the City will complete over the next three years, partners, funding, staff resources, and metrics to measure success. The City has started to implement several of these actions, including Urban Renewal and seeking redevelopment opportunities, such as the former WestRock Mill site. In addition, Newberg's Comprehensive Plan Economic Element includes policies about encouraging growth of jobs that allow people to live and work in Newberg, supporting industrial growth, encouraging a diversity of industrial businesses, and preserving large industrial sites for future industrial uses.

The forecast in Exhibit 9 assumes that Newberg will be successful in achieving its economic development aspirations. In 2008, 35% of employment in Newberg was industrial.³⁹ Newberg has been losing employment in manufacturing since 2008, in part because the city does not have sites that manufacturers can grow into, as documented in other parts of the EOA. This forecast assumes that the City successfully implements its economic development strategy and that industrial employment grows faster than other employment in Newberg.

- **Retail Commercial.**⁴⁰ Retail employment is expected to decrease from 11% of all employment in Newberg to 9% by 2041. The basis for this change is the national trend to purchasing retail goods online.
- **Office & Commercial Services.**⁴¹ Office employment is expected to account for more than 1,000 new jobs or 53% of employment in Newberg by 2041. In 2008, office and commercial service employment accounted for 45% of employment. By 2041, the forecast shows office and commercial services accounting for 53% of employment, with

³⁹ Oregon Employment Department Quarterly Census of Employment and Wages data for Newberg.

⁴⁰ Retail employment includes employment in the following NAICS sector: retail trade.

⁴¹ Office and commercial services employment includes employment in the following NAICS sectors: information, finance, and insurance; real estate and rental and leasing; professional, scientific, and technical services; management of companies and enterprises; administrative and support and waste management and remediation services; private education; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services (except public administration).

industrial employment growing at a faster rate than office and commercial services. The types of industries in office and commercial services that are expected to grow in the next 20 years include health-care services and tourism-related industries such as accommodation and food services.

- **Government.**⁴² Government employment is expected to grow by more than 100 jobs, with most new jobs in K–12 schools and public administration.

Exhibit 9. Forecast of Employment Growth by Land Use Type, Newberg UGB, 2021–2041

Land Use Type	2021		2041		Change 2021 to 2041
	Employment	% of Total	Employment	% of Total	
Industrial	3,509	25%	5,916	32%	2,407
Retail Commercial	1,544	11%	1,664	9%	120
Office & Commercial Services	7,999	57%	9,798	53%	1,799
Government	982	7%	1,108	6%	126
Total	14,034	100%	18,486	100%	4,452

Source: ECONorthwest.

Note: The shaded percentages denote an assumption about the future change in the share of employment (as a percent of total) by land use type.

Estimate of Demand for Commercial Land

This section shows demand for vacant (including potential infill) commercial land in Newberg over the 20-year period. Need for new land for government uses, such as schools, new infrastructure (e.g., water facilities), and government offices will be addressed through a separate analysis of land needed for public and semipublic uses. Need for new land for industrial uses is addressed later in this chapter through a separate analysis.

The assumptions used in this analysis are:

- **Employment located in residential plan designations.** According to QCEW data, some employment in Newberg in 2018 was located on land designated for residential uses. The amount of commercial employment located in residential plan designations was 15.8%. This may include uses such as corner stores, other retail in neighborhoods, medical offices, or small personal-service businesses (e.g., banks or hair stylists).

Exhibit 10 shows that the percentage of new employment locating in residential land designations will remain the same over the 20-year period for commercial uses (15.8%).

- **Employment located in existing built space.** Some employment may locate in existing built space, through adding capacity in an existing business (e.g., adding a desk to an existing office) or occupancy of vacant built space. Exhibit 10 shows that 10% of commercial employment of new employment growth will occur in existing built space.

⁴² Government employment includes any employment in any sector where the employer is local, state, or federal government.

Exhibit 10. Estimated Commercial Employment Growth Accommodated in Residential Plan Designations and Existing Built Space, Newberg UGB, 2021–2041

Land Use Type	New Employment Growth	Emp. In Res. Designations	Emp. In Existing Built Space	New Emp. on Vacant Land
Retail Commercial	120	19	12	89
Office & Commercial Services	1,799	284	180	1,335
Total	1,919	303	192	1,424

Source: ECONorthwest.

- **Employment density.** Employees per acre is a measure of employment density based on the ratio of the number of employees per acre of employment land that is developed for employment uses. An empirical analysis of Newberg’s existing commercial employment conducted by ECONorthwest showed that retail commercial sites have an average of 16 employees per acre and office and commercial services sites have an average of 22 employees per acre.⁴³

Using the existing employment densities as a baseline, while also considering Newberg’s future development goals and policies, Exhibit 11 assumes the net employees per acre: retail commercial will have an average of 16 employees per acre and office and commercial services will have an average of 22 employees per acre. These employment densities are consistent with employment densities in Oregon cities similar in size to Newberg. Some types of employment will have higher employment densities (e.g., a multistory office building), and some will have lower employment densities (e.g., a convenience store with a large parking lot).

- **Conversion from net to gross acres.** The data about employment density is in net acres, which does not include land for public right-of-way. Future land need for employment should include land in tax lots needed for employment plus land needed for public right-of-way. One way to estimate the amount of land needed for employment, including public right-of-way, is to convert from net to gross acres based on assumptions about the amount of land needed for public right-of-way.⁴⁴ A net-to-gross conversion is expressed as a percentage of gross acres that are in public right-of-way.

Based on empirical evaluation of Newberg’s existing net-to-gross ratios, ECONorthwest uses a net-to-gross conversion factor of 16% for commercial uses.

⁴³ This analysis considered a sample of existing businesses in Newberg, accounting for 31% of existing commercial employment in Newberg. The results were generally consistent with ECONorthwest’s analysis of employment densities in other cities across Oregon.

⁴⁴ OAR 660-024-0010(6) defines “net buildable acre” as 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

Using these assumptions, the forecasted growth of 1,424 new commercial employees will result in the demand for vacant (and potential infill) employment land, including 7 acres of retail commercial land and 76 gross acres of office and commercial services land.

Exhibit 11. Demand for Vacant Land to Accommodate Employment Growth, Newberg UGB, 2021–2041

Land Use Type	New Emp. on Vacant Land	Employees per		
		Acre (Net Acres)	Land Demand (Net Acres)	Land Demand (Gross Acres)
Retail Commercial	89	16	6	7
Office & Commercial Services	1,335	22	62	76
Total	1,424		68	83

Source: ECONorthwest.

Site Characteristics for Commercial Land

Commercial businesses have a variety of space needs and site characteristic needs, including the following:

- **Space in an existing building.** Businesses would be located as one of several or many firms within the building. The size of needs may be a few hundred square feet for a single office or many thousands of square feet for larger commercial uses.
- **Land for construction of a building designed for the firm.** The size of sites for commercial buildings typically range from sites smaller than 0.5 acres to sites of approximately 5 acres.
- **Land for construction of a commercial center.** Some businesses may prefer to locate in commercial centers ranging in size from 1 to 3 acres, or they may prefer larger community commercial centers ranging in size from 10 to 40 acres.
- **Visibility of location.** Retail, service, and hospitality commercial uses often require sites with highly visible locations, often near other businesses or residential neighborhoods.
- **Proximity/access to a major automotive route.** Commercial businesses seek sites that are located on neighborhood streets with access to arterial or major collector streets and easy access to a state highway (or equivalent). Large-scale commercial users would likely avoid sites that would force their traffic to be routed through residential neighborhoods.

Estimate of Demand for Industrial Land

This section shows demand for vacant (or potential infill) industrial land in Newberg over the 20-year period. Building from the number of new industrial employees shown in Exhibit 9, the analysis for needed land for these 2,407 new employees includes considerations for Newberg's potential growth industries and the site needs for those industries. The analysis also uses average site sizes for comparable cities in the Willamette Valley to better align Newberg's potential growth industries with the types of sites needed. This section ends with an estimate (in terms of acreage) of the industrial land need.

Potential Growth Industries

The characteristics of Newberg will affect the types of businesses most likely to locate in the city. Newberg's attributes that may attract firms are access to workforce, public infrastructure, and quality of life.

Newberg's existing businesses are concentrated in the industries defined in Exhibit 12. The industries in **green highlight** are industries with a high location quotient (i.e., highly specialized compared to industry employment in the United States), high employment (i.e., have more than 50 employees in Newberg), and higher-than-average city wages. These industries have the highest potential for growth, given existing businesses and the higher concentration of employment.

Newberg also has opportunities for employment growth in industries without a concentration of employment or a high location quotient.

Exhibit 12. Concentration of Industries and Employment, Newberg and U.S., 2018

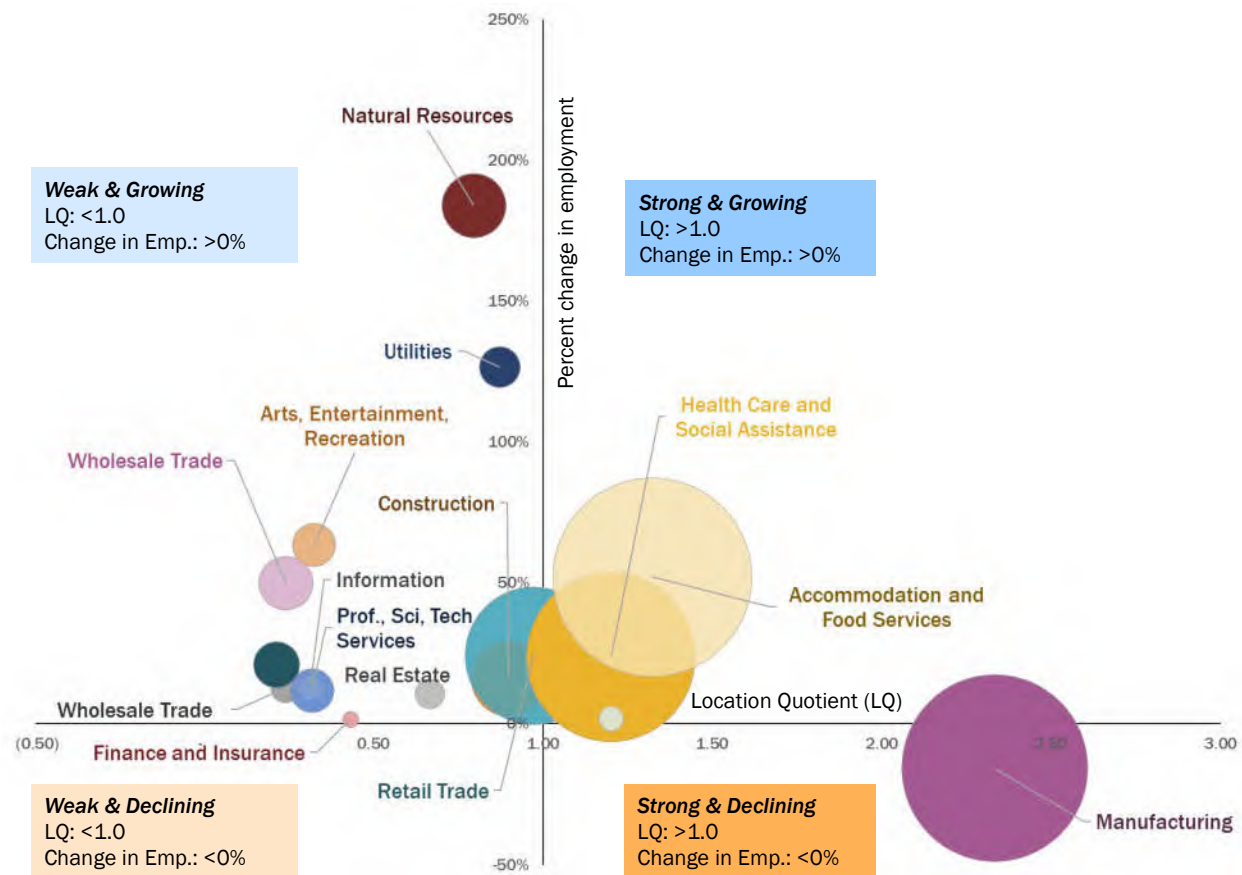
High Employment (more than 50 employees)		Low Employment (at least 10 employees)
High Location Quotient	<ul style="list-style-type: none"> Construction of Buildings Plastics and Rubber Products Manufacturing Fabricated Metal Product Manufacturing Machinery Manufacturing Furniture and Related Product Manufacturing Motor Vehicle and Parts Dealers Miscellaneous Store Retailers Transit and Ground Passenger Transportation Nursing and Residential Care Facilities Food Services and Drinking Places Religious, Grantmaking, Civic, Professional, and Similar Organizations Private Households 	<ul style="list-style-type: none"> Support Activities for Agriculture and Forestry Beverage and Tobacco Product Manufacturing Electronics and Appliance Stores Motion Picture and Sound Recording Industries
Low Location Quotient	<ul style="list-style-type: none"> Specialty Trade Contractors Building Material and Garden Equipment and Supplies Dealers Food and Beverage Stores Gasoline Stations Credit Intermediation and Related Activities Insurance Carriers and Related Activities Real Estate Professional, Scientific, and Technical Services Administrative and Support Services Ambulatory Health-Care Services Social Assistance Amusement, Gambling, and Recreation Industries Repair and Maintenance 	<ul style="list-style-type: none"> Heavy and Civil Engineering Construction Transportation Equipment Manufacturing Merchant Wholesalers Wholesale Electronic Markets and Agents and Brokers Furniture and Home Furnishings Stores Health and Personal Care Stores Clothing and Clothing Accessories Stores Sporting Goods, Hobby, Musical Instrument, and Bookstores Truck Transportation Support Activities for Transportation Publishing Industries (except Internet) Securities, Commodity Contracts, and Other Financial Investments and Related Activities Personal and Laundry Services National Security and International Affairs

Source: National employment from the US Bureau of Labor Statistics and Oregon Employment Department, Quarterly Census of Employment and Wages, 2018.

Note: Green highlighting indicates higher than Newberg's average wage.

Exhibit 13 shows the change in employment in Newberg between 2008 and 2018 relative to the location quotients for sectors in 2018, compared to national employment. Manufacturing, health care, and accommodation and food services each have more than 300 employees and are more specialized sectors when compared to the nation (i.e., have higher location quotients).

Exhibit 13. Change in Employment and Concentration of Sectors Compared to the US Average, Newberg, 2008–2018



Source: US Bureau of Labor Statistics and Oregon Employment Department, Quarterly Census of Employment and Wages, 2008–2018.

An analysis of growth industries in Newberg should address two main questions: (1) Which industries are most likely to be attracted to Newberg? and (2) Which industries best meet Newberg’s economic development goals? The selection of potential growth industries is based on Newberg’s goals for economic development, economic conditions in Newberg and Yamhill County, and the city’s competitive advantages.

Given the current employment base, which is composed of small-sized businesses, it is reasonable to assume that much of the city’s business growth will come from small-sized businesses. This growth will either come from businesses already in Newberg or new businesses that start or relocate to Newberg from within the Willamette Valley region or from outside of the region.

The *Newberg Economic Development Strategy* identified key traded-sector industries to target for growth in Newberg. The industries below build from those potential growth industries, reorganizing them slightly and adding examples of each type of industry. These industries are the types of industries that Newberg’s *Economic Development Strategy* calls for growth of, with examples of the specific types of businesses that may locate in Newberg, though not intended to

be an all-inclusive list. While the EOA focuses on these potential target industries, the target industries are illustrative of the types of industries that may locate in Newberg and are not meant to exclude growth of businesses in other industries. Other traded-sector industries and local-serving industries may grow in Newberg over the planning period.

- **Advanced and General Manufacturing.** Examples of businesses in this industry may include dental and medical equipment; machine shops; and storage, logistics, and distribution.
- **Technology and High-Tech Manufacturing.** Examples of businesses in this industry may include electronics and software, semiconductors, and health or medical information.
- **Food/Beverage Processing and Agricultural Products.** Examples of businesses in this industry may include farming and value-add food manufacturing.
- **Forestry and Wood Products.** Examples of businesses in this industry may include forest management, lumber and logs, and mass plywood panel or cross-laminated timber production.
- **Aviation-Related Industries.** Examples of businesses in this industry may include specialty aircraft equipment, air travel and tourism, and parts machining and repair.

Site Needs for Potential Growth Industries

OAR 660-009-0015(2) requires the EOA to “identify the number of sites by type reasonably expected to be needed to accommodate the expected [20-year] employment growth based on the site characteristics typical of expected uses.” The Goal 9 rule does not specify how jurisdictions conduct and organize this analysis.

The rule, OAR 660-009-0015(2), does state that “[i]ndustrial or other employment uses with compatible site characteristics may be grouped together into common site categories.” The rule suggests, but does not require, that the City “examine existing firms in the planning area to identify the types of sites that may be needed.” For example, site types can be described by (1) plan designation (e.g., heavy or light industrial), (2) general size categories that are defined locally (e.g., small, medium, or large sites), or (3) industry or use (e.g., manufacturing sites or distribution sites). For purposes of the EOA, Newberg groups its future industrial employment uses into categories based on potential growth industries defined in the previous section. These potential growth industries align with relevant industries identified in the Industrial Development Competitiveness Matrix developed by Business Oregon (Exhibit 14).⁴⁵ The relevant Business Oregon industries are listed in the columns of the table, and Newberg’s potential growth industries are listed in the rows of the table.

⁴⁵ Note that the Business Oregon Industrial Development Competitiveness Matrix (2015) includes more industries than those listed in the columns in Exhibit 14.

Exhibit 14. Comparison of Newberg's Potential Growth Industries (2019) and Industries Shown in the Business Oregon Industrial Development Competitiveness Matrix (2015)

Industry	High Tech	Food Proc.	Adv. Mfg.	Gen. Mfg.	Ind. Bus. Park	Reg. Ware-house	Local Ware-house	Special-ized
Advanced + General Manufacturing	✓		✓	✓	✓			✓
Food/Beverage Processing + Agriculture Products		✓	✓				✓	
Forestry + Wood Products			✓	✓	✓		✓	
Tech + High Tech Manuf.	✓		✓		✓			✓
Aviation-Related Industries			✓	✓	✓			✓

Source: Business Oregon, Infrastructure Finance Authority, "Industrial Development Competitiveness Matrix" (2015); Newberg Economic Development Strategy (2019).

The primary purpose of Business Oregon's Industrial Development Competitiveness Matrix is to define typical characteristics and general requirements of sites for traded-sector industries. Exhibit 14 aligns the industries described in the matrix with Newberg's potential growth industries, and Exhibit 15 matches the characteristics of sites from the matrix with those potential growth industries. Site characteristics relevant to this analysis include site size, slope, railroad access, highway access, and special utility needs. The Business Oregon matrix defines competitive acreage as "acreage that would meet the site selection requirements of the majority of industries in this sector."⁴⁶

⁴⁶ Business Oregon, Infrastructure Finance Authority, "Industrial Development Competitiveness Matrix" (2015).

Exhibit 15. Site Characteristics for Newberg's Potential Growth Industries

Based on matching industries listed in the Business Oregon Industrial Development Competitiveness Matrix.

Site Characteristics	Advanced + General Manufacturing	Food/Beverage Processing + Agriculture Products	Forestry + Wood Products	Tech + High Tech Manuf.	Aviation-Related Industries
Site Size (competitive acres)	5-25+	5-25+	5-25+	5-100+	5-25+
Slope	0 to 7%	0 to 5%	0 to 7%	0 to 5%	0 to 7%
Railroad Access	Preferred	Preferred	Preferred	Preferred	<i>Depends on specific industry</i>
Highway Access (mi. to interstate)	within 20	within 30	within 5-20	within 60	within 20 (or n/a)
Special Utility Needs	Electricity redundancy dependency; Higher demand for electricity, gas, and telecom	High pressure water dependency	<i>Depends on specific industry</i>	High pressure water dependency; Very high utility demands	<i>Depends on specific industry</i>

Source: Business Oregon, Infrastructure Finance Authority, "Industrial Development Competitiveness Matrix" (2015); Newberg Economic Development Strategy (2019).

Note: Items identified as "preferred" are those that increase the feasibility of the subject property and its future reuse. Items identified as "required" are factors seen as mandatory in the vast majority of cases and have become industry standards.

Demand for Industrial Land

The potential growth industries shown above are all traded-sector industries, most of which generally locate on industrial land. Newberg has a modest supply of vacant and potential infill industrial land, with only 51 unconstrained vacant or potential infill acres in the buildable lands inventory (Exhibit 25 and Exhibit 26). Newberg has one vacant industrial site larger than 10 acres, with the majority of vacant industrial land on sites smaller than 5 acres.

Exhibit 15 shows that Newberg's potential growth industries generally need land on sites between 5 and 25 acres, with some potential demand for sites up to 100 acres. Given that Newberg does not currently have the land base to support the site needs required for growth of the potential growth industries, this analysis examines the developed land base for other cities within the mid-Willamette Valley to better understand the typical characteristics of sites with

industrial development.⁴⁷ This section concludes with a forecast of industrial land demand based on the average characteristics of developed sites in the sample cities.

Characteristics of Developed Sites with Industrial Site Employment in the Mid-Willamette Valley

This analysis examined the site size and existing employment for the cities of Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.⁴⁸ We selected these cities for the following reasons:

- They are located within the Mid-Willamette Valley, between Corvallis and the southern part of the Portland area. Cities within the southern part of the Portland area were considered in this analysis but were excluded because their planning framework, within the Metro Urban Growth Boundary (UGB), is substantially different from Newberg's planning framework. In addition, cities in the Portland Metro UGB are closely tied to the Portland region's economy.
- They have populations greater than 20,000, which means that they are likely to have a substantial employment base.
- They have substantial industrial employment or policies to develop industrial employment of the type that Newberg aspires to. These types of industrial employment generally have at least average wages (and often higher than average wages) and provide opportunities for people to live and work in the same city, which is a concern for Newberg.⁴⁹
- We determined that cities in the Portland Metro UGB should not be included in this analysis, as they are closely tied to the Portland region's economy. These types of industrial employment generally have at least average wages (and often higher-than

⁴⁷ SECOR provided an example of a project inquiry they regularly receive through Business Oregon's recruitment and development team (about 1–2 inquiries per month):

CAPEX: \$100–200M

Jobs: 100–200

Site: 20–40 acres with potential for up to 75 acres (they are working to narrow this range as they evaluate configurations)

Power: 200–300MW constant pull

Water: 1,000,000 kg/day

Site selection timeline: Decision in Q2 2021

Operational timeline: Facility start in 2023 and minimum 20-year operational lifespan with likely extension of additional 10–30 years

⁴⁸ Information for Salem is for the portion of Salem city limits within the Salem-Keizer UGB.

⁴⁹ The one city of 20,000 or more people between Corvallis and the southern edge of the Portland area that was excluded from this analysis is Keizer. The reason for exclusion is that Keizer does not have substantial industrial employment (fewer than 570 employees or 7% of employment in Keizer), in part as a result of rezoning their industrial land to commercial uses. We conclude that Keizer's land base, in terms of providing opportunities for industrial development, is significantly different from either other cities in this analysis or the type of development that Newberg aspires to.

average-wages) and provide opportunities for people to live and work in the same city, which is a concern for Newberg. While the size of these cities (in terms of population) varies substantially, the size of the city is less relevant than the city's industrial land base and economic development aspirations.

The analysis in Exhibit 16 through Exhibit 19 is based on the following information and assumptions:

- **Site location.** We selected lots within each city's UGB (or city limits for Salem) that are not located in rights-of-way and had industrial employment on the lot (Exhibit 16).
- **Industrial employment.** We selected sites with industrial employment based on 2018 covered employment data from the Oregon Employment Department's Quarterly Census of Employment and Wages (Exhibit 17). Since some sites have a mix of types of employment on one parcel (e.g., industrial and commercial), we only included sites where the majority of employment was industrial (75% or more).
- **Site size.** We categorized sites for this analysis into the following site sizes: smaller than 5 acres, 5–25 acres, 25–50 acres, and 50+ acres and calculated the average site size within each category (Exhibit 18). These size categories align with those used in the Business Oregon Industrial Development Competitive Matrix (Exhibit 14).
- **Exhibit 19** Provides a summary of the analysis for the selected cities. We used these characteristics to inform the number of needed sites for industrial land in Newberg.

Exhibit 16. Number of Sites with Industrial Employment by Site Size in Selected Cities within the Mid-Willamette Valley Region.

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

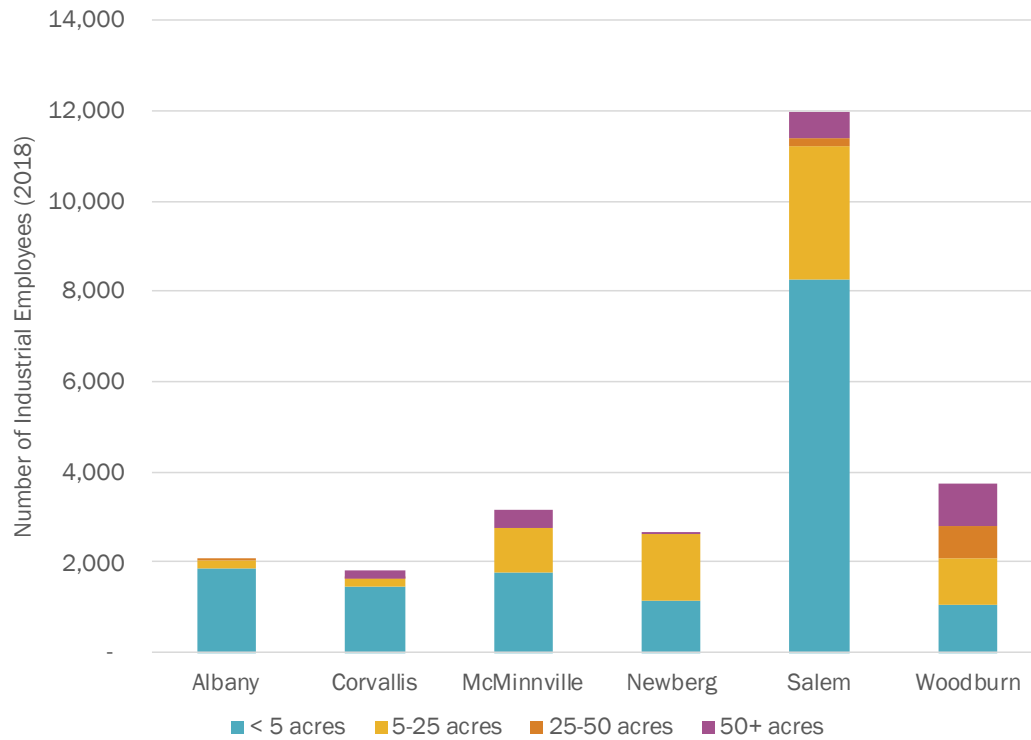
City	Site Size (acres)			
	< 5 acres	5-25 acres	25-50 acres	50+ acres
Albany	205	6	1	
Corvallis	131	6	2	3
McMinnville	147	13		1
Newberg	113	7		1
Salem*	628	33	4	2
Woodburn	106	11	3	2
Total	1,330	76	10	9

*City limits only

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

Exhibit 17. Industrial Employees by Site Size in Selected Cities within the Mid-Willamette Valley Region

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.



Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

Exhibit 18. Average Site Size (in Acres) by Site Size in Selected Cities within the Mid-Willamette Valley Region

Analysis based on averages of industrial employment at sites in the following cities: Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

City	Site Size (acres)			
	< 5 acres	5-25 acres	25-50 acres	50+ acres
Albany	0.7	7.5	29.9	
Corvallis	1.0	9.1	38.3	123.0
McMinnville	0.8	8.5		82.5
Newberg	0.6	7.9		145.2
Salem*	0.7	9.8	34.8	58.1
Woodburn	0.8	10.3	33.0	78.2
Average	0.7	9.2	34.5	96.6

*City limits only

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

Exhibit 19. Characteristics of Industrial Sites and Employment by Site Size for Selected Cities within the Mid-Willamette Valley Region

Analysis based on averages of industrial employment at sites in the following cities:
Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

Characteristic	Site Size (acres)			
	< 5 acres	5-25 acres	25-50 acres	50+ acres
Land with industrial employment				
Acres of land	979	703	345	869
Number of sites	1,330	76	10	9
Average site size (acres)	0.7	9.2	34.5	96.6
Existing covered employment on industrial land				
Employees	15,536	6,821	975	2,021
Percent of employment by site size	61%	27%	4%	8%
Average employees per site	12	90	98	225

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

Forecast of Demand for Industrial Land in Newberg

Exhibit 9 shows that Newberg will have an increase of 2,407 employees on industrial land between 2021 and 2041. The potential growth industries defined above will generally need sites between 5 and 25 acres, and some will need larger or smaller sites. Our calculation of demand for industrial land accounts for specific site considerations for potential growth industries for industrial uses.

First, we reviewed the mix of industrial sites, and industrial employment⁵⁰ on these sites, in the Willamette Valley region in cities comparable to Newberg, summarized in Exhibit 19. Exhibit 20 shows the key assumption resulting from the analysis of regional averages for industrial employment and site size.

Exhibit 20. Regional Industrial Employment and Site Size

Analysis based on averages of industrial employment at sites in the following cities:
Albany, Corvallis, McMinnville, Newberg, Salem, and Woodburn.

	Site Size (acres)			
	Less than 5 acres	5-25 acres	25-50 acres	50 and more
Percent of Existing Employment	61%	27%	4%	8%
Number of Industrial Employees per Site	12	90	98	225
Average Site Size (Acres)	0.7	9.2	34.5	96.6

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

⁵⁰ Industrial employment includes employment in the following sectors: manufacturing; construction; utilities; wholesale trade, transportation and warehousing; and agricultural and forestry services.

Using the information presented in Exhibit 20, we estimate the industrial land need for Newberg industrial employment between 2021 and 2041. Exhibit 21 shows the results of this analysis.

- **Employment by site size.** This assumption starts with the forecast of 2,407 industrial employees on industrial land. It uses the “percent of existing employment” in Exhibit 20 to estimate how much employment will be in each site size category. For example, 27% of industrial employment in the regional analysis (Exhibit 19) was on sites of 5 to 25 acres. In Exhibit 21, we assume that 27% of the 2,407 new industrial employees (650 employees) will be located on sites of 5 to 25 acres.
- **New sites needed.** This assumption starts with the average number of employees per site in Exhibit 19 and divides the number of employees in Newberg by that site size. For example, on sites of 5 to 25 acres, the regional analysis in Exhibit 19 shows that there were 90 employees per site. This analysis divides the number of new industrial employees (650) by the average number of employees per site (90) to show a need for 7 new sites needed.
- **New land needed.** This assumption starts with the average size of sites in the regional analysis in Exhibit 19 and multiplies the number of needed sites by that size. For example, the average size of sites 5 to 25 acres was 9.2 acres in Exhibit 19. Newberg needs 7 sites in this size group, resulting in the need for 64 acres of land at an average site size of 9.2 acres.

The result of this analysis is a need for 131 sites on about 277 acres to accommodate the 2,407 new employees.

Exhibit 21. Industrial Land Need, Newberg UGB, 2021–2041

*Analysis based on the averages of industrial employment.

	Site Size (acres)				Total
	Less than 5 acres	5-25 acres	25-50 acres	50 and more	
New Employment by Site Size					
Percent of New Employment*	61%	27%	4%	8%	100%
Number of New Industrial Employees	1,468	650	96	193	2,407
New Sites Needed					
Employees per Site*	12	90	98	225	
New Sites Needed in Newberg	122	7	1	1	131
New Land Needed					
Average Site Size*	0.7	9.2	34.5	96.6	
Acres of Land in Newberg (Acres)	85	64	35	97	281

Source: Oregon Employment Department's Quarterly Census of Employment and Wages; County and City-level parcel data sets; Analysis by ECONorthwest.

Characteristics of Sites for Potential Growth Industries

This section builds on the discussion of site needs from Exhibit 15. Exhibit 21 shows that Newberg will need 9 sites larger than 5 acres for potential growth industries. The Goal 9 Administrative Rule (OAR 660-009) requires the City to identify the “site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies” (OAR 660-009-0020(1); -0025[1]). The administrative rule defines site characteristics as follows in OAR 660-009-0005(11):

(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

Newberg has identified the following types of manufacturing target and traded-sector industries: advanced and general manufacturing; technology and high-tech manufacturing; food/beverage processing and agricultural products; forestry and wood products; and aviation related industries.

The following summarizes a range of the site characteristics Newberg should seek when identifying the sites that will address its employment land deficit, in terms of the Oregon Court of Appeals’ opinion in *Friends of Yamhill County v. City of Newberg*, 62 Or LUBA 5 (2010), *aff’d* 240 Or App 738 (2011).

- **Site size/minimum acreage.** Sites for manufacturing and traded-sector firms range in size from 5 acres up to more than 100 acres for large-scale industrial firms. Business Oregon, the State of Oregon’s economic development agency, has studied the site needs of these industries and determined that competitive sites for most of Newberg’s potential growth industries are 5 to 25 acres in size (Exhibit 15). Competitive sites for technology and high-tech manufacturing require 5 to 100-acre sites.

For the operations of a manufacturing firm to be successful, its site needs to be large enough to accommodate the needed built space, as well as to accommodate storage. In addition, the site needs to be large enough to accommodate not only the general industrial uses, but also parking, on-site circulation, connections to public transportation, landscaping, rail connections, and other access to the transportation network.

There is ample evidence that businesses have relocated or expanded outside of Newberg because they were unable to find sites big enough to support the successful operation within Newberg. Examples of such firms include Polymax, NW Alpine, Halstead Cabinets, Advance Machinery, and Aviatrix. A number of these firms searched for expansion sites within Newberg and only moved or expanded to sites outside of Newberg after they were unable to find a suitable, big enough site within Newberg.

- **Land ownership.** Sites with two or fewer owners are necessary to reduce the cost and uncertainty of land assembly. Developing an industrial building on a site on two or more tax lots requires negotiating land assembly. Land assembly is difficult and often costly for a number of reasons. People own land for a variety of reasons, such as the desire to develop the land, keep the land undeveloped, or sell the land for a profit. Getting landowners to sell land can be difficult, especially if the ownership is legally disputed, as is the case with some inheritances. If a landowner is a willing seller, they may have an unrealistic expectation of their land's value, in the context of comparable land values. In addition, one parcel of land may have multiple owners, compounding the issues described above.

Developers attempting land assembly often have difficulty assembling a site at a cost that makes development economically viable. When assembling land, developers often find that owners of key sites are not willing sellers, have unrealistic expectations of the value of their land, or cannot get agreement among multiple owners to sell the land. As a result, developers of industrial buildings typically choose to develop sites with one or two owners.

- **Proximity/access to a major automotive route.** Manufacturers seek sites that are located on arterial or major collector streets with good access to a state highway (or equivalent). Manufacturers reject sites that would force their industrial traffic to be routed through residential neighborhoods.

Business Oregon has determined that manufacturing and industrial firms need to be located relatively close to an interstate highway or principle arterial road, with varying minimum proximity requirements depending upon the specific type of manufacturer, generally not exceeding 20 miles (Exhibit 15). Local experts indicate that close proximity to a freight route is typical for local manufacturers. Effective industrial operations rely on close proximity to an arterial or collector street to avoid conflicts with the community/residential areas by minimizing the amount of traffic on local streets and freight traffic in residential neighborhoods. More direct access to freight routes also improves the industry's mobility for efficient long-distance travel.

- **Topography/no or little slope.** Newberg considers a slope exceeding 7% to be a development constraint for purposes of identifying possible land for industrial employment. Business Oregon has determined all of the sectors on Newberg's list of potential growth industries select sites with a slope of 7% or less (Exhibit 15). Newberg has indicated that "no more than a 7% slope" would be an important site characteristic, if not treated as an actual development constraint, because the successful operation of industrial buildings requires level floor plates to reduce costs and offer maximum flexibility, as well as level areas to provide for freight access and pedestrian walkways that meet ADA standards. The real estate development literature describes the increases

in development costs and other difficulties associated with industrial development on a sloped site.⁵¹

- **Floodplains, geologic hazard areas, and stream corridors.** Newberg's buildable land identifies areas in the floodway, in the floodplain, with geologic hazards, and areas within the Newberg Stream Corridor Overlay as unbuildable.⁵² Sites for new businesses should also consider areas with these constraints as unbuildable.
- **Compatible surrounding land uses.** Manufactures reject sites located in areas where a manufacturing operation will be incompatible with surrounding uses (established or planned). OAR 660-009-0025(6) recognizes that compatibility is an important factor when locating new employment land. It strongly encourages cities to manage the encroachment and intrusion of incompatible uses with employment uses. Industrial buildings used for manufacturing are generally compatible with other industrial uses, commercial uses, and some public uses. Industrial uses may be compatible with agricultural uses, provided that the industrial use does not encroach on the agricultural uses. Industrial uses are able to operate efficiently where they are not in conflicts with adjacent land uses that could disrupt industrial business activity. Noise or odors from the manufacturing process and traffic from employees and shipping can cause conflicts with nearby residential uses. This could require a manufacturer to make changes that negatively impact its operations. For this reason, manufacturing firms require a location that does not present incompatibility concerns.

⁵¹ Peiser, Richard B. "Professional Real Estate Development: The ULI Guide to the Business," Urban Land Institute, 1992.

⁵² Geologic hazards include data from Oregon DOGAMI on landslide susceptibility ("high" or "very high" classifications) and landslide hazards in the SLIDO database. Chapter 15.342 of the Newberg Development Code defines the Newberg Stream Corridor Overlay Subdistrict as a Goal 5 resource intended to "protect, conserve, enhance, and maintain the Willamette River Greenway."

4. Buildable Lands Inventory

The buildable lands inventory is intended to identify commercial and industrial lands that are available for development for employment uses within the Newberg UGB. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. Population and employment growth drive demand for land. The amount of land needed depends on the type of development and other factors.

This chapter presents results of the commercial and industrial buildable lands inventory for the Newberg UGB. The results are based on analyses of Yamhill County and State of Oregon GIS data by ECONorthwest and reviewed by City staff. The remainder of this chapter summarizes key findings of the buildable lands inventory.

The general steps in the buildable lands inventory are:

1. Generate UGB “land base”
2. Classify lands by development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results

The next section provides a summary of the definitions used to develop the BLI, followed by the results of the commercial and industrial buildable lands inventory for the Newberg UGB in both tabular and map formats. **Appendix B presents the detailed methodology used for developing the inventory.**

Definitions

ECONorthwest developed the buildable lands inventory with a tax lot database from the Yamhill County Assessor/Tax Collector Department. Maps produced for the buildable lands inventory used a combination of GIS data, adopted maps, and visual verification to verify the accuracy of County data. The tax lot database was current as of July 2020. The inventory assigns only one land classification (e.g., vacant, potential infill, developed, public, or undevelopable) for each tax lot. The land classifications for consideration of buildable land result in identification of lands that are vacant or potential infill.

The inventory builds from the database to estimate buildable land per commercial and industrial plan designations. The following definitions were used to identify buildable land for inclusion in the inventory:

- *Vacant land.* Tax lots that have no structures or have buildings with very little value. For the purpose of this inventory, we reviewed all lands with no (\$0) improvement value as having potential to be considered vacant (not including lands that are identified as

having mobile homes).⁵³ Note that this definition is considerably more inclusive than what is required by OAR 660-009-0005(14). It includes all lots or parcels that are less than 0.5 acres and did not automatically classify lots between 0.5 and 5.0 acres as developed if they had preexisting development. Lots in that category were visually inspected to make a determination of whether they should be classified as developed or vacant.

- *Potential infill land.*⁵⁴ Tax lots where development has already occurred or has existing structures but could accommodate additional employment uses or more intensive uses during the planning period.⁵⁵

Potential infill land is a subset of developed land that was identified using size thresholds, aerial imagery verification, and local context. The verification process also determined which portions of the tax lot are available for infill development. For the purpose of the BLI, “potential infill” land corresponds with the definition of “developed land” as stated in OAR 660-009-0005(1) as described in Exhibit 59 in Appendix B.

- *Developed land.* Tax lots that are developed at densities consistent with current zoning/plan designations and improvements that make it unlikely to redevelop during the analysis period. Tax lots not classified as vacant, potential infill, public, or undevelopable are considered developed.⁵⁶ Note that OAR 660-009-0005(1) defines “developed land” as nonvacant land that is likely to be redeveloped during the planning period. This study defines developed land as developed and defines land “likely to be redeveloped” as potentially redevelopable. Thus, the definition of developed land used for the BLI is different (e.g., more inclusive) than the definition in the administrative rule.

For purposes of the Newberg BLI, developed land is considered committed during the 20-year period and unavailable for redevelopment; however, redevelopment potential on some land classified as developed is discussed in more detail later in this chapter.

- *Public or exempt land.* Tax lots on commercial or industrial plan designations that are in public ownership are mostly considered unavailable for private employment uses. This includes lands in Federal, State, County, City, or other public ownership. Public lands

⁵³ Note that this definition is more inclusive than what statewide planning policy requires. OAR 660-009-0005(14) provides the following definition: “Vacant Land” means a lot or parcel: (a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or (b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements. The implication of using a more inclusive definition are that more land was considered available in the inventory than would be if the state definitions were used.

⁵⁴ Previous materials used the term “partially vacant” for this land classification. While “partially vacant” is clearer for communication with the advisory committees and the public, the classification “infill” more accurately fits the definition of a subset of “developed land” described in OAR 660-009-0005.

⁵⁵ This definition is based on the definition in OAR 660-009-0005(1).

⁵⁶ Note that OAR 660-009-0005(1) defines “developed land” as nonvacant land that is likely to be redeveloped during the planning period. This study defines developed land as developed and defines land “likely to be redeveloped” as potentially redevelopable.

are identified using the Yamhill County Assessment property tax exemption codes and are verified by reviewing ownership.

- *Undevelopable land.* Tax lots that are too small to practically have an employment use (less than 3,000 square feet), buildable areas of tax lots (after removing constraints) that are less than 3,000 square feet, or inaccessible tax lots.

Development Constraints

Consistent with state guidance on buildable lands inventories, ECONorthwest deducted portions of commercial and industrial tax lots that fall within certain constraints from the vacant and potential infill lands (e.g., wetlands and steep slopes). We used categories consistent with OAR 660-009-0005(2):

- *Lands within floodplains and floodways.* Flood Insurance Rate Maps from the Federal Emergency Management Agency (FEMA) were used to identify lands in floodways and 100-year floodplains.
- *Land within natural resource protection areas.* The National Wetlands Inventory was used to identify areas within wetlands, and stream data from the City of Newberg was used to identify areas within the stream corridor.
- *Land within landslide hazards.* The DOGAMI SLIDO database and landslide susceptibility data sets were used to identify lands with landside hazards. ECONorthwest included lands with “very high” or “high” susceptibility to landsides in the constrained area.
- *Land with slopes over 15%.* Lands with slopes over 15% are considered unsuitable for commercial or industrial development.

After deducting constraints, vacant and potential infill lands that have remaining development capacity are classified as “buildable lands.”

Land Base

Exhibit 22 summarizes all land included in the employment land base (e.g., lands with plan designations that allow employment) in the Newberg UGB. ECONorthwest used this land base in the buildable lands analysis for Newberg. The land base includes the commercial and industrial plan designations within the Newberg UGB (as listed in Appendix B). Included in these areas are plan designations in Newberg’s master plan and specific plan districts—Springbrook Oaks, Springbrook District, and the Riverfront District. Of these areas, the Springbrook District provides specific information about the types of uses in each plan designation. The next section provides further discussion of this area.

According to 2020 data, within Newberg’s UGB there are about 917 acres in 767 tax lots in commercial, mixed-use, and industrial plan designations, and about 54 acres in 2 tax lots in employment plan designations in the airport.

Exhibit 22. Commercial and Industrial Acres in Newberg UGB, 2020

Plan Designation	Number of Taxlots	Total Taxlot Acreage	Percent (Total Acreage)
Commercial	353	266	27%
Commercial	338	163	17%
Riverfront District Commercial	5	7	1%
Specific Plan Commercial	5	9	1%
Public Quasi-Public (Hospital Site)	1	41	4%
Springbrook District - Hospitality	3	35	4%
Springbrook District - Neighborhood Commercial	1	11	1%
Mixed Use	242	217	22%
Mixed Use	63	83	9%
Riverfront District Mixed Use	12	22	2%
Specific Plan Mixed Use	161	78	8%
Springbrook District - Village	6	34	4%
Industrial	172	434	45%
Industrial	161	246	25%
Riverfront District Industrial	5	108	11%
Specific Plan Industrial	3	53	5%
Springbrook District - Employment	3	27	3%
Other - Airpark	2	54	6%
Industrial	1	12	1%
Public Quasi-Public	1	42	4%
Total	769	971	100%

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

Development Status

Exhibit 23 shows commercial and industrial land in Newberg by development status.⁵⁷ Of the 917 commercial and industrial acres in the Newberg UGB, about 669 acres (73%) are in classifications with no development capacity (or “committed acres”). Of the remaining 248 acres, 97 acres (11%) are constrained and 130 acres (14%) are buildable land with development capacity.

The 34 total acres in the Springbrook District Village that is reported in Exhibit 23 includes all land in this plan designation. The Springbrook Master Plan divides this area into both residential and commercial uses. The HNA assumes capacity for 265 housing units, as defined in the master plan. The master plan states that “retail is also anticipated to occur in the Village and may represent up to 35% of that area” (pg. 37). This assumption results in about 12 acres of buildable land for commercial use, as shown in Exhibit 23.

Exhibit 23. Commercial and Industrial Acres by Classification and Plan Designation, Newberg UGB, 2020

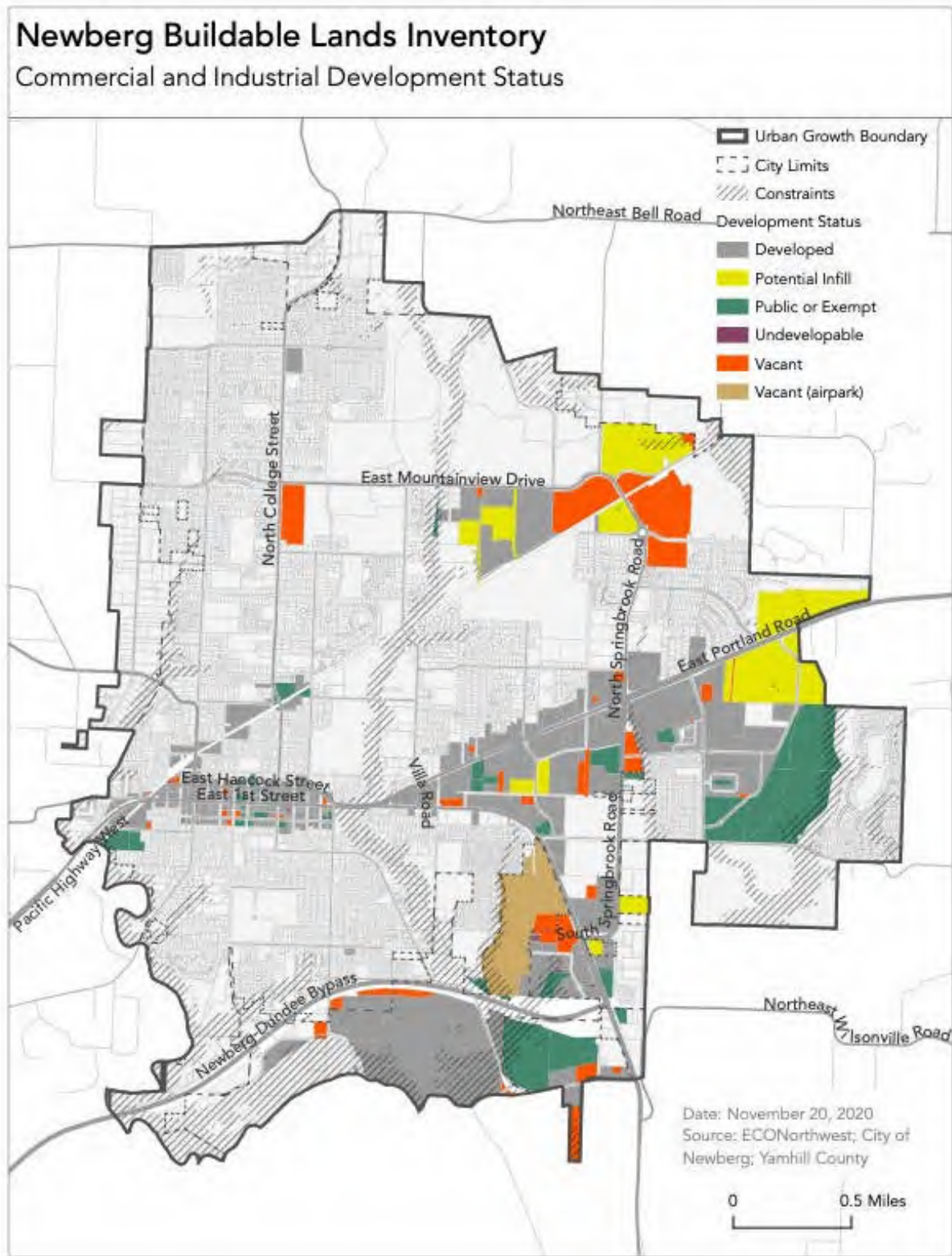
Plan Designation	Total Acres	Committed Acres	Constrained Acres	Buildable Acres
Commercial	266	201	12	53
Commercial	163	146	2	15
Riverfront District Commercial	7	4	2	1
Specific Plan Commercial	9	3	2	4
Public Quasi-Public (Hospital Site)	41	32	1	8
Springbrook District - Hospitality	35	16	5	14
Springbrook District - Neighborhood Commercial	11	-	-	11
Mixed Use	217	169	1	25
Mixed Use	83	73	-	10
Riverfront District Mixed Use	22	19	-	3
Specific Plan Mixed Use	78	77	1	-
Springbrook District - Village*	34	-	-	12
Industrial	434	299	84	52
Industrial	246	194	25	27
Riverfront District Industrial	108	64	41	3
Specific Plan Industrial	53	35	18	-
Springbrook District - Employment	27	6	-	22
Total	917	669	97	130

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

*Note: Buildable acres in the Springbrook District Village plan designation reflect the assumptions for commercial land included in the Springbrook Master Plan (2008) on page 37.

⁵⁷ The tax lots that make up the airpark are discussed separately later in this chapter. The acres in this area are excluded from the remainder of the tables in the BLI results.

Exhibit 24. Commercial and Industrial Land by Classification with Development Constraints, Newberg UGB, 2020



Vacant Buildable Land

The next step in the commercial and industrial buildable land inventory was to net out portions of vacant tax lots that are unsuitable for development. Areas unsuitable for development fall into three categories: (1) developed areas of potential infill⁵⁸ tax lots, (2) areas with service constraints, (3) areas with physical constraints (areas with wetlands, floodways, riparian setback areas and steep slopes, shown in Exhibit 61).

Exhibit 25 shows unconstrained buildable acres for vacant and potential infill land by plan designation. The results show that Newberg has about 130 net buildable acres in commercial and industrial plan designations. Of this, 60% (78 acres) is in commercial or mixed-use designations and 40% (52 acres) is in industrial designations.

Exhibit 25. Employment Land with Unconstrained Development Capacity (Vacant and Potential infill) by Plan Designation, Newberg UGB, 2020

Plan Designation	Total Buildable Acres	Buildable Acres on Vacant Lots	Buildable Acres on Potential Infill Lots
Commercial	54	26	28
Commercial	16	6	10
Riverfront District Commercial	1	1	-
Specific Plan Commercial	4	4	-
Public Quasi-Public (Hospital Site)	8	-	8
Springbrook District - Hospitality	14	4	10
Springbrook District - Neighborhood Commercial	11	11	-
Mixed Use	24	20	4
Mixed Use	10	6	4
Riverfront District Mixed Use	2	2	-
Specific Plan Mixed Use	-	-	-
Springbrook District - Village*	12	12	-
Industrial	52	42	10
Industrial	27	20	7
Riverfront District Industrial	3	3	-
Springbrook District - Employment	22	19	3
Total	130	88	42

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

*Note: Buildable acres in the Springbrook District Village plan designation reflect the assumptions for commercial land included in the Springbrook Master Plan (2008) on page 37.

⁵⁸ Previous materials used the term “partially vacant” for this land classification. While “partially vacant” is clearer for communication with the advisory committees and the public, the classification “infill” more accurately fits the definition of a subset of “developed land” described in OAR 660-009-0005.

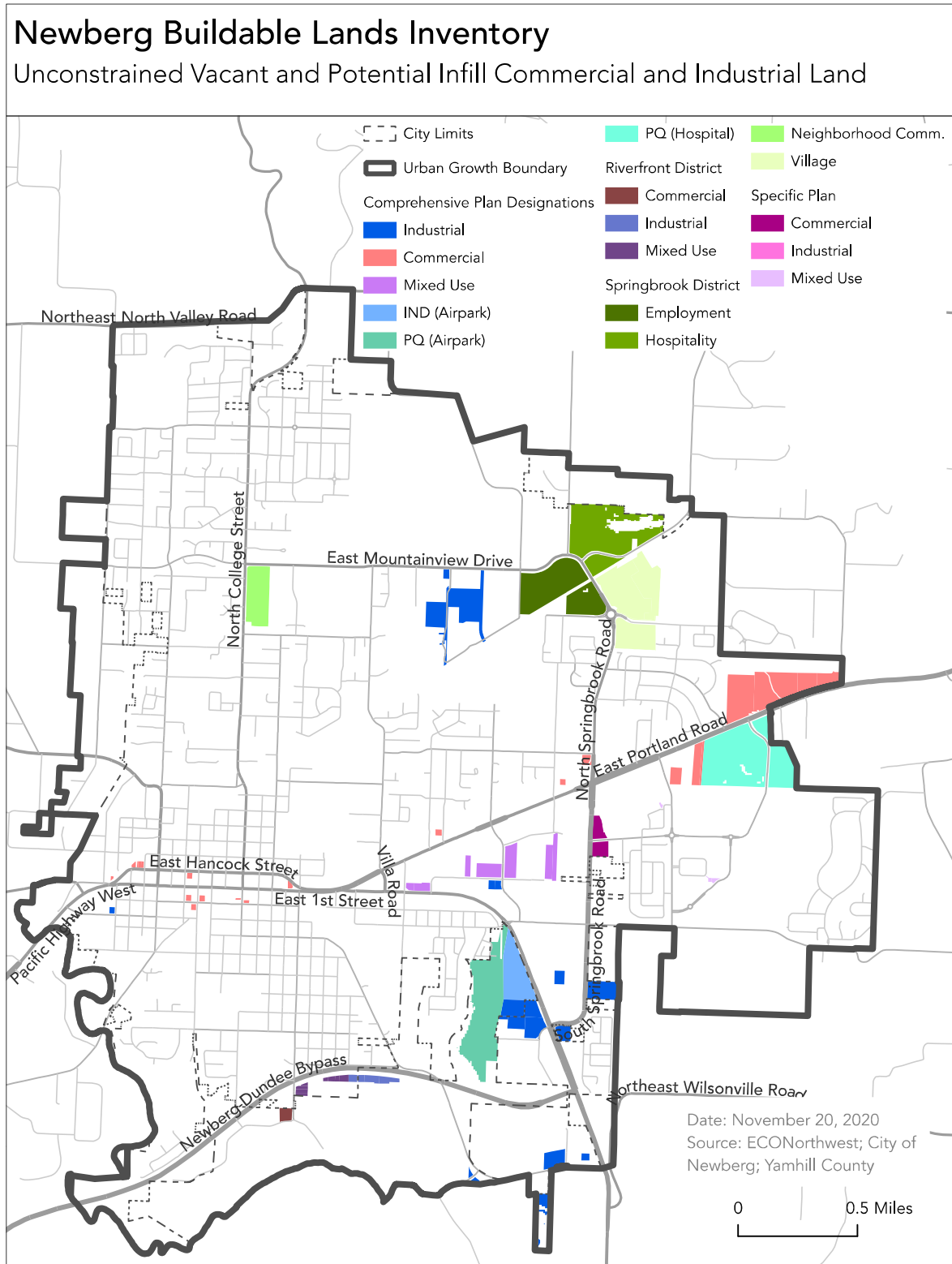
Exhibit 26 shows the size of lots by plan designations for buildable employment land. Newberg has 33 lots that are smaller than 0.5 acres (with 8 acres of land); 21 lots between 0.5 and 2 acres (24 acres of land); 14 lots between 2 and 5 acres in size (38 acres of land); 3 lots between 5 and 10 acres in size (8 acres of land); and 4 lots between 10 and 25 acres in size (52 acres of land).

Exhibit 26. Lot Size by Plan Designation, Buildable Acres, Newberg UGB, 2020

	Buildable Acre Category						Total
	less than 0.5 acre	0.5 - 1 acres	1 - 2 acres	2 - 5 acres	5 - 10 acres	10 - 25 acres	
Buildable acres on taxlots							
Commercial	2	3	7	13	8	21	54
Mixed Use	3	1	6	2	-	12	24
Industrial	3	4	3	23	-	19	52
Subtotal	8	8	16	38	8	52	130
Number of taxlots with buildable acres							
Commercial	14	4	4	5	1	2	30
Mixed Use	12	2	4	1	2	1	22
Industrial	7	5	2	8		1	23
Subtotal	33	11	10	14	3	4	75

Source: ECONorthwest analysis of data from Yamhill County; City of Newberg.

Exhibit 27. Buildable Employment Land by Plan Designation with Development Constraints, Newberg UGB, 2020



Potentially Redevelopable

For the purpose of this study, we define redevelopment in the context of the Goal 9 Administrative Rule. OAR 660-009-0005(1) defines developed land (redevelopment) as follows:

(1) "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period.

The key components of this definition are “non-vacant” and “likely to be redeveloped.” Thus, any nonvacant land could be considered redevelopable, but only land that is “likely to be redeveloped” is required to be considered. Statewide planning statutes and administrative rules do not provide any guidance on how to determine what land is “likely to be redeveloped.”

This study identifies land with redevelopment potential as land on which development has already occurred but on which, due to present or expected market forces, there exists the potential that existing development will be converted to more intensive uses (providing additional employment capacity) during the planning period.

Redevelopment potential can be thought of as a continuum—from more redevelopment potential to less redevelopment potential. The factors that affect redevelopment are complicated and include location, surrounding uses, current use, land and improvement values, and other factors. The estimate of redevelopment presented in Exhibit 28 considers redevelopment over the last several years, policies the City is implementing to support redevelopment, and an assessment of other redevelopment opportunities across the city.

In most cities, the amount and location of redevelopment is difficult to predict. In Newberg’s case, the City is currently in the process of implementing the Riverfront Master Plan, which requires an intensive planning effort, public process, and engagement of stakeholders. In the past six years, one commercial site has redeveloped in Newberg on about 1.9 acres. The identification of redevelopment potential is based on local knowledge of expected market forces and existing plans for redevelopment.

Exhibit 28 shows areas identified as having redevelopment potential in Newberg based on consideration of these factors. The redevelopment analysis summarized below provides an optimistic estimate of potential redevelopment, largely resulting from the City’s efforts to redevelop the WestRock Mill site, as evidenced by the ongoing implementation of the Riverfront Master Plan

Newberg has 92 unconstrained acres of potentially redevelopable land, of which 26 acres are in commercial plan designations and 66 are in industrial plan designations.⁵⁹

The largest potentially redevelopable site is the WestRock Mill site. The site was recently acquired by Commercial Development Company’s affiliate Newberg OR LLC. The entire site is

⁵⁹ This analysis only considers tax lots that are developed in the BLI.

about 130 total acres, of which 42 are constrained by floodplain, stream corridor, and steep slopes, and 5 acres are included in vacant buildable land. Of the remaining 83 acres classified as developed in the BLI, about 64 acres are in the industrial Riverfront District plan designation and about 19 acres are in the mixed-use Riverfront District plan designation.

Exhibit 28. Commercial and Industrial Areas with Redevelopment Potential, Newberg UGB, 2021–2041

Plan Designation/Area	Number of Taxlots	Total Unconstrained Acreage
Commercial/Mixed Use	11	26
Commercial	5	5
Mixed Use	2	2
WestRock Mill site (MIX/RD)	4	19
Industrial	7	66
Industrial	1	1
WestRock Mill site	1	64
West End Mill District	5	1
Total	18	92

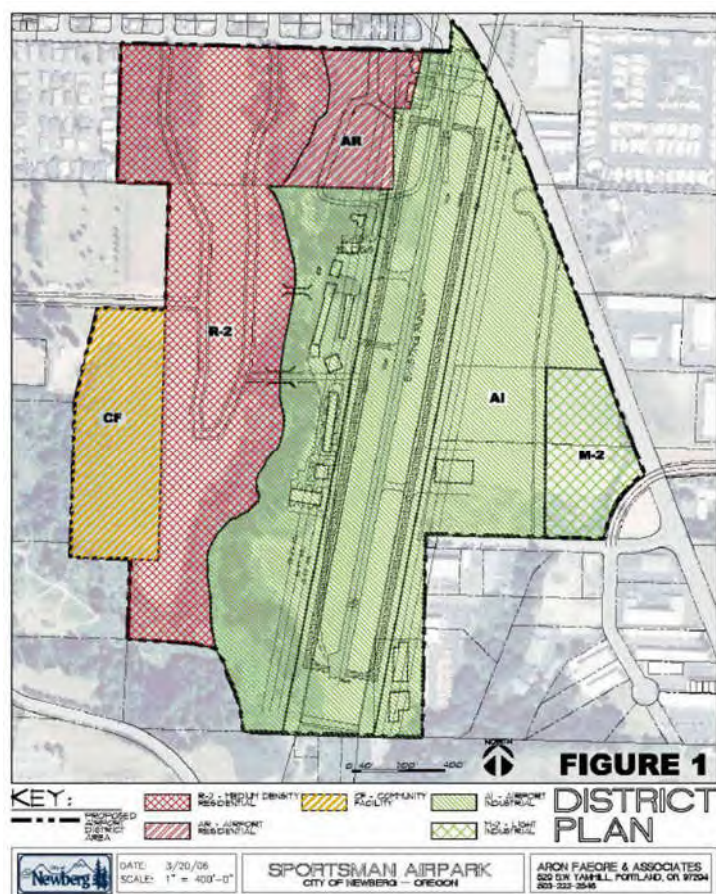
Source: City of Newberg; ECONorthwest analysis.

Sportsman Airpark

Land at airports have more restrictions (from the FAA and the airport master plan) than typical commercial and industrial land in Newberg. These acres are not included in the calculation of unconstrained buildable land in the remainder of this chapter.

The Sportsman Airpark, located in southeast Newberg and north of the Highway 18 Bypass, includes about 12 acres of industrial-designated land and 42 acres of public/quasipublic-designated land. Exhibit 20 shows the airport property boundary and zoning designations as defined in the *Sportsman Airpark Land Use Master Plan*.

Exhibit 29. Sportsman Airpark Property, Newberg, 2006



Source: Sportsman Airpark Land Use Master Plan. 2006.

According to the Sportsman Airpark Land Use Master Plan (2006), the airpark's industrial land is about 17% developed, with about 29 estimated developable industrial acres remaining. Of this area in 2020, about 10.6 acres are vacant and for sale and 13.1 are vacant and for lease, not for sale to private developers or businesses. The expected uses on the lease-only land is development of airplane hangars.⁶⁰

Development opportunities at the airpark are limited, especially on the land for lease. Permitted uses on the Sportsman Airpark property are limited and are not considered as part of the buildable lands inventory of industrial land available for most future employment uses. The permitted uses on the airpark property include aviation-related activities; emergency flight services (and necessary services); law enforcement, firefighting, search and rescue operations; flight instruction; aircraft service and maintenance; aircraft rental/sales; aerial mapping/surveying; air cargo and warehousing/distribution; and aviation and space technology development/research.

While the 10.6 acres of land that is for sale is considered part of the buildable lands inventory (Exhibit 30), the 13.1 acres of land for lease is not considered suitable because it is privately

⁶⁰ Based on information provided by the City of Newberg via email on October 23, 2020.

owned and available only for lease. Development on this land is expected to be airplane hangars, rather than businesses that create employment.

Summary of Suitable Buildable Unconstrained Land

Exhibit 30 shows a summary of the buildable unconstrained commercial and industrial land in the Newberg UGB. It combines the buildable land identified in Exhibit 25, land identified as potentially redevelopable in Exhibit 28, and suitable land identified at Sportsman Airpark. Exhibit 32 shows the suitable buildable unconstrained land by site size.

Exhibit 30. Suitable Buildable Unconstrained Commercial and Industrial Land, Newberg UGB

Plan Designation/ Development Status	Acres
Commercial/Mixed Use	104
Vacant/Potential Infill	78
Potentially Redevelopable	26
Industrial	129
Vacant/Potential Infill	52
Potentially Redevelopable	66
Sportsman Airpark	11
Total	233

Exhibit 31. Suitable Buildable Unconstrained Commercial and Industrial Land by Lot Size, Newberg UGB

	Buildable Acre Category				Total
	Less than 5 acres	5-25 acres	25-50 acres	50 and more acres	
Buildable acres on taxlots					
Commercial/Mixed Use	50	54	-	-	104
Vacant/Potential Infill	37	41			78
Potentially Redevelopable	13	13			26
Industrial	46	19	-	64	129
Vacant/Potential Infill	33	19			52
Potentially Redevelopable	2			64	66
Sportsman Airpark	11				11
Subtotal	96	73	-	64	233
Number of taxlots with buildable acres					
Commercial/Mixed Use	56	7	-	-	63
Vacant/Potential Infill	46	6			52
Potentially Redevelopable	10	1			11
Industrial	33	1	-	1	35
Vacant/Potential Infill	22	1			23
Potentially Redevelopable	6			1	7
Sportsman Airpark	5				5
Subtotal	89	8	0	1	98

Short-Term Supply of Land

This section evaluates the short-term supply of employment land in Newberg. It begins with an overview of the policy context for this analysis, and then it evaluates the short-term land supply.

Policy Context

The Goal 9 Administrative Rule (OAR 660-009) includes provisions that require certain cities to ensure an adequate short-term supply of industrial and other employment lands. Newberg is not currently subject to this requirement. OAR 660-009-005(10) defines short term supply as

“...suitable land that is ready for construction within one year of an application for a building permit or request for service extension. Engineering feasibility is sufficient to qualify land for the short-term supply of land. Funding availability is not required. "Competitive Short-term Supply" means the short-term supply of land provides a range of site sizes and locations to accommodate the market needs of a variety of industrial and other employment uses.”

In summary, the rule recommends cities to assess the short-term supply of employment land based on the criteria that land can be ready for construction within one year. The determination is based on “engineering feasibility.”

Analysis of Short-Term Supply of Land

ECONorthwest worked with the City of Newberg staff to identify commercial and industrial land that meet the definition of short-term supply of land, using the results of the buildable lands inventory as a basis. Exhibit 25 shows that Newberg has 130 acres of unconstrained buildable land on vacant and potential infill tax lots in commercial and industrial plan designations. On these lands, we considered access to water, sanitary sewer, and stormwater.

The results show that 58 acres of commercial and mixed-use land in Newberg is in the short-term supply of land and 44 acres of industrial land is in the short-term supply of land. In other words, 78% of all unconstrained buildable commercial and industrial land (130 acres) in Newberg is in the short-term supply.

5. Land Sufficiency and Conclusions

This chapter presents conclusions about Newberg’s employment land sufficiency for the 2021–2041 period. The chapter then concludes with a discussion about Newberg’s land base and its ability to accommodate growth over the next 20 years, as well as recommendations for the City to consider, ensuring it meets its economic growth needs throughout the planning period.

Land Sufficiency

Commercial Land Sufficiency

Exhibit 32 shows commercial land sufficiency within the Newberg UGB. It shows:

- **Suitable buildable unconstrained commercial land** from Exhibit 30 within the UGB. Exhibit 30 shows that Newberg has 104 gross acres of commercial land.
- **Demand for commercial land** from Exhibit 11. Exhibit 32 shows Newberg will need a total of 83 gross acres for commercial uses over the 2021–2041 period.

Exhibit 32 shows that Newberg has a 21-acre surplus of commercial land.

Exhibit 32. Comparison of the Capacity of Unconstrained Vacant Commercial Land with Commercial Land Demand, Newberg UGB, 2021–2041

Land Use Type	Land Supply (Suitable Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Deficit)
Commercial	104	83	21
Total	104	83	21

Source: ECONorthwest.

Industrial Land Sufficiency

Exhibit 33 shows industrial site needs within the Newberg UGB by site size. It shows:

- **Suitable buildable unconstrained industrial sites** within the UGB from Exhibit 31. Newberg has 35 industrial sites on 129 acres of land. Exhibit 33 shows that 33 of the sites are 5 acres or smaller, one site is 5 to 25 acres in size, and one site is over 50 acres in size.
- **Demand for industrial land** from Exhibit 21. Exhibit 33 shows Newberg will need 131 new sites for industrial uses, 122 of which will be 5 acres or less.

Exhibit 33 shows that Newberg has a deficit of 96 sites or 152 acres of land in the following site sizes:

- **Less than 5 acres in size.** Newberg has a **deficit** of 89 sites or 62 acres for these smaller sites, which are expected to average about 0.7 acres in size.

- **5 to 25 acres in size.** Newberg has a **deficit** of 6 sites or 55 acres for these sites, which are expected to average about 9 acres in size. The majority of Newberg’s mid-sized potential growth industries will locate on these sites.
- **25 to 50 acres in size.** Newberg has a **deficit** of 1 site or 35 acres for this site, which is expected to average about 35 acres in size. This site will provide development opportunities for a mid-sized to large technology and high-tech manufacturing business.
- **50 or more acres in size.** Newberg has 1 site in this size class, which is the redevelopment opportunity at the WestRock Mill site.⁶¹ Newberg has sufficient land in this site size.

Exhibit 33. Comparison of the Capacity of Unconstrained Vacant Industrial Land with Industrial Land Demand, Newberg UGB, 2021–2041

	Site Size (acres)				Total
	Less than 5 acres	5-25 acres	25-50 acres	50 and more	
Number of Vacant Sites: Newberg BLI	33	1	-	1	35
New Sites Needed	122	7	1	1	131
Comparison of Land Supply and Need (Land Surplus or Deficit)	(89)	(6)	(1)	-	(96)
Acres of Land Needed	(62)	(55)	(35)	-	(152)

Source: ECONorthwest.

Conclusions and Recommendations

The conclusions about commercial and industrial land sufficiency are:

- **Newberg is forecast for growth in both the commercial and industrial employment sectors.** Newberg is planning for growth of 4,452 new jobs in the city over the 2021 to 2041 period. About 2,407 of the jobs will be industrial, 1,799 of the jobs will be in office and commercial services, and 120 in retail. Growth of these jobs will result in demand for about 83 gross acres of commercial land and 131 new sites for industrial uses.
- **Newberg has a surplus of commercially designated land of 21 acres.** Exhibit 32 shows that Newberg has enough land for commercial employment growth over the next 20 years, with a surplus of 21 acres. Commercial uses include services for residents and visitors (e.g., retail) as well as office services. This surplus includes commercial land in the Springbrook and Riverfront Districts, which are located in different parts of Newberg. This ensures that commercial development will be distributed throughout the city, providing reasonable access to services for residents and visitors.
- **Newberg has a deficit of land for industrial uses across all site sizes.** Newberg has a deficit of 96 sites or 152 acres of land for industrial uses. This need covers a range of site

⁶¹ This assumption is based on current discussions with entities involved with ongoing redevelopment plans for the WestRock Mill site. It is possible that discussions of the WestRock Mill site redevelopment may result in different plans for redevelopment of the site, but this is the best available information as of this report.

sizes from less than 5 acres to 50 acres. The majority of sites are needed at the less-than-5-acre size, but the range of site sizes is key to diversifying Newberg's economy and aligning with the city's potential growth industries.

- **Newberg will need an additional 2.9 acres of commercial land and 12.3 acres of industrial land for public and semipublic uses.** The Newberg Public and Semi-Public Land Needs memorandum concludes that Newberg will need commercial and industrial land to accommodate public and semipublic uses over the 20-year period.
- **Newberg's wages are comparable to the regional average.** Newberg's average wage of \$43,480 is slightly higher than the average of \$43,299 for Yamhill County. Newberg's potential growth industries generally have above-average wages, except for some types of food or agricultural product industries, such as wineries or vineyards, which also tend to hire seasonally.
- **Newberg will need to address key infrastructure needs in the Riverfront District.** While water and wastewater connections will be relatively easy for eventual developers to access, the Riverfront Master Plan identifies potential challenges with connecting a road along the bluff area. This would require geotechnical studies that may present cost barriers for potential developers of the area.
- **Newberg's lack of industrial land presents barriers for business retention, expansion, and recruitment.** Since 2014, the City has documented recruitment and retention of businesses looking to stay or locate in Newberg. A key issue businesses have cited is the lack of available or suitable greenfield sites. This has led to the recent relocation of existing Newberg businesses, as well as a lack of new businesses choosing to locate in Newberg. Businesses are attracted to Newberg because of the access to a skilled workforce and quality of life, but the lack of suitable sites remains a key issue for many of these businesses.

Following are ECONorthwest's recommendations for measures to accommodate commercial and industrial land need within the Newberg UGB based on the analysis and conclusions in this report.

- The City has actively worked on implementing recent plans that in part address issues related to commercial and industrial land, including the *Newberg Economic Development Strategy*, *Newberg Downtown Improvement Plan*, *A NewBERG Community Vision*, and the *Riverfront Master Plan*. This EOA implements the *Newberg Economic Development Strategy* by supporting the goals in the *Strategy*. For example, the EOA identifies the need for land to support the retention and expansion of businesses (item 1.2 in the *Strategy*), coordinates recruitment of traded-sector companies with partners such as SEDCOR and Business Oregon (item 1.3 in the *Strategy*), and provides analyses that support commercial development opportunities (item 2.1 and 2.2 in the *Strategy*) and recommend *Strategy* implementation.

The redevelopment plans that are proceeding on the WestRock Mill site show that the

City's *Economic Development Strategy* and broader redevelopment plans are being implemented. In particular, implementation of the *Riverfront Master Plan*, use of Urban Renewal, use of the City's Enterprise Zone, and use of the Opportunity Zone at the WestRock Mill site have all resulted in plans for redevelopment and implementation of these plans.

- Newberg should develop a policy that supports the preservation of prime industrial land for sites over 10 acres in size. The City may consider identifying prime industrial sites using the following criteria: sites larger than 10 acres, sites with direct access to a highway or major arterial road, sites with existing investments in infrastructure needed by industrial uses, and sites surrounded by properties that are planned for industrial uses.
- The City should consider the use of incentives to support economic development. These incentives could include creating an economic or business district, developing a downtown partnership, developing a parking management plan in key commercial areas, supporting land assembly, regulating streamlining to reduce costs of development, using SDC "deferrals" or changing how SDCs are assessed, using New Market Tax Credits and EB-5 Investment programs to support business growth, and supporting the growth of particular industries (such as tourism and hospitality).
- The City should address the deficit of industrial land identified in the EOA for 152 acres of land on about 96 sites. Given the limited amount of vacant land within Newberg's existing UGB, the City has few opportunities to accommodate expected growth within the UGB. The best opportunity, the redevelopment of the WestRock Mill site, as well as the other sites shown in Exhibit 30, are the City's primary opportunities to increase land use efficiency within the existing UGB. The City should consider opportunities for expansion of the UGB to accommodate industrial land needs.

In short, the City should continue to implement the *Newberg Economic Development Strategy* to continue to support the type of industrial and commercial growth described in the EOA.

Appendix A. National, State, and Regional and Local Trends

The economic trends discussed in this appendix are based on long-term trends that are generally expected to continue on national, state, and regional scales. During the development of this document, the effects of the global COVID-19 pandemic began to emerge. However, the availability of data and the potential change in long-term effects remain unknown. Where available, this appendix provides data and discussion about the short-term economic effects of the pandemic.

National Trends

Economic development in Newberg over the next 20 years will occur in the context of long-run national trends. The most important of these trends include:

- **Economic growth was forecasted to continue at a slow pace over the course of the next decade, but the effects of the COVID-19 pandemic have ended the nation's longest period of economic expansion.** The Congressional Budget Office (CBO) previously predicted that real GDP would grow by 2.2% in 2020, followed by stagnation in later years as growth in private investment and consumer spending lessened. From 2021 to 2030, CBO forecasted that output would increase at an average annual rate of 1.7 percent.⁶² However, in March 2020, business closures related to the novel coronavirus forced the nation into a recession. According to CBO's preliminary estimates, unemployment is expected to surpass 10% during the second quarter of 2020 due to sharp increases in unemployment claims. Additionally, GDP will likely decline by more than 7% during the second quarter, leading to a fall in the annualized growth rate of at least 28%.⁶³ The fiscal stimulus, as well as the federal government's efforts to maintain operations for essential businesses, will likely mitigate the fallout of the virus. An estimated 70% of GDP is derived from businesses exempt from stay-at-home orders, and half of nonexempt businesses are able to continue their operations remotely.⁶⁴ Importantly, long-term projections are highly variable as the economic impact of the COVID-19 pandemic unfolds.

⁶² Congressional Budget Office. *The Budget and Economic Outlook: 2020 to 2030*. January 2020. <https://www.cbo.gov/publication/56020>.

⁶³ Swagel, P. (2020, April 2). Updating CBO's Economic Forecast to Account for the Pandemic. Congressional Budget Office. <https://www.cbo.gov/publication/56314>.

⁶⁴ Caldwell, P., and Andersen, K. (2020). Coronavirus Update: Long-Term Economic Impact Forecast to Be Less Than 2008 Recession. Morningstar, Inc. <https://www.morningstar.com/articles/976107/coronavirus-update-long-term-economic-impact-forecast-to-be-less-than-2008-recession>

- **The aging of the baby boomer generation accompanied by increases in life expectancy.** As the baby boomer generation continues to retire, the number of Social Security recipients is expected to increase from almost 65 million in 2020 to over 88 million in 2045, a 36.5% increase. But due to lower birth-rate replacement generations, the number of covered workers is only expected to increase 10.3% over the same time period, from over 178 million to almost 197 million in 2045. In 2020, there are 36 Social Security beneficiaries per 100 covered workers, but by 2045 there will be 45 beneficiaries per 100 covered workers. This will increase the percent of the federal budget dedicated to Social Security and Medicare.⁶⁵

Baby boomers are expecting to work longer than previous generations. An increasing proportion of workers 55 and older expect to work after age 65.⁶⁶ This trend can be seen in Oregon, where the share of workers 65 years and older grew from 2.9% of the workforce in 2000 to 4.1% of the workforce in 2010. In 2018, this share increased to 5.6%, or a 94% increase over the 2000 to 2018 period. Over the same eighteen-year period, workers 45 to 64 years old decreased by about 2%.⁶⁷

- **Need for replacement workers.** The need for workers to replace retiring baby boomers will outpace job growth. Between 2018 and 2028, the Bureau of Labor Statistics (BLS) estimates that total employment in the United States will grow by about 8.4 million jobs. Over this same period, BLS forecasts an annual average of 19.7 million occupational openings, indicating that the number of job openings per year exceeds expected employment growth. About 78% of annual job openings are in occupations that do not require postsecondary education.⁶⁸
- **The importance of education as a determinant of wages and household income.** According to BLS, a majority of the fastest growing occupations will require an academic degree, and on average, they will yield higher incomes than occupations that do not require a degree. The fastest growing occupations requiring an academic degree will be occupational therapy assistants, information security analysts, physician assistants, statisticians, nurse practitioners, and speech language pathologists. Of the top ten fastest-growing occupations, the top four do not require an academic degree. From 2018 through 2028, the fastest-growing occupations will be solar photovoltaic installers, wind turbine service technicians, home health aides, and personal care aides. However,

⁶⁵ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2015, The 2018 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, June 5, 2018. <https://www.ssa.gov/oact/tr/2018/tr2018.pdf>.

⁶⁶ The Employee Benefit Research Institute. Retirement Confidence Survey, 2016 RCS Fact Sheet #4. https://www.ebri.org/docs/default-source/rcs/4_rcs_16-fs-4_age.pdf?sfvrsn=56e8302f_2.

⁶⁷ Analysis of 2000 Decennial Census data, 2010 US Census American Community Survey, 1-Year Estimates, and 2018 US Census American Community Survey, 1-Year Estimates, for the table Sex by Age by Employment Status for the Population 16 Years and Over.

⁶⁸ Bureau of Labor Statistics. (2019). Occupational Employment Projections to 2018–2028. <https://www.bls.gov/news.release/pdf/ecopro.pdf>.

these nondegree requiring occupations yield lower incomes than the other six occupations.

Five sectors are projected to decline from 2018 through 2028. These include manufacturing, federal government, utilities, wholesale trade, and retail trade. The BLS estimates that retail trade will decrease by 153,700 positions, possibly due to the rise of e-commerce. Conversely, this shift in shopper preference is increasing occupations in transportation and warehousing.⁶⁹ Retail positions occupations typically have lower pay than occupations requiring an academic degree.

The national median income for people over the age of 25 in 2019 was about \$48,464. Workers without a high school diploma earned \$19,708 less than the median income, while those with a high school diploma earned \$10,504 less than the median income. Workers with some college earned \$6,760 less than median income, and workers with a bachelor's degree earned \$13,832 more than median. Workers in Oregon experience the same patterns as the nation, but pay is generally lower in Oregon than the national average.⁷⁰

- **Increases in labor productivity.** Productivity, as measured by output per hour of labor input, increased in most sectors between 2000 and 2010, peaking in 2007. However, productivity increases were interrupted by the recession. After productivity decreases from 2007 to 2009, many industries saw large productivity increases from 2009 to 2010. Industries with the fastest productivity growth were information technology-related industries. These include wireless telecommunications carriers, computer and peripheral equipment manufacturing, electronics and appliance stores, and commercial equipment manufacturing wholesalers.⁷¹

Since the end of the recession (or 2010), labor productivity has increased across a handful of large sectors but has also decreased in others. In wholesale trade, productivity—measured in output per hour—increased by 19% over 2009 to 2017. Retail trade gained even more productivity over this period at 25%. Food services, however, have remained stagnant since 2009, fluctuating over the nine-year period and shrinking by 0.01% over this time frame. Additionally, the Bureau of Labor Statistics reports multifactor productivity in manufacturing has been slowing down 0.3% per year over the 2004 to 2016 period. Much of this, they note, is due to slowdown in semiconductors,

⁶⁹ Bureau of Labor Statistics. (2019). Occupational Employment Projections to 2018–2028. <https://www.bls.gov/news.release/pdf/ecopro.pdf>.

⁷⁰ Bureau of Labor Statistics. (2019). Occupational Employment Projections to 2018–2028. <https://www.bls.gov/news.release/pdf/ecopro.pdf>.

⁷¹ Brill, M.R., & Rowe, S.T. (March 2013). Industry Labor Productivity Trends from 2000 to 2010. Bureau of Labor Statistics, *Spotlight on Statistics*.

other electrical component manufacturing, and computer and peripheral equipment manufacturing.⁷²

- **The importance of entrepreneurship and growth in small businesses.** According to the 2019 Small Business Profile from the US Small Business Office of Advocacy, small businesses account for over 99 percent of total businesses in the United States, and their employees account for nearly 47% of American workers.⁷³ The National League of Cities suggests ways that local governments can attract entrepreneurs and increase the number of small businesses, including strong leadership from elected officials; better communication with entrepreneurs, especially about the regulatory environment for businesses in the community; and partnerships with colleges, universities, small business development centers, mentorship programs, community groups, businesses groups, and financial institutions.⁷⁴
- **Increases in automation across sectors.** Automation is a long-running trend in employment, with increases in automation (and corresponding increases in productivity) over the last century and longer. The pace of automation is increasing, and the types of jobs likely to be automated over the next twenty years (or longer) are broadening. Lower-paying jobs are more likely to be automated, with the potential for automation of more than 80% of jobs paying less than \$20 per hour over the next twenty years. About 30% of jobs paying \$20 to \$40 per hour, and 4% of jobs paying \$40 or more per hour, are at risk of being automated over the next twenty years.⁷⁵

Low to middle-skilled jobs that require interpersonal interaction, flexibility, adaptability, and problem solving will likely persist into the future as will occupations in technologically lagging sectors (e.g., production of restaurant meals, cleaning services, hair care, security/protective services, and personal fitness).⁷⁶ This includes occupations such as (1) recreational therapists, (2) first-line supervisors of mechanics, installers, and repairers, (3) emergency management directors, (4) mental health and substance abuse social workers, (5) audiologists, (6) occupational therapists, (7) orthotists and prosthetists, (8) health-care social workers, (9) oral and maxillofacial surgeons, and (10) first-line supervisors of firefighting and prevention workers.

⁷² Brill, M., Chanksy, B., & Kim, J. (July 2018). Multifactor productivity slowdown in US manufacturing. *Monthly Labor Review*, US Bureau of Labor Statistics. <https://www.bls.gov/opub/mlr/2018/article/multifactor-productivity-slowdown-in-us-manufacturing.htm>.

⁷³ US Small Business Office of Advocacy. (2019). 2019 Small Business Profile. <https://cdn.advocacy.sba.gov/wp-content/uploads/2019/04/23142719/2019-Small-Business-Profiles-US.pdf>.

⁷⁴ National League of Cities. (2012). Supporting Entrepreneurs and Small Businesses. <https://www.nlc.org/supporting-entrepreneurs-and-small-business>.

⁷⁵ Executive Office of the President. (2016). Artificial Intelligence, Automation, and the Economy.

⁷⁶ Autor, D.H. (2015). Why Are There Still So Many Jobs? The History and Future of Workplace Automation. *Journal of Economic Perspectives*, 29(3), 3–30.

Occupations in the service and agricultural or manufacturing industry are most at risk of automation because of the manual nature of the work.^{77,78,79} This includes occupations such as (1) telemarketers, (2) title examiners, abstractors, and searchers, (3) hand sewers, (4) mathematical technicians, (5) insurance underwriters, (6) watch repairers, (7) cargo and freight agents, (8) tax preparers, (9) photographic process workers and processing machine operators, and (10) accounts clerks.⁸⁰

- **Continued transformation of retail.**⁸¹ In the last two decades, retail sales by e-commerce and warehouse clubs/supercenters (a lower-cost model to the traditional department store) have increased steadily, pulling the industry in two different directions. On the one hand, the trend toward warehouse/supercenters is increasing the average scale of retail operations, increasing market concentrations, reducing business dynamism, and shifting retail activity toward more populated areas. On the other hand, the trend toward e-commerce generates “smaller [retailers], less market concentration, more geographical dispersion, and higher productivity.”⁸² Since 2000, e-commerce sales have grown from 0.9% of total retail sales to 9.7% (2018). Over this same period, e-commerce retail sales have grown at a rate of 18% per year.⁸³ It is reasonable to expect this trend to continue and that it will be accelerated by requirements to stay at home during the COVID-19 pandemic.

Ultimately, the growth in online shopping and the increasing dominance of large supercenters has made it difficult for small and medium-sized retail firms (offering a narrower selection of goods) to compete. Declining net profits and increased competitive pressures have led many well-known retailers (e.g., J.C. Penney, Macy’s, Sears) to declare bankruptcy or to scale back their operations.

In the future, the importance of e-commerce will likely continue to grow, and despite the highly publicized closures of brick-and-mortar stores, physical retail is likely to remain

⁷⁷ Frey, C.B. & Osborne, M.A. (2013). *The Future of Employment: How Susceptible Are Jobs to Computerisation?* Oxford Martin School, University of Oxford.

⁷⁸ Otekhile, C.A., & Zeleny, M. (2016). Self Service Technologies: A Cause of Unemployment. *International Journal of Entrepreneurial Knowledge*, 4(1). DOI: 10.1515/ijek-2016-0005.

⁷⁹ PwC. (n.d.). Will robots really steal our jobs? An international analysis of the potential long-term impact of automation. https://www.pwc.com/hu/hu/kiadvanyok/assets/pdf/impact_of_automation_on_jobs.pdf.

⁸⁰ Frey, C.B., & Osborne, M.A. (2013). *The Future of Employment: How Susceptible Are Jobs to Computerisation?* Oxford Martin School, University of Oxford.

⁸¹ Ali Hortaçsu and Chad Syverson. (2015). The Ongoing Evolution of US Retail: A Format Tug-of-War. *Journal of Economic Perspectives*, 29(4), 89–112.

⁸² Ali Hortaçsu and Chad Syverson. (2015). The Ongoing Evolution of US Retail: A Format Tug-of-War. *Journal of Economic Perspectives*, 29(4), 89–112, p. 109.

⁸³ US Census Bureau, Monthly Retail Trade, Latest Quarterly E-Commerce Report. Retrieved from: <https://www.census.gov/retail/index.html#ecommerce>

an important part of the retail sector. In fact, retail sales at brick and mortar stores accounted for almost 90% of all retail sales in the Q3 of 2019.⁸⁴

Modern consumers are increasingly price sensitive, less brand loyal, and (since the advent of internet) able to substitute between retailers easily. To compete, retailers must be nimble, adept in recognizing the changing needs of their consumers, and quick to differentiate themselves from their competitors.

- **Opportunities for local retail and service.** The types of retail and related services that remain will likely be sales of goods that people prefer to purchase in person or that are difficult to ship and return (e.g., large furniture), specialty goods, groceries and personal goods that maybe needed immediately, restaurants, and experiences (e.g., entertainment or social experiences). According to the Urban Land Institute, in the postdisruption era of retail, new trends in this sector are beginning to emerge. These changes include the convergence of technology and shopping, as businesses focus on brand awareness and customer engagement via digital channels in the physical retail space.⁸⁵
- **Changes in manufacturing and demand for industrial land.** In recent years, US industries with global supply chains have shifted in response to geopolitical issues (e.g., trade policy) and increased demand for e-commerce (e.g., warehousing and distribution). These shifts have included reshoring some supply chain elements to the United States, leading to increased demand for industrial space. These dynamics accelerated during the COVID-19 pandemic and are expected to continue in the future.⁸⁶ Regionally, reports for markets on the West Coast, including the Portland region, confirm these trends with continued demand for industrial land and building space in 2020.⁸⁷ Business Oregon reported that agriculture and food and beverage industries are the most competitive traded-sector industries in the regions of Marion, Polk, and Yamhill Counties, followed by forestry and wood products, metals and machinery, and other manufacturing.⁸⁸
- **The importance of high-quality natural resources.** The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction. High-quality natural resources continue to be important in some states, especially in the western United States. Increases in the population and in households' incomes, plus changes in tastes and preferences, have dramatically increased demand for outdoor recreation, scenic vistas, clean water, and other resource-

⁸⁴ Per data from the US Census Bureau, cited in Deloitte's 2020 Retail Industry Outlook.

⁸⁵ Diane Hoskins. "Three Trends Shaping Retail's Great Transformation." *Urban Land Institute*, September 3, 2019. <https://urbanland.uli.org/economy-markets-trends/three-trends-shaping-retails-great-transformation/>

⁸⁶ CBRE Research. "The Changing Flow of International Trade." 2020. <https://www.cbre.us/research-and-reports/US-Industrial---The-Changing-Flow-of-International-Trade-July-2020>

⁸⁷ CBRE Research. "Industrial continues to make positive strides despite pandemic." Q3 2020.

⁸⁸ Business Oregon. "Regional Competitive Industries: Marion, Polk, and Yamhill Counties." 2018.

related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.⁸⁹

- **Continued increase in demand for energy.** While energy prices were unusually low in early 2020, energy prices are forecasted to increase over the planning period. While energy use per capita is expected to decrease through 2050, total energy consumption will increase with rising population (0.2%). Energy consumption is expected to grow primarily from industrial (0.7%) and, to a lesser extent, commercial users (0.2%). Residential and transportation consumption are forecasted to decrease (-0.2%). This decrease in energy consumption for transportation is primarily due to increased federal standards and increased technology for energy efficiency in vehicles. Going forward through the projection period, potential changes in federal laws (such as decreases in car emissions) leave energy demand somewhat uncertain.

Energy consumption by type of fuel is expected to change over the planning period. By 2050, the United States will continue shifting from crude oil toward natural gas and renewables. For example, from 2018 to 2050, the Energy Information Administration projects that overall energy consumption in the United States will average a 0.2% annual growth rate, while consumption of renewable sources grows at 1.6% per year. With increases in energy efficiency, strong domestic production of energy, and relatively flat demand for energy by some industries, the United States will be able to be a net exporter of energy over the 2018 to 2050 period. Demand for electricity is expected to increase (0.2%) from 2018 to 2050 as the population grows and economic activity increases.⁹⁰

- **Impact of rising energy prices on commuting patterns.** As energy prices increase over the planning period, energy consumption for transportation will decrease. These increasing energy prices may decrease willingness to commute long distances, though with expected increases in fuel economy, it could be that people commute further while consuming less energy.⁹¹ Over 2019 to 2035, the US Energy Information Administration estimates in its forecast that the decline in transportation energy consumption as a result of increasing fuel economy more than offsets the total growth in vehicle miles traveled (VMT). VMT for passenger vehicles is forecasted to increase through 2050.
- **Potential impacts of global climate change.** The consensus among the scientific community that global climate change is occurring expounds important ecological,

⁸⁹ For a more thorough discussion of relevant research, see, for example, Power, T.M. and R.N. Barrett. 2001. *Post-Cowboy Economics: Pay and Prosperity in the New American West*. Island Press, and Kim, K.-K., D.W. Marcouiller, and S.C. Deller. 2005. "Natural Amenities and Rural Development: Understanding Spatial and Distributional Attributes." *Growth and Change* 36 (2): 273–297.

⁹⁰ Energy Information Administration, 2019, *Annual Energy Outlook 2019 with Projections to 2050*, US Department of Energy, January 2019. <https://www.eia.gov/outlooks/aeo/pdf/aeo2019.pdf>. Note, the cited growth rates are shown in the interactive tables and can be viewed here: <https://www.eia.gov/outlooks/aeo/data/browser/>.

⁹¹ Energy Information Administration, 2019, *Annual Energy Outlook 2019 with Projections to 2050*, US Department of Energy, January 2019.

social, and economic consequences over the next decades and beyond.⁹² Extensive research shows that Oregon and other western states have already experienced noticeable changes in climate and that more change will occur in the future.⁹³

In the Pacific Northwest, climate change is likely to (1) increase average annual temperatures, (2) increase the number and duration of heat waves, (3) increase the amount of precipitation falling as rain during the year, (4) increase the intensity of rainfall events, (5) increase sea level, (6) increase wildfire frequency, and (7) increase forest vulnerability to tree disease.⁹⁴ These changes are also likely to reduce winter snowpack and shift the timing of spring runoff earlier in the year.⁹⁵

The Oregon Climate Change Research Institute (OCCRI) evaluated potential scenarios for “Climate Change Influence on Natural Hazards in Oregon Counties” in 2018. OCCRI specifically focused on counties in the Gorge and Eastern Oregon and evaluated the potential increased or decreased risk for natural hazards, such as heat waves, cold waves, heavy rains, river flooding, drought, wildfire, poor air quality, windstorms, dust storms, increased invasive species, and loss of wetland ecosystems. Across the eight counties evaluated, the hazards most likely to increase with the effects of climate change are heat waves, heavy rains, river flooding, wildfires, increased invasive species, and loss of wetland ecosystems.⁹⁶

These anticipated changes point toward some of the ways that climate change is likely to impact ecological systems and the goods and services they provide. There is considerable uncertainty about how long it would take for some of the impacts to materialize and the magnitude of the associated economic consequences. Assuming

⁹² US Global Change Research Program. *National Climate Assessment*. 2018. <https://nca2018.globalchange.gov/>

⁹³ Oregon Global Warming Commission. *2018 Biennial Report to the Legislature*. 2018. <https://www.keeporegoncool.org/reports/>

⁹⁴ US Global Change Research Program. *National Climate Assessment*. “Chapter 24: Northwest.” 2018. <https://nca2018.globalchange.gov/chapter/24/>

⁹⁵ Mote, P., Salathe, E., Duliere, V., & Jump, E. (2008). *Scenarios of Future Climate for the Pacific Northwest*. Climate Impacts Group, University of Washington. March. <http://cses.washington.edu/db/pdf/moteetal2008scenarios628.pdf>; Littell, J.S., McGuire Elsner, M., Whitely Binder, L.C., and Snover, A.K. (eds). (2009). “The Washington Climate Change Impacts Assessment: Evaluating Washington’s Future in a Changing Climate - Executive Summary.” In *The Washington Climate Change Impacts Assessment: Evaluating Washington’s Future in a Changing Climate*, Climate Impacts Group, University of Washington. www.cses.washington.edu/db/pdf/wacciaexecsummary638.pdf; Madsen, T., & Figdor, E. (2007). *When it Rains, it Pours: Global Warming and the Rising Frequency of Extreme Precipitation in the United States*. Environment America Research & Policy Center and Frontier Group.; Mote, P.W. (2006). Climate-driven variability and trends in mountain snowpack in western North America. *Journal of Climate*, 19(23), 6209–6220.

⁹⁶ Mote, P.W., Abatzoglou, J., Dello, K.D., Hegewisch, K., & Rupp, D.E. (2019). Fourth Oregon Climate Assessment Report. Oregon Climate Change Research Institute. ocri.net/ocar4; Oregon Climate Change Research Institute. *Climate Change Influence on Natural Hazards in Eight Oregon Counties*. August 2018. https://www.oregon.gov/lcd/CL/Documents/OCCRI_PDM16_AllCountyOverview2018.pdf

climate change proceeds as today's models predict, the Pacific Northwest will experience potential economic impacts:⁹⁷

- *Potential impact on agriculture and forestry.* Climate change may impact Oregon's agriculture through changes in growing season, temperature ranges, and water availability.⁹⁸ Climate change may impact Oregon's forestry through an increase in wildfires, a decrease in the rate of tree growth, a change in the mix of tree species, and increases in diseases and pests that damage trees.⁹⁹
- *Potential impact on tourism and recreation.* Impacts on tourism and recreation may range from (1) decreases in snow-based recreation if snowpack in the Cascades decreases, (2) negative impacts to tourism along the Oregon Coast as a result of damage and beach erosion from rising sea levels,¹⁰⁰ (3) negative impacts on availability of summer river recreation (e.g., river rafting or sports fishing) as a result of lower summer river flows, and (4) negative impacts on the availability of water for domestic and business uses.

Short-term national trends will also affect economic growth in the region, but these trends are difficult to predict. At times, these trends may run counter to the long-term trends described above. A recent example is the recession following the global COVID-19 pandemic. Despite efforts to mitigate the economic fallout from the virus by lowering interest rates and implementing federal stimulus packages, unemployment rates have risen 10.3 percentage points to 14.7% as of April 2020.¹⁰¹ While job losses have occurred in all major sectors, the sharpest declines have been in the airline, leisure and hospitality, casinos and gambling, automotive parts and equipment, and oil and gas drilling industries.¹⁰² As these industries recover, they will continue to play a significant role in the national, state, and local economy over the long run. This report takes a long-run perspective on economic

⁹⁷ The issue of global climate change is complex and there is a substantial amount of uncertainty about climate change. This discussion is not intended to describe all potential impacts of climate change but to present a few ways that climate change may impact the economy of cities in Oregon and the Pacific Northwest.

⁹⁸ Resource Innovations & Institute for a Sustainable Environment. (2005). *The Economic Impacts of Climate Change in Oregon: A Preliminary Assessment*.

https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/2299/Consensus_report.pdf?sequence=1

⁹⁹ Climate Leadership Initiative & Institute for Sustainable Environment. (2007). *Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis*.

¹⁰⁰ Resource Innovations & Institute for a Sustainable Environment. (2005). *The Economic Impacts of Climate Change in Oregon: A Preliminary Assessment*.

https://scholarsbank.uoregon.edu/xmlui/bitstream/handle/1794/2299/Consensus_report.pdf?sequence=1

¹⁰¹ This is the highest unemployment rate and largest over-the-month increase in the history of the series with seasonally adjusted data reported since 1948. Bureau of Labor Statistics. (2020, May 8). *The Employment Situation – April 2020*. News Release, Bureau of Labor Statistics. Retrieved from:

<https://www.bls.gov/news.release/pdf/empst.pdf>.

¹⁰² Kumar, N., and Haydon, D. (2020, April 7). *Industries Most and Least Impacted by COVID 19 from a Probability of Default Perspective March 2020 Update*. *S&P Global*.

conditions (as the Goal 9 requirements intend) and does not attempt to predict the impacts of short-run national business cycles on employment or economic activity.

State Trends

Short-Term Trends

According to the Oregon Office of Economic Analysis (OEA), the Oregon economy is in a recession due to the COVID-19 pandemic and the resulting statewide shutdowns.¹⁰³ Although OEA's June 2020 *Oregon Economic and Revenue Forecast* stated that the current recession would be shorter than the Great Recession, the severity would be the deepest on record since 1939. As the economy begins to reopen in phases through 2020, the agency expects the economy to return to near prerecession levels by the middle of the 2020 decade.¹⁰⁴

Preliminary unemployment estimates in March and April 2020 indicate that approximately 267,000 jobs were lost statewide due to the pandemic.¹⁰⁵ This resulted in an unemployment rate increase from 3.8% in both January and February 2020 to 14.8% in April 2020, a difference of 11 percentage points.¹⁰⁶ As of May 2020, job losses were highest among workers with lower pay and lower among highly paid workers.

The OEA forecasts that there will be strong growth in the latter half of 2020, and though the agency anticipates a sizable rebound in economic activity, it expects a full recovery will take much longer, with jobs returning to early 2020 levels by mid-2024. To illustrate the impact of this rebound, OEA reported that it may take Oregon to depression levels similar to those seen in the state's early 1980s depression or the Great Recession.¹⁰⁷

In 2019, Oregon's average wage was at its highest point since the 1980s. Though the OEA forecasts an annual average wage increase of 4.5% in 2020, the agency estimates wages will contract by 0.1% in 2021 before growing by 3.0% in 2022, 4.2% in 2023, and 4.4% in 2024.¹⁰⁸

By the end of 2020, the OEA forecasts 225,100 jobs in Oregon's economy will be lost. This is an approximate 11.6% annual decrease in total nonfarm employment relative to 2019 levels.¹⁰⁹ Every employment sector, with the exception of government, is forecasted to decrease. The impacts on the leisure and hospitality sector are forecasted to be the most severe with a 29.7%

¹⁰³ Office of Economic Analysis. (2020). Oregon Economic and Revenue Forecast, June 2020. Vol. XL, No. 2, p. 1. <https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>.

¹⁰⁴ Ibid, p. 1.

¹⁰⁵ Ibid, p. 3.

¹⁰⁶ Oregon Employment Department, Local Area Unemployment Statistics (LAUS), Unemployment Rate estimates for the State of Oregon. Data retrieved on May 28, 2020.

¹⁰⁷ Oregon Economic and Revenue Forecast, June 2020. Vol. XL, No. 2, p. 4.

¹⁰⁸ Ibid, p. 32.

¹⁰⁹ Ibid, p. 32.

contraction, or approximately 81,500 jobs lost. Construction and manufacturing are forecasted to lose 16,700 (15.3% decrease) and 30,900 (15.6% decrease) jobs, respectively. Furthermore, retail trade is forecasted to lose nearly 13,600 jobs in 2020 or decrease by 13.6%.¹¹⁰

Oregon's household formation rate will be weaker over the medium term due to income loss, economic uncertainty, and in-migration reduction.¹¹¹ Housing starts in 2019 reached approximately 21,000 units. Through the end of 2020, however, the OEA forecasts a 21.7% contraction in housing starts for a total of about 16,200 units. In the years following the recession, they anticipate a partial recovery of housing starts in 2021 (3.0% increase), with growth increasing in velocity in 2022 (13.3% increase) and 2023 (13.1% increase) before settling to about 2.3% in 2024.¹¹²

Oregon's economic health is dependent on the export market, which was also affected by the COVID-19 pandemic. The value of Oregon exports in 2017 was \$22.3 billion. In 2019, the countries that Oregon exports to the most are China (31% of total Oregon exports), Canada (14%), Japan (7%), South Korea (6%), Malaysia (6%), and Vietnam (5%).¹¹³ Any strains on the relationship between the United States and China could impact Oregon's economy.¹¹⁴ Additionally, China's public debt burden poses a threat not only to the state and region but also to the global economy.¹¹⁵

Long-Term Trends

State, regional, and local trends will also affect economic development in Newberg over the next twenty years. The most important of these trends includes continued in-migration from other states, distribution of population and employment across the state, and change in the types of industries in Oregon.

- **Continued in-migration from other states.** Oregon will continue to experience in-migration (more people moving *to* Oregon than *from* Oregon) from other states, especially California and Washington, though to a lesser degree given the recession. From 1990 to 2017, Oregon's population increased by over 1.3 million, 66% of which was from people moving into Oregon (net migration). The average annual increase in population from net migration over the same time period was about 33,128. During the early to mid-1990s, Oregon's net migration was highest, reaching over 60,000 in 1991,

¹¹⁰ *Ibid*, p. 32.

¹¹¹ *Ibid*, p. 10.

¹¹² *Ibid*, p. 32.

¹¹³ United States Census Bureau. State Exports from Oregon, 2015–2019. <https://www.census.gov/foreign-trade/statistics/state/data/or.html>.

¹¹⁴ Office of Economic Analysis. Oregon Economic and Revenue Forecast, December 2019. Vol. XXXIX, No. 4, p. 3. <https://www.oregon.gov/das/OEA/Documents/forecast1219.pdf>.

¹¹⁵ *Ibid*, p. 14.

with another smaller peak of almost 42,100 in 2006. In 2019, net migration reached just over 47,500 persons.

- **Increasing ethnic diversity.** Oregon's population has continued to get more ethnically and racially diverse, with the Latino population growing from 8% of the population in 2000 to 12% of the population in 2014–2018. The nonwhite population grew from 13% of the population to 15% of the population over the same period. The share of Latino and people of color populations increased in Newberg since 2000 as well.
- **Forecast of job growth.** Total nonfarm employment was forecasted to increase from about 1.94 million in 2019 to just over 2 million in 2023, but the OEA's June 2020 economic and revenue forecast revises the 2023 employment estimate down to nearly 1.90 million, or by about 7%. Of private industry, the OEA forecasts job losses across the board in 2020 with an expectation of growth in the years following as economic activity and consumer confidence increases.¹¹⁶
- **Manufacturing is an important part of Oregon's economy.** The manufacturing sector has long been a crucial component of Oregon's economy. In the last decade, growth in Oregon's manufacturing sector has outpaced that of the nation, growing by 23% compared to the nation's 12%.¹¹⁷ The manufacturing sector also makes up a larger share of Oregon's economy than it does in the nation with 10.2% of Oregon's payroll employment in manufacturing compared to 8.5% for the nation in 2018.¹¹⁸

Manufacturing remains an important piece of Oregon's economy and the sector is evolving. Only a few decades ago, Oregon's manufacturing economy was predominantly dependent on forestry and wood products. But between 1990 and 2018, annual average employment in wood product manufacturing dropped by 22,600 jobs or 46%.¹¹⁹

Growth in Oregon's electronic component manufacturing, however, has filled the gap left by the decline in wood manufacturing. In 2018, there were a total of 37,900 jobs in Oregon's electronic component manufacturing (i.e., manufacturing of computer chips, computers and related equipment, and communications equipment), making it Oregon's largest manufacturing industry. Employment in this industry is over six times more concentrated in Oregon than it is nationally and is driving much of the growth in Oregon manufacturing.¹²⁰

Continued growth, spurred by electronic component manufacturing, is expected in the future for Oregon's manufacturing sector. Although Oregon's economy is shifting, the state's roots in forestry and wood-product manufacturing remain important,

¹¹⁶ Oregon Employment Department, Oregon Economic and Revenue Forecast, June 2020. Vol. XL, No. 2, p. 32.

¹¹⁷ Oregon Employment Department, Quarterly Census of Employment and Wages, 2018, qualityinfo.org.

¹¹⁸ *Ibid.*

¹¹⁹ *Ibid.*

¹²⁰ *Ibid.*

particularly for rural areas. Douglas County, for example, had 8.3% of its total employment and 10.7% of its total payroll in wood-product manufacturing in 2018.¹²¹

Exhibit 34 shows the change in Oregon's employment between 2008 and 2018. Statewide, manufacturing employment remained relatively constant, decreasing by about 212 employees (or 0.01%) during the same time period. The largest decreases in manufacturing employment were in wood product, paper product, and transportation equipment manufacturing, while Oregon employment in industries such as food and beverage and machinery manufacturing increased (Exhibit 35). These growing industries in Oregon align with Newberg's target industries defined in Chapter 3.

Exhibit 34. Change in Covered Employment by Industry, Oregon, 2008–2018

Sector	2008 Employment	2018 Employment	Change (Number)	Change (Percent)	AAGR
Natural resources and mining	50,707	53,550	2,843	6%	0.5%
Construction	92,816	104,573	11,757	13%	1.2%
Manufacturing	194,852	194,640	(212)	0%	-0.01%
Wholesale trade	80,269	75,286	(4,983)	-6%	-0.6%
Retail trade	196,066	211,081	15,015	8%	0.7%
Transportation, warehousing & utilities	55,927	63,299	7,372	13%	1.2%
Information	36,048	34,281	(1,767)	-5%	-0.5%
Finance and insurance	59,326	57,019	(2,307)	-4%	-0.4%
Real estate and rental and leasing	26,594	27,856	1,262	5%	0.5%
Professional and business services	195,413	248,698	53,285	27%	2.4%
Educational services	25,063	31,019	5,956	24%	2.2%
Health care and social assistance	187,779	257,934	70,155	37%	3.2%
Arts, entertainment, and recreation	23,164	27,480	4,316	19%	1.7%
Accommodation and food services	149,298	183,306	34,008	23%	2.1%
Other services	63,216	77,317	14,101	22%	2.0%
Unclassified	676	984	308	46%	3.8%
Government	277,655	272,481	(5,174)	-2%	-0.2%
Total	1,714,869	1,920,804	205,935	12%	1.1%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2008–2018.

¹²¹ *Ibid.*

Exhibit 35. Change in Covered Employment for Manufacturing Industries (3-Digit NAICS), Oregon, 2008–2018

Industry (3-Digit NAICS)	2008 Employment	2018 Employment	Change (Number)	Change (Percent)	AAGR
Food manufacturing	23,412	29,871	6,459	28%	2.47%
Beverage & tobacco product manufacturing	3,246	6,790	3,544	109%	7.66%
Wood product manufacturing	26,692	23,462	(3,230)	-12%	-1.28%
Paper manufacturing	6,015	3,967	(2,048)	-34%	-4.08%
Printing and related support activities	6,794	4,655	(2,139)	-31%	-3.71%
Primary metal manufacturing	9,715	8,554	(1,161)	-12%	-1.26%
Machinery manufacturing	11,840	14,154	2,314	20%	1.80%
Transportation equipment manufacturing	15,135	12,176	(2,959)	-20%	-2.15%
Other manufacturing	92,005	91,011	(994)	-1%	-0.11%
Total (for Manufacturing Sector NAICS 31-33)	194,852	194,640	(212)	0%	-0.01%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2008–2018.

- **Advancements in technology and increases in automation of jobs.**¹²² In decades past, automation was focused on manufacturing. In the coming decades, jobs at risk for automation will tend to be those without “computerization bottlenecks” or jobs that do not require social intelligence, perception, creativity, or fine motor skills. Jobs in industries lacking a customer service component, such as those in transportation and material moving, are also at greater risk. Most researchers agree that “less-educated workers in low-skill, lower-wage jobs featuring routine tasks are those most likely to be displaced by automation.”¹²³ Oregon’s overall risk of automation is similar to the nation’s, with lower and middle-wage jobs at higher risk.

In 2017, 144,200 jobs in Oregon were found to be at risk of automation and 93% of jobs in food preparation and serving were found to be at risk.¹²⁴ However, automation risk does not imply automation certainty. For example, consumer preferences for personalized and genuine experiences/interactions will likely slow job automation, particularly in the food services and hospitality sectors. In addition, there is a notable difference between task automation and full automation of jobs. One research study speculates that only 5% of jobs are fully automated and that the “activities most susceptible to automation involve physical activities in highly structured and predictable environments, as well as the collection and processing of data.”¹²⁵

- **Income and wages continue to increase.** Despite Oregon’s income and wages falling below the average among states, Oregon wages are at their highest point relative to

¹²² Portland Business Alliance. (2017). Automation and the Future of Work. <https://portlandalliance.com/assets/pdfs/2017-VOJ-Automation-summary.pdf>

¹²³ Marcus Casey and Sarah Nzau. (2019). Searching for clarity: How much will automation impact the middle class? Brookings.

¹²⁴ Portland Business Alliance. (2017). Automation and the Future of Work. <https://portlandalliance.com/assets/pdfs/2017-VOJ-Automation-summary.pdf>

¹²⁵ McKinsey & Company. (2017). A Future that Works: Automation, Employment, and Productivity.

other states since the recession in the early 1980s, mainly due to the wage growth over the last two to three years. In 2018, the average annual wage in Oregon was \$53,053 and the median household income was \$60,212 (compared to the national average wage of \$57,266 and the national household income of \$60,336).¹²⁶ Total personal income (all classes of income, minus Social Security contributions, adjusted for inflation) in Oregon is expected to increase by 22%, from \$214.3 billion in 2019 to \$312.4 billion in 2027.¹²⁷ Per capita income is expected to increase by 16% over the same time period, from \$50,200 in 2018 to \$64,400 in 2027 (in nominal dollars).¹²⁸ The economic fallout from the COVID-19 pandemic is likely to slow, or possibly eliminate, income growth at least through the resulting recession.

▪ **Small businesses continue to account for a large share of employment in Oregon.**

While small firms played a large part in Oregon's expansion between 2003 and 2007, they also suffered disproportionately in the recession and its aftermath (64% of the net jobs lost between 2008 and 2010 was from small businesses).

In 2017 small businesses (those with 100 or fewer employees) accounted for 95% of all businesses and 66% of all private-sector employment in Oregon. Said differently, most businesses in Oregon are small (in fact, 78% of all businesses have fewer than 10 employees), but the largest share of Oregon's employers work for large businesses (those with more than 100 employees).¹²⁹ The average annualized payroll per employee for small businesses was \$39,099 in 2017, which is considerably less than that for large businesses (\$56,466) and the statewide average for all businesses (\$49,548).¹³⁰

Younger workers are important for the continued growth of small businesses across the nation. More than one-third of millennials (those born between 1980 and 1999) are self-employed, with approximately one-half to two-thirds interested in becoming an entrepreneur. According to the Kauffman Indicators of Entrepreneurship, in 2018, about 79% of start-ups nationwide were still active after one year. On average, start-ups nationwide created approximately 5.2 jobs in their first year (when normalized by population).¹³¹ It is typically the case that start-ups are important for job creation on a

¹²⁶ Average annual wages are for "total, all industries," which includes private and public employers. Oregon Quarterly Census of Employment and Wages, 2018. Retrieved from: <https://www.qualityinfo.org>; Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2017; Total, US Census American Community Survey 1-Year Estimates, 2017, Table B19013.

¹²⁷ Office of Economic Analysis. Oregon Economic and Revenue Forecast, September 2018. Vol. XXXVIII, No. 3, page 39.

¹²⁸ *Ibid*, page 39.

¹²⁹ US Census Bureau, 2017 Statistics of US Businesses, Annual Data, Enterprise Employment Size, US and States. <https://www.census.gov/data/tables/2017/econ/susb/2017-susb-annual.html>.

¹³⁰ *Ibid*.

¹³¹ Kauffman Foundation. *Kauffman Indicators of Entrepreneurship*. Indicators: Startup Early Job Creation and Startup Early Survival Rate. Information retrieved on December 19, 2019. <https://indicators.kauffman.org/data-table>

longer-time horizon, well beyond their first year, as “fewer than half of all startups in America are still in business after five years.”¹³²

- **Entrepreneurship in Oregon.** The creation of new businesses is vital to Oregon’s economy, as their formations generate new jobs and advance new ideas and innovations into markets. They also can produce more efficient products and services to better serve local communities. According to the Kauffman Index, Oregon ranked twenty-fifth in the country in 2018 for its start-up activity, a measurement comprised of four statistics: rate of new entrepreneurs, opportunity share of new entrepreneurs, start-up density, and start-up early survival rate.¹³³ This ranking is lower than its 2017 rank of thirteen. Oregon’s rate of new entrepreneurs (the percent of adults that became an entrepreneur in a given month) was in steady decline postrecession, but since 2013, has gradually recovered until 2018 where it dropped to 0.27%. This rate is below 2017’s rate of 0.32% and well below Oregon’s prerecession peak of 0.43% in 2000.

Moreover, in 2018, the Oregon Office of Economic Analysis reports new business applications in Oregon are increasing. They do, however, simultaneously note start-up businesses “are a smaller share of all firms than in the past.”¹³⁴ Though this measurement of economic activity does not constitute a full understanding of how well entrepreneurship is performing, it does provide an encouraging signal.

¹³² Nish Acharya. “Small Business Are Having A Bigger Impact on Job Creation Than Large Corporations.” *Forbes*, May 5, 2019. <https://www.forbes.com/sites/nishacharya/2019/05/05/who-is-creating-jobs-in-america/#5c74c156597d>

¹³³ Kauffman Foundation. The Kauffman Index, Oregon. <https://indicators.kauffman.org/data-table>

¹³⁴ Lehner, Josh. (August 2018). “Start-Ups, R&D, and Productivity.” Salem, OR: Oregon Office of Economic Analysis. Retrieved from: <https://oregoneconomicanalysis.com/2018/08/27/start-ups-rd-and-productivity/>.

Regional and Local Trends

Throughout this section and the report, Newberg is compared to Yamhill County and the State of Oregon. These comparisons are to provide context for changes in Newberg's socioeconomic characteristics.

Availability of Labor

The availability of trained workers in Newberg will impact development of its economy over the planning period. A skilled and educated populace can attract well-paying businesses and employers and spur the benefits that follow from a growing economy. Key trends that will affect the workforce in Newberg over the next twenty years include its growth in its overall population, growth in the senior population, and commuting trends.

Population Change

Population growth in Oregon tends to follow economic cycles. Oregon's population grew from 2.8 million people in 1990 to 4.2 million people in 2019, an increase of about 1,394,000 people or 1.4% each year. In the most recent decade (i.e., 2010 to 2019), the state's average annual growth rate fell slightly from 1.4% to 1.1%.

Between 1990 and 2019, Newberg's population increased by 10,959 residents at an average annual rate of 2.1%, exceeding both Yamhill County and Oregon's growth rates during the same time period (1.7% and 1.4%, respectively).

Exhibit 36. Population Growth, Newberg, Yamhill County, and Oregon, 1990–2018

Geography	1990	2000	2010	2019	Change, 1990 - 2019		
					Number	Percent	AAGR
Newberg	13,086	18,064	22,068	24,045	10,959	84%	2.1%
Yamhill County	65,551	84,992	99,193	108,060	42,509	65%	1.7%
Oregon	2,842,321	3,421,399	3,831,074	4,236,400	1,394,079	49%	1.4%

Source: US Census Bureau, 1990, 2000, and 2010. Portland State University Population Estimates, 2019.

Age Distribution

By 2060, the population of people 65 years and older in the United States is projected to nearly double from 52 million in 2018 to 95 million.¹³⁵ The economic effects of this demographic change include a slowing in the growth of the labor force, a need for workers to replace retirees, an aging of the workforce for seniors that continue working after age 65, an increase in the demand for health-care services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare.¹³⁶

Exhibit 37 through Exhibit 40 show the following trends:

- Newberg's population is aging slower than the populations in Yamhill County and the state overall per their respective median ages. During the 2014–2018 period, 18% of Newberg residents were 60 years and older compared to 32% of residents between the ages of 20 and 39 (Exhibit 39). This suggests that Newberg is attracting more people in their early adult lives.
- Yamhill County's population is expected to continue aging, with people 60 years and older increasing from 25% of the population in 2020 to 28% in 2045. This is consistent with statewide trends. Yamhill County may continue to attract those in their late adult years (i.e., 70 years and older) over the planning period. While the share of retirees in these respective areas may increase over the next twenty years, the share of people nearing retirement (i.e., 55 to 69 years old) or in their early adult lives (i.e., 20 to 39 years old) is likely to decrease.

Newberg's median age has increased by about 3.6 years since 2000, a change slightly smaller than Yamhill County's change of 4 years, but larger than Oregon's change of 2.9.

Exhibit 37. Median Age, Newberg, Yamhill County, and Oregon, 2000 to 2014–2018

Source: US Census Bureau, 2000 Decennial Census, Table P013; American Community Survey 2014–2018 5-Year Estimates, Table B01002.

2000	30.1 Newberg	34.1 Yamhill County	36.3 Oregon
2014-18	33.7 Newberg	38.1 Yamhill County	39.2 Oregon

This increase suggests Newberg is attracting more workers in their later adult lives.

¹³⁵ Mather, M., Scommegna, P., & Kilduff, L. (2019). Fact Sheet: Aging in the United States. <https://www.prb.org/aging-unitedstates-fact-sheet/>

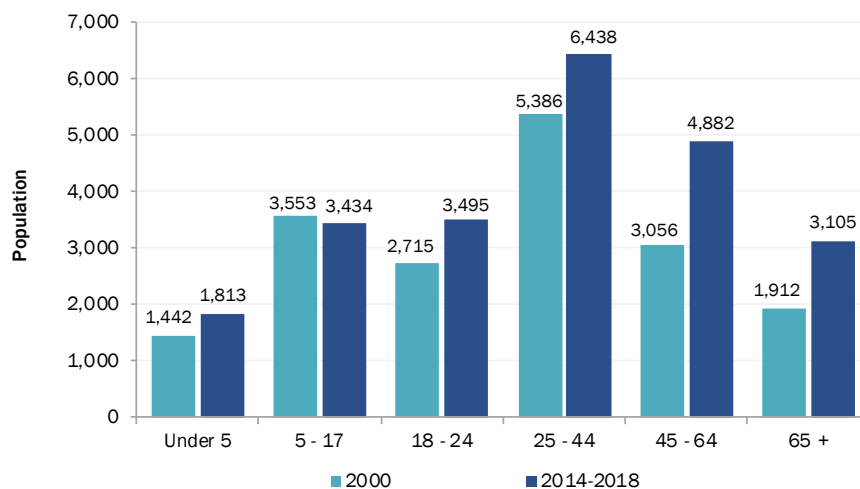
¹³⁶ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2017, The 2017 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, July 13, 2017. The Budget and Economic Outlook: Fiscal Years 2018 to 2028, April 2018.

Over 2000 to 2014–2018, Newberg’s largest population increases were for those aged 45–64 and 65 years and older.

This is consistent with statewide trends.

Exhibit 38. Newberg Population Change by Age Group, 2000 to 2014–2018

Source: US Census Bureau, 2000 Summary File; American Community Survey 2014–2018 5-Year Estimates, Table B01001.



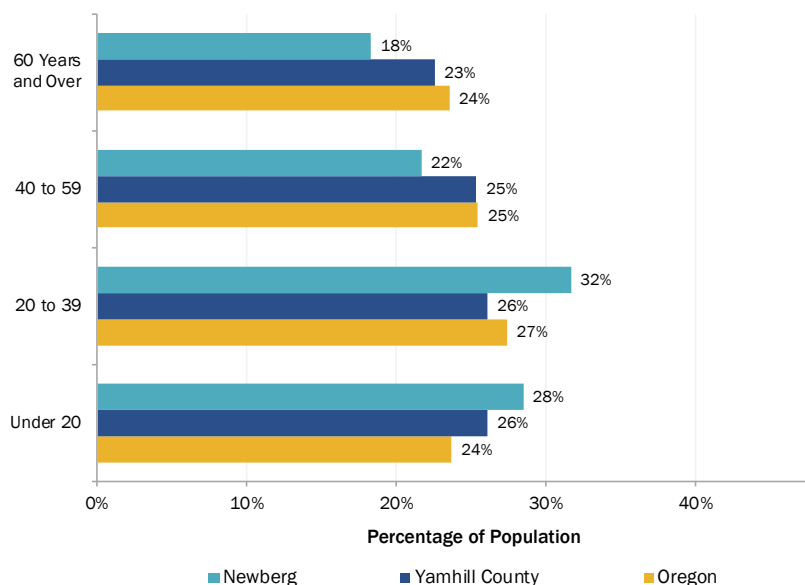
During the 2014–2018 period, 18% of Newberg residents were over 60 years of age.

The proportion of Newberg’s older residents was lower than that of both the state and Yamhill County.

Conversely, the proportion of Newberg residents 39 years of age and younger was larger relative to Yamhill County and Oregon.

Exhibit 39. Population Distribution by Age, Newberg, Yamhill County, and Oregon, 2014-2018

Source: US Census Bureau, American Community Survey, 2014–2018 5-Year Estimates, Table B01001.

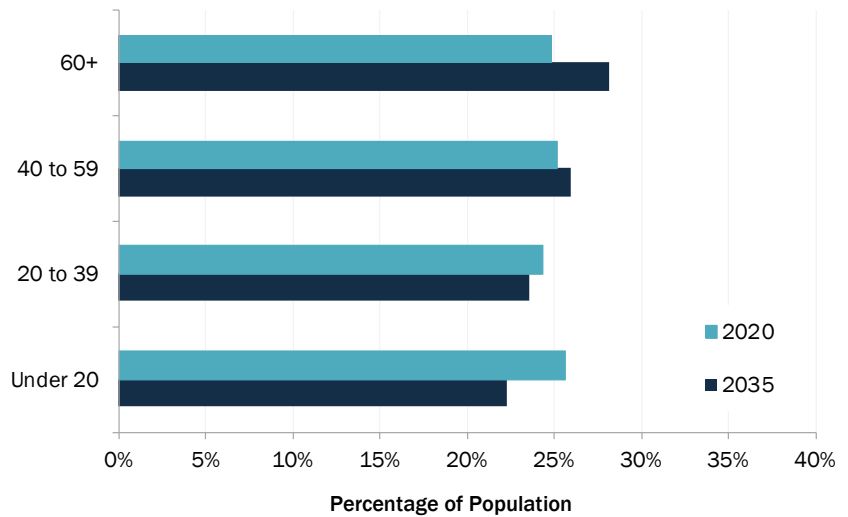


By 2045, Yamhill County will have a larger share of residents 60 years and older than it does today.

The share of residents 60 years and older will account for 28% of Yamhill County's population, compared to 25% in 2020.

Exhibit 40. Population Growth by Age Group, Yamhill County, 2020–2045

Source: Portland State University, College of Urban & Public Affairs: Population Research Center, Population Forecast, 2020.



Race and Ethnicity

Newberg, like Oregon overall, is becoming more racially and ethnically diverse. Both the Hispanic and Latino population and the populations of people of color increased in Newberg between 2000 and 2014–2018. The Hispanic and Latino population increased from 11% to 14%, while the nonwhite population increased from 10% to 12%. Similar to the city, Yamhill County’s population of people of color increased slightly from 11% to 12%, and the Hispanic and Latino population grew from 11% to 16% during the same time period. Newberg is more ethnically diverse than the state, so providing culturally specific services to Spanish-speaking community members can help improve their participation in the workforce and economy.

The population of people of color is defined as the share of the population that identifies as another race other than “white alone” according to Census definitions. The small population in Newberg results in small sample sizes, and thus the margin of error is considerable for the estimate of these populations.

Exhibit 41 and Exhibit 42 show the change in the share of the Hispanic and Latino population and the populations of people of color in Newberg, compared to Yamhill County and Oregon between 2000 and 2014–2018. The group with the largest share of the population of people of color in 2014–2018 included those that identify as “some other race alone,” representing 6% of Newberg’s total population.¹³⁷

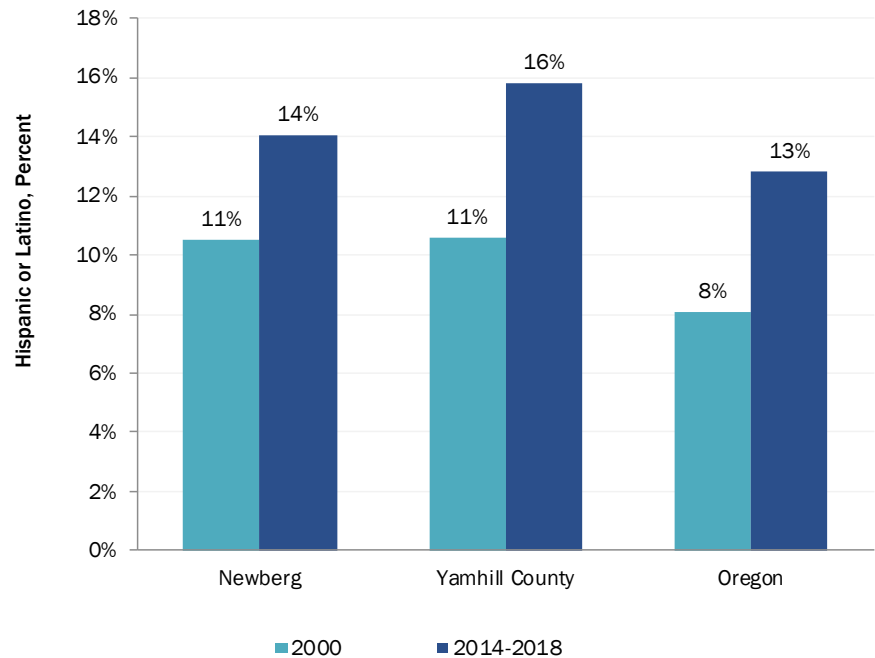
¹³⁷ “Some other race alone” also includes individuals who identify as American Indian or Alaska Native or Native Hawaiian and other Pacific Islander.

Newberg's Hispanic/Latino population increased between 2000 and 2014–2018 from 11% to 14%.

Newberg is more ethnically diverse than the state but less so than Yamhill County.

Exhibit 41. Hispanic and Latino Population as a Percent of the Total Population, Newberg, Yamhill County, and Oregon, 2000, 2014–2018

Source: US Census Bureau, 2000 Decennial Census, Table P008; 2014–2018 American Community Survey, 2014-2018 5-Year Estimates, Table B03002.



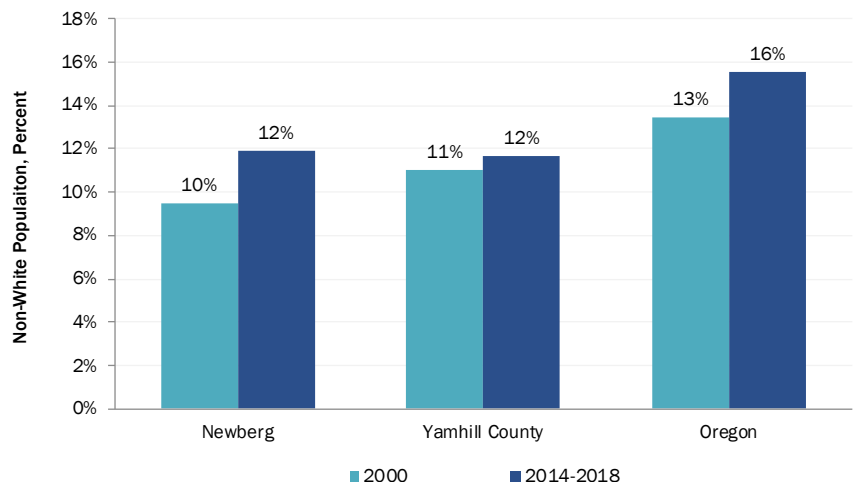
The population of people of color in Newberg increased between 2000 and 2014–2018.

Newberg and Yamhill County are less racially diverse than the state. In 2014–2018, the share of the population of people of color in both Newberg and Yamhill County was 12% compared to 16% statewide.

During this same time period, the group with the largest share of the population of people of color was “some other race alone,” representing 6% of Newberg’s residents.

Exhibit 42. Population of People of Color as a Percent of the Total Population, Newberg, Yamhill County, and Oregon, 2000, 2014–2018

Source: US Census Bureau, 2000 Decennial Census Table P007; 2014–2018 American Community Survey, 2014-2018 5-Year Estimates, Table B02001.



Income

Income and wages affect business decisions for locating in a city. Areas with higher wages may be less attractive for industries that rely on low-wage workers. Newberg's median household income (\$56,599) was below the county median (\$59,484). In 2018, average wages at private businesses in Newberg (\$43,480) were higher than the county average (\$42,302).

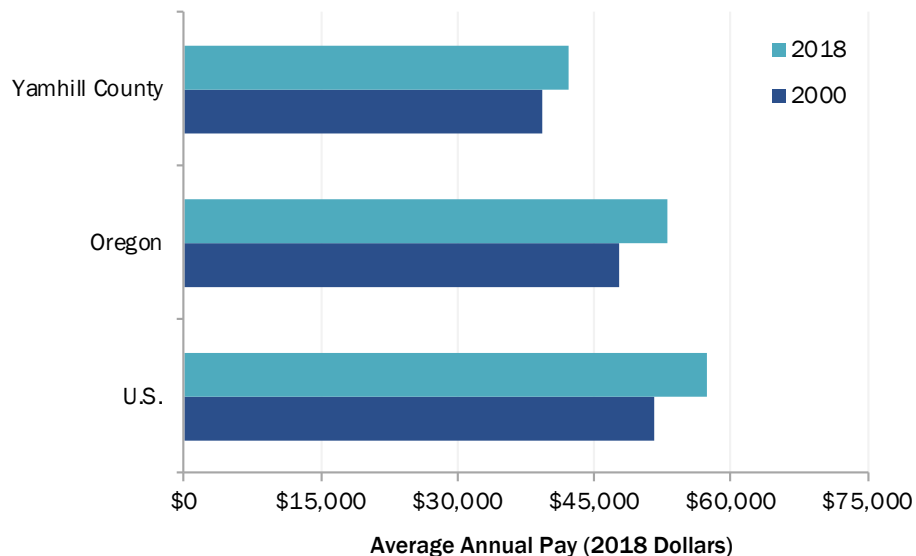
Between 2000 and 2018, Yamhill County's average wages increased as did average wages across the state and the nation. When adjusted for inflation, average annual wages grew by 8% in Yamhill County and 11% in both Oregon and across the nation.

From 2000 to 2018, average annual wages rose in Yamhill County, Oregon, and the nation.

In 2018, average annual wages were \$42,302 in Yamhill County, \$53,053 in Oregon, and \$57,266 across the nation.

Exhibit 43. Average Annual Wage, Covered Employment, Yamhill County, Oregon, and the U.S., 2000 to 2018, Inflation-Adjusted 2018 Dollars

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages; State of Oregon Employment Department, Employment and Wages by Industry (QCEW).



Over the 2014–2018 period, the median household income in Newberg was 5% below Yamhill County's and Oregon's median household income.

Exhibit 44. Median Household Income (MHI),¹³⁸ 2014–2018

Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B19013.

\$56,599	\$59,484	\$59,393
Newberg	Yamhill County	Oregon

¹³⁸ The Census calculated household income based on the income of all individuals 15 years old and over in the household, whether they were related or not.

Newberg median family income during the 2014–2018 period, similar to median household income, was below the median family income of both Yamhill County and Oregon by 8% and 11%, respectively.

Exhibit 45. Median Family Income,¹³⁹ 2014–2018

Source: US Census Bureau, American Community Survey 2012–2016 5-Year Estimates, Table B19113.

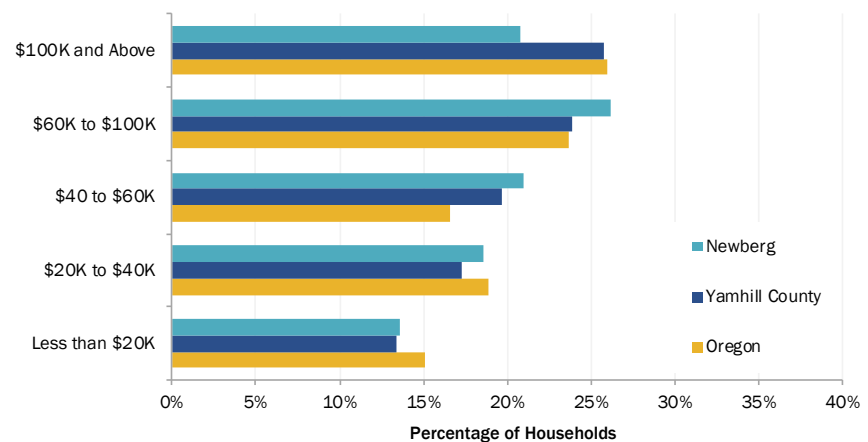
\$65,557 Newberg	\$70,813 Yamhill County	\$72,823 Oregon
----------------------------	-----------------------------------	---------------------------

During the 2014–2018 period, 32% of Newberg households earned less than \$40,000 annually, compared to 31% of Yamhill County households and 34% of Oregon households.

Over the same period, 21% of Newberg households earned between \$40,000 and \$59,999, a proportion larger than both Yamhill County residents (20%) and residents statewide (17%).

Exhibit 46. Household Income by Income Group, Newberg, Yamhill County, and Oregon, 2014–2018, Inflation-Adjusted 2018 Dollars

Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B19001.



¹³⁹ The Census calculated family income based on the income of the head of household, as identified in the response to the Census forms, and income of all individuals 15 years old and over in the household who were related to the head of household by birth, marriage, or adoption.

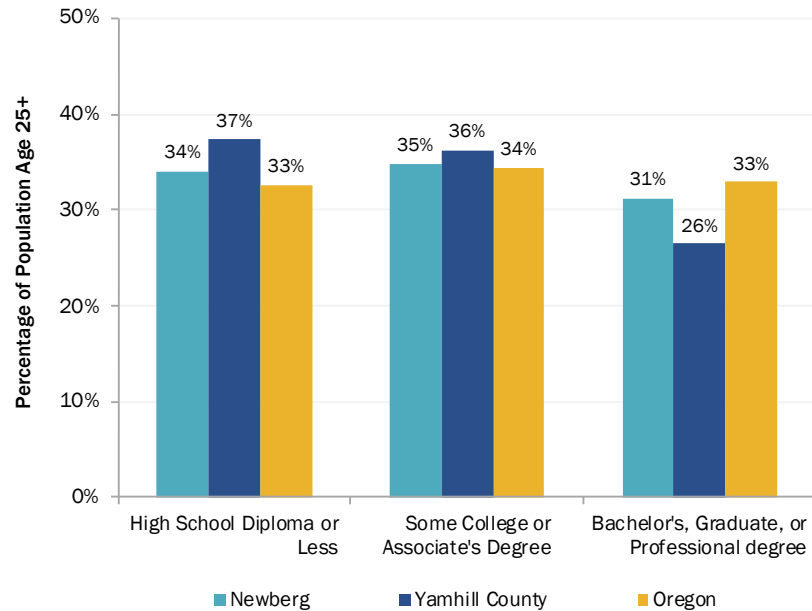
Educational Attainment

The availability of trained, educated workers affects the quality of labor in a community. Educational attainment is an important labor force factor because firms need to be able to find educated workers.

Newberg's residents are consistent with residents statewide regarding their completion of some college or attainment of an associate degree. The proportion of Newberg residents who have a bachelor's degree or a professional degree falls slightly below the state but is higher relative to Yamhill County.

Exhibit 47. Educational Attainment for the Population 25 Years and Over, Newberg, Yamhill County, and Oregon, 2014–2018

Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B15003.



Labor Force Participation and Unemployment

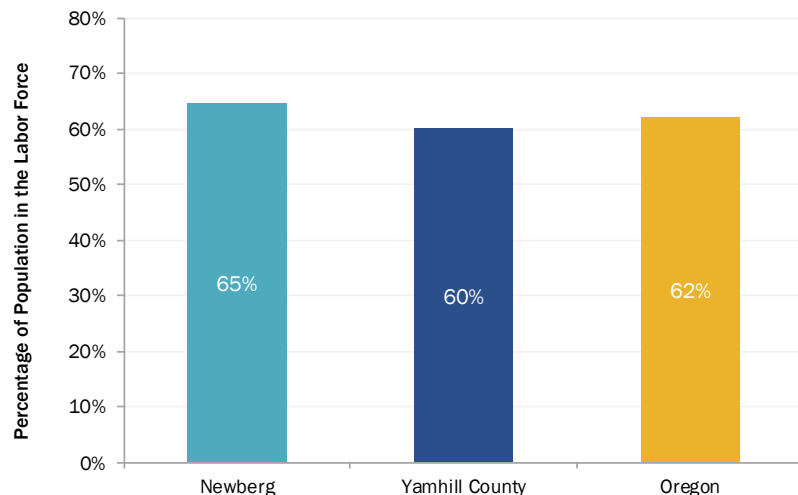
The current labor force participation rate is an important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2014–2018 American Community Survey, Yamhill County had 49,802 people in its labor force during that period and Newberg had 11,987 people in its labor force.

In 2019, the Oregon Office of Economic Analysis reported that 64% of job vacancies were difficult to fill. The most common reason for difficulty in filling jobs included a lack of applications (29% of employers' difficulties), unfavorable working conditions (23%), a lack of qualified candidates (16%), a lack of soft skills (8%), a lack of work experience (7%), and low wages (7%).¹⁴⁰ These statistics indicate a mismatch between the types of jobs that employers are demanding and the skills that potential employees can provide.

Newberg has a higher labor force participation rate relative to both Yamhill County and Oregon.

Exhibit 48. Labor Force Participation Rate, Newberg, Yamhill County, and Oregon, 2014–2018

Source: US Census Bureau, American Community Survey 2012–2016 5-Year Estimates, Table B23001.



¹⁴⁰ Oregon's Current Workforce Gaps: Hiring Challenges for Unfilled Job Vacancies, May 2019. Employer-Provided Reasons for Difficulty Filling Vacancies in Oregon, 2018. p. 20.

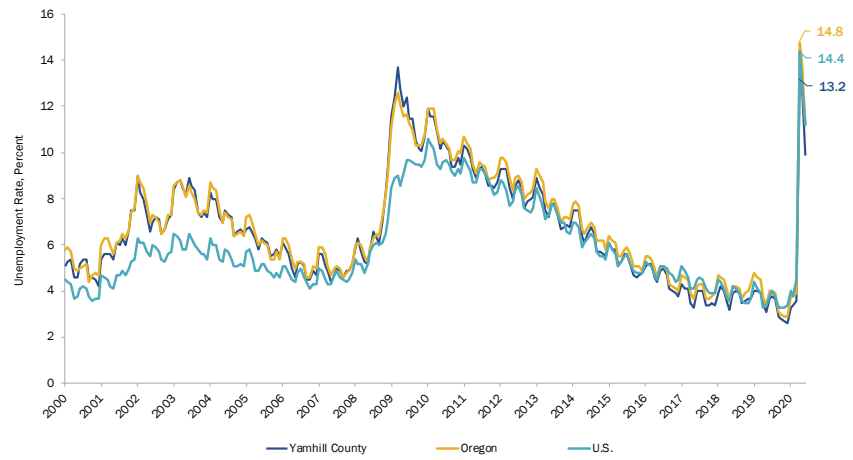
<https://www.qualityinfo.org/documents/10182/13336/Oregon%27s+Current+Workforce+Gaps>.

The unemployment rates in Yamhill County, Oregon, and the nation have declined since the Great Recession. However, since the pandemic, unemployment rates for the month of April 2020 exceeded the peak rate experienced during the Great Recession.

In April 2020, the unemployment rate for Yamhill County (13.2%) was lower than Oregon (14.8%) and the nation (14.4%).

Exhibit 49. Unemployment Rate, Yamhill County, Oregon, and the U.S., 2000–April 2020

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics and Labor Force Statistics.



Commuting Patterns

Commuting plays an important role in Newberg's economy because employers in the area are able to access workers from people living in cities across Yamhill County and from the broader Portland and Willamette Valley regions.

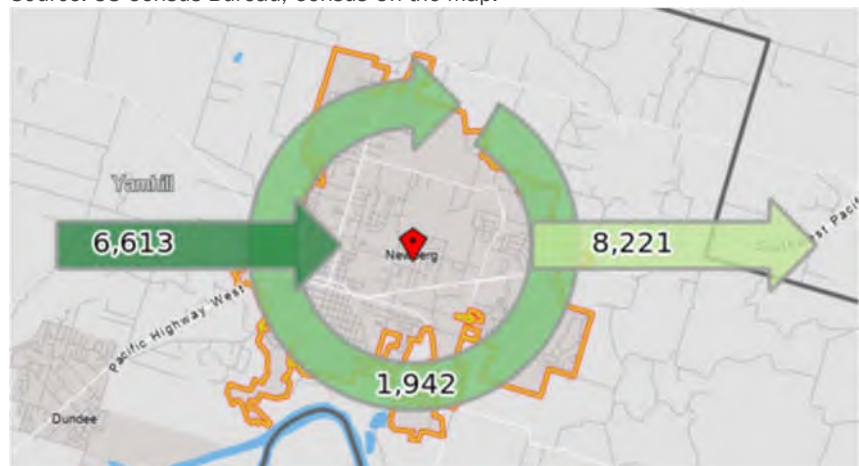
Exhibit 50 shows that 9% of people who live in Newberg commute to Portland while 19% remain in Newberg. Collectively, 24% of Newberg residents commute to Tigard, Beaverton, Tualatin, and Hillsboro (i.e., 6% to each location). The remaining workers commute from other cities located across the region.

Newberg is part of an interconnected regional economy.

Fewer people both live and work in Newberg than commute into or out of the city for work. This commuting pattern is similar to Yamhill County in that more people commute to areas outside of the county for work than live and work within the county.

Exhibit 50. Commuting Flows, Newberg, 2017

Source: US Census Bureau, Census On the Map.



About 23% of all people who work in Newberg also live in Newberg.

Exhibit 51. Places Where Newberg Workers Lived,¹⁴¹ 2017

Source: US Census Bureau, Census On the Map.



¹⁴¹ In 2017, 8,555 people worked at businesses in Newberg, with 23% (1,942) of people employed and working in Newberg.

About 19% of residents who live in Newberg also work in Newberg.

Nine percent of Newberg residents commute to Portland for work.

Exhibit 52. Places Where Newberg Residents Were Employed,¹⁴² 2017

Source: US Census Bureau, Census On the Map.

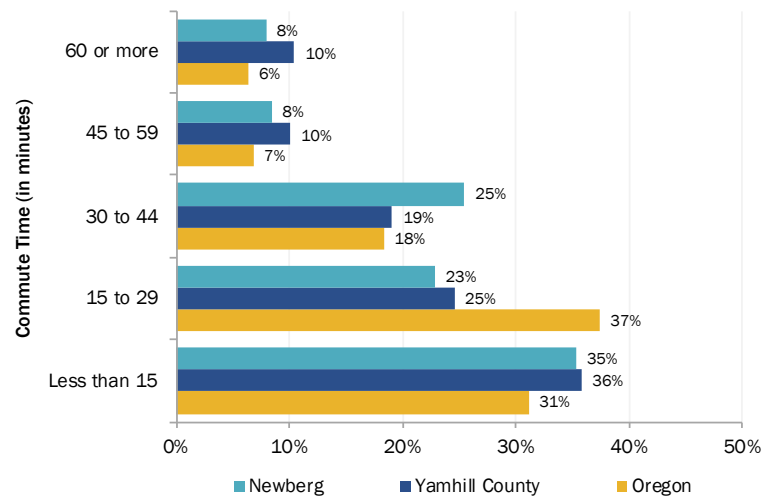


During the 2014–2018 period, about 35% of Newberg residents had a commute of less than 15 minutes, compared to 36% of Yamhill County’s residents and 31% of Oregon residents.

The majority of Newberg residents (65%) have a commute time over 15 minutes. This is consistent with Yamhill County, where 64% of county residents have a commute time of this length.

Exhibit 53. Commute Time by Place of Residence, Newberg, Yamhill County, and Oregon, 2014–2018

Source: US Census Bureau, American Community Survey 2014–2018 5-Year Estimates, Table B08303.



¹⁴² In 2018, 11,987 residents in Newberg worked, with 16% of Newberg residents (1,942) both living and employed in Newberg in 2017.

Tourism in Willamette Valley and Yamhill County

Longwoods International provides regional statistics on travel. The following information is from Longwoods International's 2017 Regional Visitor Report for the Willamette Valley region, which is comprised of Benton, Clackamas (South), Lane (East), Linn, Marion, Polk, and Yamhill Counties.¹⁴³ Broadly, travelers to the Willamette Valley accounted for:¹⁴⁴

- 5.5 million overnight trips in 2017, or 16% of all Oregon overnight travel that year.
- The primary market areas for travelers over 2016 and 2017 were Oregon, Washington, and California: 48% of Willamette Valley visitors came from Oregon, 19% came from California, and 14% came from Washington.
- About 75% of visitors stayed 2 or fewer nights in the Willamette Valley in 2016 and 2017, 20% stayed 3–6 nights, and 5% stayed 7 or more nights. The average nights spent in the Willamette Valley region was 2.3.
- The average per-person expenditures on overnight trips in 2017 ranged from \$13 on transportation at destination to \$41 per night on lodging.
- About 75% of visits to the Willamette Valley region over 2016 and 2017 were via personally owned automobiles, 18% were by rental car, and 13% were via an online taxi service (e.g., Lyft or Uber).
- Over 2016 and 2017, visitors tended to be middle-aged adults, with the average age being about 48.7. The majority of overnight visitors were 65 and older (23%), followed by those between the ages of 55 and 64 (19%) and individuals between the ages of 35 and 44 (19%). About 56% of visitors graduated college or completed a postgraduate education. Additionally, 44% of visitor earned less than \$50,000 in household income, 37% earned between \$50,000 and \$99,999, and 19% earned more than \$100,000. The average household income for the Willamette Valley region visitors was about \$64,560.

Yamhill County's direct travel spending increased 49% from 2000 to 2018.

The Willamette Valley region's direct travel spending increased by 139% over the same period.

Exhibit 54. Direct Travel Spending (\$ millions), 2000 and 2018
Source: Dean Runyan Associates, Oregon Travel Impacts, 1991–2018, and Dean Runyan Associates, Oregon Travel Impacts, 1992–2018.

	2000	\$1,019.9 Willamette Valley Region	\$56.7 Yamhill County
	2018	\$1,984.4 Willamette Valley Region	\$135.7 Yamhill County

¹⁴³ Travel Oregon. "Oregon 2017 Regional Visitor Report Willamette Valley Region," Longwoods International, October 2018. Retrieved from: <https://industry.traveloregon.com/resources/research/willamette-valley-oregon-overnight-travel-study-2017-longwoods-international/>.

¹⁴⁴ Longwoods International issues caution in interpreting these tourism estimates in Central Oregon, as the sample size for this region is low.

Yamhill County's lodging tax receipts increased 967% over 2000 to 2018.

Exhibit 55. Lodging Tax Receipts (\$ millions), 2000 and 2018
Source: Dean Runyan Associates, Oregon Travel Impacts, 1991–2017.

2000	\$0.08 Yamhill County
2018	\$0.84 Yamhill County

Yamhill County's largest visitor spending for purchased commodities is accommodation and food services.

Exhibit 56. Largest Visitor Spending Categories (\$ millions), Yamhill County, 2018
Source: Dean Runyan Associates, Oregon Travel Impacts.

\$64.5 Accommodations and Food Services	\$17.1 Arts, Entertainment, and Recreation	\$15.0 Retail Sales
---	--	-------------------------------

Yamhill County's largest employment generated by travel spending is in the accommodations and food services industry.

Exhibit 57. Largest Industry Employment Generated by Travel Spending (thousands), Yamhill County, 2018
Source: Dean Runyan Associates, Oregon Travel Impacts.

1.1 jobs Accommodations & Food Services	0.5 jobs Arts, Entertainment, and Recreation	0.1 jobs Retail
---	--	---------------------------

The number of overnight visitors to Yamhill County has increased from 1,683,000 in 2016 to 1,773,000 in 2018, an increase of 90,000 overnight stays or 5.3%.

Appendix B. Buildable Lands Inventory

The buildable lands inventory is intended to identify commercial and industrial lands that are available for development for employment uses within the Newberg UGB. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. Population and employment growth drive *demand* for land. The amount of land needed depends on the type of development and other factors.

This appendix presents results of the commercial and industrial buildable lands inventory for the Newberg UGB. The results are based on analyses of Yamhill County and State of Oregon GIS data by ECONorthwest and reviewed by City staff. The remainder of this appendix summarizes key findings of the buildable lands inventory.

Methods and Definitions

The BLI for Newberg includes all land that allows commercial and industrial uses within the UGB. From a practical perspective, land was included in the BLI if it met all of the following criteria: 1) it is inside the Newberg UGB, 2) it is inside a tax lot (as defined by Yamhill County), and 3) if its current zoning/comprehensive plan designation allows employment uses. Note that tax lots do not generally include road or railroad rights-of-way or water. The inventory then builds from the tax lot-level database to estimate buildable land by plan designation.

Inventory Steps

The steps in the BLI are:

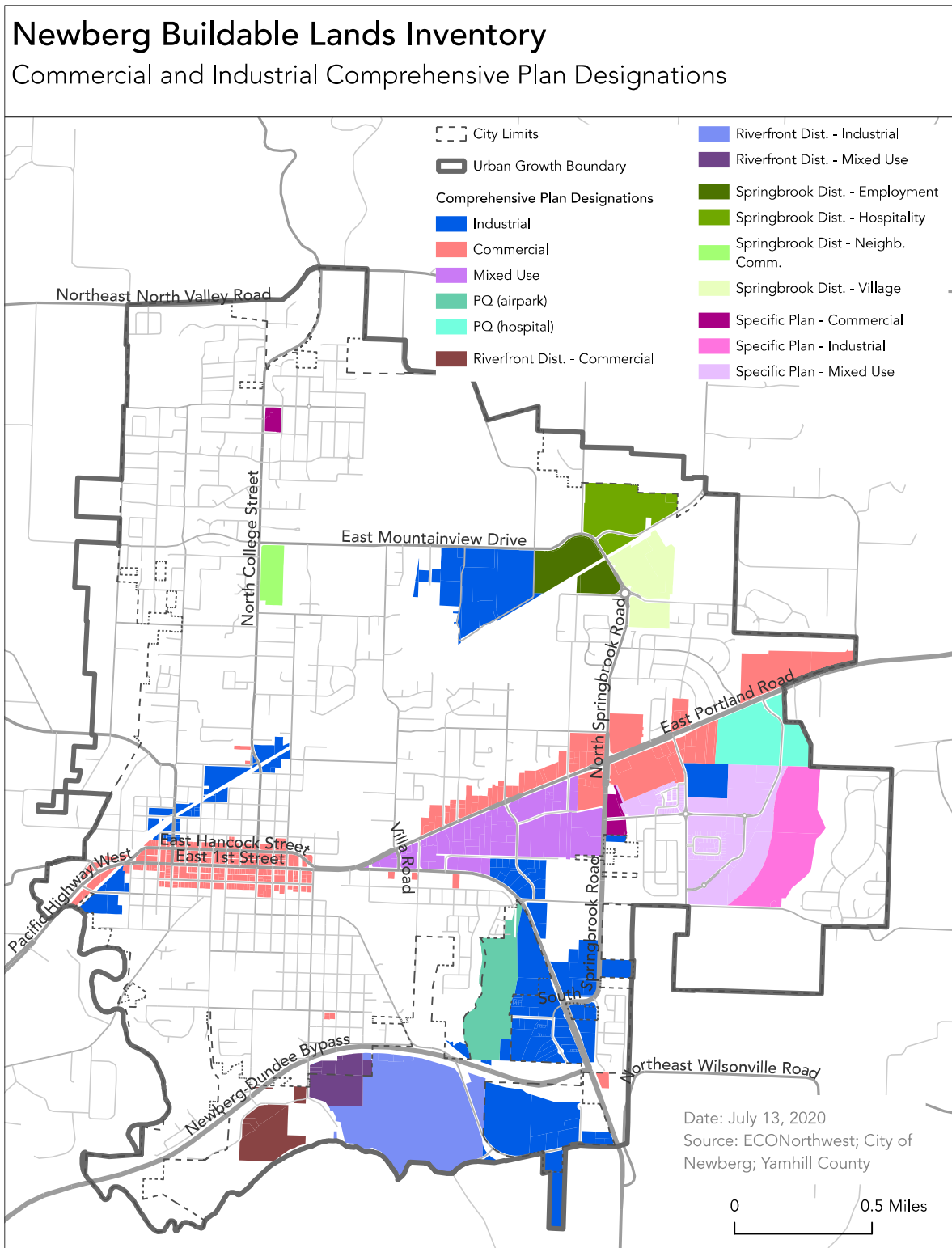
1. Generate UGB “land base”
2. Classify lands by development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results

Step 1: Generate UGB “Land Base”

The commercial and industrial inventory will use all of the tax lots in the Newberg UGB with the appropriate plan designations. Specific designations that were used include:

- Commercial
 - COM - Commercial
 - SD/V - Springbrook District – Village
 - SD/NC - Springbrook District – Neighborhood Commercial
 - SD/H - Springbrook District – Hospitality
 - COM/RD - Commercial Riverfront
 - COM/SP - Specific Plan
- Industrial
 - IND - Industrial
 - IND/RD - Industrial Riverfront
 - IND/SP - Specific Plan
 - SD/E - Springbrook District – Employment
- Mixed Use
 - MIX - Mixed-Use
 - MIX/SP - Specific Plan
 - MIX/RD - Riverfront District
- PQ areas with employment uses

Exhibit 58. Commercial and Industrial Comprehensive Plan Designations Included in the BLI



Step 2: Classify Lands

In this step, ECONorthwest classified each tax lot with an employment plan designation (based on definition above) into one of five mutually exclusive categories based on development status:

- Developed land
- Vacant land
- Potential infill land
- Undevelopable land
- Public or exempt land

ECONorthwest identified buildable land and classified development status using a rule-based methodology. The rules are described below in Exhibit 59.

Exhibit 59. Rules for Development Status Classification

Development Status	Definition	Statutory Authority
Vacant Land	<p>A tax lot:</p> <p>(a) Not currently containing permanent buildings or improvements; or</p> <p>(b) Equal to or larger than five acres where less than one-half acre is occupied by permanent buildings or improvements</p> <p>For the purpose of criteria (a) above, lands with improvement values of \$0 and without mobile homes (as identified by Yamhill Assessment property class codes) were considered vacant.</p>	<p>OAR 660-009-005(14)</p> <p>We included all tax lots in the land base in the inventory—a more inclusive approach than required by law. Tax lots smaller than the thresholds were evaluated based on existing improvements.</p>
Potential Infill Land	Potential infill tax lots are those between one and five acres occupied by a use that could still be further developed based on the zoning. This determination was based on a visual assessment and City staff verification.	Based on definition of “developed land” in OAR 660-009-005(1).
Undevelopable Land	Vacant tax lots less than 3,000 square feet in size are considered undevelopable.	No statutory definition
Public or Exempt Land	Lands in public or semipublic ownership are considered unavailable for commercial or industrial development. This includes lands in Federal, State, County, or City ownership as well as lands owned by churches and other semipublic	No statutory definition

	organizations and properties with conservation easements. Public lands and exempt land were identified using the Yamhill County Assessment property class codes. This category only includes public lands that are located in commercial or industrial plan designations.	
Developed Land	<p>OAR 660-009-005(1) defines developed land as “Non-vacant land that is likely to be redeveloped during the planning period.”</p> <p>Lands not classified as vacant, potential infill, undevelopable, or public or exempt are considered developed. Redevelopment potential is considered separately from the assignment of development status in Chapter 4.</p>	OAR 660-009-005(1)

Step 3: Identify Constraints

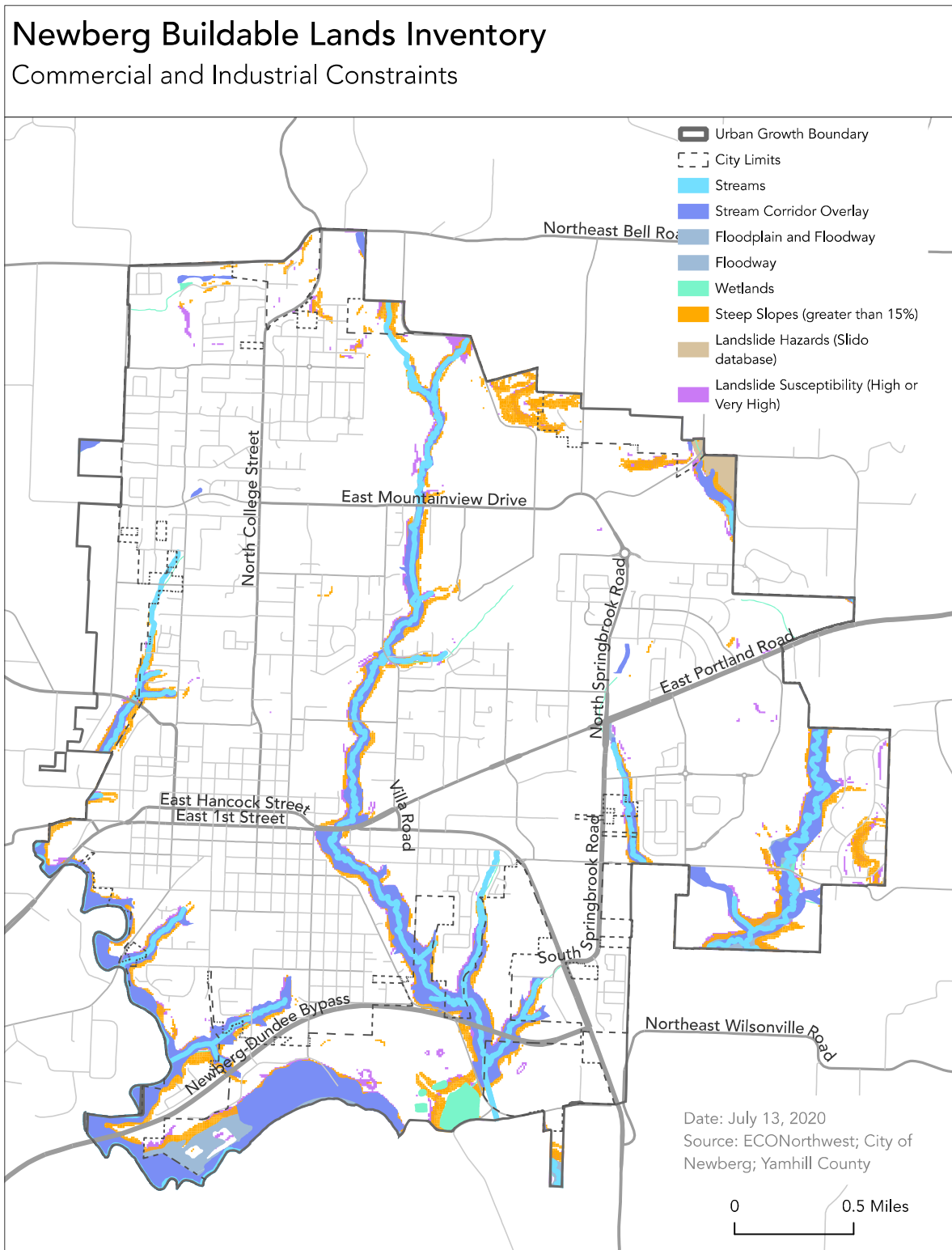
As shown in Exhibit 60 (and in the map in Exhibit 61), the BLI included development constraints consistent with guidance in OAR 660-008-0005(2).

Exhibit 60. Constraints Included in the BLI

Constraint	Statutory Authority	Threshold
Goal 5 Natural Resource Constraints		
Regulated Wetlands	OAR 660-009-0005(2)	Within National Wetlands Inventory
Stream Corridors	OAR 660-009-0005(2)	Lands within Newberg’s Stream Corridor Overlay
Natural Hazard Constraints		
Floodways	OAR 660-009-0005(2)	Lands within FEMA FIRM identified floodway
100-Year Floodplain	OAR 660-009-0005(2)	Lands within FEMA FIRM 100-year floodplain
Steep Slopes	OAR 660-009-0005(2)	Slopes greater than 15%
Landslide Hazards	OAR 660-009-0005(2)	Areas within DOGAMI’s Slido Database; Areas with high or very high landslide susceptibility (according to DOGAMI)

These areas were evaluated as prohibitive constraints (unbuildable). All constraints were merged into a single constraint file, which was then used to identify the area of each tax lot that is constrained. These areas were deducted from lands that are identified as vacant or potential infill.

Exhibit 61. Commercial and Industrial Constraints Included in the BLI



Step 4: Verify Inventory Results

ECONorthwest used a multistep verification process. The first verification step involved a “visual assessment” of land classifications using GIS and recent aerial photos. The visual assessment involves reviewing classifications overlaid on recent aerial photographs to verify uses on the ground. ECONorthwest reviewed all tax lots included in the inventory using the visual assessment methodology. The second round of verification involved City staff verifying the visual assessment output. ECONorthwest amended the BLI based on City staff review and a discussion of staff’s comments. The final verification is reviewed by stakeholders, most especially TAC and CAC members.

Step 5: Tabulate and Map Results

The results of the commercial BLI are presented in tabular and map format in the remainder of this appendix. This includes a zoning/comprehensive plan map, the land base by classification, vacant and potential infill lands by plan designation, and vacant and potential infill lands by plan designation with constraints showing.

A RESOLUTION ACCEPTING THE 2021 ECONOMIC OPPORTUNITIES ANALYSIS REPORT

RECITALS:

1. The City of Newberg engaged in preparing and Economic Opportunities Analysis in compliance with Goal 9 and OAR 660-009.
2. The Economic Opportunities Analysis is being funded in part by a \$16,000 grant from the Oregon Department of Land Conservation and Development.
3. The City Council established an Ad Hoc Citizens Advisory Committee to review the Economic Opportunities Analysis.
4. The Ad Hoc Economic Opportunities Analysis Citizens Advisory Committee met six times to review the Economic Opportunities Analysis.
5. The Technical Advisory Committee met five times to review the Economic Opportunities Analysis.
6. The Newberg Planning Commission was briefed three times on the Economic Opportunities Analysis.
7. The Newberg City Council was briefed four times on the Economic Opportunities Analysis.
8. The Newberg Planning Commission reviewed and recommended accepting the City of Newberg Economic Opportunities Analysis report on March 11, 2021.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The Newberg City Council concludes it is in the best interests of the City of Newberg to accept the 2021 Newberg Economic Opportunities report.
2. This determination is based on the staff report and Exhibit "A" 2021 Newberg Economic Opportunities Analysis. Exhibit "A" is hereby accepted and by this reference incorporated.


///

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 6, 2021.
ADOPTED by the City Council of the City of Newberg, Oregon, this 5th day of April, 2021.



Sue Ryan, City Recorder

ATTEST by the Mayor this 8th day of April, 2021.



Rick Rogers, Mayor

RESOLUTION NO. 2022-3858



A Resolution initiating an amendment to the Newberg Comprehensive Plan, V. Land Need and Supply chapter

Recitals:

1. The City of Newberg through Resolution No. 2021-3720 accepted the Newberg Public and Semi-Public Land Need 2021-2041 Report.
2. The City of Newberg through Resolution No. 2021-3728 accepted the 2021 Economic Opportunities Analysis Report.
3. The City of Newberg through Resolution No. 2021-3752 accepted the Newberg Housing Needs Analysis.
4. The request is to consider initiating an amendment to incorporate relevant information from the three reports into the Newberg Comprehensive Plan, V Land Need and Supply chapter.

The City of Newberg Resolves as Follows:

1. The City Council initiates an amendment to the Newberg Comprehensive Plan, V Land Need and Supply chapter. This starts the public process to study the proposed amendments.
2. By initiating this amendment, the City Council does not commit to taking any specific action on the proposal. It only wishes to give the amendment full consideration by the Planning Commission and City Council in public hearings.

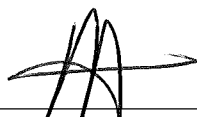
Effective Date of this resolution is the day after the adoption date, which is: August 2, 2022.

Adopted by the City Council of Newberg, Oregon, this 1st day of August, 2022



Sue Ryan, City Recorder

Attest by the Mayor this 4th day of August 2022.



Rick Rogers, Mayor



PLANNING COMMISSION RESOLUTION 2022-382

A RESOLUTION RECOMMENDING CITY COUNCIL ADOPT THE CITY OF NEWBERG HOUSING NEEDS ANALYSIS (JUNE 2021) AND NEWBERG HOUSING STRATEGY (JANUARY 2021), CITY OF NEWBERG ECONOMIC OPPORTUNITIES ANALYSIS (MARCH 2021), AND NEWBERG PUBLIC AND SEMI-PUBLIC LAND NEED ANALYSIS (FEBRUARY 2021); AMEND THE NEWBERG COMPREHENSIVE PLAN V. LAND NEED AND SUPPLY, AND INITIATE AN URBAN GROWTH BOUNDARY EXPANSION PROCESS

RECITALS

1. The Newberg City Council initiated the Development Code Amendment by Resolution No. 2022-3858.
2. The Newberg City Council accepted the City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021) by Resolution No. 2021-3752.
3. The Newberg City Council accepted the City of Newberg Economic Opportunities Analysis (March 2021) by Resolution No. 2021-3728.
4. The Newberg City Council accepted the Newberg Public and Semi-Public Land Need 2021-2041 analysis (February 2021) by Resolution No. 2021-3720.
5. After proper notice, the Newberg Planning Commission opened the hearing on October 13, 2022, considered public testimony and deliberated. They found that the proposed Comprehensive Plan amendments were in the best interests of the City, and that initiating an Urban Growth Boundary Expansion was in the best interest of the City.

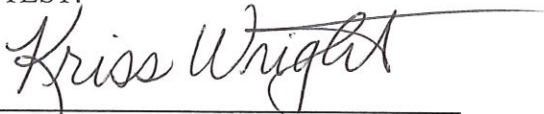
The Newberg Planning Commission resolves as follows:

1. The Planning Commission of the City of Newberg recommends the City Council adopt the City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021), Exhibit "A".
2. The Planning Commission of the City of Newberg recommends the City Council adopt the City of Newberg Economic Opportunities Analysis (March 2021), Exhibit "B".
3. The Planning Commission of the City of Newberg recommends the City Council adopt the Newberg Public and Semi-Public Land Need 2021-2041 analysis (February 2021), Exhibit "C".

4. The Planning Commission of the City of Newberg recommends the City Council adopt the proposed Newberg Comprehensive Plan amendments, Exhibit "D".
5. The Planning Commission of the City of Newberg recommends that the City Council initiate an Urban Growth Boundary Expansion.
6. This recommendation is based on the staff report, Exhibits "A", "B", "C", "D" and Findings in "E". Exhibits "A", "B", "C", "D" and "E" are incorporated by reference.
- 7.

Adopted by the Newberg Planning Commission this 13th day of October 2022.

ATTEST:



Planning Commission Chair



Planning Commission Secretary

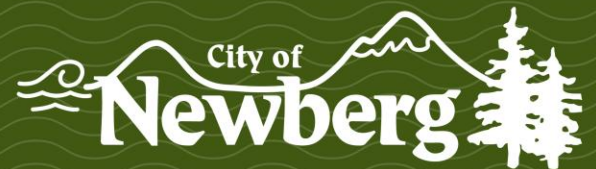
List of Exhibits:

- Exhibit "A": City of Newberg Housing Needs Analysis (June 2021) and Newberg Housing Strategy (January 2021)
- Exhibit "B": City of Newberg Economic Opportunities Analysis (March 2021),
- Exhibit "C": Newberg Public and Semi-Public Land Need 2021-2041
- Exhibit "D": Comprehensive Plan Amendments
- Exhibit "E": Findings

Economic Opportunities Analysis Work Session

City Council Briefing

July 7, 2025



City Council Goals

- *Goal 2: Identify industrial land and attract employers to encourage family wage jobs.*
 - *Objective 2. Work to bring land into the urban growth boundary to zone for light manufacturing within 5 years.*

Analysis Document Background

- Between 2019-2021, the City completed a Housing Needs Analysis, Economic Opportunities Analysis, and Public and Semi-public Land Needs Analysis, the first step in updating the Comprehensive Plan and potential UGB amendment.
- The Economic Opportunities Analysis was funded by a DLCD grant and accepted by City Council in Resolution No. 2021-3728.

Analysis Document Background

- The City entered the Sequential UGB review process in 2024, then withdrew it and directed staff to proceed with the EOA adoption and update the housing analysis in 2027-2028.
- DLCD approved the 2027-2028 schedule for housing planning and confirmed that the City could continue with the EOA adoption through the Post-Acknowledgement Plan Amendment currently submitted, using the 2020 population projections.

Economic Opportunities Analysis

- Factors Affecting Future Economic Growth
- Employment Growth and Site Needs
- Buildable Lands Inventory
- Land Sufficiency

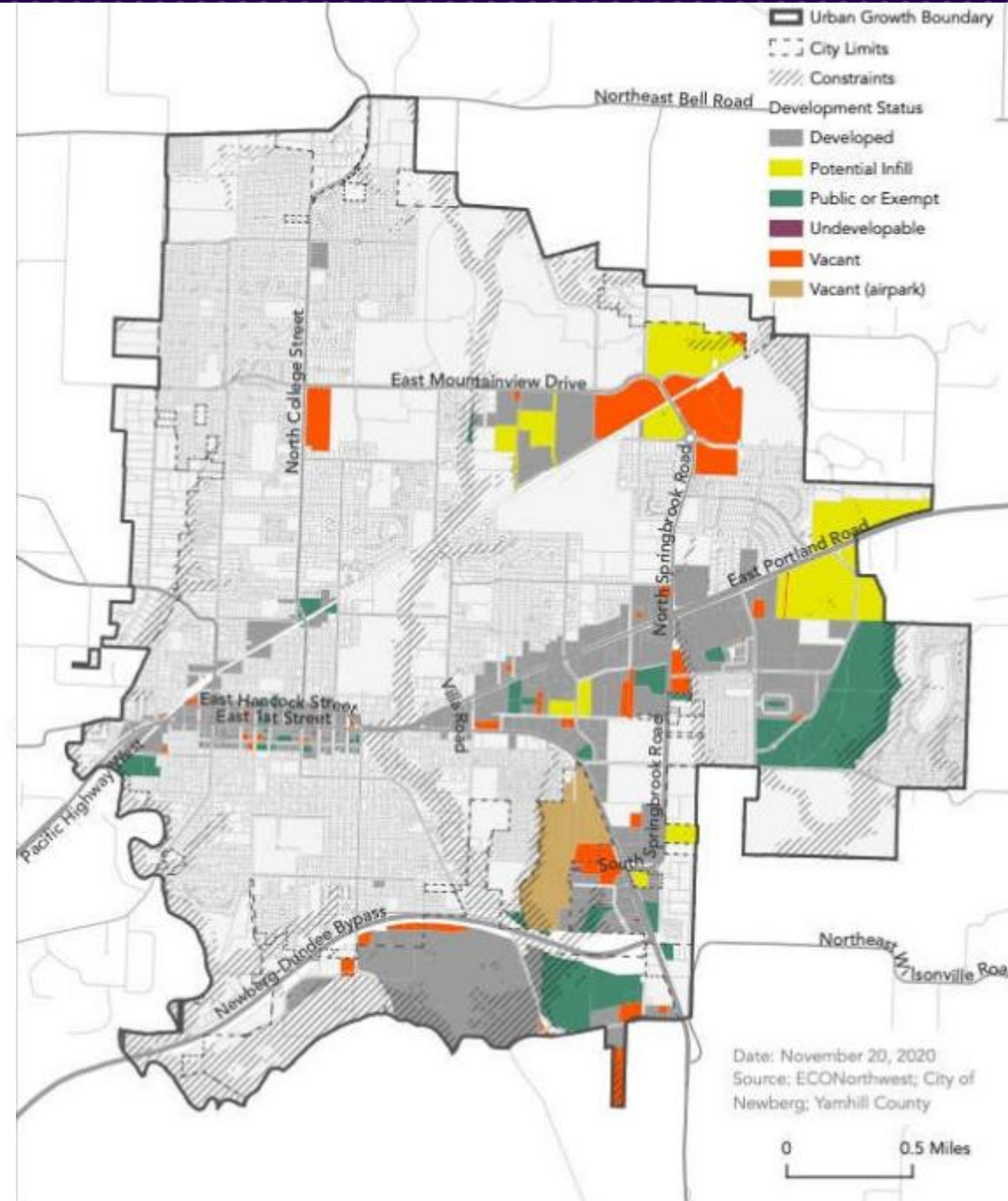
Projected Employment Growth: 4,452 employees

2021: 14,034

2041: 18,486

Newberg Buildable Lands Inventory

Employment Land Development Status



Economic Opportunities Analysis

Land Use Type	Land Supply (Suitable Gross Acres)	Land Demand (Gross Acres)	Land Sufficiency (Gross Acres)
Commercial	104	83	21
Total	104	83	21

<i>Industrial</i>	Site Size (acres)				
	< 5 acres	5-25 acres	25-50 acres	> 50 acres	Total
Number of Vacant Sites (BLI)	33	1	-	1	35
New Sites Needed	122	7	1	1	131
Comparison of Land Supply and Need (Land Surplus or Deficit)	(89)	(6)	(1)	-	(96)
Acres of Land Needed	(62)	(55)	(35)	-	(152)

Thank you!

Questions?

REQUEST FOR COUNCIL ACTION



Order ☐ Ordinance ☐ Resolution ☐ Motion ☐ Information ☒ Proclamation ☐

Subject: De-annexation discussion

Staff: James Dingwall
Department: Community Development

Business Session

Order On Agenda: New Business

Hearing Type: Legislative ☐ Quasi-Judicial ☐ Administrative ☐ Not Applicable ☒

Date Action Requested: July 7, 2025

Is this item state mandated? Yes ☐ No ☒

If yes, please cite the state house bill or order that necessitated this action: N/A

Recommendation: Discuss the property owner's request to de-annex 1828 and 1835 Waterfront Street. No action is requested at this time as the City has not received an application for de-annexation and action on a de-annexation request requires a public hearing.

Executive Summary: On February 5, 2025, the Community Development Department held a pre-application meeting with Del Boca Vista LLC to discuss development of single-family dwellings and storage units on and potential de-annexation of three tax lots in southwest Newberg (Attachment 1). The properties were originally annexed in 2006 through Ordinance No. 2006-2651. The tax lots are approximately 20.05, 2.38, 5.02 acres in size and are zoned Medium Density Residential/Riverfront Subdistrict (R-2/RD). Significant portions of the properties are within the Stream Corridor Overlay and Areas of Special Flood Hazard Overlay, which restrict development through provisions in the Newberg Municipal Code. The Applicant has also cited that the properties cannot be developed to City standards. Figures 1-3 show the subject properties, site zoning, and City utility extension in adjacent areas. The Applicant has provided materials describing the request and proposed development plans following a potential de-annexation (Attachment 2). The development plans are informational only as any development following de-annexation would be under the jurisdiction of Yamhill County, which has not reviewed or provided comments on the plans to our knowledge.

Oregon Revised Statue 222.460, 465, and 524 provides the procedure for withdrawing a part of a district from a district. The process would include:

- City Council adopting a resolution initiating the withdrawal from the territory.
- City Council holding a public hearing on the withdrawal no later than 30 days after the adoption of the resolution.
- City Council consideration of entering an order on the withdrawal.
- City Council holding a final public hearing on the withdrawal not less than 20 days or more than 50 days after the date of the order.
- City Council by resolution or ordinance declares the territory detached from the City.

Concurrent referral and notice would be sent to Yamhill County, initial conversations with the Yamhill County Planning Director indicate that the previous County zoning designation prior to annexation may be applied to the site. A Post-Acknowledgement Plan Amendment would be sent to the Department of Land Conservation and Development to provide notice for the proposed map changes. The withdrawn area would remain subject to any bonded or other indebtedness existing at the time of the de-annexation. De-annexation would be processed using the annexation land use, a Type III application with a \$2,926 fee (plus 5% technology fee).

The parcels are also within the Newberg Urban Renewal Area (north parcels – Riverfront Sub-Area: C, south parcels – Riverfront Sub-Area: B), as shown in Figure 4. Staff has consulted with Legal, and withdrawal from the Newberg Urban Renewal District would require a minor amendment and provided the following comment:

...the de-annexation will likely lead to Plan-related issues that go beyond just the Zoning Map amendment. For example, removing the de-annexed land from the Plan may implicate the maximum indebtedness authorized under Section III of the Plan (and ORS Chapter 457). It may also limit the scope and costs of the Plan projects. Addressing all of these issues in a Minor Amendment approved by NURA will help avoid ambiguity (and disputes) related to the status of the de-annexed land under the Plan.

The 2024 assessed values for the tax lots were:

- R3230B 06100: \$46,018
- R3230B 02300: \$51,029
- R3230 01400: \$2,616

Minor amendments to the Newberg Urban Renewal Plan require approval by the Newberg Urban Renewal Agency by resolution.

If the de-annexation is approved, staff would recommend amending the City's urban growth boundary (UGB) at a future date to remove the subject properties from the UGB, as the development permitted by County zoning would likely preclude development at urban densities in the future. That UGB amendment could be included in a future amendment related to housing needs following the 2027-2028 housing planning work currently scheduled or through the one-time UGB amendment process allowed by SB 1537 (2024). SB 1537 provides for one of two types of "one-time" UGB expansion: 1) for affordable housing purposes, or 2) a UGB land exchange. If the City may pursue one of these options in lieu of amending its UGB under other processes allowed by SB 1537. The City may amend its UGB under the "land exchange" option (#2) by adding one or more sites and concurrently removing one or more tracts of land, provided that:

- The acreage of the added site and removed lands are roughly equivalent,
- The removed lands must be zoned for residential uses, and

- The added site must be zoned for residential uses at the same or greater density than the removed lands.

If the City Council were to de-annex the subject properties, and not pursue an alternative method of the SB 1537 one-time UGB expansion, the site could facilitate an approximately 27.5 acre UGB land swap subject to the limitations above.

Fiscal Impact: Staff time will be required to process the land use applications and amendment to the Newberg Urban Renewal Plan. Removing the tax lots from the city limits would diminish the tax base and urban renewal district revenues though the current assessment, summarized above, is small and future development potential minimal due to natural resource constraints. If a UGB swap under SB 1537 is successful, additional tax base would be generated by residential development at higher densities elsewhere in the city.

Council Goals: This item is related to:

Goal 2. Implement a careful and prudent fiscal policy.

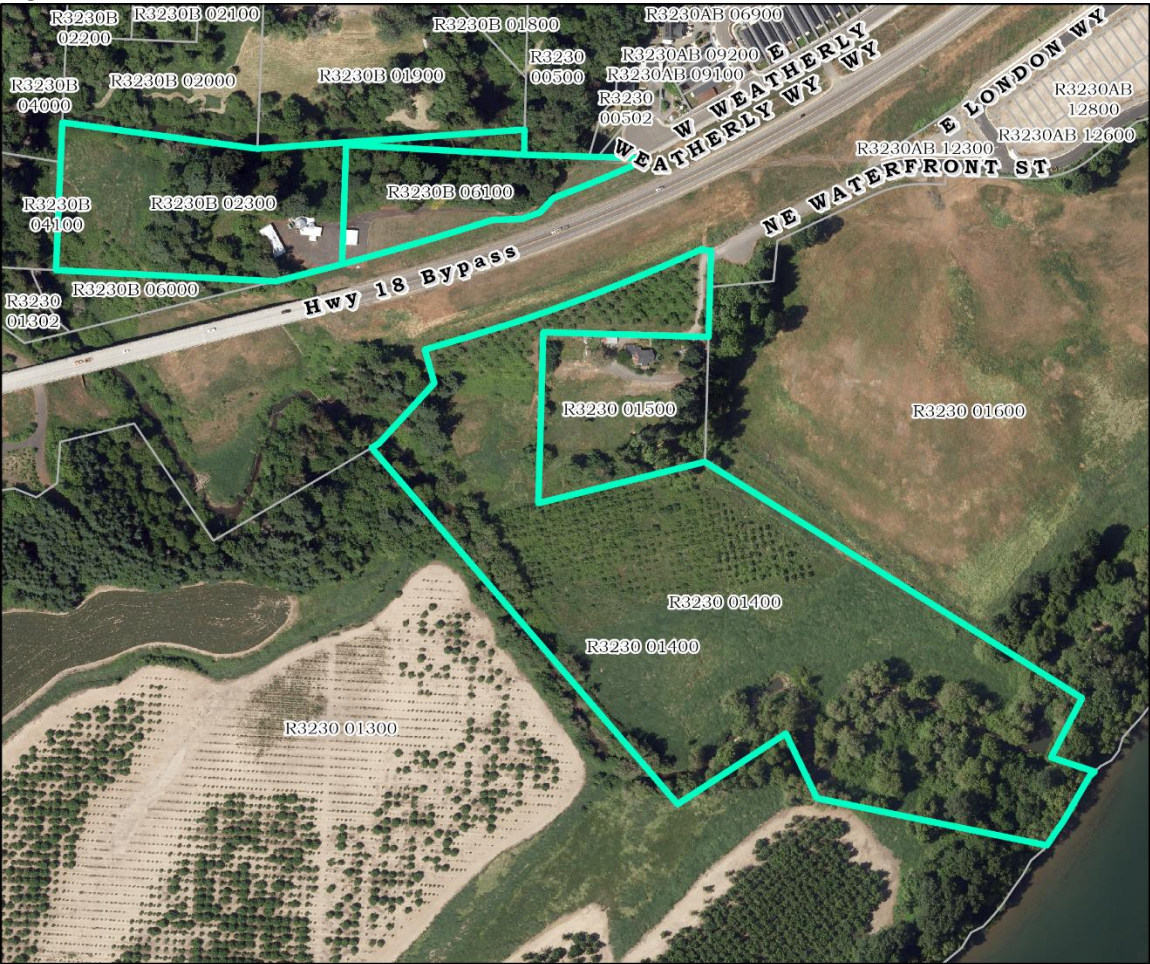
Objective 3. Ensure that the city has a long-term financial plan that supports its goals and objectives.

Continuous Goal E. Further strategic planning and growth with local taxing districts.

Attachments:

- Attachment 1: PRE25-0004 Notes
- Attachment 2: Applicant Narrative and Materials

Figure 1. Site Plan

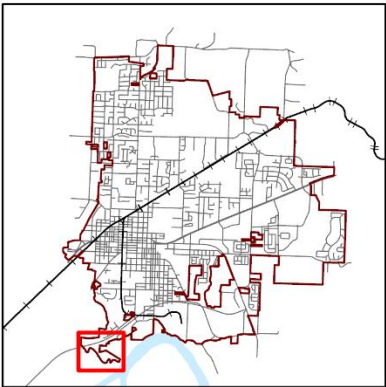


Aerial Map

- Taxlots
- Subject Property

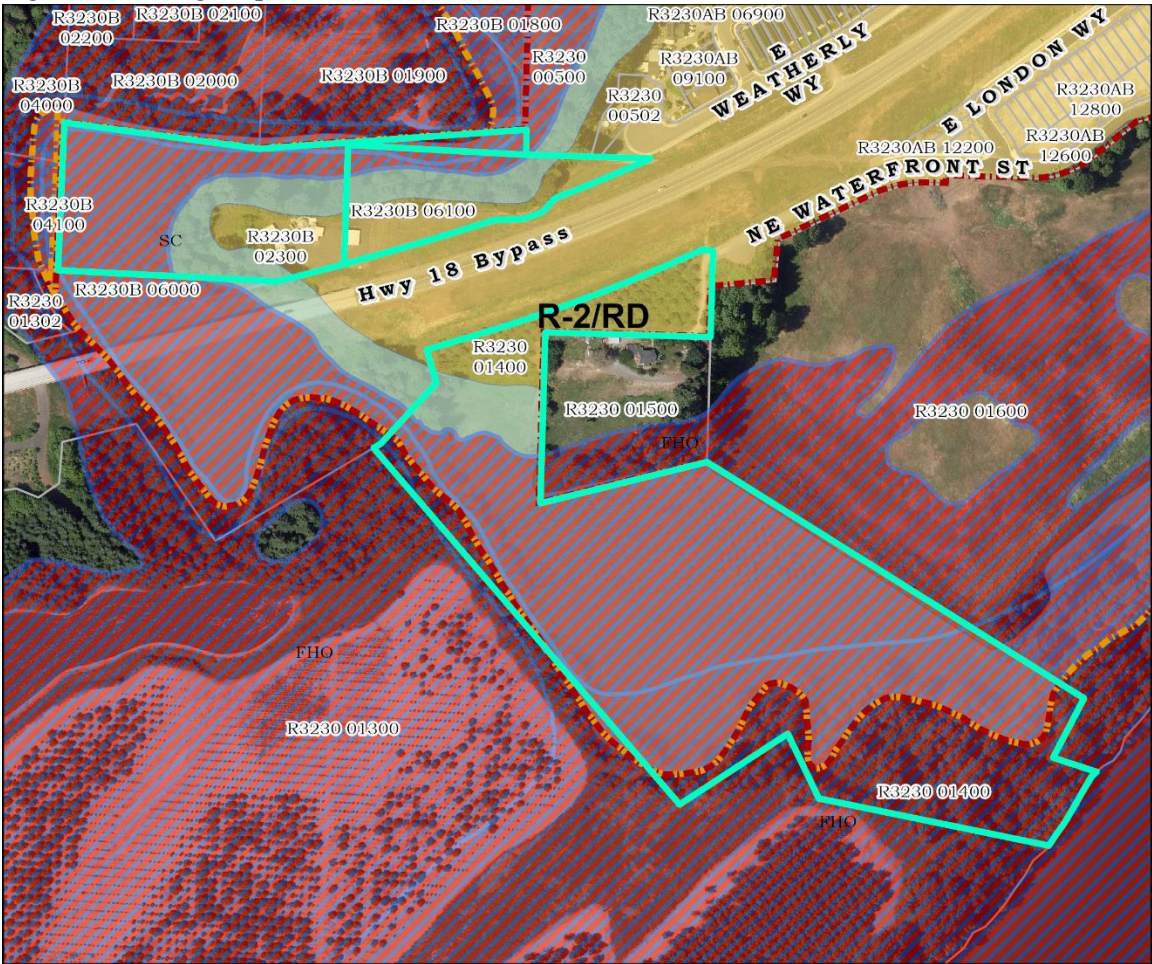


0 355 710 Feet



IMPORTANT NOTICE TO ALL USERS:
 DISCLAIMER AND LIMITATION OF LIABILITY
 This information is not guaranteed to be accurate and may contain errors and omissions. The City of Newberg provides NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR THE ARTICULARY PURPOSE FOR ANY INFORMATION HEREIN.
 The map is created from various data sources and is subject to change without notice.
 This map is intended for general planning purposes only.
 Map updated: 11/13/2023

Figure 2. Zoning Map



Zoning Map

- Subject Property
- Taxlots
- City Limits
- Urban Growth Boundary
- ZONING**
- R-2/RD Riverfront District
- Stream Corridor
- Special Flood Hazard



IMPORTANT NOTICE TO ALL USERS:
DISCLAIMER AND LIMITATION OF LIABILITY
This information is not guaranteed to be accurate and may contain errors and omissions. The City of Newberg provides NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR THE PARTICULAR PURPOSE FOR ANY INFORMATION HEREIN.
The map is created from various data sources and is subject to change without notice.
This map is intended for general planning purposes only.
Date Exported: 2/19/2025 3:07 PM

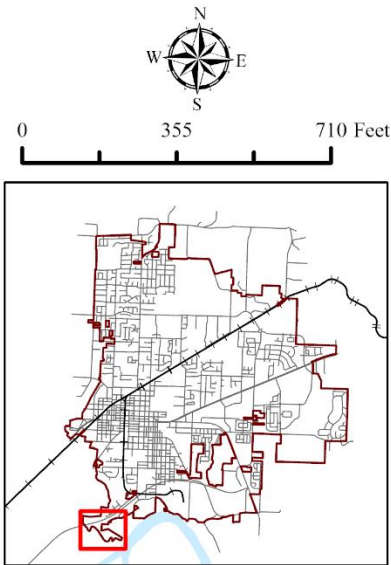
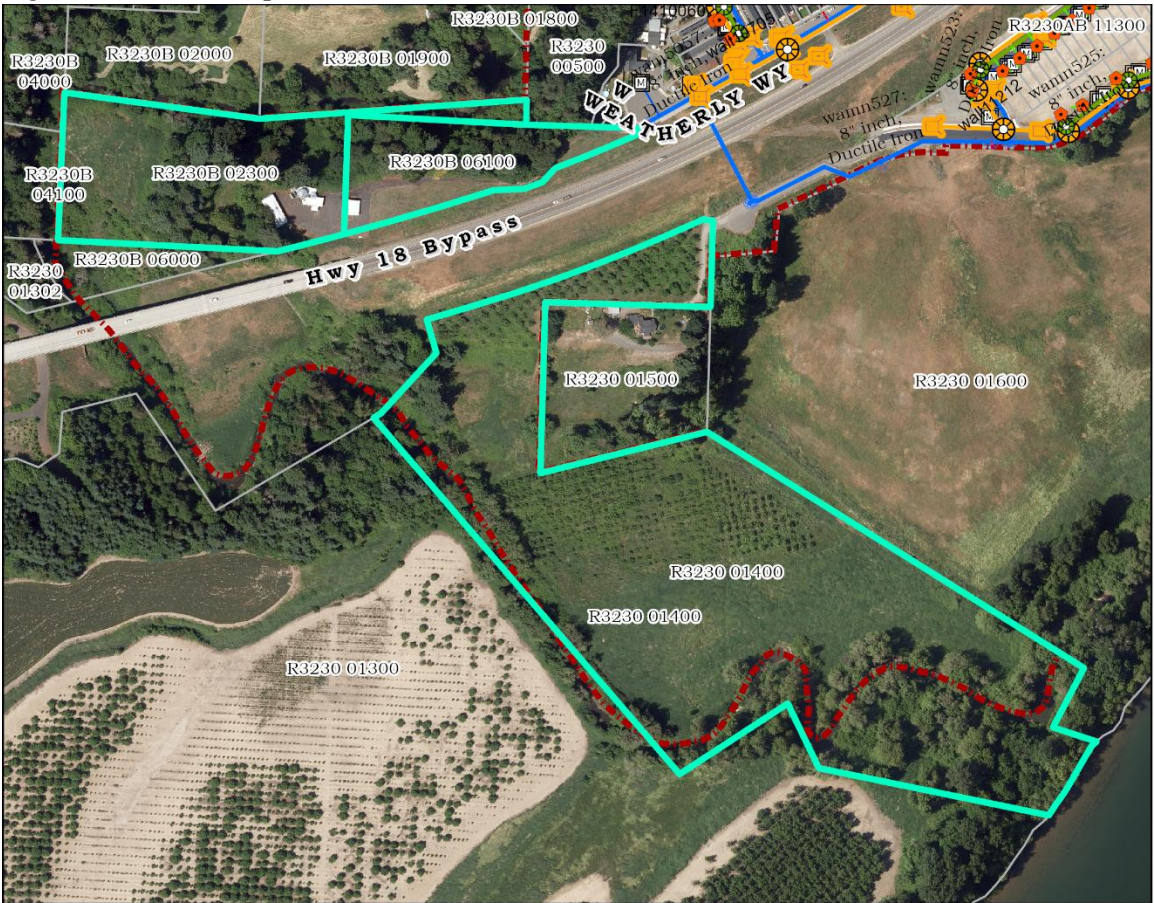
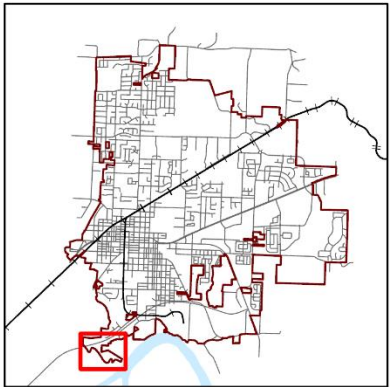
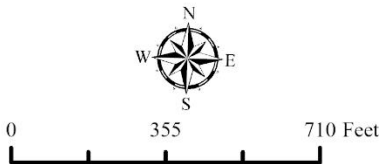


Figure 3. Utilities Map



Utilities Map

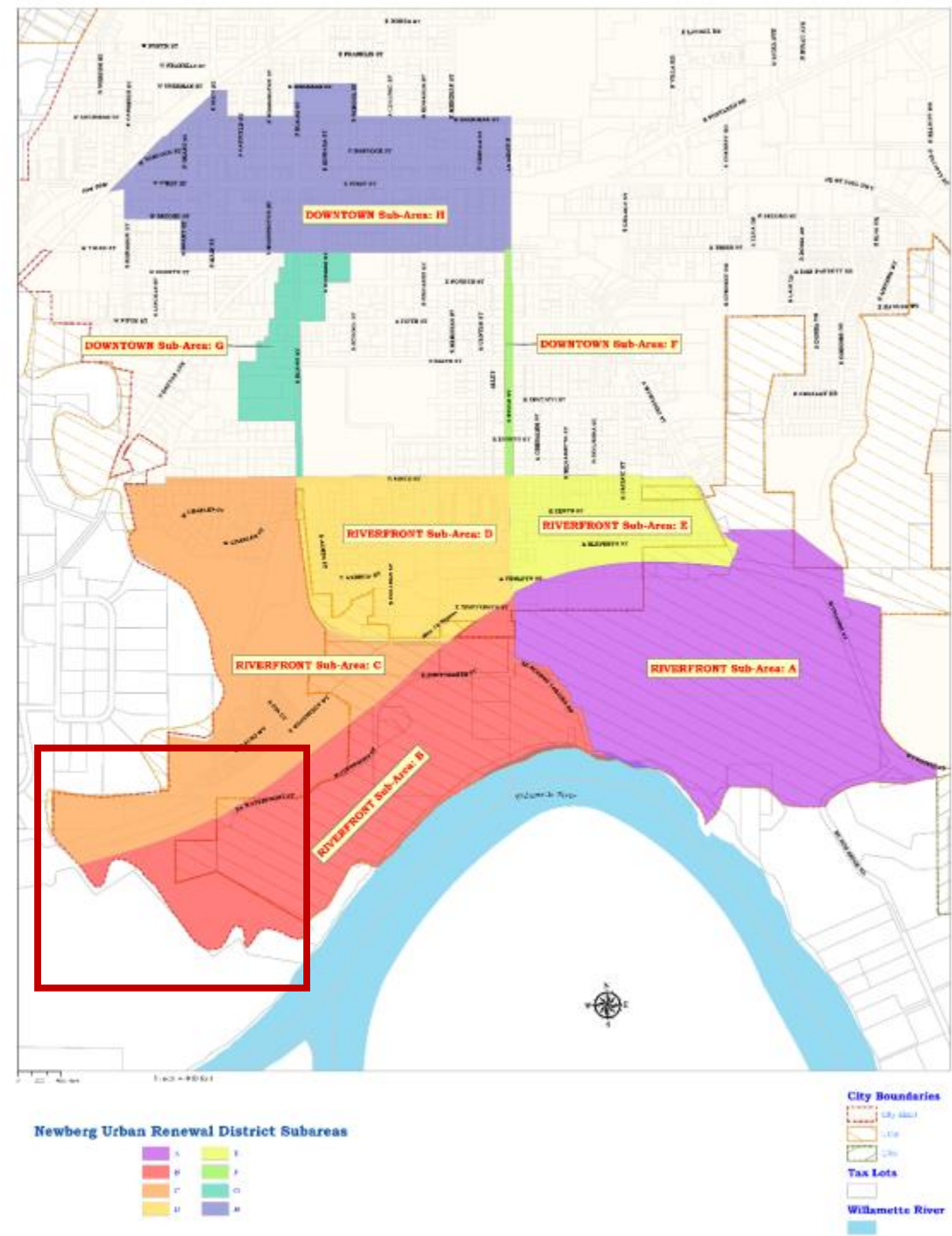
- | | | |
|------------------|----------------------|-------------------------------|
| Subject Property | Storm Manhole | CITY OF NEWBERG, Potable Main |
| Taxlots | Active Storm Inlet | Hydrant Lateral |
| Sewer CleanOut | Collector Storm Pipe | Service Lateral |
| Sewer Manholes | Water Meter | City Limit |
| Sewer Laterals | Water Valves | City Limits |
| Gravity Main | | |



IMPORTANT NOTICE TO ALL USERS:
DISCLAIMER AND LIMITATION OF LIABILITY
This information is not guaranteed to be accurate and may contain errors and omissions. The City of Newberg provides NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR THE PARTICULAR PURPOSE FOR ANY INFORMATION HEREIN. The map is created from various data sources and is subject to change without notice. This map is intended for general planning purposes only.
Date Exported: 2/19/2025 3:12 PM

Figure 4. Newberg Urban Renewal Plan Map

Newberg Urban Renewal District Subareas



PRE-APPLICATION MEETING NOTES

DATE OF PRE-APPLICATION MEETING: 2/5/25, PRE25-0004

MEETING TYPE: Video Conference call

SUBJECT PROPERTY ADDRESS: 1835 Waterfront Street

TAXMAP ID: R3230 01400, R3230B 06100, R3230B 02300

LOT SIZE: approximately 20.05, 2.38, and 5.02 acres, 873,489, 103,790, and 218,646 square feet

ZONING DISTRICT: M-2 Light Industrial

REQUESTOR'S NAME/BUSINESS: Del Boca Vista LLC

REQUEST DESCRIPTION: De-annex south property and develop 2-3 single-family dwellings, develop storage units on north tax lots.

PARTICIPANTS

APPLICANT	CITY STAFF
Del Boca Vista LLC	James Dingwall – Community Development Department, Planning Division (Host)
	Brett Musick – Public Works Engineering
	Mariah Lemen – Building Division
	OTHER AGENCIES
	Ken Spencer - Portland General Electric
	Jason Arn – Tualatin Valley Fire & Rescue

APPLICANT DESCRIPTION OF PROJECT: The application materials state:

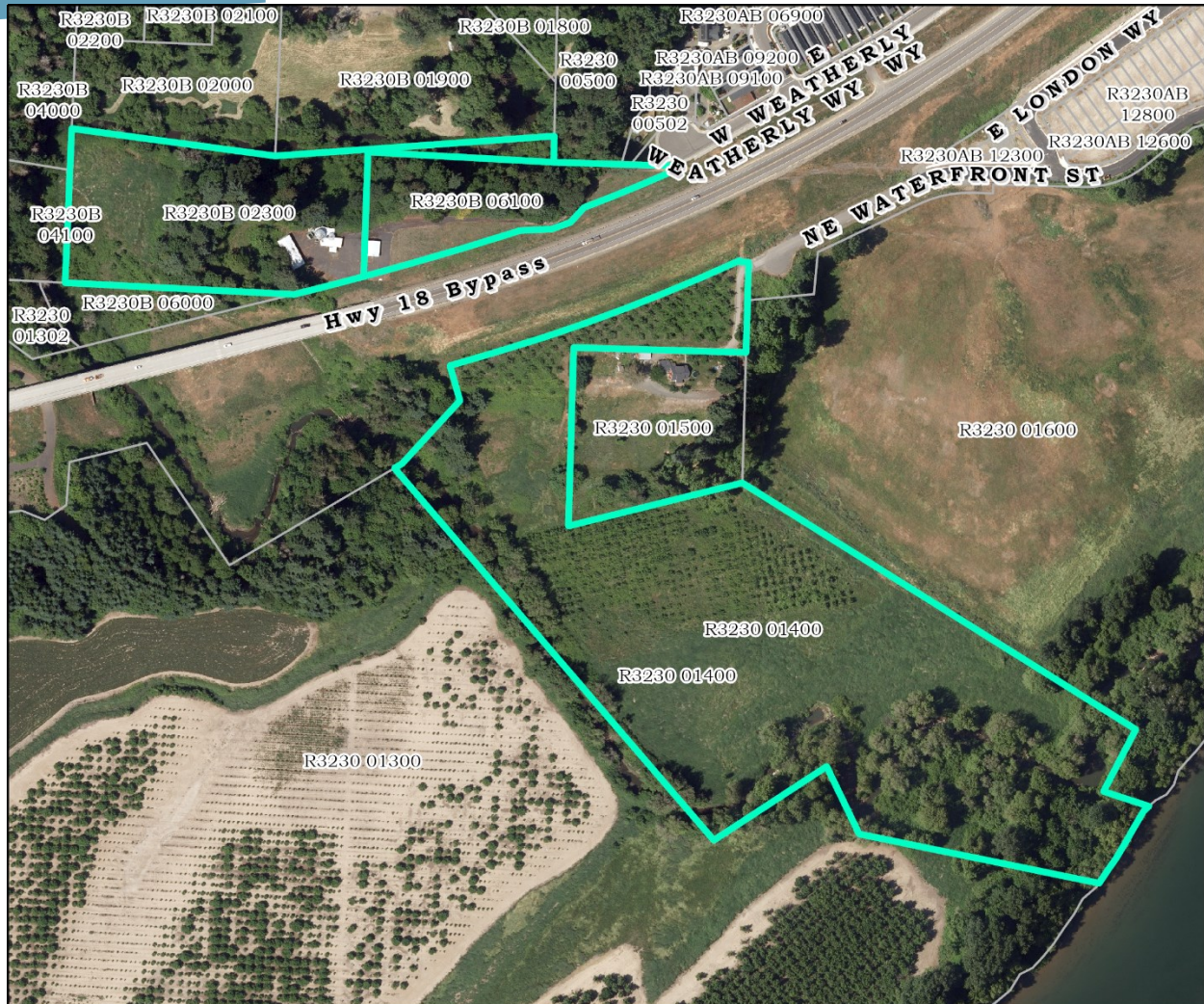
“Del Boca Vista LLC proposed 2 or 3 single-family dwellings on site 1835 Waterfront Street (South) with an average house size of approximately 2,400 sf and with private septic. Del Boca Vista LLC also proposes storage units on tax lots R3230B 02300 and R3230B 06100 (North) without sewer service.

The 3 tax lots are zoned R-2/RD.



Water would be provided by wells. The sewer would be private septic. Power would be PGE.

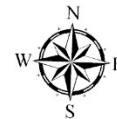
The north side landscaping is overgrown filbert trees, and the south is partially in the Willamette Valley Flood Plan with a shed.

Del Boca Vista LLC would like to discuss the de-annexation of 1832 Waterfront Street (R3230 01400) from the City of Newberg.”



Aerial Map

-  Taxlots
-  Subject Property



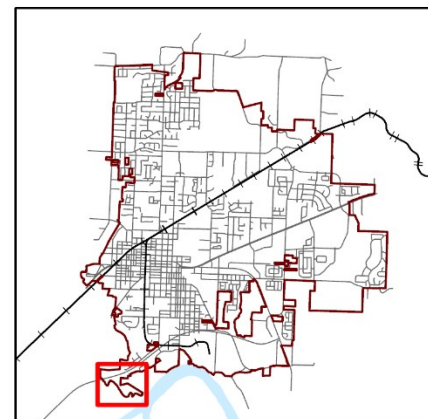
0 355 710 Feet

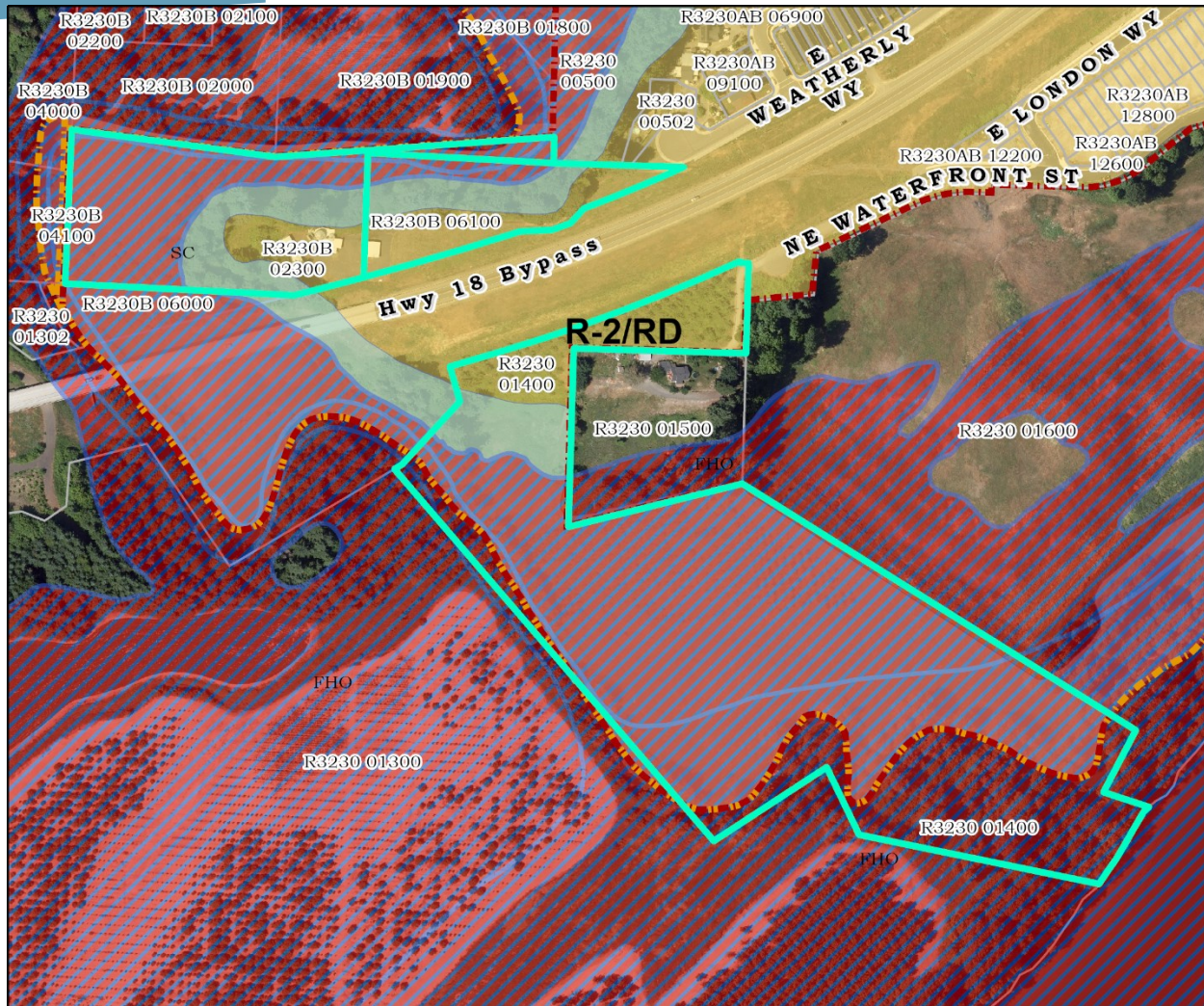


IMPORTANT NOTICE TO ALL USERS:

DISCLAIMER AND LIMITATION OF LIABILITY
This information is not guaranteed to be accurate and may contain errors and omissions. The City of Newberg provides NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR THE ARTICULARY PURPOSE FOR ANY INFORMATION HEREIN.

The map is created from various data sources and is subject to change without notice.
This map is intended for general planning purposes only.
Map updated: 11/13/2023





Zoning Map

 Subject Property

 Taxlots

 City Limits

 Urban Growth Boundary

ZONING

 R-2/RD Riverfront District

 Stream Corridor

 Special Flood Hazard



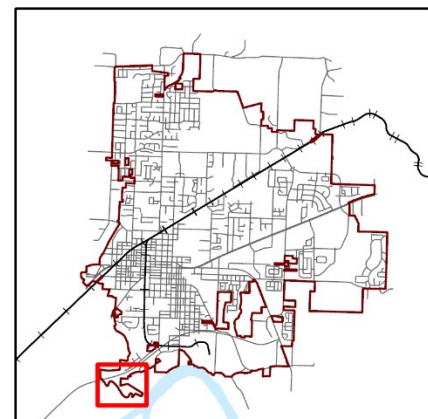
IMPORTANT NOTICE TO ALL USERS:

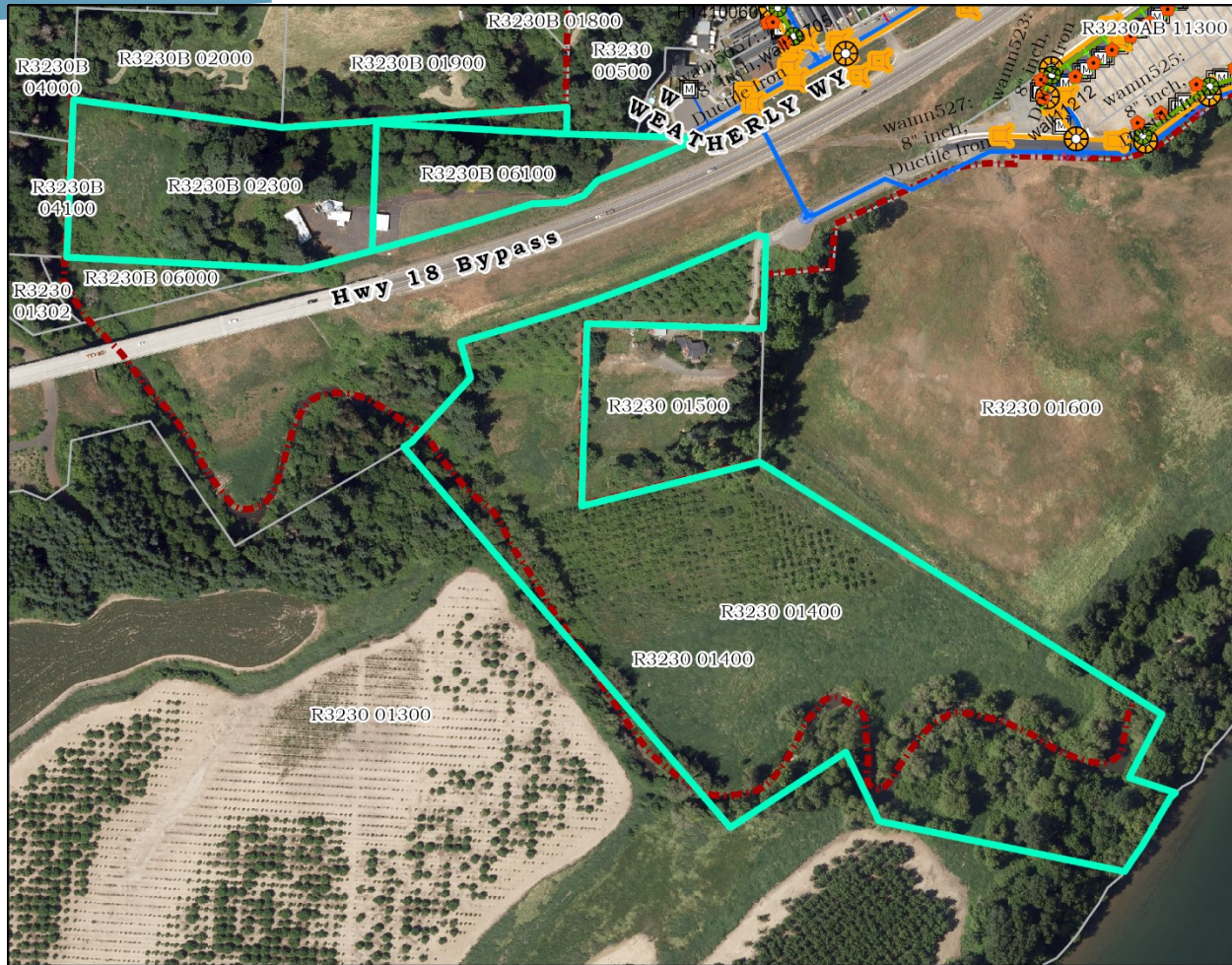
DISCLAIMER AND LIMITATION OF LIABILITY
This information is not guaranteed to be accurate and may contain errors and omissions. The City of Newberg provides NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR THE PARTICULAR PURPOSE FOR ANY INFORMATION HEREIN.

The map is created from various data sources and is subject to change without notice.
This map is intended for general planning purposes only.
Date Exported: 2/19/2025 3:07 PM



















0 355 710 Feet



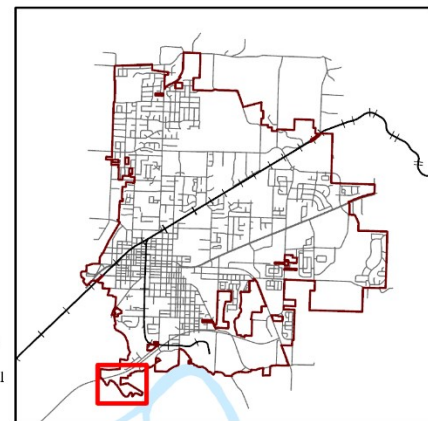


Utilities Map

- | | | |
|--|--|---|
|  Subject Property |  Storm Manhole |  CITY OF NEWBERG, Potable Main |
|  Taxlots |  Active Storm Inlet |  Hydrant Lateral |
|  Sewer CleanOut |  Collector Storm Pipe |  Service Lateral |
|  Sewer Manholes |  Water Meter |  City Limit |
|  Sewer Laterals |  Water Valves |  City Limits |
|  Gravity Main | | |



0 355 710 Feet



IMPORTANT NOTICE TO ALL USERS:
DISCLAIMER AND LIMITATION OF LIABILITY
 This information is not guaranteed to be accurate and may contain errors and omissions. The City of Newberg provides NO WARRANTY AS TO THE MERCHANTABILITY OR FITNESS FOR THE PARTICULAR PURPOSE FOR ANY INFORMATION HEREIN. The map is created from various data sources and is subject to change without notice. This map is intended for general planning purposes only.
 Date Exported: 2/19/2025 3:12 PM

APPLICATIONS AND REVIEW FEES:

The application packets have the fees schedule. Fees typically increase on April 1st of each year.

Planning Application and Fees: Potential de-annexation would require a Type III approval from City Council and removal of the parcels from the Newberg Urban Renewal District. If developed while in the City limits, the self-storage use would require a zone change. Both north and south parcels are partially within the Stream Corridor Subdistrict Overlay and Special Flood Hazard Overlay, and may require additional permitting if development occurs in those areas. Please see the Planning comment section for further details on application fees, timing, and approval criteria.

Engineering Construction/Site Development Plan Review Fees

Please see Engineering comment section for further details on Engineering Fees.

Building Application and Fees:

Building Permit: <https://www.newbergoregon.gov/building/page/permit-application>

Building Fees: <https://www.newbergoregon.gov/building/page/permit-fees>

City of Newberg Master Fee Schedule: <https://www.newbergoregon.gov/finance/page/master-fee-schedule>

GENERAL COMMENTS:

The pre-application notes provided are preliminary based on the information provided by the applicant and may not cover all of the development issues or requirements for the project. When a complete application is received and a full review is conducted, it may be determined that additional information or other regulations within the Municipal Code apply that were not determined during the limited pre-application review.

TUALATIN VALLEY FIRE & RESCUE:

- The residential homes will require a fire hydrant within 600' feet of the most remote portion of each single-family residence. Fire access should not be an issue. If this project was in the County no water supply would be required, just compliant fire access.
- For the proposed storage facility, it will require a fire hydrant within 400' feet of the most remote portion of the proposed facility and have approved fire department access.
- **Contact:** Jason Arn at 503-259-1510 or Jason.Arn@tvfr.com
- 503-259-1550 or FireLifeSafety@tvfr.com

BUILDING SAFETY DIVISION COMMENTS:

- Development in the floodplain will require additional requirements to meet floodplain building code standards.
- **Contact:** Mariah Lemen at 503-537-1286 or mariah.lemen@newbergoregon.gov

ENGINEERING COMMENTS:

- **Contact:** Brett Musick at 503-554-1631 or brett.musick@newbergoregon.gov

Street:

The proposed project sites have frontages on W Weatherly Way for tax lot R3230B 06100 and frontage on NE Waterfront Street for tax lot R3230 01400. Tax lot R3230B 02300 does not have direct access to a public street but does adjoin tax lot R3230B 06100. Both streets are classified as Local-Residential and are under the jurisdiction of the City of Newberg.

Information regarding existing right-of-way and cross-sections can be seen below and is consistent with the City's Transportation System Plan, Municipal Code and Public Works Design and Construction Standards.

Roadway	Functional Classification	Existing Right-of-way	Existing Pavement Width	Minimum Right-of-way	Minimum Pavement Width	Typical Cross-Section (per Transportation System Plan)

W Weatherly Way	Local Residential (54-feet to 60- feet)	~56-feet	~26-feet	56-feet For typical section per TSP.	32-feet	<ul style="list-style-type: none"> • 1-foot from back of walk to right-of-way** • 5-foot sidewalk • 5.5-foot planter* • 0.5-foot curb • 7-foot parking lane • 9-foot travel lane • 9-foot travel lane • 7-foot parking lane • 0.5-foot curb • 5.5-foot planter* • 5-foot sidewalk • 1-foot from back of walk to right-of-way**
-----------------------	--	----------	----------	--	---------	--

*5-foot minimum inclusive of the curb per NMC 15.505.030(G)(8), **Per PWDCS 5.14

Roadway	Functional Classification	Existing Right-of- way	Existing Pavement Width	Minimum Right-of- way	Minimum Pavement Width	Typical Cross-Section (per Transportation System Plan)
NE Waterfront Street	Local Residential (54-feet to 60- feet)	~58.5- feet	~26-feet	56-feet For typical section per TSP.	32-feet	<ul style="list-style-type: none"> • 1-foot from back of walk to right-of-way** • 5-foot sidewalk • 5.5-foot planter* • 0.5-foot curb • 7-foot parking lane • 9-foot travel lane • 9-foot travel lane • 7-foot parking lane • 0.5-foot curb • 5.5-foot planter* • 5-foot sidewalk • 1-foot from back of walk to right-of-way**

*5-foot minimum inclusive of the curb per NMC 15.505.030(G)(8), **Per PWDCS 5.14

If more than \$30,000 of improvements are made to the property, street/frontage improvements can be required, see NMC 12.05.090.

12.05.090 Permits and certificates.

A. Concurrent with the issuance of a building permit for the construction of a building for residential use or business structures or an addition to a dwelling or business structure, the value of which is \$30,000 or more except as the city engineer may require on building permits of lesser value in accordance with NMC [12.05.040](#), the owner, builder or contractor to whom the building permit is issued shall meet the following requirements:

- 1. Construct a sidewalk within the dedicated right-of-way for the full frontage in which a sidewalk in good repair does not exist. The sidewalk construction shall be completed within the building construction period or prior to issuance of an occupancy permit, whichever is the lesser.*
- 2. Dedicate right-of-way in accordance with the city transportation plan.*

The proposed development will be accessed via driveways connected to the existing public streets. The applicant should indicate where the three proposed dwellings will be located on tax lot R3230B 06100 so that the driveway access can be properly configured.

There appears to be adequate existing right-of-way along the project site's frontage. Right-of-way dedication is not needed.

Street Lights:

There is no street lighting along NE Waterfront Street; however, there does appear to be street lighting along W Weatherly Way.

With a type 2 design review, partition, or subdivision it would typically be required to provide a street lighting analysis to determine if street lighting along the property frontages meets city standards or if additional PGE Option A street lights are required. The lighting analysis will need to extend to the centerline of the property frontage. If additional street lighting is needed, plans submitted with permit applications are to include any additional PGE Option A street lights necessary to meet City standards.

Traffic Study:

Per Newberg Development Code 15.220.030(B)(14) a traffic study is required or may be required based on the following criteria:

14. Traffic Study. A traffic study shall be submitted for any project that generates in excess of 40 trips per p.m. peak hour. This requirement may be waived by the [director](#) when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed which adequately mitigate any traffic impacts and/or the proposed [use](#) is not in a location which is adjacent to an intersection which is functioning at a poor level of service. A traffic study may be required by the [director](#) for projects below 40 trips per p.m. peak hour where the [use](#) is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the [City](#) of Newberg design standards. [Ord. [2619](#), 5-16-05; Ord. [2451](#), 12-2-96. Code 2001 § 151.192.]

Based on the proposed project, a traffic study is not required by the City of Newberg; however, it is recommended that at a minimum any land use application include a trip generation memorandum for the proposed project.

Trip Rates/Transportation SDCs: To develop Transportation System Development Charges (TSDC), the city currently uses the Institute of Transportation Engineers, Trip Generation Manual, 10th Edition in coordination with the City's TSDC Methodology document which can be found on the City's website.

The proposed use for the single family homes is most consistent with ITE Trip Code 210 Single Family Housing. The transportation SDC would be approximately \$6,266 per dwelling unit. These city SDC fees would be eliminated if tax lot R3230 01400 was de-annexed from within City limits.

The proposed use for the storage units is most consistent with ITE Trip Code 150 Warehousing or ITE Trip Code 151 Mini-Warehousing depending upon the details of the proposed use. The transportation SDC will depend on the square footage of the proposed storage unit.

The City's Transportation SDC calculator can be found online within the System Development Charge Model available online at:

<https://www.newbergoregon.gov/engineering/page/systems-development-charges>

Wastewater:

The City's online GIS mapping shows that there is an existing 8-inch wastewater main located in S Gabraham Street which is east of tax lots R3230B 06100 and R3230B 02300. There are also existing 8-inch wastewater mains present in NE Waterfront Street and E London Way which are east of tax lot R3230 01400.

The applicant will need to provide wastewater service to each lot/dwelling subject to NMC 13.10.070(K).

NMC 13.10.070 (K) - Independent Drainage Systems. Every dwelling and/or building under separate ownership shall have an independent wastewater system connection with a public or private collection system. Additionally, each parcel shall be served by individual laterals.

The applicant desires to install septic systems for the proposed single family homes to be constructed on tax lots R3230 01400, and does not plan to establish a wastewater service connection for the storage units proposed to be constructed on tax lots R3230B 06100 and R3230B 02300.

If tax lot tax lot R3230 01400 remains within the City limits, the following applies to the proposed single family homes:

Each lot must have separate private utility laterals to the main or to a double wye service where allowed per the Public Works Design and Construction Standards. For additional information refer to NMC section 13.10.

Each lot or dwelling unit under separate ownership must have its own service laterals to the main or to a double wye service where allowed per the Public Works Design and Construction Standards. This also applies to a future Middle Housing Land Division should one occur, or is anticipated.

A Wastewater Analysis which evaluates connection of the proposed single-family homes to the existing public wastewater system needs to be included with any city land use or permit applications.

The current City of Newberg Wastewater Master Plan prepared in 2018 and amended in 2021, includes proposed capital improvement projects (CIP) to establish a wastewater lift station and conveyance piping which would likely serve the areas within the proposed development. The timeline of execution for these CIP are uncertain.

Water:

The City's online GIS mapping shows that there is an existing 8-inch water main located in W Weatherly Way which is immediately east tax lots R3230B 06100 and R3230B 02300. There is also an existing 8-inch water main present in NE Waterfront Street which is immediately east of tax lot R3230 01400.

Fire flows will need to be verified (confirm with TVF&R). Show closest existing fire hydrant on preliminary plans. Additional fire hydrants may need to be installed.

Any onsite fire hydrants will be required to be public and served by public water mains within a 15-foot wide easement.

Confirm with the Fire Marshal (TVF&R) if fire flow test results will need to be submitted with permit applications to be reviewed by the Fire Marshall for approval. If so, the applicant will need to hire a private testing firm to conduct the fire flow test and coordinate with the Public Works Maintenance Division.

The applicant intends to de-annex tax lot R3230 01400 and would construct drinking water wells for the single family homes proposed to be constructed on this property. The applicant did not specify whether each single family home would have its own dedicated water well.

If tax lot tax lot R3230 01400 remains within the City limits, the following applies to the proposed single family homes:

Water service will need to be provided to each lot/dwelling. Water service for the proposed development on tax lot R3230 01400 shall connect to the existing 8-inch main present in NE Waterfront Street. Water service for the proposed development on tax lots R3230B 06100 and R3230B 02300 shall connect to the existing 8-inch main present in W Weatherly Way. For additional information refer to NMC section 13.15.

If a future Middle Housing Land Division were to occur or is anticipated each dwelling unit to be under separate ownership will be required to have its own service lateral to the public main or to a double water service where allowed by the Public Works Design and Construction Standards. Water meters are required to be located at the right-of-way/property line.

Stormwater:

The City's online GIS mapping shows that there is an existing 12-inch water main located in W Weatherly Way which is immediately east of tax lots R3230B 06100 and R3230B 02300. There is also an existing 12-inch water main present in NE Waterfront Street which is east of tax lot R3230 01400.

If the applicant is proposing to create more than 500 square feet of impervious area, the quantity and quality of stormwater will need to be treated in accordance with the [Newberg Municipal Code](#) (NMC) and the [Public Works Design and Construction Standards](#) (PWDCS). Refer to NMC 13.25.28 and PWDCS Section 4. Section 4.9 of the PWDCS describes Low Impact Development Approaches (LIDA) that might be applicable for the proposed project.

Include in the land use submittal and permit submittals a narrative and plans/exhibits that clearly describe existing and proposed impervious areas.

Erosion and Sedimentation Control (ESC):

A DEQ 1200-C permit will be required if 1-acre or more is disturbed. If less than 1-acre is disturbed the City will require a City issued Erosion Control and Sedimentation Plan/Permit. The permit can be found online here:

<https://www.newbergoregon.gov/engineering/page/erosion-sedimentation-control-permit-application>

Other Utilities:

Undergrounding of existing overhead utilities along the project site's frontage may be required if operating at less than 50,000 volts or if any poles need to be relocated. Any new service connection to the property is required to be undergrounded. See NMC 15.430.010 for additional requirements and exception provisions.

A 10-foot wide PUE (public utility easement) will be required if one does not already exist along the property frontage.

Notes: The City's GIS System can be accessed online to view utility and planning maps:

[City of Newberg Maps \(arcgis.com\)](http://arcgis.com)

Within the land use application materials, the applicant should clearly indicate sidewalk locations and widths, the driveway approach location and width, parking areas, building setbacks, and utility connections on the existing conditions plan and the preliminary plans.

General Comment:

The engineering pre-application notes provided are preliminary based on the information provided by the applicant and may not cover all of the development issues or requirements for the project. When a complete application is received and a full review is conducted, it may be determined that additional requirements to meet the Municipal Code or the Public Works Design and Construction Standards exist.

Applicant Questions:

The applicant provided the following questions with pre-application. Responses are below.

- What are the steps for de-annexation? [Planning division to address the process for de-annexation request.](#)

- Can the applicant install septic tanks for new construction on the parcels being considered for development? *If not de-annexed then the notes provided above for the wastewater section would apply to the proposed development.*

The Engineering Division also administers/assigns System Development Charges (SDCs) for the following utilities:

- Transportation System Development Charge
- Water System Development Charge
- Wastewater System Development Charge
- Stormwater System Development Charge
- Non-Potable Water System Development Charge

***ALL SDC FEES BELOW ARE SUBJECT TO CHANGE – See City’s Current Fees for exact costs available at: [Permit Fees | Newberg Oregon](#) and in the [Master Fee Schedule | Newberg Oregon](#)** These rates below are current as of April 1, 2024 through March 31, 2025.

- Additional information regarding current System Development Charges (SDCs) is available at:

[Systems Development Charges | Newberg Oregon](#)

[Posting Notice for Ordinance 2024.2922 | Newberg Oregon](#)

***Transportation SDC** – Transportation SDC is based on the land use and the associated PM peak hour person trip rate.

- $\text{Transportation SDC} = \text{Unit} \times \text{ITE Vehicle Trip Rate} \times 1.68 \times \$3,656.67.$
 - *Per the new 2024 Transportation SDC Model, the TSDC cost multiplier (TSDC per PMPHPT) is \$3,656.67.*
 - ITE Trip Rate is based on the PM Peak Hour using the “Trip Generation Manual, 10th Edition” published by the Institute of Transportation Engineers.
 - $\text{ITE Trip Rate} = \text{PM Peak Hour Vehicle Trip End}.$
 - $\text{PMPHPT (PM Peak Hour Person Trip End)} = \text{ITE Vehicle Trip Rate} \times 1.68$ person trip ends per vehicle trip ends.

- Single Family¹ per dwelling unit \$6,266.08
- Multi Family, per dwelling unit \$4,115.95
- Commercial/Industrial See Transportation SDC Calculation Formula
 - $\text{Transportation SDC} = \text{Unit} \times \text{ITE Vehicle Trip Rate} \times 1.68 \times \$3,656.67.$

¹Includes Accessory Dwelling Unit (ADU), Duplex, Triplex, Quadplex and Cottage Cluster per dwelling unit.

***Water SDC** – Water SDCs are based on the meter size.

- 3/4” Meter \$7,846.12

• 1" Meter	\$13,338.40
• 1.25" Meter	\$19,615.30
• 2" Meter	\$41,584.43

***Wastewater SDC** – Wastewater SDCs are based on fixture units which are defined in the Uniform Plumbing Code.

• For the first 18 fixture units	\$6,039.00
• Per each fixture unit over 18	\$335.50

***Stormwater SDC** – Stormwater SDCs are based on net new impervious surface areas on the property.

- Single Family 1 EDU (Equivalent Dwelling Unit) = \$629.57
- Other Than Single Family (Impervious Area/2877 = #EDU) x \$629.57

***Non-Potable Water SDC** – Non-Potable Water SDCs are based on the meter size.

• 3/4" Meter	\$4,066.00
• 1" Meter	\$6,912.20
• 1.25" Meter	\$10,165.00
• 1.5" Meter	\$13,417.80
• 2" Meter	\$21,549.80
•	

INCENTIVE PROGRAMS TO ENCOURAGE DEVELOPMENT

– *Refer to Ordinance 2024-2922 Attachment B*

[Posting Notice for Ordinance 2024.2922 | Newberg Oregon](#)

Recent amendments to Newberg Municipal Code (NMC) Section 13.05

13.05.040 (C)

For residential developments where dwelling units, as defined by the Oregon Residential Specialty Code, are one thousand square feet or less, except for multifamily housing as defined in ORS 456.515(8), the city will, at the election of the developer, modify the system development charge owed by applying a factor of twenty percent to the system development charge computed for the development. For multi-parcel developments, a factor of twenty percent may be applied only to those parcels whose only above grade improvements are single-family houses with dwelling units that are 1000 square feet or less. Developers that claim this system development charge modifier cannot claim any other waiver or discount for system development charges.

13.05.120 (D)

No transportation system development charges shall be charged for applications that only request a change in use for improvements existing at the time of application submission.

13.05.120 (E)

Development of child care facilities as defined by ORS 329A.250(5) and certified per ORS 329A.300 are exempt from all system development charges established under this Chapter.

13.05.125 (B)

Partial waivers of twenty-five percent for each category of system development charge shall be applied to developments starting or expanding enterprises that provide family wage jobs as further described in this subsection. No developer may claim any other waiver, modifier, or discount for system development charges in addition to the partial waiver described in this subsection. No partial waiver shall be applied unless the city council affirmatively finds that:

1. The enterprise will create at least twenty family wage jobs.
2. The developer will also be the employer of each individual receiving a family wage job.
3. The family-wage jobs will not pay less than one hundred and fifty percent of the applicable minimum wage rate provided under ORS 653.025(1).
4. The enterprise has been reviewed and endorsed by the Strategic Economic Development Corporation of the Mid-Willamette Valley, Oregon or another outside Oregon economic development agency.
5. The duration of each family wage job is permanent in nature and will likely last three or more years.
6. A staff report by the city's community development department supports the award of a partial waiver.

SYSTEM DEVELOPMENT CHARGES DEFINITIONS

Accessory Dwelling Unit (ADU): An interior, attached or detached residential structure (<https://www.codepublishing.com/OR/Newberg/cgi/defs.pl?def=273>) that is used in connection with or that is accessory to a single-family dwelling. An Accessory Dwelling Unit may not exceed 50 percent of the size of the primary unit, up to a maximum of 1,000 square feet. See Newberg Municipal Code 15.05.030.

Dwelling Unit: a single unit of one or more habitable rooms providing complete independent facilities for occupants, including permanent provisions for living, sleeping, eating, cooking and sanitation. See Newberg Municipal Code 15.05.030.

Wastewater Development Fee: Revenues are used to maintain the City's Wastewater System. This fee is collected for any new connections to the City's Wastewater System and is determined by the number of fixture units i.e. sink, bathtub, etc. in the unit. Conversion factors for converting plumbing fixtures to fixture units are from the Uniform Plumbing Code (UPC).

Water Development Fee: Revenues are used to maintain the City's Water System. This fee is collected for each new connection to the City's water system and is determined by the size of the water meter. Standard single family meter size is 3/4".

Storm System Development Fee: Revenues are used to maintain the City's Stormwater System. This fee is collected for each new development that connects to or otherwise uses the City Stormwater System and is determined by the square feet of impervious area. Impervious surface is the hard surface area which either prevents or retards entry of water into the soil

mantel and/or causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions. Impervious surface areas include, but are not limited to, rooftops, concrete or asphalt paving, walkways, patios, driveways, parking lots or storage areas and trafficked gravel or other surfaces which impede the natural infiltration or runoff of surface water.

The amount of impervious area per equivalent dwelling unit (EDU) is defined in the new 2024 Stormwater SDC Model that assumes 2,877 square feet as an average amount of impervious area per single family residence. An equivalent dwelling unit (EDU) is equal to 2,877 square feet of impervious area.

Transportation System Development Fee: Revenues are used for future expansion of the City's Streets. This fee is collected for each new development that connects to the City's current street system and is determined by a methodology utilizing a PM peak hour person trip-end (PMPHPT) basis for calculating future trip growth. The transportation charge is calculated based on the "land use", "units", and trips during pm peak hours both in a vehicle and as a pedestrian. Land use references the type of development, from a hotel to a golf course to a library to a single-family home, and so on. Units are determined by the land use – municipalities can calculate units based on square footage size, the amount of acreage, or on the number of rooms.

The City of Newberg uses the Institute of Transportation Engineers Trip Generation Manual (ITE) to determine trip rates for peak hours. Therefore, different types of development are charged different rates per square foot, or other Unit, as defined in the ITE. The ITE typically provides PM peak hour vehicle trip-ends for the various types of land use categories, or ITE Code designations.

The conversion of PM peak hour vehicle trip-ends (PMPHVT) to PM peak hour person trip-end (PMPHPT) is: $PMPHVT \times 1.68 \text{ PMPHPT/PMPHVT} = \text{PMPHPT}$. The TSDC cost multiplier (TSDC per PMPHPT) is \$3,656.67 per the new 2024 Transportation SDC Model.

The formula used to calculate the fee is: $\text{Transportation SDC Fee} = \text{UNIT} \times \text{ITE PMPH Vehicle Trip Rate} \times 1.68 \times \$3,656.67$.

PLANNING COMMENTS:

- **Contact:** James Dingwall at (971) 281-9450 or james.dingwall@newbergoregon.gov
- Site land use history: Originally annexed in 2006 via Ordinance No. 2006-2651.
- De-annexation procedures:
 - Per Oregon Revised Statute, the process for withdrawing territory from a district includes the following:
 - Request for City Council resolution initiating the withdrawal from the territory.
 - Not later than 30 days after the adoption of the resolution, the City shall hold a public hearing on the withdrawal.

- After the public hearing, the City Council shall consider an order on the withdrawal.
 - Not less than 20 days or more than 50 days after the date of the order, a final hearing shall held on the resolution for withdrawal.
 - After the final public hearing, the City Council shall by resolution or order declare the territory detached from the city.
 - Concurrent referral and notice to Yamhill County – likely that the County would apply surrounding county zoning to the property.
 - Post-Acknowledgment Plan Amendment (PAPA) submittal to the Department of Land Conservation and Development – 35 day notice prior to the first public hearing.
 - Withdrawn area shall still remain subject to any bonded or other indebtedness existing at the time of the order.
- The de-annexation would be a Type III application and would incur the same fee as the annexation process. The current fee is \$2,926 + \$278 per acre (plus the City’s 5% technology fee).
 - The parcels are also currently within the Newberg Urban Renewal Area (north parcels – Riverfront Sub-Area: C, south parcels – Riverfront Sub-Area: B). With de-annexation the property would also be withdrawn from the Urban Renewal Area. City staff is consulting with Agency Staff to identify the procedures and fees for this withdrawal. **Additional information will be provided in supplemental pre-application notes.**
- The following notes are for development if the parcels remain within the City Limits:
 - North parcels: The self-service storage use category is not permitted in the R-2 zoning district (permitted in C-2, M-1, M-2, M-3, M-4-I) and would require a zoning map/comprehensive plan map change, both Type III applications. Development of the self-storage facility would require a Type II Site Design Review, and if the proposed development is located in the Stream Corridor Overlay or Special Flood Hazard Overlay, Stream Corridor and Floodplain Development Permits would also be required. There are procedures available to amend or adjust (to a maximum of 15 percent) the Stream Corridor Overlay if desired.

Process Type:

Zoning Map Change – Type III

Comprehensive Plan Map Change – Type III

Site Design Review – Type II

Stream Corridor – Miscellaneous Type III (uses otherwise allowed in base zone)

Floodplain Development Permit – Miscellaneous Type III

Adjust Stream Corridor (maximum 15 percent) – Type II

Fee:
(typically increase April)

Amend Stream Corridor – Type III
Zoning Map Change - \$2,772
Comprehensive Plan Map Change - \$2,742

Site Design Review – 0.6% of project cost (\$1,048 minimum)
Stream Corridor Type III - \$2,226
Floodplain Development Permit - \$2,226

Timing:

Adjust Stream Corridor - \$1,048
Amend Stream Corridor - \$2,226
Type III: Approximately 11-17 weeks after application deemed complete.

- 14-30 days to deem complete.
- Public noticing
- Planning Commission Hearing (recommendation to City Council)
- City Council Hearing (final decision)
- 21-day appeal period (appeals to LUBA).

Type II: Approximately 6-8 weeks after application deemed complete.

- 14-30 days to deem complete
- Public noticing
- Director Decision (within 60 days after complete)
- 14 day appeal period (appeals to Planning Commission)

Public Notice:

Mailed (500 ft) and posted notice required.

Zoning Map/Comprehensive Plan Map Amendment Review Criteria

- The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;
- Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;
- Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Stream Corridor Adjustment (<= 15%) Review Criteria

- Maximum of 15 percent of the corridor width as measured from the centerline of the stream to the upper edge of the stream corridor boundary.
- The location of the delineated stream corridor boundary is not reduced to less than 50 feet from the edge of a wetland or 100-year flood elevation, whichever is higher; and
- The lands to be eliminated do not contain sloped areas in excess of 20 percent; and
- The lands to be eliminated do not significantly contribute to the protection of the remaining stream corridor for water quality, stormwater control and wildlife habitat; and

- A stream corridor impact report which complies with the provisions of this chapter is provided; and
- The line to be adjusted has not been previously adjusted from the boundary location originally adopted as part of this chapter.
- *Stream Corridor Boundary Amendment (>15%) follows the zoning map change criteria.*

Type II Site Design Review Criteria

- Design Compatibility
- Parking and On-site Circulation
- Setbacks and General Requirements
- Landscaping Requirements
- Signs
- Manufactured dwelling, mobile home, RV parks – NOT APPLICABLE
- Zoning district compliance
- Subdistrict compliance – zone change would likely request removal from riverfront district
- Alternative circulation, roadway frontage improvements, and utility improvements
- Traffic study improvements

Stream Corridor Type III Modification

- Uses and Activities otherwise allowed in the base zone shall be processed as a Type III. The Applicant shall submit a stream corridor impact report.
- Stream Corridor Impact Report
 - o Physical analysis
 - o Ecological analysis
 - o Enhancement proposal
- Review Criteria
 - o Where possible, avoid impact altogether.
 - o Minimize the impact on the stream corridor by using appropriate technology or affirmative steps to avoid, reduce, or mitigate impacts.
 - o Impacts shall be rectified by restoring, rehabilitating, or creating comparable resources on the site or within the same stream corridor.
 - o Remaining resource values shall be protected and enhanced.
 - o Fill requirements.
 - o Amount of fill.
 - o Maintain flood storage capacity if within designated floodway.
 - o Fill or grading shall not significantly increase existing or create new hazardous conditions.
 - o Stream turbidity shall not be significantly increased by a change in watercourse resulting.
 - o Removal of trees over six inches shall be minimized to the extent possible.

Floodplain Permit

- Review

- That the permit requirements and conditions of the Floodplain chapter have been satisfied.
- That all necessary permits have been obtained from those federal, state, or local government agencies from which prior approval is required.
- That if the floodplain development is located in the floodway, those criteria are met.
- Limited variances are available.
- Criteria
 - Anchoring
 - Construction materials and methods
 - Utilities
 - Specific nonresidential construction standards
- Additional development standards:
 - NMC 15.425 Exterior lighting standards for proposed lighting for the commercial facility.
 - NMC 15.430 Utility undergrounding
 - All new utility lines shall be placed underground.
 - Existing utility lines shall be placed underground when relocated or when a Type II design review addition or remodel is proposed.
 - Director may make exceptions to undergrounding requirement based on one or more criteria:
 - The cost of undergrounding is extraordinarily expensive
 - There are physical factors that make undergrounding extraordinarily difficult
 - Existing utility facilities in the area are primarily overhead and unlikely to be changed.
 - NMC 15.352 Riverfront Overlay Subdistrict Commercial design standards would apply
- South parcels: Single-family residential planning review consolidated with building permit review.
 - If on the same lot, even if detached single dwellings, if on same lot planning would consider duplex or triplex (could use middle housing land division) and duplex/triplex design standards would apply.
 - Riverfront Overlay Subdistrict residential design standards would apply.
 - If in Stream Corridor:
 - Type II process – One Single family or duplex dwelling, coverage are not to exceed 1,500 sq ft of area, located to minimize impacts to stream corridor, not located within 100-year flood boundary, has 75 percent of

land located within SC overlay land less than 5,000 sq ft of buildable land outside the SC overlay (approx. 75k from GIS?)

- Type III process – additional dwellings, more than 5,000 sq ft

PORTLAND GENERAL ELECTRIC COMMENTS:

- **Contact:** Ken Spencer at Kenneth.Spencer@pgn.com
- A transformer is located on the north site, and could serve development on these parcels. If extended power needs are projected for the storage units, service upgrades may be required.
- Power is available to an overhead pole at the NE corner of the southern parcels, and service could be extended from there if needed for development of the southern parcels.
- Submit plans through portlandgeneral.com → Power Partners. The project will be assigned a project number and project manager.

Applicable Newberg Municipal Code Sections:

When a complete application is received and a full review is conducted, it may be determined that additional information or other regulations within the Municipal Code apply that were not determined during the limited pre-application review. The full Development Code can be found [here](#).

- *NMC 15.220 Site Design Review*
- *NMC 15.302 Districts and Their Amendment*
- *NMC 15.342 Stream Corridor Overlay (SC) Subdistrict*
- *NMC 15.323 Areas of Special Flood Hazard Overlay (FHO)*
- *NMC 15.352 Riverfront (RD) Overlay Subdistrict*
- *NMC 15.425 Exterior Lighting*
- *NMC 15.430 Underground Utility Installation*

15.220.020 Site design review applicability.

A. Applicability of Requirements. Site design review shall be required prior to issuance of building permits or commencement of work for all improvements noted below. Site design review permits shall be processed as either Type I or Type II, as noted below.

1. Type I.

- a. Single-family dwellings;
- b. Duplex dwellings;
- c. Triplex dwellings;
- d. Quadplex dwellings;
- e. Townhouse dwellings;
- f. Cottage cluster projects;
- g. Institutional, commercial or industrial additions which do not exceed 1,000 square feet in gross floor area;
- h. Multifamily additions or remodels which do not exceed 1,000 square feet in gross floor area, do not exceed 25 percent of the assessed value of the existing structure, and do not add any new units, or new construction incidental to the main use on an existing developed site which does not exceed 1,000 square feet in gross floor area and does not add any new units;
- i. Institutional, commercial or industrial interior remodels which do not exceed 25 percent of the assessed valuation of the existing structure;
- j. Signs which are not installed in conjunction with a new development or remodel;
- k. Modifications, paving, landscaping, restriping, or regrading of an existing multifamily, institutional, commercial or industrial parking lot;
- l. Fences and trash enclosures;

m. Accessory dwelling units.

2. Type II.

a. Any new development or remodel which is not specifically identified within subsection (A)(1) or (A)(3) of this section.

b. Telecommunications facilities.

3. Type III.

a. Multifamily dwellings in the R-2, RP or C-4 zone not meeting the objective process requirements of NMC 15.220.060.

b. Multifamily dwellings in the R-1, R-4 or C-2 zone (conditional use permit also required).

c. Multifamily dwellings in the C-3 zone along Hancock Street (conditional use permit also required).

4. Exemptions to Type I and Type II Process. The following development activities are exempt from Type I or Type II standards:

a. Replacement of an existing item such as a roof, floor, door, window or siding.

b. Plumbing and/or mechanical alterations which are completely internal to an existing structure.

B. Development in Accord with Plans. Construction, site development, and landscaping shall be carried out in substantial accord with the plans, drawings, sketches, and other documents approved as part of a final decision on a site design review.

C. Site Design Review Time Limit. An approved site design review plan intended to be constructed in a single phase shall be valid for one year from the date of the notice of final decision. A building permit must be acquired within this time period or the design review approval shall terminate. The director under a Type I procedure may grant an extension for up to six months if the applicant files a request in writing prior to the expiration of the approval and demonstrates compliance with the following:

1. The land use designation of the property has not been changed since the initial design review approval; and
2. The applicable standards in this code which applied to the project have not changed.

D. Phased Design Review Approval. If a site plan is approved to be constructed in phases, completion of each phase shall extend the expiration of the original design review approval by 12 months from the date of its expiration. Prior to the expiration of each phase, the applicant may apply for an extension to the phase which is about to expire through subsection (C) of this section. The extension of a phase under subsection (C) of this section shall also extend any subsequent phases. The total number of extensions shall not extend the original design review approval more than five years from its original approval date. An applicant with a project containing two or more phases may elect to submit a master site development plan, with the following options:

1. The applicant may provide all of the detailed information for a Type II site design review approval, per the requirements of NMC 15.220.030(B), for all phases of the project. Once the master site development plan is approved:

a. Each subsequent phase of development is permitted outright upon a showing that the proposed phase is being constructed in substantial compliance with the approved plan. This review of substantial compliance will be undertaken by means of a Type I procedure. A phase of development will be considered to be within substantial compliance if the actual characteristics of the project, e.g., total gross square feet of development, employees, vehicle trips, parking spaces, are within five percent of those projected in the approved master site development plan; providing, that the project still is in compliance with all applicable development standards in effect at the time of the approval, or existing applicable development standards,

if these are less stringent than the standards in effect at the time of approval. In lieu of minor modifications by the five percent rule established above, the applicant may request minor adjustments through the administrative adjustment provisions in NMC 15.210.010 et seq.

b. If at the time of construction a subsequent phase of development is not in substantial compliance with the approved plan as defined above, the proposed changes will be subject to review by means of a Type II procedure, including any necessary variances to the applicable development standards in effect at the time of the new application. Those aspects of the phase which do not vary from the approved plan will be reviewed under the provisions of subsection (D)(1)(a) of this section, and not subject to the review required in this subsection.

2. Institutions and other large developments that anticipate significant development over time, but cannot provide detailed information about future projects or phases of development in advance, can develop a concept master site development plan which addresses generic site development and design elements including but not limited to general architectural standards and materials, landscaping standards and materials, on-site vehicular and pedestrian circulation, institutional sign program, and baseline traffic and parking studies and improvement programs. The applicant will be required to undergo Type II site design review, per the requirements of NMC 15.220.030(B), for each project or phase of development at the time of construction, including demonstration of substantial compliance with the generic development and design elements contained within the approved concept master site development plan. The more detailed and comprehensive the generic elements in the concept master site development plan are, the more reduced is the scope of discretionary review at the time of actual construction of a project or phase of development. For purposes of this subsection, “**substantial compliance**” will be defined as noted in subsection (D)(1)(a) of this section.

3. An applicant that submits a concept master site development plan which meets the requirements of subsection (D)(2) of this section may at the same time submit a master site development plan for one or more of the initial phases contained in the concept master site development plan, which are described in sufficient detail to receive complete design review approval in advance, under the provisions of subsection (D)(1) of this section. The concept master site development plan and master site development plan will be filed as separate applications but reviewed concurrently.

4. The approval(s) granted in this section shall be in effect as follows:

a. Once a master site development plan has been approved, completion of each phase shall extend the expiration of the original site design review approval by 12 months from the date of its expiration. Prior to the expiration of each phase, the applicant may apply for an extension to the phase which is about to expire through subsection (C) of this section. The extension of a phase under subsection (C) of this section shall also extend to any subsequent phases. The total number of extensions shall not extend the original site design review approval by more than five years from its original approval date.

b. Institutions submitting a concept master site development plan shall be held to the same requirement provided in subsection (D)(2)(a) of this section, unless the plan specifically includes an expiration date. In no case shall a concept master site development plan cover a period exceeding 10 years.

E. Modification to an Approved Design Review. Following design review approval, an applicant may make modifications to the plan consistent with the following procedures. The director will determine whether the proposed modification is a minor or a major modification.

1. Minor modifications are those which are in substantial compliance with the layout, uses and conditions of the original design review. Generally, the characteristics of the project, such as the layout or size of buildings, number of units, number of parking spaces, landscaping areas, and similar changes, are within five percent of those in the original proposal. The director may approve a minor modification under a Type I procedure upon finding that the modification is substantially consistent with the approved design review, is consistent with the provisions of this code and the conditions of approval, and does not have substantially greater impacts on surrounding properties than the original plan. Changes shall meet all development code requirements.

2. Other modifications are major modifications. A change in the whole application or substantive parts of an application shall be considered a new application. The modified application shall be reviewed under the same procedure as the original application. The criteria for approval shall be those for design review.

3. All applications for modifications under this provision shall be considered new applications for the purposes of the 120-day time limit for processing applications in accordance with NMC 15.100.100 and state statutes. The applicant shall acknowledge in writing that this is a new application for purposes of the 120-day rule.

4. The city council shall establish a fee for modification of approved design review by resolution. [Ord. 2913 § 2 (Exh. B § 4), 4-17-23; Ord. 2889 § 2 (Exh. B § 5), 12-6-21; Ord. 2880 § 2 (Exh. B § 6), 6-7-21; Ord. 2832 § 1 (Exh. A), 7-2-18; Ord. 2730 § 1 (Exh. A (16)), 10-18-10; Ord. 2590, 11-6-03; Ord. 2536, 11-6-00; Ord. 2451, 12-2-96. Code 2001 § 151.191.]

15.220.030 Site design review requirements.

A. Type I. Applications for Type I permit decisions shall be submitted upon forms established by the director. The application shall include a site development plan, drawn to scale, with the following as appropriate to the nature of the use:

1. Access to site from adjacent right-of-way, streets and arterials;
2. Parking and circulation areas;
3. Location and design of buildings and signs;
4. Orientation of windows and doors;
5. Entrances and exits;
6. Private and shared outdoor recreation spaces;
7. Pedestrian circulation;
8. Outdoor play areas;
9. Service areas for uses such as mail delivery, trash disposal, above-ground utilities, loading and delivery;
10. Areas to be landscaped;
11. Exterior lighting;
12. Special provisions for handicapped persons;
13. Other site elements and spaces which will assist in the evaluation of site development;
14. Proposed grading, slopes, and proposed drainage;
15. Location and access to utilities; and
16. Streets, driveways, and sidewalks.

B. Type II or III. The following information is required to be submitted with all Type II or III applications for site design review:

1. Site Development Plan. A site development plan shall be to scale and shall indicate the following as appropriate to the nature of the use:

- a. Access to site from adjacent right-of-way, streets and arterials;
- b. Parking and circulation areas;

- c. Location and design of buildings and signs;
 - d. Orientation of windows and doors;
 - e. Entrances and exits;
 - f. Private and shared outdoor recreation spaces;
 - g. Pedestrian circulation;
 - h. Outdoor play areas;
 - i. Service areas for uses such as mail delivery, trash disposal, aboveground utilities, loading and delivery;
 - j. Areas to be landscaped;
 - k. Exterior lighting;
 - l. Special provisions for handicapped persons;
 - m. Other site elements and spaces which will assist in the evaluation of site development;
 - n. Proposed grading, slopes, and proposed drainage;
 - o. Location and access to utilities including hydrant locations; and
 - p. Streets, driveways, and sidewalks.
2. Site Analysis Diagram. A site analysis diagram shall be to scale and shall indicate the following characteristics on the site and within 100 feet of the site:
- a. Relationship of adjacent lands;
 - b. Location of species of trees greater than four inches in diameter at four feet above ground level;
 - c. Existing and proposed topography;
 - d. Natural drainage and proposed drainage and grading;
 - e. Natural features and structures having a visual, or other significant relationship with the site.
3. Architectural Drawings. Architectural drawings shall be prepared which identify floor plans and elevations.
4. Landscape Plan. The landscape plan shall indicate:
- a. The size, species and approximate locations of plant materials to be retained or placed on the site together with a statement which indicates the mature size and canopy shape of all plant materials;
 - b. Proposed site contouring; and
 - c. A calculation of the percentage of the site to be landscaped.
5. Special Needs for Handicapped. The design review plan shall indicate compliance with all handicapped accessibility requirements including, but not limited to, the location of handicapped parking spaces, the location of accessible routes from the entrance to the public way, and ramps for wheelchairs.
6. Existing Features and Natural Landscape. The plans shall indicate existing landscaping and existing grades. Existing trees or other features intended to be preserved or removed shall be indicated on the plans.

7. Drives, Parking and Circulation. Proposed vehicular and pedestrian circulation, parking spaces, parking aisles, and the location and number of access points shall be indicated on the plans. Dimensions shall be provided for all elements.

8. Drainage. The direction and location of on- and off-site drainage shall be indicated on the plans. This shall include, but not be limited to, site drainage, parking lot drainage, size and location of storm drain lines, and any retention or detention facilities necessary for the project as identified in the submitted preliminary stormwater report.

9. Buffering and Screening. Buffering and screening of areas, structures and facilities for storage, machinery and equipment, services (mail, refuse, utility wires, and the like), loading and parking and similar accessory areas and structures shall be shown on the plans.

10. Signs and Graphics. The location, colors, materials, and lighting of all exterior signs, graphics or other informational or directional features shall be shown on the plans.

11. Exterior Lighting. Exterior lighting within the design review plan shall be indicated on the plans. The direction of the lighting, size and type of fixtures, and an indication of the amount of lighting shall be shown on the plans.

12. Trash and Refuse Storage. All trash or refuse storage areas, along with appropriate screening, shall be indicated on the plans. Refuse storage areas must be constructed of brick, concrete block or material matching the material used on other proposed structures on the site.

13. Roadways and Utilities. The proposed plans shall indicate any public improvements that will be constructed as part of the project, including, but not limited to, roadway and utility improvements.

14. Traffic Study. A traffic study shall be submitted for any project that generates in excess of 40 trips per p.m. peak hour. This requirement may be waived by the director when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed which adequately mitigate any traffic impacts and/or the proposed use is not in a location which is adjacent to an intersection which is functioning at a poor level of service. A traffic study shall be required by the director for projects below 40 trips per p.m. peak hour where the use is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the City of Newberg design standards. [Ord. 2913 § 2 (Exh. B § 5), 4-17-23; Ord. 2619, 5-16-05; Ord. 2451, 12-2-96. Code 2001 § 151.192.]

15.220.050 Criteria for design review.

A. Type I. The following criteria are required to be met in order to approve a Type I design review request:

1. Parking. Parking areas shall meet the requirements of NMC 15.440.010.

2. Setbacks and General Requirements. The proposal shall comply with NMC 15.415.010 through 15.415.060 dealing with height restrictions, public access, residential development standards and home occupations; and NMC 15.405.010 through 15.405.040 and 15.410.010 through 15.410.070 dealing with setbacks, coverage, vision clearance, and yard requirements.

3. Landscaping Requirements. The proposal shall comply with NMC 15.420.010 dealing with landscape requirements and landscape screening.

4. Signs. Signs shall comply with NMC 15.435.010 et seq. dealing with signs.

5. Zoning District Compliance. The proposed use shall be listed as a permitted or conditionally permitted use in the zoning district in which it is located as found in NMC 15.305.010 through 15.336.020.

6. Sufficient Infrastructure. For all triplex dwellings, quadplex dwellings, townhouse dwellings, and cottage cluster developments, the city shall work with the applicant to ensure that sufficient infrastructure will be provided, or can be provided, to include:

- a. Connection to a public wastewater system capable of meeting established service levels.
- b. Connection to a public water system capable of meeting established service levels.
- c. Access via public or private streets meeting adopted emergency vehicle access standards to a city's public street system.
- d. Storm drainage facilities capable of meeting established service levels for storm drainage.

B. Type II or III. The following criteria are required to be met in order to approve a Type II or III design review request:

1. Design Compatibility. The proposed design review request incorporates an architectural design which is the same as existing or proposed uses and structures in the surrounding area. This shall include, but not be limited to, building architecture, materials, colors, roof design, landscape design, and signage.
2. Parking and On-Site Circulation. Parking areas shall meet the requirements of NMC 15.440.010. Parking studies shall be required to determine if adequate parking and circulation are provided for uses not specifically identified in NMC 15.440.010. Provisions shall be made to provide on-site circulation without using the public streets as part of the parking lot circulation pattern. Parking areas shall be designed so that vehicles can efficiently enter and exit the public streets with a minimum impact on the functioning of the public street.
3. Setbacks and General Requirements. The proposal shall comply with NMC 15.415.010 through 15.415.060 dealing with height restrictions, public access, residential development standards and home occupations; and NMC 15.405.010 through 15.405.040 and 15.410.010 through 15.410.070 dealing with setbacks, coverage, vision clearance, and yard requirements.
4. Landscaping Requirements. The proposal shall comply with NMC 15.420.010 dealing with landscape requirements and landscape screening.
5. Signs. Signs shall comply with NMC 15.435.010 et seq. dealing with signs.
6. Manufactured Dwelling, Mobile Home and RV Parks. Manufactured dwelling and mobile home parks shall also comply with the standards listed in NMC 15.445.075 through 15.445.100 in addition to the other clear and objective criteria listed in this section. RV parks also shall comply with NMC 15.445.170 in addition to the other criteria listed in this section.
7. Zoning District Compliance. The proposed use shall be listed as a permitted or conditionally permitted use in the zoning district in which it is located as found in NMC 15.305.010 through 15.336.020. Through this site review process, the director may make a determination that a use is determined to be similar to those listed in the applicable zoning district, if it is not already specifically listed. In this case, the director shall make a finding that the use shall not have any different or more detrimental effects upon the adjoining neighborhood area than those specifically listed.
8. Subdistrict Compliance. Properties located within subdistricts shall comply with the provisions of those subdistricts located in NMC 15.340.010 through 15.348.060.
9. Alternative Circulation, Roadway Frontage Improvements and Utility Improvements. New developments shall provide for access for vehicles and pedestrians to adjacent properties which are currently developed or will be developed in the future. This may be accomplished through the provision of local public streets or private access and utility easements. At the time of development of a parcel, provisions shall be made to develop the adjacent street frontage in accordance with city street standards and the standards contained in the transportation plan. At the discretion of the city, these improvements may be deferred through use of a deferred improvement agreement or other form of security.
10. Traffic Study Improvements. If a traffic study is required, improvements identified in the traffic study shall be implemented as required by the director. [Ord. 2913 § 2 (Exh. B § 6), 4-17-23; Ord. 2889 § 2 (Exh. B § 6),

12-6-21; Ord. 2763 § 1 (Exh. A § 7), 9-16-13; Ord. 2747 § 1 (Exh. A § 5), 9-6-11; Ord. 2451, 12-2-96. Code 2001 § 151.194.]

15.302.030 Procedures for comprehensive plan map and zoning map amendments.

This section describes the procedures and criteria that apply to any application to amend the land use designations identified on the comprehensive plan map, zoning map and land use regulations.

A. Type III Plan and Zoning Map Amendments – One Parcel or Small Group of Parcels.

1. Property owners or the city may initiate a map amendment for one parcel or a small group of parcels under the Type III procedure. May be initiated by a resolution of the planning commission or city council. Unlike other Type III procedures, the decision of the planning commission on a Type III plan map amendment shall be in the form of a recommendation to the city council. The city council shall hold another new hearing and make a final decision.
2. Where an application has been denied, no new application for the same purpose shall be filed within one year of the date of the previous denial unless the city council for good cause shall grant permission to do so.
3. Amendment Criteria. The owner must demonstrate compliance with the following criteria:
 - a. The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;
 - b. Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;
 - c. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.
4. The property owner who desired to have their property reclassified has the burden of establishing that the requested classification meets the requirements of this section. As part of the application, the property owner requesting a change shall file a waiver stating that the owner will not file any demand against the city under Ballot Measure 49, approved November 6, 2007, that amended ORS Chapters 195 and 197.
5. A traffic study shall be submitted for any proposed change that would significantly affect a transportation facility, or that would allow uses that would increase trip generation in excess of 40 trips per p.m. peak hour. This requirement may be waived by the director when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed, which adequately mitigate any traffic impacts and/or the proposed use is not in a location, which is adjacent to an intersection, which is functioning at a poor level of service. A traffic study may be required by the director for changes in areas below 40 trips per p.m. peak hour where the use is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the City of Newberg design standards.

B. Type IV Plan and Zoning Map Amendments – Large Area of the City and Multiple Ownerships.

1. The city may initiate plan map amendments affecting large areas and multiple ownerships under the Type IV procedure. No public notice is required to initiate the amendment. Initiation must be done by resolution of the planning commission or city council. These map changes include those that have widespread and significant impact beyond the immediate area of change.
2. Amendment Criteria. The city must demonstrate:
 - a. The proposed change is consistent with and promotes the objectives of the Newberg comprehensive plan and this code;
 - b. There is a public need for a change of the kind in question;

c. The need will be best served by changing the classification of the particular piece of property in question as compared with other available property;

d. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

C. Amendment of Land Use Regulation. A change in requirements, general provisions, exceptions or other provisions of a land use regulation may be initiated by a resolution of the planning commission or the city council. No notice is required to initiate the amendment. Amendments to land use regulation shall be reviewed under the Type IV procedure. [Ord. 2733 Att. A, 2-7-11; Ord. 2693 § 1 (Exh. A(5)), 3-3-08; Ord. 2619, 5-16-05; Ord. 2612, 12-6-04; Ord. 2451, 12-2-96. Code 2001 § 151.122.]

Chapter 15.342

STREAM CORRIDOR OVERLAY (SC) SUBDISTRICT

Sections:

- 15.342.010 Purpose.
- 15.342.020 Where these regulations apply.
- 15.342.030 General information.
- 15.342.040 Activities exempt from these regulations.
- 15.342.050 Activities requiring a Type I process.
- 15.342.060 Restoration standards for Type I process.
- 15.342.070 Activities requiring a Type II process.
- 15.342.080 Plan submittal requirements for Type II activities.
- 15.342.090 Mitigation requirements for Type II activities.
- 15.342.100 Type III process for exceptions and variances.
- 15.342.110 Prohibited uses and activities.
- 15.342.120 Density transfer.
- 15.342.130 Procedure for adjusting and amending the delineated stream corridor.
- 15.342.140 Stream corridor impact report (SCIR) and review criteria.

15.342.010 Purpose.

The purpose of the stream corridor (SC) overlay subdistrict is to implement the goals and policies of the comprehensive plan relating to open space, scenic, and natural resources which are intended to “. . . ensure that adequate land shall be retained in permanent open space use and that natural scenic and historic resources are protected.” Furthermore, this subdistrict is intended to “. . . protect, conserve, enhance, and maintain the Willamette River Greenway.” The subdistrict allows for a balance of protection of open space, scenic and natural resources and environmentally sensitive development. The designation of lands within this subdistrict is used to provide reasonable regulation of development in or adjacent to stream corridors. This subdistrict does not provide for or authorize public access to private properties designated within this subdistrict. Additionally, the provisions of this subdistrict do not provide measures for the public acquisition of private property. [Ord. 2451, 12-2-96. Code 2001 § 151.465.]

15.342.020 Where these regulations apply.

The regulations of this chapter apply to the portion of any lot or development site which is within an SC overlay subdistrict. Unless specifically exempted by NMC 15.342.040, these regulations apply to the following:

- A. New structures, additions, accessory structures, decks, addition of concrete or other impervious surfaces;
- B. Any action requiring a development permit by this code;
- C. Changing of topography by filling or grading;
- D. Installation or expansion of utilities including but not limited to phone, cable TV, electrical, wastewater, storm drain, water or other utilities;
- E. Installation of pathways, bridges, or other physical improvements which alter the lands within the stream corridor overlay subdistrict. [Ord. 2451, 12-2-96. Code 2001 § 151.466.]

15.342.030 General information.

The delineated stream corridor overlay subdistrict is described by boundary lines delineated on the City of Newberg zoning map indicated with an SC symbol. The boundaries of the SC areas were established by an ecologist analyzing several environmental values including erosion potential, wildlife habitat, riparian water quality protection, floodplain water quality protection, natural condition, and ecological integrity. This information is contained in more detail in a document titled “City of Newberg, Stream Corridors as a Goal 5 Resource.” This document includes a Goal 5 ESEE (economic, social, environment and energy consequences) analysis and was the basis for the preparation of this chapter. The boundaries of the SC overlay subdistrict are typically located at a

logical top of bank, or where no obvious top of bank exists, are located at a distance 50 feet from the edge of the wetland. [Ord. 2451, 12-2-96. Code 2001 § 151.467.]

15.342.040 Activities exempt from these regulations.

The following public or private uses and activities are exempt from the regulations of this chapter:

A. Emergency procedures or emergency activities undertaken by public or private parties which are necessary for the protection of public health, safety and welfare.

B. Maintenance and repair of buildings, structures, yards, gardens or other activities or uses that were in existence prior to the effective date of the ordinance codified in these regulations.

C. Alterations of buildings or accessory structures which do not increase building coverage.

D. The expansion of an existing structure, building, improvements, or accessory structures, provided the expansion is located completely outside of the stream corridor delineation boundary.

E. The following agricultural activities lawfully in existence as of December 4, 1996:

1. Mowing of hay, grass or grain crops.

2. Tilling, discing, planting, seeding, harvesting and related activities for pasture, trees, food crops or business crops; provided, that no additional lands within the stream corridor boundary are converted to these uses.

F. Operation, maintenance and repair of existing irrigation, drainage ditches, ponds, wastewater facilities, stormwater detention or retention facilities, and water treatment facilities.

G. Normal and routine maintenance of existing streets and utilities.

H. Normal and routine maintenance of any public improvement or public recreational area.

I. Measures to remove or abate hazards and nuisances including but not limited to removal of fallen, hazardous or diseased trees.

J. Roadway and related improvements associated with a final alignment of the Newberg bypass road project.

K. Maintenance and repair of existing railroad trackage and related improvements.

L. Airport Area.

1. The removal or pruning of trees or other vegetation located within the airport overlay subdistrict, as established on the City of Newberg zoning map, that either exceed the height limits established by the overlay subdistrict or are otherwise demonstrated to pose a threat to the health, safety, welfare, and general operation of the airport.

2. The removal of undergrowth, within 500 feet east and west of the runway and 1,000 feet south of the runway, as necessary to maintain the safe operation of the airport facilities and activities.

M. Utilities installed above or below existing street rights-of-way.

N. Utility services using an existing pole or installation of other utilities where no more than 100 square feet of ground area is disturbed, no native trees are removed, and the area is replanted to preconstruction conditions using native plants selected from the Newberg plant list.

O. Utility services within existing access roads or other previously improved areas where the utility service can be installed without expanding the previously improved area.

P. The removal of any plant identified on the Newberg plant list as a nuisance plant such as Himalayan blackberry, English ivy, periwinkle, poison oak, or Scotch broom.

Q. The planting or propagation of any plant identified as native on the Newberg plant list.

R. The planting or propagation of any nonnative plant; provided, that the area to be planted covers less than 10 percent of the total site area within the SC overlay subdistrict and does not include any nuisance plants as identified on the Newberg plant list. [Ord. 2451, 12-2-96. Code 2001 § 151.468.]

15.342.050 Activities requiring a Type I process.

The following uses shall be processed as a Type I decision and shall be approved by the director upon submittal of a plan indicating compliance with the accompanying criteria and the restoration standards indicated in NMC 15.342.060.

A. The expansion of an existing single-family, duplex, triplex or quadplex dwelling, structure, building, improvements, or accessory structures inside the corridor delineation boundary, including any expansion associated with conversion of an existing single-family dwelling into a duplex, triplex or quadplex dwelling; provided, that the following criteria have been satisfied:

1. The expansion of a single-family, duplex, triplex or quadplex dwelling, structure or improvement (including decks and patios); provided, that it is located no closer to the stream or wetland area than the existing structure or improvement;
2. The coverage of all structures within the SC overlay subdistrict on the subject parcel shall not be increased by more than 1,000 square feet of the coverage in existence as of December 4, 1996;
3. The disturbed area is restored pursuant to NMC 15.342.060; and
4. No portion of the improvement is located within the 100-year flood boundary.

B. Private or public service connection laterals and service utilities extensions where the disturbed area shall be restored pursuant to NMC 15.342.060.

C. Private or public sidewalks, stairs and related lighting where the disturbed area is restored pursuant to NMC 15.342.060.

D. Bicycle and pedestrian paths; provided, that the area is restored pursuant to NMC 15.342.060.

E. Temporary construction access associated with authorized Type I uses. The disturbed area associated with temporary construction access shall be restored pursuant to NMC 15.342.060.

F. The removal of nonnative vegetation (such as blackberries) by mechanical means; provided, that the site is restored pursuant to NMC 15.342.060.

G. Single-family, duplex, triplex or quadplex dwellings or structures which are nonconforming to the standards of this chapter may be rebuilt in the event of damage due to fire or other natural hazard; provided, that the single-family, duplex, triplex or quadplex dwelling or structure is placed within the same foundation lines. [Ord. 2889 § 2 (Exh. B §§ 17, 18), 12-6-21; Ord. 2880 § 2 (Exh. B §§ 20, 21), 6-7-21; Ord. 2451, 12-2-96. Code 2001 § 151.469.]

15.342.060 Restoration standards for Type I process.

A plan shall be approved only if the following standards can be met. This shall be shown on a plan submitted along with a Type I application.

A. Disturbed areas, other than authorized improvements, shall be regraded and contoured to appear natural. All fill material shall be native soil. Native soil may include soil associations commonly found within the vicinity, as identified from USDA Soil Conservation Service, Soil Survey of Yamhill Area, Oregon.

B. Replanting shall be required using a combination of trees, shrubs and grasses. Species shall be selected from natives on the Newberg plant list.

C. Removed trees over six inches in diameter, as measured at breast height, shall be replaced at a ratio of three new trees for every one removed. All trees replaced pursuant to this section shall have an average caliper measurement of a minimum of one inch. Additional trees of any caliper may be used to further enhance the mitigation site.

D. All disturbed areas, other than authorized improvements, shall be replanted to achieve 90 percent cover in one year.

E. All disturbed areas shall be protected with erosion control devices prior to construction activity. The erosion control devices shall remain in place until 90 percent cover is achieved.

F. Except as provided below, all restoration work must occur within the SC overlay subdistrict and be on the same property. The director may authorize work to be performed on properties within the general vicinity or adjacent to the overlay subdistrict; provided, that the applicant demonstrates that this will provide greater overall benefit to the stream corridor areas. [Ord. 2451, 12-2-96. Code 2001 § 151.470.]

15.342.070 Activities requiring a Type II process.

The installation, construction or relocation of the following improvements shall be processed as a Type II decision. The proposal shall be accompanied by a plan as identified in NMC 15.342.080 and conform to the mitigation standards contained in NMC 15.342.090.

A. Public or private street crossings, sidewalks, pathways, and other transportation improvements that generally cross the stream corridor in a perpendicular manner.

B. Bridges and other transportation improvements that bridge the wetland area.

C. Railroad trackage crossings over the SC overlay subdistrict that bridge the wetland area.

D. Water, wastewater, and stormwater systems already listed within approved City of Newberg master infrastructure plans.

E. New single-family or duplex dwellings which meet all of the following requirements:

1. The lot was created prior to December 4, 1996, is currently vacant, has at least 75 percent of the land area located within the SC overlay subdistrict and has less than 5,000 square feet of buildable land located outside the SC overlay subdistrict.
2. No more than one single-family or duplex dwelling and its expansion is permitted on the property, which shall occupy a coverage area not to exceed 1,500 square feet in area.
3. The single-family or duplex dwelling shall be sited in a location which minimizes the impacts to the stream corridor.
4. The improvements and other work are not located within the 100-year flood boundary.

F. Reduced front yard setback. Properties within the SC subdistrict may reduce the front yard setback for single-family or duplex dwellings or additions where the following requirements are met:

1. The reduction in the front yard setback will allow no less than five feet between the property line and the proposed structure.
2. The reduction in the setback will allow the footprint of the proposed dwelling or addition to be located entirely out of the SC overlay subdistrict.
3. Two 20-foot-deep off-street parking spaces can be provided which do not project into the street right-of-way.
4. Maximum coverage within the stream corridor subdistrict shall not exceed 1,500 square feet.

G. Temporary construction access associated with authorized Type II uses. The disturbed area associated with temporary construction access shall be restored pursuant to NMC 15.342.090.

H. Grading and fill for recreational uses and activities, which shall include revegetation, and which do not involve the construction of structures or impervious surfaces.

I. Public parks.

J. Stream corridor enhancement activities which are reasonably expected to enhance stream corridor resource values and generally follow the restoration standards in NMC 15.342.060. [Ord. 2880 § 2 (Exh. B §§ 22, 23), 6-7-21; Ord. 2451, 12-2-96. Code 2001 § 151.471.]

15.342.080 Plan submittal requirements for Type II activities.

In addition to the design review plan submittal requirements, all applicants for Type II activities within the SC overlay subdistrict shall submit the following information:

A. A site plan indicating all of the following existing conditions:

1. Location of the boundaries of the SC overlay subdistrict.
2. Outline of any existing features including, but not limited to, structures, decks, areas previously disturbed, and existing utility locations.
3. Location of any wetlands or water bodies on the site and the location of the stream centerline and top of bank.
4. Within the area to be disturbed, the approximate location of all trees that are more than six inches in diameter at breast height must be shown, with size and species. Trees outside the disturbed area may be individually shown or shown as crown cover with an indication of species type or types.
5. Topography shown by contour lines at five-foot vertical intervals or less.
6. Photographs of the site may be used to supplement the above information but are not required.

B. Proposed development plan including all of the following:

1. Outline of disturbed area including all areas of proposed utility work.
2. Location and description of all proposed erosion control devices.
3. A landscape plan prepared by a landscape architect, or other qualified design professional, shall be prepared which indicates the size, species, and location of all new vegetation to be planted. [Ord. 2451, 12-2-96. Code 2001 § 151.472.]

15.342.090 Mitigation requirements for Type II activities.

The following mitigation requirements apply to Type II activities. The plans required pursuant to NMC 15.342.080 shall be submitted indicating the following mitigation requirements will be met.

A. Disturbed areas, other than authorized improvements, shall be regraded and contoured to appear natural. All fill material shall be native soil. Native soil may include soil associations commonly found within the vicinity, as identified from USDA Soil Conservation Service, Soil Survey of Yamhill Area, Oregon.

B. Replanting shall be required using a combination of trees, shrubs and grass. Species shall be selected from the Newberg native plant list. Planting shall be as follows:

1. At least eight species of plants shall be used.
2. At least two species must be trees and two species must be shrubs.

3. No more than 50 percent of any seed mix used can be grass.
4. A minimum of one tree and three shrubs shall be used for every 500 square feet of planting area.
5. Areas to be replanted must be completed at the time of final inspection or completion of the work, except as otherwise allowed by this code.
6. Existing vegetation that can be saved and replanted is encouraged, although not required.

C. Removed trees over six inches in diameter, as measured at breast height, shall be replaced as follows:

1. Trees from six to 18 inches in diameter shall be replaced with a minimum of three new trees for every tree removed.
2. Trees over 18 inches but less than 30 inches shall be replaced with a minimum of five trees for every tree removed.
3. Trees over 30 inches shall be replaced with a minimum of eight trees for every tree removed.
4. All trees replaced pursuant to this section shall have an average caliper measurement of a minimum of one inch. Additional trees of any size caliper may be used to further enhance the mitigation site.

D. All disturbed areas, other than authorized improvements, shall be replanted to achieve 90 percent cover in one year. The director may require a bond or other form of security instrument to insure completion of the restoration plan. The director shall authorize the release of the bond or other security instrument when, after one year, the restoration site has achieved the purposes and standards of this section.

E. All disturbed areas shall be protected with erosion control devices prior to construction activity. The erosion control devices shall remain in place until 90 percent cover is achieved.

F. Except as provided below, all restoration work must occur within the SC overlay subdistrict and be on the same property. The director may authorize work to be performed on properties within the general vicinity or adjacent to the overlay subdistrict; provided, that the applicant demonstrates that this will provide greater overall benefit to the stream corridor areas. [Ord. 2451, 12-2-96. Code 2001 § 151.473.]

15.342.100 Type III process for exceptions and variances.

A. Exceptions. Except as provided in NMC 15.342.040, 15.342.050, and 15.342.070, uses and activities otherwise allowed under the applicable base zone regulations shall be processed as a Type III. The applicant shall submit a stream corridor impact report (SCIR) and meet the criteria set forth in NMC 15.342.140:

1. If the application of this chapter would prohibit a development proposal by a public agency or public utility, the agency or utility may apply for an exception pursuant to this section.
2. The expansion of a single-family, duplex, triplex or quadplex dwelling, including expansion associated with the conversion of an existing single-family dwelling into a duplex, triplex or quadplex dwelling, is permitted within the SC overlay subdistrict, provided:
 - a. The single-family, duplex, triplex or quadplex dwelling shall occupy a coverage area not to exceed a maximum of 1,500 square feet in area; and
 - b. The single-family, duplex, triplex or quadplex dwelling shall be placed in a location which is located no closer to the wetland.
3. The expansion of any existing use or structure, other than single-family, duplex, triplex or quadplex dwellings, that is otherwise permitted within the base zoning district. The hearing body may authorize the expansion of an existing non-single-family use, provided the following criteria are met:
 - a. The expansion is limited to no more than 1,500 square feet of coverage;

- b. The proposal does not pose an unreasonable threat to the public health, safety or welfare on or off the development proposal site;
- c. Any alterations to a delineated stream corridor shall be the minimum necessary to allow for the reasonable use of the property;
- d. The development conforms to the regulations of the Newberg development code; and
- e. The expansion shall be placed in a location which is no closer to the wetland.

B. Variance. A variance to the standards of this chapter may be granted under the Type III process. A variance to this chapter shall be processed as a Type III procedure and shall only be subject to the following criteria:

- 1. A stream corridor impact report (SCIR) shall be submitted which meets the criteria indicated in NMC 15.342.140; and
- 2. The proposed development will result in equal or greater conservation of the identified resources and functional values on the site and will, on balance, be consistent with the purpose of the applicable regulation.

C. Nothing contained herein shall be deemed to require a hearing body to approve a request for a Type III permit under this section. [Ord. 2889 § 2 (Exh. B § 19), 12-6-21; Ord. 2880 § 2 (Exh. B §§ 24, 25), 6-7-21; Ord. 2451, 12-2-96. Code 2001 § 151.474.]

15.342.110 Prohibited uses and activities.

The following activities or uses are prohibited within this subdistrict:

- A. Except as provided in NMC 15.342.040(R), the planting or propagation of any plant identified as a nuisance plant as determined by a qualified botanist or indicated as a nuisance plant on the Newberg plant list.
- B. The removal of native trees that are greater than six inches in diameter at breast height, except as is otherwise permitted within this chapter.
- C. Any use dealing with hazardous substances or materials, including but not limited to gas service stations.
- D. Public pathways, except those in conjunction with public lands, public parks or public easements that have been acquired by other than eminent domain.
- E. Recreational marijuana producer and recreational marijuana processor.
- F. Recreational marijuana wholesalers, laboratories, research certificates and retailers.
- G. Recreational marijuana dispensaries. [Ord. 2809 § 1 (Exh. A § 3), 9-19-16; Ord. 2801 § 1 (Exh. A § 4), 6-6-16; Ord. 2798 § 1 (Exh. A § 4), 4-4-16; Ord. 2451, 12-2-96. Code 2001 § 151.475.]

15.342.120 Density transfer.

For residential development proposals on lands which contain the SC overlay subdistrict, a transfer of density shall be permitted within the development proposal site. The following formula shall be used to calculate the density that shall be permitted for allowed residential use on the property:

- A. Step 1. Calculate expected maximum density. The expected maximum density (EMD) is calculated by multiplying the acreage of the property by the density permitted within the Newberg comprehensive plan.
- B. Step 2. The density that shall be permitted on the property shall be equal to the EMD obtained in Step 1, provided:
 - 1. The density credit can only be transferred to that portion of the development site that is not located within the designated stream corridor; and

2. The minimum lot size required for residential dwellings, in the base zone, shall not be reduced by more than 20 percent; and
3. The maximum dwelling units per net acre of buildable land, outside the SC boundary, shall not be increased by more than 20 percent; and
4. The types of residential uses and other applicable standards permitted in the zone shall remain the same; and
5. All other uses shall comply with applicable standards and criteria of the Newberg development code. [Ord. 2451, 12-2-96. Code 2001 § 151.476.]

15.342.130 Procedure for adjusting and amending the delineated stream corridor.

A. Type II Process. The manager shall authorize an adjustment to the delineated stream corridor by a maximum of 15 percent of the corridor width as measured from the centerline of the stream to the upper edge of the stream corridor boundary (from the boundary location originally adopted as part of this chapter), provided the applicant demonstrates that the following standards are met:

1. The location of the delineated stream corridor boundary is not reduced to less than 50 feet from the edge of a wetland or 100-year flood elevation, whichever is higher; and
2. The lands to be eliminated do not contain sloped areas in excess of 20 percent; and
3. The lands to be eliminated do not significantly contribute to the protection of the remaining stream corridor for water quality, stormwater control and wildlife habitat; and
4. A stream corridor impact report which complies with the provisions of this chapter is provided; and
5. The line to be adjusted has not been previously adjusted from the boundary location originally adopted as part of this chapter.

B. Type III Process. The applicant may propose to amend the delineated stream corridor boundary through a Type III quasi-judicial zone change proceeding consistent with the provisions of this code (see standard zone change criteria). [Ord. 2451, 12-2-96. Code 2001 § 151.477.]

15.342.140 Stream corridor impact report (SCIR) and review criteria.

A stream corridor impact report (SCIR) is a report which analyzes impacts of development within delineated stream corridors based upon the requirements of this section. The director shall consult with a professional with appropriate expertise to evaluate the report prepared under this section, in order to properly evaluate the conclusions reached in it. If outside consulting services are required to review the report, the cost of such review shall be paid by the applicant. By resolution, the city council shall establish a maximum fee which will be paid by the applicant.

A. Application Requirements. In addition to required materials for the site design review application, a stream corridor impact report (SCIR) must be submitted. The SCIR shall be conducted and prepared by experienced professionals who are knowledgeable and qualified to complete such a report. The qualifications of the person or persons preparing each element of the analysis shall be included with the SCIR. The SCIR shall include the following:

1. Physical Analysis. The analysis shall include, at a minimum, a description of the soil types, geology, and hydrology of the site plus related development limitations. The analysis shall include development recommendations including grading procedures, soil erosion control measures, slope stabilization measures, and methods of mitigating hydrologic impacts. For projects which affect possible wetlands, a copy of the state wetland inventory map pertaining to the site shall be provided. Notice of the proposal shall be given to the Oregon Division of State Lands and the Army Corp of Engineers.
2. Ecological Analysis. The analysis shall include, at a minimum, an inventory of plant and animal species occurring on the site, a description of the relationship of the plants and animals with the environment, and

recommended measures for minimizing the adverse impacts of the proposed development on unique and/or significant features of the ecosystem, including but not limited to migratory and travel routes of wildlife.

3. Enhancement Proposal. The applicant must propose a stream corridor or wetland enhancement to be completed along with the proposed development. The enhancement shall increase the natural values and quality of the remaining stream corridor lands located on the lot.

B. SCIR Review Criteria. The following standards shall apply to the issuance of permits requiring an SCIR, and the SCIR must demonstrate how these standards are met in a manner that meets the project purpose.

1. Where possible, the applicant shall avoid the impact altogether.
2. Impact on the stream corridor shall be minimized by limiting the degree or magnitude of the action, by using appropriate technology, or by taking affirmative steps to avoid, reduce or mitigate impacts.
3. The impacts to the stream corridor will be rectified by restoring, rehabilitating, or creating comparable resource values on the site or within the same stream corridor.
4. The remaining resource values on the stream corridor site shall be protected and enhanced, with consideration given to the following:
 - a. Impacts to wildlife travel and migratory functions shall be maintained to the maximum extent possible; and
 - b. Native vegetation shall be utilized for landscaping to the extent practicable; and
 - c. The stream bed shall not be unnecessarily or detrimentally altered.
5. The fill shall primarily consist of natural materials such as earth or soil aggregate, including sand, gravel, rock, and concrete. Culverts, bridges, reinforced retaining walls, or other similar structures which require manmade structural materials shall be permitted.
6. The amount of fill used shall be the minimum required to practically achieve the project purpose.
7. If the fill or grading is within a designated floodway, the proposed action shall maintain the flood storage capacity of the site.
8. The proposed fill or grading shall not significantly increase existing hazardous conditions or create significant new hazardous conditions related to geology, hydrology, or soil erosion.
9. Stream turbidity shall not be significantly increased by any change in a watercourse that results from the fill. Measures shall be taken to minimize turbidity during construction.
10. The removal of trees over six inches in diameter shall be minimized to the extent possible to provide the necessary improvements authorized by this chapter. [Ord. 2451, 12-2-96. Code 2001 § 151.478.]

Chapter 15.343

AREAS OF SPECIAL FLOOD HAZARD OVERLAY (FHO)

Sections:

- 15.343.010 Purpose.
- 15.343.020 General provisions.
- 15.343.030 Floodplain development permit procedures.
- 15.343.040 Provisions for flood hazard reduction.
- 15.343.050 Before regulatory floodway.
- 15.343.060 Floodways.
- 15.343.070 Standards for shallow flooding areas (AO zones).
- 15.343.080 Critical facilities.

15.343.010 Purpose.

A. It is the purpose of this chapter to promote the public health, safety, and general welfare, and to minimize public and private losses due to flood conditions in specific areas by provisions designed:

1. To protect human life and health;
2. To minimize expenditure of public money and costly flood control projects;
3. To minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
4. To minimize prolonged business interruptions;
5. To minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets, and bridges located in areas of special flood hazard;
6. To help maintain a stable tax base by providing for the sound use and development of areas of special flood hazard so as to minimize future flood blight areas;
7. To ensure that potential buyers are notified that property is in an area of special flood hazard; and
8. To ensure that those who occupy the areas of special flood hazard assume responsibility for their actions.

B. In order to accomplish its purposes, this chapter includes methods and provisions for:

1. Restricting or prohibiting uses which are dangerous to health, safety, and property due to water or erosion hazards, or which result in damaging increases in erosion or in flood heights or velocities;
2. Requiring that uses vulnerable to floods, including facilities which serve such uses, be protected against flood damage at the time of initial construction;
3. Controlling the alteration of natural floodplains, stream channels, and natural protective barriers, which help accommodate or channel flood waters;
4. Controlling filling, grading, dredging, and other development which may increase flood damage;
5. Preventing or regulating the construction of flood barriers which will unnaturally divert flood waters or may increase flood hazards in other areas;
6. Coordinating and supplementing the provisions of the State Building Code with local land use and development ordinances. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.481.]

15.343.020 General provisions.

A. Lands to Which This Chapter Applies. This chapter shall apply to all areas of special flood hazard within the jurisdiction of Newberg, Oregon, as designated in the Flood Insurance Study for Yamhill County and Incorporated Areas and on the Federal Emergency Management Agency (FEMA) flood insurance rate maps (FIRM) dated March 2, 2010.

B. Basis for Establishing the Areas of Special Flood Hazard. The areas of special flood hazard identified by the Federal Insurance Administration in a scientific and engineering report entitled "The Flood Insurance Study for Yamhill County, Oregon and Incorporated Areas," dated March 2, 2010, with accompanying flood insurance maps are hereby adopted by reference and declared to be a part of this chapter. The Flood Insurance Study is on file at Newberg City Hall. The best available information for flood hazard area identification as outlined in subsection (F)(1) of this section shall be the basis for regulation until a new flood insurance rate map is issued which incorporates the data utilized under subsection (F)(1) of this section.

C. Penalties for Noncompliance. No affected structure or land shall hereafter be constructed, located, extended, converted, or altered without full compliance with the terms of this chapter and other applicable regulations. Violations of the provisions of this chapter by failure to comply with any of its requirements (including violations of conditions and safeguards established in connection with conditions) are subject to enforcement. Nothing herein contained shall prevent the City of Newberg from taking such other lawful action as is necessary to prevent or remedy any violation.

D. Relation to Other Regulations. Most areas of special flood hazard in Newberg are within the existing stream corridor subdistrict, the Willamette Greenway, or in wetlands or waterways subject to federal and state regulations. Therefore, it is expected that floodplain development and use of these regulations will be rare. This chapter should not be read as allowing development that is otherwise restricted or prohibited by other city, state, or federal laws.

E. Warning and Disclaimer of Liability. The degree of flood protection required by this chapter is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by manmade or natural causes. This chapter does not imply that land outside the areas of special flood hazard or uses permitted within such areas will be free from flooding or flood damages. This chapter shall not create liability on the part of the City of Newberg, any officer or employee of the city, or the Federal Insurance Administration, for any flood damages that result from reliance on this chapter or any administrative decision lawfully made hereunder.

F. Duties of the Local Administrator. The director is hereby appointed to administer and implement this chapter by granting or denying floodplain development permit applications in accordance with its provisions. The director's duties are outlined below:

1. Information to Be Obtained and Maintained.

a. Where base flood elevation data is provided through the Flood Insurance Study, FIRM, or required as in NMC 15.343.030(B), obtain and record the actual elevation (in relation to mean sea level) of the lowest floor (including basements and below-flood grade crawlspaces) of all new or substantially improved affected structures, and whether or not the affected structure contains a basement.

b. For all new or substantially improved floodproofed affected structures where base flood elevation data is provided through the Flood Insurance Study, FIRM, or as required in NMC 15.343.030(B):

- i. Verify and record the actual elevation (in relation to mean sea level); and
- ii. Maintain the floodproofing certifications.

c. Maintain for public inspection all records pertaining to the provisions of this chapter.

d. When base flood elevation data has not been provided (A and V zones) in accordance with subsection (B) of this section, Basis for Establishing the Areas of Special Flood Hazard, the director shall obtain, review, and reasonably utilize any base flood elevation and floodway data available from a federal, state

or other source, in order to administer NMC 15.343.040(B), Specific Standards, and NMC 15.343.060, Floodways.

2. Alteration of Watercourses.

a. Notify adjacent communities, the Department of Land Conservation and Development and other appropriate state and federal agencies, prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Insurance Administration.

b. Require that maintenance is provided within the altered or relocated portion of said watercourse so that the flood carrying capacity is not diminished.

3. Interpretation of FIRM Boundaries. Make interpretations, where needed, as to exact location of the boundaries of the areas of special flood hazard (for example, where there appears to be a conflict between a mapped boundary and actual field conditions). The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in NMC 15.343.030(E). [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.482.]

15.343.030 Floodplain development permit procedures.

A. Floodplain Development Permit Required. Any person shall obtain a floodplain development permit before constructing or developing within any area of special flood hazard established in NMC 15.343.020(B). The permit shall be for all affected structures including manufactured homes, as set forth in NMC 15.05.030, and for all floodplain development including fill and other activities, also as set forth in NMC 15.05.030.

B. Application for Floodplain Development Permit. Application for a floodplain development permit shall be made on forms furnished by the planning and building department and may include but not be limited to plans in duplicate drawn to scale showing the nature, location, dimensions, and elevations of the area in question; existing or proposed affected structures, fill, storage of materials, drainage facilities, and the location of the foregoing. Specifically, the following information is required:

1. Elevation, in relation to mean sea level, of the lowest floor (including basement) of all affected structures;
2. Elevation in relation to mean sea level of floodproofing in any affected structure;
3. Certification by a registered professional engineer or architect that the floodproofing methods for any nonresidential affected structure meet the floodproofing criteria in NMC 15.343.040(B); and
4. Description of the extent to which a watercourse will be altered or relocated as a result of proposed floodplain development.

C. Floodplain Development Permit Application Review. The director shall review all floodplain development permit applications. Floodplain development permits shall be reviewed as part of the review of applicable design review, building permit application, grading permit application, other application, or as a Type I review if no other application is concurrent. The review shall determine:

1. That the permit requirements and conditions of this chapter have been satisfied.
2. That all necessary permits have been obtained from those federal, state, or local governmental agencies from which prior approval is required.
3. That if the floodplain development is located in the floodway, the encroachment provisions of NMC 15.343.060(A) are met.

D. Floodplain Development Variance Procedure.

1. Procedure.

a. Any person proposing floodplain development may request a variance to the provisions of this section. The application shall be on forms and include such information as determined by the director. Variance requests shall be processed as a Type II land use action.

b. The decision shall be based upon the criteria established in subsection (D)(3) of this section.

c. Those aggrieved by the decision of the director may appeal the decision to the planning commission.

d. The director shall report any variances to the Federal Insurance Administration upon request.

e. Any applicant to whom a variance is granted shall be given written notice that the affected structure will be permitted to be built with a lowest floor elevation below the base flood elevation and that the cost of flood insurance will be commensurate with the increased risk resulting from the reduced lowest floor elevation.

2. Eligibility.

a. A variance from the elevation standard may be issued for new construction and substantial improvements.

b. Variances as interpreted in the National Flood Insurance Program are based on the general zoning law principle that they pertain to a physical piece of property; they are not personal in nature and do not pertain to the structure, its inhabitants, economic or financial circumstances. They primarily address small lots in densely populated residential neighborhoods. As such, variances from the flood elevations should be quite rare. Generally, the only condition under which a variance from the elevation standard may be issued is for new construction and substantial improvements to be erected on a lot of one-half acre or less in size contiguous to and surrounded by lots with existing structures constructed below the base flood level. As the lot size increases the technical justification required for issuing the variance increases.

c. Variances may be issued for nonresidential buildings in very limited circumstances to allow a lesser degree of floodproofing than watertight or dry-floodproofing, where it can be determined that such action will have low damage potential, complies with all other variance criteria, and otherwise complies with NMC 15.343.040(A)(1) through (3), General Standards.

d. Variances shall not be issued within a designated floodway if any increase in flood levels during the base flood discharge would result.

e. The review body may approve variances for the reconstruction, rehabilitation, or restoration of structures listed on the National Register of Historic Places or the Statewide Inventory of Historic Properties, notwithstanding the application may not meet all the criteria set forth in subsection (D)(3) of this section.

3. Criteria. The review body may approve, approve with conditions, or deny a floodplain development variance, provided all the following criteria are met:

a. Exceptional hardship would result to the applicant if the variance were not granted.

b. Granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, nuisances, victimization of the public, or conflict with existing local laws or ordinances.

c. No reasonable alternative location(s) exists which is not subject to flooding or erosion that may accommodate the proposed use.

d. The variance is the minimum necessary, considering the flood hazard, to afford relief.

e. The characteristics are compatible with neighboring development.

E. Appeal Procedure.

1. Appeal Board. The planning commission shall hear and decide appeals when it is alleged there is an error in any requirement, decision, or determination made by the director in the enforcement or administration of this section. Those aggrieved by the decision of the planning commission may appeal such decision to the city council.
2. Appeal Procedures. Appeals shall follow the Type III procedures outlined in NMC 15.100.160.
3. Scope of Review. The planning commission shall follow the scope of review procedures established in NMC 15.100.180. The decision shall follow the procedures in NMC 15.100.190. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.483.]

15.343.040 Provisions for flood hazard reduction.

A. General Standards. In all areas of special flood hazard, the following standards are required:

1. Anchoring.
 - a. All new construction and substantial improvements shall be anchored to prevent flotation, collapse, or lateral movement of the affected structure.
 - b. All manufactured homes must likewise be anchored to prevent flotation, collapse, or lateral movement, and shall be installed using methods and practices that minimize flood damage. Anchoring methods may include, but are not limited to, use of over-the-top or frame ties to ground anchors (reference FEMA's "Manufactured Home Installation in Flood Hazard Areas" guidebook for additional techniques).
2. Construction Materials and Methods.
 - a. All new construction and substantial improvements shall be constructed with materials and utility equipment resistant to flood damage.
 - b. All new construction and substantial improvements shall be constructed using methods and practices that minimize flood damage.
 - c. Electrical, heating, ventilation, plumbing, and air-conditioning equipment and other service facilities shall be designed and/or otherwise elevated or located so as to prevent water from entering or accumulating within the components during conditions of flooding.
3. Utilities.
 - a. All new and replacement water supply systems shall be designed to minimize or eliminate infiltration of flood waters into the system.
 - b. New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the systems and discharges from the systems into flood waters.
 - c. On-site waste disposal systems, if allowed, shall be located to avoid impairment to them or contamination from them during flooding consistent with the Oregon Department of Environmental Quality.
4. Tentative Subdivision and Partition Plat Proposals.
 - a. Where floodplain development is proposed or reasonably likely, all tentative subdivision and partition plat proposals shall be consistent with the need to minimize flood damage.
 - b. All tentative subdivision and partition plat proposals shall have public utilities and facilities such as sewer, gas, electrical, and water systems located and constructed to minimize or eliminate flood damage.

c. All tentative subdivision and partition plat proposals shall have adequate drainage provided to reduce exposure to flood damage.

d. For any proposed affected structure, proposed subdivision or partition, and other proposed floodplain development which contains at least 50 lots or five acres (whichever is less), flood elevation data shall be provided.

5. Review of Building Permits. Where elevation data is not available either through the Flood Insurance Study, FIRM, or from another authoritative source (NMC 15.343.020(F)(1)(d)), applications for building permits shall be reviewed to assure that proposed construction will be reasonably safe from flooding. The test of reasonableness is a local judgment and includes use of historical data, high water marks, photographs of past flooding, etc., where available. Failure to elevate at least two feet above grade in these zones may result in higher insurance rates.

6. AH Zone Drainage. Adequate drainage paths are required around structures on slopes to guide floodwaters around and away from proposed affected structures. AH zones are areas that have a one percent annual chance of shallow flooding, usually in the form of a pond, with an average depth ranging from one to three feet.

B. Specific Standards. In all areas of special flood hazard where base flood elevation data has been provided (Zones A1 – 30, AH, and AE) as set forth in NMC 15.343.020(B), Basis for Establishing the Areas of Special Flood Hazard or NMC 15.343.020(F)(1)(d), use of other base flood data (in A and V zones), the following provisions are required:

1. Residential Construction.

a. New construction and substantial improvement of any residential affected structure shall have the lowest floor, including basement, elevated to a minimum of one foot above the base flood elevation.

b. Fully enclosed areas below the lowest floor that are subject to flooding are prohibited, or shall be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters. Designs for meeting this requirement must be either be certified by a registered professional engineer or architect or must meet or exceed the following minimum criteria:

i. A minimum of two openings having a total net area of not less than one square inch for every square foot of enclosed area subject to flooding shall be provided.

ii. The bottom of all openings shall be no higher than one foot above grade.

iii. Openings may be equipped with screens, louvers, or other coverings or devices; provided, that they permit the automatic entry and exit of floodwaters.

2. Nonresidential Construction.

a. New construction and substantial improvement of any commercial, industrial or other nonresidential affected structure shall either have the lowest floor, including basement, elevated at or above the base flood elevation; or, together with attendant utility and sanitary facilities, shall:

i. Be floodproofed so that below the base flood level the affected structure is watertight with walls substantially impermeable to the passage of water;

ii. Have structural components capable of resisting hydrostatic and hydrodynamic loads and effects of buoyancy;

iii. Be certified by a registered professional engineer or architect that the design and methods of construction are in accordance with accepted standards of practice for meeting provisions of this subsection based on their development and/or review of the structural design, specifications and plans. Such certifications shall be provided to the official as set forth in NMC 15.343.020(F)(1);

- iv. Nonresidential affected structures that are elevated, not floodproofed, must meet the same standards for space below the lowest floor as described in subsection (B)(1)(b) of this section;
 - v. Applicants floodproofing nonresidential buildings shall be notified that flood insurance premiums will be based on rates that are one foot below the floodproofed level (e.g., a building floodproofed to the base flood level will be rated as one foot below).
3. Manufactured Homes.
- a. All manufactured homes to be placed or substantially improved on sites:
 - i. Outside of a manufactured home park or subdivision;
 - ii. In a new manufactured home park or subdivision;
 - iii. In an expansion to an existing manufactured home park or subdivision; or
 - iv. In an existing manufactured home park or subdivision on which a manufactured home has incurred “substantial damage” as the result of a flood;
- shall be elevated on a permanent foundation such that the finished floor of the manufactured home is elevated to a minimum 18 inches (46 centimeters) above the base flood elevation and be securely anchored to an adequately designed foundation system to resist flotation, collapse and lateral movement.
- b. Manufactured homes to be placed or substantially improved on sites in an existing manufactured home park or subdivision within Zones A1 – 30, AH, and AE on the community’s FIRM that are not subject to the above manufactured home provisions be elevated so that either:
 - i. The finished floor of the manufactured home is elevated to a minimum of 18 inches (46 centimeters) above the base flood elevation; or
 - ii. The manufactured home chassis is supported by reinforced piers or other foundation elements of at least equivalent strength that are no less than 36 inches in height above grade and be securely anchored to an adequately designed foundation system to resist flotation, collapse, and lateral movement.
4. Recreational Vehicles.
- a. Recreational vehicles placed on sites are required to either:
 - i. Be on the site for fewer than 180 consecutive days;
 - ii. Be fully licensed and ready for highway use, on its wheels or jacking system, be attached to the site only by quick disconnect type utilities and security devices, and have no permanently attached additions; or
 - iii. Meet the requirements of subsection (B)(3) of this section and the elevation and anchoring requirements for manufactured homes.
5. Below-Flood Grade Crawlspace.
- a. Below-flood grade crawlspaces are allowed subject to the following standards as found in FEMA Technical Bulletin 11-01, Crawlspace Construction for Buildings Located in Special Flood Hazard Areas:
 - i. The building must be designed and adequately anchored to resist flotation, collapse, and lateral movement of the affected structure resulting from hydrodynamic and hydrostatic loads, including the effects of buoyancy. Hydrostatic loads and the effects of buoyancy can usually be addressed through the required openings stated in subsection (B)(5)(a)(ii) of this section. Because of hydrodynamic loads, crawlspace construction is not allowed in areas with flood velocities greater than five feet per second

unless the design is reviewed by a qualified design professional, such as a registered architect or professional engineer. Other types of foundations are recommended for these areas.

- ii. The crawlspace is an enclosed area below the base flood elevation (BFE) and, as such, must have openings that equalize hydrostatic pressures by allowing the automatic entry and exit of floodwaters. The bottom of each flood vent opening can be no more than one foot above the lowest adjacent exterior grade.
- iii. Portions of the building below the BFE must be constructed with materials resistant to flood damage. This includes not only the foundation walls of the crawlspace used to elevate the building, but also any joists, insulation, or other materials that extend below the BFE. The recommended construction practice is to elevate the bottom of joists and all insulation above BFE.
- iv. Any building utility systems within the crawlspace must be elevated above BFE or designed so that floodwaters cannot enter or accumulate within the system components during flood conditions. Ductwork, in particular, must either be placed above the BFE or sealed from floodwaters.
- v. The interior grade of a crawlspace below the BFE must not be more than two feet below the lowest adjacent exterior grade.
- vi. The height of the below-flood grade crawlspace, measured from the interior grade of the crawlspace to the top of the crawlspace foundation wall, must not exceed four feet at any point. The height limitation is the maximum allowable unsupported wall height according to the engineering analyses and building code requirements for flood hazard areas.
- vii. There must be an adequate drainage system that removes floodwaters from the interior area of the crawlspace. The enclosed area should be drained within a reasonable time after a flood event. The type of drainage system will vary because of the site gradient and other drainage characteristics, such as soil types. Possible options include natural drainage through porous, well-drained soils and drainage systems such as perforated pipes, drainage tiles or gravel or crushed stone drainage by gravity or mechanical means.
- viii. The velocity of floodwaters at the site should not exceed five feet per second for any crawlspace. For velocities in excess of five feet per second, other foundation types should be used. For more detailed information refer to FEMA Technical Bulletin 11-01. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.484.]

15.343.050 Before regulatory floodway.

In areas where a regulatory floodway has not been designated, no new construction, substantial improvements, or other floodplain development (including fill) shall be permitted within Zones A1 – 30 and AE on the community's FIRM, unless it is demonstrated that the cumulative effect of the proposed floodplain development, when combined with all other existing and anticipated floodplain development, will not increase the water surface elevation of the base flood more than one foot at any point within the community. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.485.]

15.343.060 Floodways.

Located within areas of special flood hazard established in NMC 15.343.020(B) are areas designated as floodways. Since the floodway is an extremely hazardous area due to the velocity of floodwaters which carry debris, potential projectiles, and erosion potential, the following provisions apply:

- A. Encroachments are prohibited unless evidence is provided by a registered professional civil engineer demonstrating that encroachments shall not result in any increase in flood levels during the occurrence of the base flood discharge.
- B. If subsection (A) of this section is satisfied, all new construction and substantial improvements shall comply with all applicable flood hazard reduction provisions of NMC 15.343.040, Provisions for flood hazard reduction.

C. Projects for stream habitat restoration may be permitted in the floodway, provided:

1. The project qualifies for a Department of the Army, Portland District, Regional General Permit for Stream Habitat Restoration (NWP-2007-1023); and
2. A qualified professional (a registered professional engineer; or staff of NRCS, the county, or fisheries, natural resources, or water resources agencies) has provided a feasibility analysis and certification that the project was designed to keep any rise in 100-year flood levels as close to zero as practically possible given the goals of the project; and
3. No affected structures would be impacted by a potential rise in flood elevation; and
4. An agreement to monitor the project, correct problems, and ensure that flood carrying capacity remains unchanged is included as part of the local approval.

D. New installations of manufactured dwellings are prohibited (2002 Oregon Manufactured Dwelling and Park Specialty Code). Manufactured dwellings may only be located in floodways according to one of the following conditions:

1. If the manufactured dwelling already exists in the floodway, the placement was permitted at the time of the original installation, and the continued use is not a threat to life, health, property, or the general welfare of the public; or
2. A new manufactured dwelling is replacing an existing manufactured dwelling whose original placement was permitted at the time of installation and the replacement home will not be a threat to life, health, property, or the general welfare of the public and it meets the following criteria:
 - a. As required by 44 CFR Chapter 1, Subpart 60.3(d)(3), it must be demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practices that the manufactured dwelling and any accessory buildings, accessory affected structures, or any property improvements (encroachments) will not result in any increase in flood levels during the occurrence of the base flood discharge;
 - b. The replacement manufactured dwelling and any accessory buildings or accessory affected structures (encroachments) shall have the finished floor elevated a minimum of 18 inches (46 centimeters) above the BFE as identified on the flood insurance rate map;
 - c. The replacement manufactured dwelling is placed and secured to a foundation support system designed by an Oregon professional engineer or architect and approved by the authority having jurisdiction;
 - d. The replacement manufactured dwelling, its foundation supports, and any accessory buildings, accessory affected structures, or property improvements (encroachments) do not displace water to the degree that they cause a rise in the water level or divert water in a manner that causes erosion or damage to other properties;
 - e. The location of a replacement manufactured dwelling is allowed by local ordinances; and
 - f. Any other requirements deemed necessary by the director as having jurisdiction. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.486.]

15.343.070 Standards for shallow flooding areas (AO zones).

Shallow flooding areas appear on FIRMs as AO zones with depth designations. The base flood depths in these zones range from one to three feet above ground where a clearly defined channel does not exist, or where the path of flooding is unpredictable and where velocity flow may be evident. Such flooding is usually characterized as sheet flow. In these areas, the following provisions apply:

- A. New construction and substantial improvements of residential affected structures and manufactured homes within AO zones shall have the lowest floor (including basement) elevated above the highest grade adjacent to the building

a minimum of one foot above the depth number specified on the FIRM (at least two feet if no depth number is specified).

B. New construction and substantial improvements of nonresidential affected structures within AO zones shall either:

1. Have the lowest floor (including basement) elevated above the highest adjacent grade of the building site, one foot or more above the depth number specified on the FIRM (at least two feet if no depth number is specified); or
2. Together with attendant utility and sanitary facilities, be completely floodproofed to or above that level so that any space below that level is watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. If this method is used, compliance shall be certified by a registered professional engineer or architect as in NMC 15.343.040(B)(2)(a)(iii).

C. Require adequate drainage paths around affected structures on slopes to guide floodwaters around and away from proposed structures.

D. If allowed, recreational vehicles placed on sites within AO zones on the community's FIRM either:

1. Be on the site for fewer than 180 consecutive days; and
2. Be fully licensed and ready for highway use, on its wheels or jacking system, be attached to the site only by quick disconnect type utilities and security devices, and have no permanently attached additions; or
3. Meet the requirements of this section and the elevation and anchoring requirements for manufactured homes. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.487.]

15.343.080 Critical facilities.

Construction of new critical facilities shall be, to the extent possible, located outside the limits of the special flood hazard area (SFHA) (100-year floodplain). Construction of new critical facilities shall be permissible within the SFHA if no feasible alternative site is available. Critical facilities constructed within the SFHA shall have the lowest floor elevated three feet above BFE or to the height of the 500-year flood, whichever is higher. Access to and from the critical facility should also be protected to the height utilized above. Floodproofing and sealing measures must be taken to ensure that toxic substances will not be displaced by or released into floodwaters. Access routes elevated to or above the level of the base flood elevation shall be provided to all critical facilities to the extent possible. [Ord. 2719 § 2 (Exh. B), 3-1-10. Code 2001 § 151.488.]

Chapter 15.352

RIVERFRONT (RD) OVERLAY SUBDISTRICT

Sections:

- 15.352.010 Purpose.
- 15.352.020 Where these regulations apply.
- 15.352.030 The Riverfront Plan general provisions.
- 15.352.040 Commercial design standards.
- 15.352.050 Residential design standards.
- 15.352.060 Mixed employment design standards for commercial development.
- 15.32.070 Mixed employment design standards for industrial development.

15.352.010 Purpose.

The purpose of the riverfront overlay subdistrict is to create a unique identity based on the district's special character as a result of its proximity to the Willamette River. The riverfront overlay subdistrict is also intended to encourage access to and enjoyment of the Willamette River and to protect and enhance views of and connections to the river. Specific building design standards for commercial, residential, and industrial buildings, streetscapes, and parking within the riverfront overlay subdistrict are included to achieve development that is consistent with the vision identified in the 2019 Riverfront Master Plan. This vision includes, but is not limited to, attractive pedestrian-oriented streets; an integrated mix of residential, commercial and industrial development; preservation of natural spaces along the riverfront; a network of off-street paths and trails; and space for large group activities such as concerts, cultural gatherings, or sporting events. [Ord. 2868 § 1 (Exh. A), 11-16-20; Ord. 2564, 4-15-02. Code 2001 § 151.527.1.]

15.352.020 Where these regulations apply.

The regulations of the chapter apply to the portion of any lot or development site which is within an RD overlay subdistrict. The delineation of the RD overlay subdistrict is described by boundary lines delineated on the City of Newberg zoning map indicated with an RD symbol. [Ord. 2868 § 1 (Exh. A), 11-16-20; Ord. 2564, 4-15-02. Code 2001 § 151.527.2.]

15.352.030 The Riverfront Plan general provisions.

A. Report Accepted. The 2019 Newberg Riverfront Master Plan was accepted by the city council on September 16, 2019 (Resolution No. 2019-3596). The development standards listed in this chapter shall take precedence over those listed in the report. If ambiguity exists, this code shall govern.

B. Permitted Uses and Conditional Uses. The permitted and conditional uses allowed under the RD overlay subdistrict shall be the same as those uses permitted in the base zoning districts, subject to the provisions of subsection (I) of this section.

C. Street, Bike Path, and Pedestrian Walkway Standards. All development improvements shall comply with standards contained in the 2019 Newberg Riverfront Master Plan.

D. View Corridors. Key views of the Willamette River shall be protected. Key views include the view from the top of the bluff, on the south side of the intersection of E Fourteenth Street and S River Street, and the view from the top of the bluff south of E Fourteenth Street generally between S College and S River Streets. These key views shall be protected as follows:

1. Any development on the south side of the intersections of E Fourteenth Street and S River Street, E Fourteenth Street and S College Street, and NE Waterfront Street shall provide a public viewing area accessible from E Fourteenth Street and NE Waterfront Street that allows views from the top of the bluff to the river. Any viewing area at this location shall be connected to the public esplanade or the E Fourteenth Street public sidewalk.
2. Development south of E Fourteenth Street and NE Waterfront Street shall protect views of the river by providing a public esplanade with a public walkway.

3. Development on the Riverfront Mill Site shall protect views of the river from the top of the bluff along the southern edge of the site, including at the northern terminus of the waterline bridge. Developments shall provide a public viewing area accessible from the future extension of E Fourteenth Street that allows views from the top of the bluff to the river and connects to a public sidewalk.

4. Additional key views of the Willamette River may be identified through the land use approval process. Additional views identified through the land use process may be protected through conditions of approval.

E. Significant Tree Grove. Oregon White Oaks within the significant tree grove located north of E Fourteenth Street and between S College and S River Streets shall be preserved, with the exception of removal necessary for a public infrastructure project or removal of trees deemed hazardous by a certified arborist.

F. Separate Rail Traffic from Other Modes. Transportation improvements to collector and arterial streets shall be designed with considerations intended to mitigate conflicts between rail traffic and other modes such as at-grade rail crossings.

G. Esplanade Development. Prior to the development of the riverfront esplanade, a slope stability and flood study shall be performed.

H. Limits to the Floor Area of Commercial and Office Development within the M-E/RD subdistrict. Within the M-E/RD subdistrict, limits to total floor area shall be imposed in order to (a) preserve the predominantly employment-focused nature of the district east of S River Street and (b) limit traffic impacts of development within the M-E/RD subdistrict on nearby intersections, as identified in the 2019 Riverfront Master Plan and its Transportation Planning Rule (TPR) findings. The limits are as follows:

1. Commercial Retail Development. Within the M-E/RD Subdistrict, the total combined floor area for development within the categories of commercial sales and rental uses, eating and drinking establishments, commercial services, and commercial recreation shall not exceed 60,000 square feet.

2. Commercial Office Development. Within the M-E/RD subdistrict, the total combined floor area for development in the category of commercial office shall not exceed 60,000 square feet. [Ord. 2868 § 1 (Exh. A), 11-16-20; Ord. 2564, 4-15-02. Code 2001 § 151.527.3.]

15.352.040 Commercial design standards.

A. General. The commercial design standards apply to any development located within the commercial zoning district(s) within the riverfront overlay subdistrict. These standards are in addition to the standards and requirements of the Newberg development code. The development standards listed in this chapter shall take precedence over those listed elsewhere in this code.

B. Minimum Lot Size. Within the commercial zoning district(s) of the riverfront overlay subdistrict, there is no minimum lot size required, provided the other standards of this code can be met.

C. Lot Coverage. The development site is permitted to have 100 percent lot coverage.

D. Building Maximum Square Footage Requirements. Except as otherwise may be approved through a conditional use permit, the ground floor of buildings shall not exceed 15,000 square feet.

E. Setbacks.

1. Minimum. No front yard setbacks are required. No side or rear yard setbacks are required, except where adjacent to residentially zoned property. Where interior lot lines are common with residentially zoned property, setbacks of not less than 10 feet shall be required.

2. Maximum.

a. The maximum front yard setback shall be 10 feet for at least 50 percent of the length of the street-facing lot line. A building must be constructed that is located within 10 feet of the street-facing lot line for at least

50 percent of the length of the street-facing lot line. If the development is on a corner lot, this standard applies to both streets.

b. The maximum front yard setback may be increased to 20 feet if the following conditions are met:

i. Landscaping or a hard-surfaced expansion of the pedestrian path must be provided between the front of the building and the sidewalk.

ii. For each 100 square feet of hard-surfaced area between the building and the street lot line, at least one of the following amenities must be provided:

(A) A bench or other seating that will accommodate at least three people.

(B) A tree with a minimum caliper of two and one-half inches.

(C) A landscape planter not less than 20 square feet in area.

(D) A drinking fountain.

(E) Similar pedestrian-scale amenities.

F. Vision Clearance. There is no vision clearance requirement within the commercial zoning districts located within the RF overlay subdistrict.

G. Signs. Signs shall comply with sign standards for the C-3 zone under this code, NMC 15.435.040 through 15.435.120.

H. Parking.

1. Interior Lots. Within a development site, parking is not permitted between a building and a public street. Parking must be located to the side or rear of buildings.

2. Corner Lots. Parking may be located no closer than 40 feet from the intersection of two public streets.

3. Minimum Required Off-Street Parking. The minimum number of required off-street parking spaces shall be 50 percent of the number required by NMC 15.440.030, except that no reduction is permitted for residential uses.

4. Off-Site Parking. Required off-street parking is permitted to be located off-site, as long as the off-street parking is located within 400 feet of the development.

5. Shared Parking. Shared parking facilities shall be exempt from setback and building square footage requirements, provided the parking facility does not abut Fourteenth Street. An intervening building must be provided between Fourteenth Street and the parking facility, or the facility must be set back a minimum of 40 feet from Fourteenth Street. Accessways to Fourteenth Street are permitted.

6. Bicycle Parking. Two bicycle parking spaces, or one per 5,000 square feet of building area, must be provided, whichever is greater.

7. Loading. Except as permitted in this subsection, loading areas shall be set back at least 10 feet from property lines and screened from the street and neighboring properties. Loading areas that are directly visible from the street or neighboring properties shall be screened using one of the following ways:

a. The loading area shall be incorporated into the building design and located internally to the building, with a door to the exterior.

- b. The loading area shall be screened by a hedge, fence, or wall at least six feet in height. A hedge must be 95 percent opaque year-round. Fences or walls must be totally sight-obscuring. Slatted chain link fencing is not permitted as a form of screening loading areas.

I. Screening.

1. Refuse and Recycling. Refuse collection containers (dumpsters) and recycling areas shall be screened from the street and neighboring properties. Trash receptacles for pedestrian use are exempt from this requirement. One of the following standards must be met for refuse collection screening:

- a. Refuse collection and recycling areas may be screened by being located completely within a building.
- b. If located outside of a building, refuse collection and recycling areas must be located within an enclosure at least six feet in height. The enclosure shall be a sight-obscuring masonry wall or nonflammable sight-obscuring fence. The material selected for the enclosure must be consistent with the building materials permitted on the surrounding buildings. Slatted chain link fencing is not permitted.

2. Roof-Mounted Mechanical Equipment. All roof-mounted mechanical equipment (e.g., air conditioning, heating, ventilation ducts and exhaust vents, swimming pool and spa pumps and filters, transformers and generators, communications equipment, and similar equipment, excluding solar panels) must be screened from public view in one of the following ways:

- a. A parapet as tall as the tallest part of the equipment;
- b. A screen around the equipment that is as tall as the tallest part of the equipment; or
- c. The equipment is set back from the street-facing perimeters of the building three feet for each foot of height of the equipment.
- d. The review body may allow exemptions for equipment that contributes to the architectural design of the structure, such as piping in a brewery.

3. Ground-Mounted Equipment. Mechanical equipment on the ground must be screened from view by walls, fences, or vegetation as tall as the tallest part of the equipment. Any vegetation must be 95 percent opaque year-round. Fences or walls must be totally sight-obscuring. Slatted chain link fencing is not permitted.

J. Building Design.

1. Building Height. Maximum building height in the C-4 zone in the riverfront overlay subdistrict is 45 feet. Maximum building height in the C-1 zone in the riverfront overlay subdistrict is 30 feet. Minimum building height for all commercial zones in the riverfront overlay subdistrict is 16 feet on the exterior elevation, and a parapet can be included in the measurement.

2. Street-Facing Building Facades. Street-facing facades shall be varied and articulated to provide visual interest to pedestrians.

- a. Street-facing building facades shall extend no more than 30 feet without providing a variation in building material or building offsets. Building offsets must articulate at least two feet.
- b. Street-facing building facades shall be articulated into planes of 500 square feet or less either by setting part of the facade back at least two feet from the rest of the facade, or by the use of fascias, canopies, arcades, windows, breaks in relief, or other similar features.
- c. Buildings must include changes in relief on 10 percent (in area) of facades facing public rights-of-way. Relief changes include cornices, bases, arcades, setbacks of at least two feet, canopies, awnings, projecting window features, or porticos.

3. **Building Length.** Building length shall not exceed 200 feet without a pedestrian connection through the building or between buildings. This is applicable to both a single building and to a group of individual buildings connected by common walls.

4. **Building Materials.** Building materials for all exterior sides with a primary or secondary entrance, excluding loading zones, shall convey an impression of durability.

a. Masonry, stone, stucco, and wood are permitted as the primary material for exterior appearance. Metal is not permitted as a primary exterior building material but may be used as an accent or awning.

b. Where concrete masonry units (concrete block) are used for exterior finish, decorative patterns must be used, such as split-face concrete block or by incorporating layering or patterns.

c. Where brick, rusticated concrete block, or stone masonry is used as a veneer material, it must be at least two and one-half inches thick. Brick and stone street-facing facades shall return at least 18 inches around exposed side walls.

d. Wood or wood-look siding must be lap siding, board and batten, shingle siding or channel siding and is not permitted to be applied in a diagonal or herringbone pattern. T1-11 and all other wood-based "full sheet" or panel-type siding is prohibited. Lap siding, shingles, and shakes shall be exposed a maximum of six inches to the weather. In board and batten siding, battens shall be spaced a maximum of eight inches on center.

e. Preferred colors for exterior building finishes are earth tones, creams, and pastels of earth tones. High-intensity primary colors, metallic colors, and black may be used for trim or accent colors but are not permitted as primary wall colors.

5. **Ground-Floor Windows.** Exterior walls on the ground level which face a street lot line or other public right-of-way must have windows at least 50 percent of the length and 25 percent of the ground-level wall area. Ground-level wall areas include all exterior wall areas up to nine feet above the finished grade. To qualify as ground-floor windows, window sills must be no more than four feet above exterior grade. The ground-floor window requirement does not apply to the walls of residential units. Qualifying window features must be either windows or doors that allow views into working areas or lobbies, pedestrian entrances, or display windows set into the wall. See Appendix A, Figure 25.

6. **Window Glazing.** Any windows facing public rights-of-way on the ground floor shall have clear glazing. Restroom windows are exempt from this requirement. On any floor, tinted or reflective glass shall not be visible from public rights-of-way, other than ornamental stained glass windows.

7. **Main Building Entrance.** Within the riverfront commercial district, the main building entrance shall connect to adjacent public rights-of-way with a paved walkway at least six feet in width. For buildings with more than one major entrance, only one entrance is required to meet the main building entrance standard. The walkway must not be more than 120 percent or 20 feet longer than the straight line distance between the entrance and the closest improved right-of-way, whichever is less.

8. **Pedestrian Access to Esplanade.** Buildings on properties adjacent to the esplanade shall provide pedestrian access to and a door facing the esplanade.

K. **Landscaping.** Where 100 percent of a lot is covered by a building, no landscaping is required.

1. All setback areas and lands not otherwise developed shall be landscaped. Courtyards, plazas and pedestrian walkways, esplanades and natural riparian vegetation are considered to be landscaping.

2. **Parking Lot Landscaping.** In addition to other Newberg development code standards for interior parking lot landscaping, special screening standards shall apply to parking lots. Parking areas shall be screened from neighboring properties and public rights-of-way. Perimeter landscaping at least five feet in width shall be provided. The following standards must be met for the perimeter landscaping areas:

- a. Enough low shrubs to provide a continuous screen at least three feet high and 95 percent opaque year-round.
- b. One tree per 30 linear feet or enough trees to provide a tree canopy over the landscaped area.
- c. Ground cover plants, perennials, or shrubs must fully cover the remainder of the landscaped area.
- d. A three-foot-high masonry wall may substitute for the shrubs, but trees and ground cover at the above-cited rates are still required.

L. Outdoor Storage and Display.

1. Outdoor Storage. Outdoor storage of merchandise or materials directly or indirectly related to a business is prohibited.
2. Outdoor Display. Outdoor display of merchandise is permitted during business hours only. A minimum pedestrian walkway of six-foot clear width must be maintained at all times.

M. Outdoor Seating. Outdoor seating is encouraged on public sidewalks and the esplanade. A minimum pedestrian walkway of six-foot clear width must be maintained at all times. [Ord. 2868 § 1 (Exh. A), 11-16-20; Ord. 2564, 4-15-02. Code 2001 § 151.527.4.]

15.352.050 Residential design standards.

In addition to the development standards of the base zone and the design standards in NMC 15.415.050, the following standards shall apply:

A. Facade Design Features.

1. For single-family detached dwellings, duplex dwellings, triplex dwellings, quadplex dwellings, townhouse dwellings, and manufactured homes on individual lots, at least two of the following design features must be provided on the street-facing facade:
 - a. Covered front porch at least six feet in width and length.
 - b. Eaves (minimum 12-inch overhang).
 - c. Bay or bow windows.
 - d. Dormers.
 - e. Window shutters.
 - f. Cupolas.
 - g. Horizontal lap siding.
2. T1-11 and all other wood-based "full sheet" or panel-type siding is prohibited on elevations visible from public rights-of-way.
3. Townhouse dwellings shall be exempt from the unit definition standards of NMC 15.415.050(B)(3).

B. Standards for Garage Doors and Parking in Residential Zones.

1. Garage Location. All residential structures shall have a pedestrian entrance facing the street. When parking is provided in a garage attached to the primary structure, and garage doors face a street, the following standards must be met:
 - a. The garage must not be more than 40 percent of the length of the street-facing facade or 12 feet wide, whichever is greater.

b. The front of the garage can be no closer to the front lot line than the front facade of the primary structure.

c. Individual garage doors may be no more than 90 square feet in area for a single-car garage or 180 square feet in area for a two-car garage.

d. There may be no more than two individual garage doors located side by side without being separated by a space not less than 20 feet.

2. Surface parking areas shall be located behind or to the side of residential structures.

3. If carports are provided on surface lots, they must be of an architectural design that is compatible with the dwelling structure, and be constructed of similar materials. [Ord. 2889 § 2 (Exh. B § 25), 12-6-21; Ord. 2880 § 2 (Exh. B §§ 34, 35), 6-7-21; Ord. 2868 § 1 (Exh. A), 11-16-20; Ord. 2747 § 1 (Exh. A § 12), 9-6-11; Ord. 2564, 4-15-02. Code 2001 § 151.527.5.]

Chapter 15.425

EXTERIOR LIGHTING

Sections:

- 15.425.010 Purpose.
- 15.425.020 Applicability and exemptions.
- 15.425.030 Alternative materials and methods of construction, installation, or operation.
- 15.425.040 Requirements.

15.425.010 Purpose.

The purpose of this chapter is to regulate the placement, orientation, distribution patterns, and fixture types of on-site outdoor lighting. The intent of this section is to provide minimum lighting standards that promote safety, utility, and security, prevent glare on public roadways, and protect the privacy of residents. [Ord. 2537, 11-6-00. Code 2001 § 151.585.]

15.425.020 Applicability and exemptions.

A. Applicability. Outdoor lighting shall be required for safety and personal security in areas of assembly, parking, and traverse, as part of multifamily residential, commercial, industrial, public, recreational and institutional uses. The applicant for any Type I or Type II development permit shall submit, as part of the site plan, evidence that the proposed outdoor lighting plan will comply with this section. This information shall contain but not be limited to the following:

1. The location, height, make, model, lamp type, wattage, and proposed cutoff angle of each outdoor lighting fixture.
2. Additional information the director may determine is necessary, including but not limited to illuminance level profiles, hours of business operation, and percentage of site dedicated to parking and access.
3. If any portion of the site is used after dark for outdoor parking, assembly or traverse, an illumination plan for these areas is required. The plan must address safety and personal security.

B. Exemptions. The following uses shall be exempt from the provisions of this section:

1. Public street and airport lighting.
2. Circus, fair, carnival, or outdoor governmentally sponsored event or festival lighting.
3. Construction or emergency lighting, provided such lighting is discontinued immediately upon completion of the construction work or abatement of the emergency necessitating said lighting.
4. Temporary Lighting. In addition to the lighting otherwise permitted in this code, a lot may contain temporary lighting during events as listed below:
 - a. Grand Opening Event. A grand opening is an event of up to 30 days in duration within 30 days of issuance of a certificate of occupancy for a new or remodeled structure, or within 30 days of change of business or ownership. No lot may have more than one grand opening event per calendar year. The applicant shall notify the city in writing of the beginning and ending dates prior to the grand opening event.
 - b. Other Events. A lot may have two other events per calendar year. The events may not be more than eight consecutive days in duration, nor less than 30 days apart.
5. Lighting activated by motion sensor devices.

6. Nonconforming lighting in place as of September 5, 2000. Replacement of nonconforming lighting is subject to the requirements of NMC 15.205.010 through 15.205.100.

7. Light Trespass onto Industrial Properties. The lighting trespass standards of NMC 15.425.040 do not apply where the light trespass would be onto an industrially zoned property. [Ord. 2720 § 1(18), 11-2-09; Ord. 2537, 11-6-00. Code 2001 § 151.586.]

15.425.030 Alternative materials and methods of construction, installation, or operation.

The provisions of this section are not intended to prevent the use of any design, material, or methods of installation or operation not specifically prescribed by this section, provided any such alternate has been approved by the director. Alternatives must be an approximate equivalent to the applicable specific requirement of this section and must comply with all other applicable standards in this section. [Ord. 2537, 11-6-00. Code 2001 § 151.587.]

15.425.040 Requirements.

A. General Requirements – All Zoning Districts.

1. Low-level light fixtures include exterior lights which are installed between ground level and six feet tall. Low-level light fixtures are considered nonintrusive and are unrestricted by this code.
2. Medium-level light fixtures include exterior lights which are installed between six feet and 15 feet above ground level. Medium-level light fixtures must either comply with the shielding requirements of subsection (B) of this section, or the applicant shall show that light trespass from a property has been designed not to exceed one-half foot-candle at the property line.
3. High-level light fixtures include exterior lights which are installed 15 feet or more above ground level. High-level light fixtures must comply with the shielding requirements of subsection (B) of this section, and light trespass from a property may not exceed one-half foot-candle at the property line.

B. Table of Shielding Requirements.

Fixture Lamp Type	Shielded
Low/high pressure sodium, mercury vapor, metal halide and fluorescent over 50 watts	Fully
Incandescent over 160 watts	Fully
Incandescent 160 watts or less	None
Fossil fuel	None
Any light source of 50 watts or less	None
Other sources	As approved by NMC 15.425.030

Note: "Incandescent" includes tungsten-halogen (quartz) lamps.

[Ord. 2537, 11-6-00. Code 2001 § 151.588.]

Chapter 15.430

UNDERGROUND UTILITY INSTALLATION

Sections:

15.430.010 Underground utility installation.

15.430.010 Underground utility installation.

A. All new utility lines, including but not limited to electric, communication, natural gas, and cable television transmission lines, shall be placed underground. This does not include surface-mounted transformers, connections boxes, meter cabinets, service cabinets, temporary facilities during construction, and high-capacity electric lines operating at 50,000 volts or above.

B. Existing utility lines shall be placed underground when they are relocated, or when an addition or remodel requiring a Type II design review is proposed, or when a developed area is annexed to the city.

C. The director may make exceptions to the requirement to underground utilities based on one or more of the following criteria:

1. The cost of undergrounding the utility is extraordinarily expensive.
2. There are physical factors that make undergrounding extraordinarily difficult.
3. Existing utility facilities in the area are primarily overhead and are unlikely to be changed. [Ord. 2537, 11-6-00. Code 2001 § 151.589.]

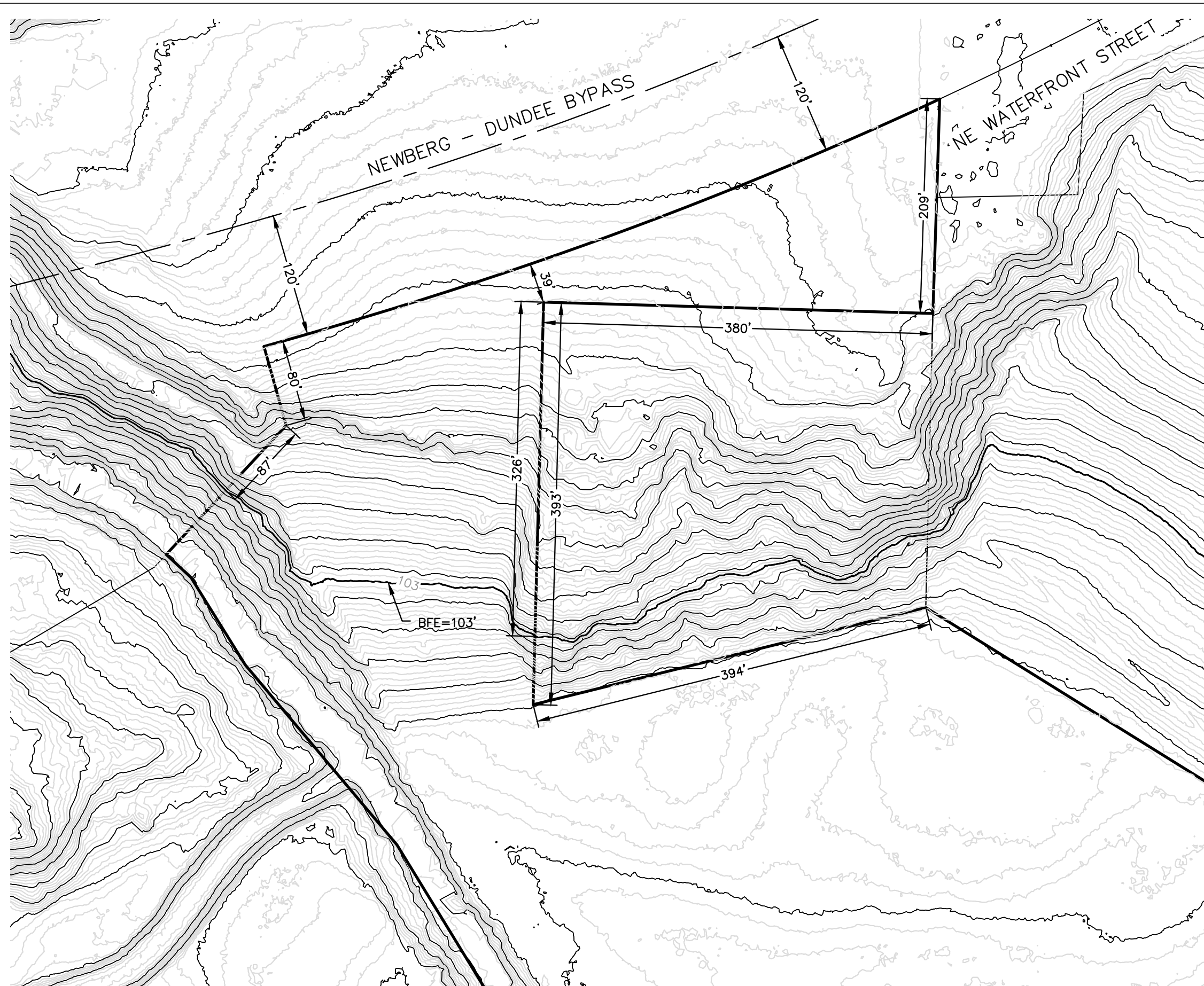


DE-ANNEXATION

June 30, 2025 – Council Meeting
1835 and 1828 Waterfront Street – Tax Lots - R32300-1400;
2300;6100

Del Boca Vista LLC propose a de-annexation of property located at 1835 and 1828 Waterfront Street tax lot R3231400 (South) and tax lots R3230B02300 and R3230B06100 (North).

The north side landscaping is overgrown filbert trees, and the south is partially in the Willamette Valley Flood Plan with a shed. The properties cannot be developed to City standards. The property would need to be de-annexed to develop.



SITE MAP

LOCATED IN SECTION 30,
T. 3 S., R. 2 W., W.M.,
YAMHILL COUNTY, OREGON

1835 WATERFRONT ST
NEWBERG, OREGON
R323001400

NOTE: THIS MAP WAS DRAWN FROM RECORD DEED AND SURVEY DATA. THE CONTOURS WERE GENERATED FROM LIDAR DATA OBTAINED FROM NOAA. NO FIELD WORK HAS BEEN CONDUCTED. ALL DIMENSIONS ARE SUBJECT TO CHANGE AFTER A FULL SURVEY HAS BEEN DONE.

PREPARED BY:

TerraCalc

Land Surveying Inc.

1615 N.E. Miller Street
McMinnville, OR 97128
(503) 857-0935
www.Terra-calc.com

SITE MAP

LOCATED IN SECTION 30,
T. 3 S., R. 2 W., W.M.,
YAMHILL COUNTY, OREGON

1835 WATERFRONT ST
NEWBERG, OREGON
R323001400

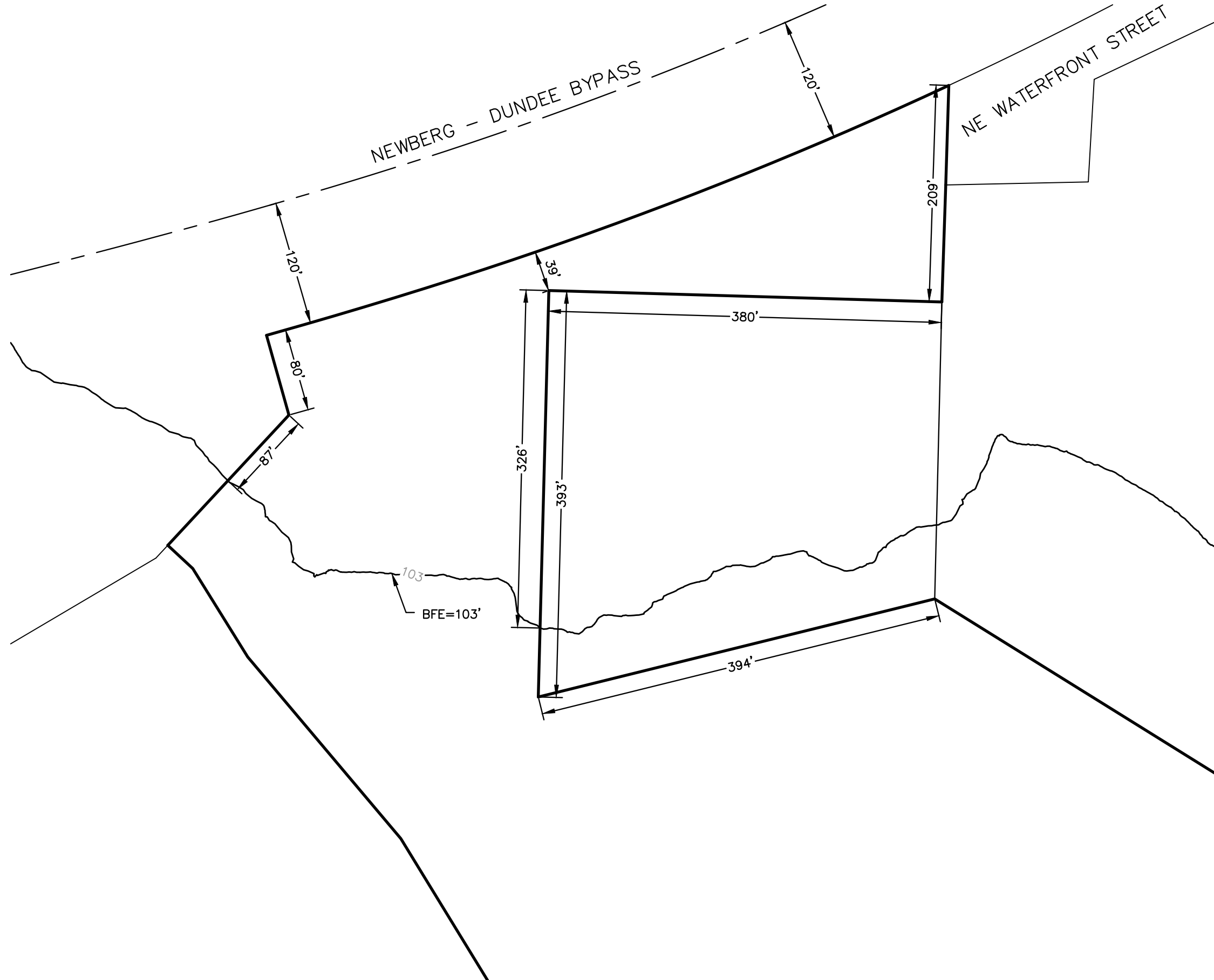
NOTE: THIS MAP WAS DRAWN FROM RECORD DEED AND
SURVEY DATA. THE CONTOURS WERE GENERATED FROM
LIDAR DATA OBTAINED FROM NOAA. NO FIELD WORK
HAS BEEN CONDUCTED. ALL DIMENSIONS ARE SUBJECT
TO CHANGE AFTER A FULL SURVEY HAS BEEN DONE.

PREPARED BY:

TerraCalc

Land Surveying Inc.

1615 N.E. Miller Street
McMinnville, OR 97128
(503) 857-0935
www.Terra-calc.com





FIRST AMERICAN TITLE

Property Research Report

SUBJECT PROPERTY

1835 Waterfront St

Parcel #: 67661

Map & Taxlot #: R323001400

County: Yamhill

OWNER

Jeffery, John Trust

Jeffery, Launa Trust

DATE PREPARED

Date: 12/24/2024

PREPARED BY

nromano@firstam.com



First American Title

Customer Service Department

503-476-8735

csfirst@firstam.com

©2018 First American Financial Corporation and/or its affiliates.

All rights reserved. | NYSE: FAF | 39203000418

IMPORTANT – READ CAREFULLY: THIS REPORT IS NOT AN INSURED PRODUCT OR SERVICE OR A REPRESENTATION OF THE CONDITION OF TITLE TO REAL PROPERTY. IT IS NOT AN ABSTRACT, LEGAL OPINION, OPINION OF TITLE, TITLE INSURANCE COMMITMENT OR PRELIMINARY REPORT, OR ANY FORM OF TITLE INSURANCE OR GUARANTY. THIS REPORT IS ISSUED EXCLUSIVELY FOR THE BENEFIT OF THE APPLICANT THEREFOR, AND MAY NOT BE USED OR RELIED UPON BY ANY OTHER PERSON. THIS REPORT MAY NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST AMERICAN'S PRIOR WRITTEN CONSENT. FIRST AMERICAN DOES NOT REPRESENT OR WARRANT THAT THE INFORMATION HEREIN IS COMPLETE OR FREE FROM ERROR, AND THE INFORMATION HEREIN IS PROVIDED WITHOUT ANY WARRANTIES OF ANY KIND, AS-IS, AND WITH ALL FAULTS. AS A MATERIAL PART OF THE CONSIDERATION GIVEN IN EXCHANGE FOR THE ISSUANCE OF THIS REPORT, RECIPIENT AGREES THAT FIRST AMERICAN'S SOLE LIABILITY FOR ANY LOSS OR DAMAGE CAUSED BY AN ERROR OR OMISSION DUE TO INACCURATE INFORMATION OR NEGLIGENCE IN PREPARING THIS REPORT SHALL BE LIMITED TO THE FEE CHARGED FOR THE REPORT, IF ANY. RECIPIENT ACCEPTS THIS REPORT WITH THIS LIMITATION AND AGREES THAT FIRST AMERICAN WOULD NOT HAVE ISSUED THIS REPORT BUT FOR THE LIMITATION OF LIABILITY DESCRIBED ABOVE. FIRST AMERICAN MAKES NO REPRESENTATION OR WARRANTY AS TO THE LEGALITY OR PROPRIETY OF RECIPIENT'S USE OF THE INFORMATION HEREIN.



First American Title

Customer Service Department
503-476-8735
csfirst@firstam.com
Date: 12/24/2024

OWNERSHIP INFORMATION

Owner: Jeffery, John Trust
CoOwner: Jeffery, Launa Trust
Site: 1835 Waterfront St Newberg OR 97132
Mail: 16107 SE Wallace Rd Dayton OR 97114

Parcel #: 67661
Ref Parcel #: R323001400
TRS: 03S / 02W / 30
County: Yamhill

PROPERTY DESCRIPTION

Map Grid: 743-B3
Census Tract: 030202 Block: 2022
Neighborhood: Newberg General
School Dist: 29J Newberg
Impr Type: 0
Subdiv/Plat:
Land Use: 592 - Farm - Potential development -
Condominium
Std Land Use: 1004 - Condominium Unit (Residential)
Zoning: R-2/RD - Riverfront District
Lat/Lon: 45.282017 / -122.978873
Watershed: Chehalem Creek-Willamette River
Legal: See Metes & Bounds

ASSESSMENT AND TAXATION

Market Land: \$5,525,184.00
Market Impr: \$0.00
Market Total: \$5,525,184.00 (2024)
% Improved: 0.00%
Assessed Total: \$11,461.00 (2024)
Levy Code: 29.52
Tax: \$183.20 (2024)
Millage Rate: 15.9850
Exemption:
Exemption Type:

PROPERTY CHARACTERISTICS

Bedrooms: 3	Total SqFt: 2,813 SqFt	Year Built: 1968
Baths, Total: 2	First Floor: 1,441 SqFt	Eff Year Built:
Baths, Full:	Second Floor:	Lot Size Ac: 16.80 Acres
Baths, Half:	Basement Fin:	Lot Size SF: 731,808 SqFt
Total Units:	Basement Unfin:	Lot Width:
# Stories:	Basement Total: 1,372 SqFt	Lot Depth:
# Fireplaces: 1	Attic Fin:	Roof Material: Composition Shingle
Cooling: Yes	Attic Unfin:	Roof Shape:
Heating:	Attic Total:	Ext Walls: 17 - Wood
Building Style:	Garage: Attached Garage 528 SqFt	Const Type:

SALES AND LOAN INFORMATION

Owner	Date	Doc #	Sale Price	Deed Type	Loan Amt	Loan Type
JEFFERY JOHN & LAUNA TRUST	11/20/2023	2023-10561				
John Jeffery	11/20/2023	2023-10561		Deed		Conv/Unk
CINDY A CHRISTENSON TRUST	04/01/2022	2022-04807		Special Warranty Deed		Conv/Unk

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.



First American Title

Customer Service Department
503-476-8735
csfirst@firstam.com
Date: 12/24/2024

OWNERSHIP INFORMATION

Owner: Jeffery, John Trust
CoOwner: Jeffery, Launa Trust
Site: 1835 Waterfront St Newberg OR 97132
Mail: 16107 SE Wallace Rd Dayton OR 97114

Parcel #: 640393
Ref Parcel #: R323001400
TRS: 03S / 02W / 30
County: Yamhill

PROPERTY DESCRIPTION

Map Grid: 743-B3
Census Tract: 030202 Block: 2022
Neighborhood: Newberg General
School Dist: 29J Newberg
Impr Type: 0
Subdiv/Plat:
Land Use: 551 - Farm - Exclusive Farm Use (EFU) -
Improved (typical of class)
Std Land Use: 7001 - Farm land
Zoning: R-2/RD - Riverfront District
Lat/Lon: 45.282017 / -122.978873
Watershed: Chehalem Creek-Willamette River
Legal: See Metes & Bounds

ASSESSMENT AND TAXATION

Market Land: \$80,600.00
Market Impr: \$0.00
Market Total: \$80,600.00 (2024)
% Improved: 0.00%
Assessed Total: \$2,616.00 (2024)
Levy Code: 29.2
Tax: \$34.01 (2024)
Millage Rate: 12.9998
Exemption:
Exemption Type:

PROPERTY CHARACTERISTICS

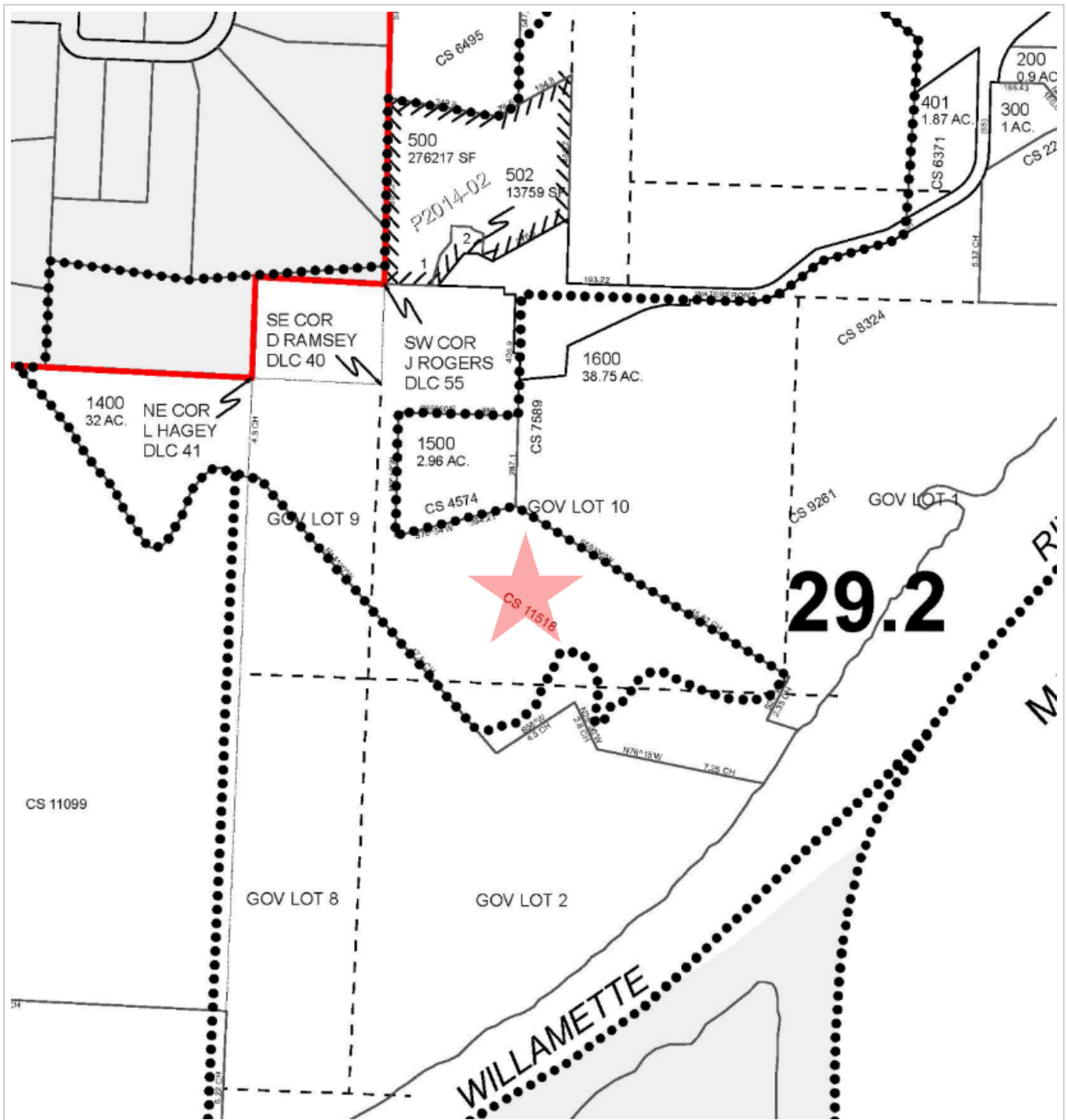
Bedrooms:	Total SqFt:	Year Built:
Baths, Total:	First Floor:	Eff Year Built:
Baths, Full:	Second Floor:	Lot Size Ac: 3.10 Acres
Baths, Half:	Basement Fin:	Lot Size SF: 135,036 SqFt
Total Units:	Basement Unfin:	Lot Width:
# Stories:	Basement Total:	Lot Depth:
# Fireplaces:	Attic Fin:	Roof Material:
Cooling:	Attic Unfin:	Roof Shape:
Heating:	Attic Total:	Ext Walls:
Building Style:	Garage:	Const Type:

SALES AND LOAN INFORMATION

Owner	Date	Doc #	Sale Price	Deed Type	Loan Amt	Loan Type
JEFFERY JOHN & LAUNA TRUST	11/20/2023	2023-10561				
John Jeffery	11/20/2023	2023-10561		Deed		Conv/Unk
LAWRENCE M CHRISTENSON	02/03/2004	2004-01938		Intrafamily Transfer & Dissolution		Conv/Unk

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Assessor Map



First American Title

Parcel ID: 67661

Site Address: 1835 Waterfront St

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Aerial Map



First American Title

Parcel ID: 67661

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Launa Jeffery and John A. Jeffery, Grantor
2090 Crest Drive
Lake Oswego, Oregon 97034

Launa Jeffery and John A. Jeffery, Trustees of the John and
Launa Jeffery Trust u/i/d November 16, 2023, Grantee
2090 Crest Drive
Lake Oswego, Oregon 97034

After Recording, return to: Valerie I. Kirkendall, Attorney
9250 S.W. Tigard St.
Tigard, Oregon 97223

Until requested otherwise, send all tax statements to:
Larry D. Christenson
16107 SE Wallace Road
Dayton, Oregon 97114

FOR RECORDING PURPOSES

OFFICIAL YAMHILL COUNTY RECORDS
KERI HINTON, COUNTY CLERK

202310561



00662672202300105610030030

\$91.00

11/20/2023 10:55:55 AM

DMR-DDMR Cnt=1 Stn=1036 DAVISM
\$15.00 \$5.00 \$11.00 \$60.00

BARGAIN AND SALE DEED – STATUTORY FORM

Launa Jeffery and John A. Jeffery, hereinafter called Grantor, CONVEYS TO Launa Jeffery and John A. Jeffery, Trustees, or the survivor, or in the event of a vacancy in the office of Trustee, the successor Trustee of the John and Launa Jeffery Trust u/i/d November 16, 2023, hereinafter called Grantee, their undivided interest in the following real property in the situated at 1835 NE Waterfront Street, Newberg, in Yamhill County, State of Oregon, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART THEREOF.

The true and actual consideration paid for this conveyance is \$0.00. Trust is for benefit of Grantors.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

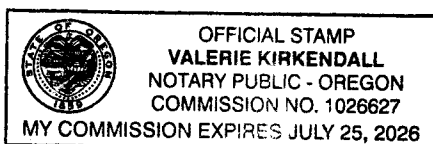
DATED: November 16, 2023

Launa Jeffery

John A. Jeffery

STATE OF OREGON)
)ss.
County of Washington)

This instrument was acknowledged before me on November 16, 2023, by Launa Jeffery and John A. Jeffery, Grantors.



NOTARY PUBLIC FOR OREGON

EXHIBIT "A"
Legal Description

ALL OF THE FOLLOWING DESCRIBED PROPERTY LYING SOUTHERLY OF THE STATE HIGHWAY as awarded in Stipulated General Judgment in Yamhill County Circuit Court Case 14CV07218, and recorded September 29, 2015 as Instrument No. 201515432:

PARCEL I:

Beginning at a stake on the right bank of Chehalem Creek and on the East line of the Levi Hagey Donation Land Claims No. 41 and No. 61 in Township 3 South, Ranges 2 and 3 West of the Willamette Meridian, Yamhill County, Oregon, 4.80 chains South of the Northeast corner of said Claim, from which a cedar 36 inches in diameter bears South 40° West 100 links distant and a maple 6 inches in diameter bears North 40° West 82 links distant; thence North on the East boundary of said Claim (intersect the left bank of said Creek at 0.18 of a chains, intersect the Northeast corner of the Hagey Donation Land Claim at 4.80 chains) 9.60 chains to a stake from which a maple tree 8 inches in diameter bears South 1° West 64 links distant and a maple 6 inches in diameter bears North 89° East 45 links distant; thence East (at 6.32 chains intersect the Southwest corner of the Joseph B. Rogers Donation Land Claim) 12.17 chains to the South boundary of said Rogers Claim from which a fir 8 inches in diameter bears North 38°30' West 53 links distant and a fir 6 inches in diameter bears North 52° East 47 links distant; thence South 10.50 chains to stake from which a maple 6 inches in diameter bears North 40° East 92 links distant; thence South 59°30' East (at 15.50 chains intersect Chehalem Creek) 15.65 chains to a stake on the right bank of Creek from which an ash tree 4 inches in diameter bears South 83° West 10 links distant; thence South 26° West along right bank, 2.33 chains to stake from which an ash 10 inches in diameter bears North 42° East 60 links distant; thence South 73°30' East 1.50 chains to a stake on the left bank of the Willamette River from which an ash 24 inches in diameter bears North 70° East 18 links distant; thence South 45° West along left bank 3.46 chains to a stake from which a balm tree 24 inches in diameter bears North 60° East 29 links distant; thence North 79°15' West 7.25 chains to stake on right bank of Chehalem Creek from which a maple 24 inches in diameter bears South 30° West 13 links distant; thence meandering the right bank of said Creek as follows: North 26°30' West 2.80 chains; South 56° West 4.50 chains; North 41°30' West 17.50 chains to the place of beginning.

SAVE AND EXCEPT THEREFROM the following described tract: Beginning at a point on the South line of the Joseph B. Rogers Donation Land Claim in Section 30, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon; said beginning point being South 89°50' East 436.26 feet from the Southwest corner of said Rogers Claim and being also the most Northerly Northeast corner of that tract conveyed and described in Book 188, Page 104 of Yamhill County Deed Records; thence South 00°10' West along the East line of said tract, 405.9 feet to an iron pipe at the TRUE POINT OF BEGINNING; thence South 00°10' West 287.10 feet to an iron pipe; thence South 74°34' West 394.21 feet to an iron pipe; thence North 00°10' East 392.0 feet to an iron pipe; thence South 89°50' East 380.0 feet to said true point of beginning.

ALSO an easement for roadway purposes, upon and across the following described strip of land: Beginning at an iron rod set on the South line of said Joseph B. Rogers Donation Land Claim in Section 30, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, being South 89°50' East 436.26 feet from the Southwest corner of said Rogers Claim; thence South 00°10' West 405.90 feet to an iron pipe set at the Northeast corner of the tract described above; thence North 89°50' West 20.0 feet; thence North 00°10' East 405.9 feet to the South line of said Rogers Claim; thence South 89°50' East 20.0 feet to the point of beginning.

PARCEL II:

All that portion of the following described tract lying Northeasterly of Chehalem Creek: Part of the Levi Hagey Donation Land Claim No. 41 and No. 61 in Township 3 South, Ranges 2 and 3 West of the Willamette Meridian in Yamhill County, Oregon, described as follows:

Beginning at the Northeast corner of said Claim; thence South along the East line thereof, 31.10 chains to an iron gas pipe; thence North 89° West 21.10 chains to an iron gas pipe; thence North parallel with the East line of said Claim 30.52 chains; thence North 88°38' East 21.10 chains to the place of beginning.

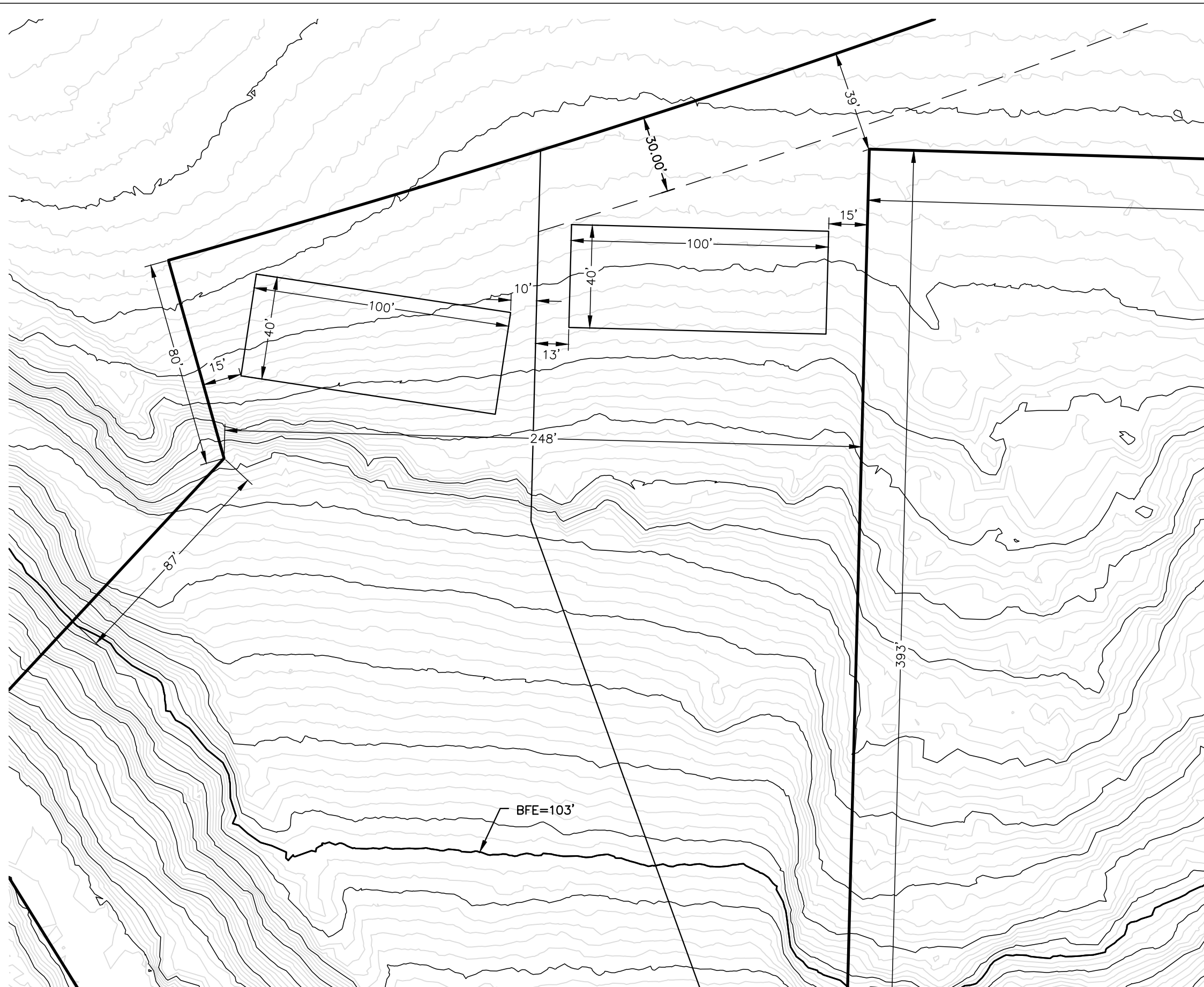
PARCEL III:

That portion of Lot 8, SOUTH NEWBERG SUBURBAN ACRES which lies South of Chehalem Creek and being a part of the land described in contract dated November 6, 1963 and recorded November 18, 1963 in Film Volume 33, Page 957, Deed and Mortgage Records, between Harold H. Miller and Martin VerMulm, in Yamhill County, Oregon.

SITE MAP

LOCATED IN SECTION 30,
T. 3 S., R. 2 W., W.M.,
YAMHILL COUNTY, OREGON

1835 WATERFRONT ST
NEWBERG, OREGON
R323001400



NOTE: THIS MAP WAS DRAWN FROM RECORD DEED AND SURVEY DATA. THE CONTOURS WERE GENERATED FROM LIDAR DATA OBTAINED FROM NOAA. NO FIELD WORK HAS BEEN CONDUCTED. ALL DIMENSIONS ARE SUBJECT TO CHANGE AFTER A FULL SURVEY HAS BEEN DONE.

PREPARED BY:

TerraCalc
Land Surveying Inc.
1615 N.E. Miller Street
McMinnville, OR 97128
(503) 857-0935
www.Terra-calc.com



FIRST AMERICAN TITLE

Property Research Report

SUBJECT PROPERTY

1828 NE Waterfront St

Parcel #: 67554

Map & Taxlot #: R3230B02300

County: Yamhill

OWNER

Jeffery, John Trust

Jeffery, Launa Trust

DATE PREPARED

Date: 01/13/2025

PREPARED BY

rrizo@firstam.com



First American Title

Customer Service Department

503-476-8735

csfirst@firstam.com

©2018 First American Financial Corporation and/or its affiliates.

All rights reserved. | NYSE: FAF | 39203000418

IMPORTANT – READ CAREFULLY: THIS REPORT IS NOT AN INSURED PRODUCT OR SERVICE OR A REPRESENTATION OF THE CONDITION OF TITLE TO REAL PROPERTY. IT IS NOT AN ABSTRACT, LEGAL OPINION, OPINION OF TITLE, TITLE INSURANCE COMMITMENT OR PRELIMINARY REPORT, OR ANY FORM OF TITLE INSURANCE OR GUARANTY. THIS REPORT IS ISSUED EXCLUSIVELY FOR THE BENEFIT OF THE APPLICANT THEREFOR, AND MAY NOT BE USED OR RELIED UPON BY ANY OTHER PERSON. THIS REPORT MAY NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST AMERICAN'S PRIOR WRITTEN CONSENT. FIRST AMERICAN DOES NOT REPRESENT OR WARRANT THAT THE INFORMATION HEREIN IS COMPLETE OR FREE FROM ERROR, AND THE INFORMATION HEREIN IS PROVIDED WITHOUT ANY WARRANTIES OF ANY KIND, AS-IS, AND WITH ALL FAULTS. AS A MATERIAL PART OF THE CONSIDERATION GIVEN IN EXCHANGE FOR THE ISSUANCE OF THIS REPORT, RECIPIENT AGREES THAT FIRST AMERICAN'S SOLE LIABILITY FOR ANY LOSS OR DAMAGE CAUSED BY AN ERROR OR OMISSION DUE TO INACCURATE INFORMATION OR NEGLIGENCE IN PREPARING THIS REPORT SHALL BE LIMITED TO THE FEE CHARGED FOR THE REPORT, IF ANY. RECIPIENT ACCEPTS THIS REPORT WITH THIS LIMITATION AND AGREES THAT FIRST AMERICAN WOULD NOT HAVE ISSUED THIS REPORT BUT FOR THE LIMITATION OF LIABILITY DESCRIBED ABOVE. FIRST AMERICAN MAKES NO REPRESENTATION OR WARRANTY AS TO THE LEGALITY OR PROPRIETY OF RECIPIENT'S USE OF THE INFORMATION HEREIN.



First American Title

Customer Service Department
503-476-8735
csfirst@firstam.com
Date: 01/13/2025

OWNERSHIP INFORMATION

Owner: Jeffery, John Trust
CoOwner: Jeffery, Launa Trust

Site: 1828 NE Waterfront St Newberg OR 97132
Mail: 16107 SE Wallace Rd Dayton OR 97114

Parcel #: 67554
Ref Parcel #: R3230B02300

TRS: 03S / 02W / 30 / NW
County: Yamhill

PROPERTY DESCRIPTION

Map Grid: 743-B2
Census Tract: 030202 Block: 2023
Neighborhood: Newberg Southwest
School Dist: 29J Newberg
Impr Type: 0
Subdiv/Plat:
Land Use: 441 - Tract - Unzoned farm land - Improved
(typical of class)
Std Land Use: 1001 - Single Family Residential
Zoning: R-2/RD - Riverfront District
Lat/Lon: 45.284434 / -122.983554
Watershed: Chehalem Creek-Willamette River
Legal: See Metes & Bounds

ASSESSMENT AND TAXATION

Market Land: \$83,206.00
Market Impr: \$13,306.00
Market Total: \$96,512.00 (2024)
% Improved: 14.00%
Assessed Total: \$51,029.00 (2024)
Levy Code: 29.52
Tax: \$815.70 (2024)
Millage Rate: 15.9850
Exemption:
Exemption Type:

PROPERTY CHARACTERISTICS

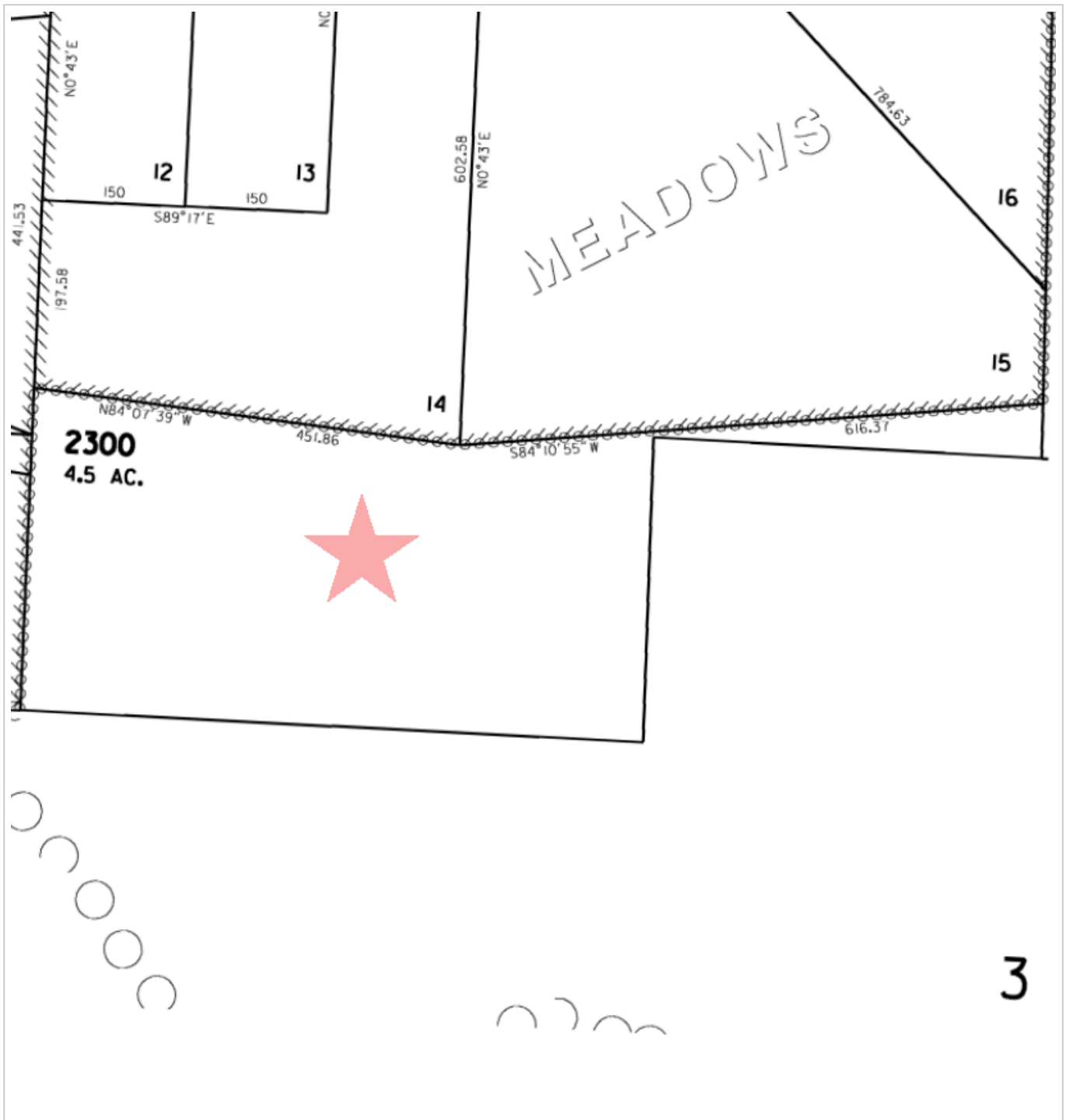
Bedrooms:	Total SqFt:	Year Built:
Baths, Total:	First Floor:	Eff Year Built:
Baths, Full:	Second Floor:	Lot Size Ac: 4.42 Acres
Baths, Half:	Basement Fin:	Lot Size SF: 192,535 SqFt
Total Units:	Basement Unfin:	Lot Width:
# Stories:	Basement Total:	Lot Depth:
# Fireplaces:	Attic Fin:	Roof Material:
Cooling:	Attic Unfin:	Roof Shape:
Heating:	Attic Total:	Ext Walls:
Building Style:	Garage:	Const Type:

SALES AND LOAN INFORMATION

Owner	Date	Doc #	Sale Price	Deed Type	Loan Amt	Loan Type
JEFFERY JOHN & LAUNA TRUST	11/20/2023	2023-10560				
John Jeffery	11/20/2023	2023-10560		Deed		Conv/Unk
CINDY A CHRISTENSON TRUST	04/01/2022	2022-04807		Special Warranty Deed		Conv/Unk
LAWRENCE M CHRISTENSON	02/03/2004	2004-01939		Intrafamily Transfer & Dissolution		Conv/Unk

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Assessor Map



First American Title

Parcel ID: 67554

Site Address: 1828 NE Waterfront St

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Aerial Map



First American Title

Parcel ID: 67554

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Launa Jeffery and John A. Jeffery, Grantor
2090 Crest Drive
Lake Oswego, Oregon 97034

FOR RECORDING PURPOSES

Launa Jeffery and John A. Jeffery, Trustees of the John and
Launa Jeffery Trust u/i/d November 16, 2023, Grantee
2090 Crest Drive
Lake Oswego, Oregon 97034

After Recording, return to: Valerie I. Kirkendall, Attorney
9250 S.W. Tigard St.
Tigard, Oregon 97223

OFFICIAL YAMHILL COUNTY RECORDS
KERI HINTON, COUNTY CLERK

202310560



\$91.00

00662671202300105600030033

11/20/2023 10:55:21 AM

Until requested otherwise, send all tax statements to:

Larry D. Christenson
16107 SE Wallace Road
Dayton, Oregon 97114

DMR-DDMR Cnt=1 Stn=1036 DAVISM
\$15.00 \$5.00 \$11.00 \$60.00

BARGAIN AND SALE DEED – STATUTORY FORM

Launa Jeffery and John A. Jeffery, hereinafter called Grantor, CONVEYS TO Launa Jeffery and John A. Jeffery, Trustees, or the survivor, or in the event of a vacancy in the office of Trustee, the successor Trustee of the John and Launa Jeffery Trust u/i/d November 16, 2023, hereinafter called Grantee, their undivided interest in the following real property in the situated at 1835 NE Waterfront Street, Newberg, in Yamhill County, State of Oregon, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART THEREOF.

The true and actual consideration paid for this conveyance is \$0.00. Trust is for benefit of Grantors.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

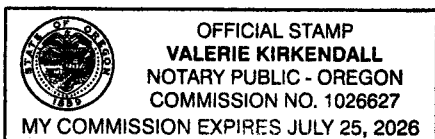
DATED: November 16, 2023

Launa Jeffery

John A. Jeffery

STATE OF OREGON)
)ss.
County of Washington)

This instrument was acknowledged before me on November 16, 2023, by Launa Jeffery and John A. Jeffery, Grantors.



NOTARY PUBLIC FOR OREGON

EXHIBIT "A"
Legal Description

ALL OF THE FOLLOWING DESCRIBED PROPERTY LYING NORTHERLY OF THE STATE HIGHWAY as awarded in Stipulated General Judgment in Yamhill County Circuit Court Case 14CV07218, and recorded September 29, 2015 as Instrument No. 201515432:

PARCEL I:

Beginning at a stake on the right bank of Chehalem Creek and on the East line of the Levi Hagey Donation Land Claims No. 41 and No. 61 in Township 3 South, Ranges 2 and 3 West of the Willamette Meridian, Yamhill County, Oregon, 4.80 chains South of the Northeast corner of said Claim, from which a cedar 36 inches in diameter bears South 40° West 100 links distant and a maple 6 inches in diameter bears North 40° West 82 links distant; thence North on the East boundary of said Claim (intersect the left bank of said Creek at 0.18 of a chains, intersect the Northeast corner of the Hagey Donation Land Claim at 4.80 chains) 9.60 chains to a stake from which a maple tree 8 inches in diameter bears South 1° West 64 links distant and a maple 6 inches in diameter bears North 89° East 45 links distant; thence East (at 6.32 chains intersect the Southwest corner of the Joseph B. Rogers Donation Land Claim) 12.17 chains to a stake on the South boundary of said Rogers Claim from which a fir 8 inches in diameter bears North 38°30' West 53 links distant and a fir 6 inches in diameter bears North 52° East 47 links distant; thence South 10.50 chains to stake from which a maple 6 inches in diameter bears North 40° East 92 links distant; thence South 59°30' East (at 15.50 chains intersect Chehalem Creek) 15.65 chains to a stake on the right bank of Creek from which an ash tree 4 inches in diameter bears South 83° West 10 links distant; thence South 26° West along right bank, 2.33 chains to stake from which an ash 10 inches in diameter bears North 42° East 60 links distant; thence South 73°30' East 1.50 chains to a stake on the left bank of the Willamette River from which an ash 24 inches in diameter bears North 70° East 18 links distant; thence South 45° West along left bank 3.46 chains to a stake from which a balm tree 24 inches in diameter bears North 60° East 29 links distant; thence North 79°15' West 7.25 chains to stake on right bank of Chehalem Creek from which a maple 24 inches in diameter bears South 30° West 13 links distant; thence meandering the right bank of said Creek as follows: North 26°30' West 2.80 chains; South 56° West 4.50 chains; North 41°30' West 17.50 chains to the place of beginning.

SAVE AND EXCEPT THEREFROM the following described tract: Beginning at a point on the South line of the Joseph B. Rogers Donation Land Claim in Section 30, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon; said beginning point being South 89°50' East 436.26 feet from the Southwest corner of said Rogers Claim and being also the most Northerly Northeast corner of that tract conveyed and described in Book 188, Page 104 of Yamhill County Deed Records; thence South 00°10' West along the East line of said tract, 405.9 feet to an iron pipe at the TRUE POINT OF BEGINNING; thence South 00°10' West 287.10 feet to an iron pipe; thence South 74°34' West 394.21 feet to an iron pipe; thence North 00°10' East 392.0 feet to an iron pipe; thence South 89°50' East 380.0 feet to said true point of beginning.

ALSO an easement for roadway purposes, upon and across the following described strip of land: Beginning at an iron rod set on the South line of said Joseph B. Rogers Donation Land Claim in Section 30, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, being South 89°50' East 436.26 feet from the Southwest corner of said Rogers Claim; thence South 00°10' West 405.90 feet to an iron pipe set at the Northeast corner of the tract described above; thence North 89°50' West 20.0 feet; thence North 00°10' East 405.9 feet to the South line of said Rogers Claim; thence South 89°50' East 20.0 feet to the point of beginning.

PARCEL II:

All that portion of the following described tract lying Northeasterly of Chehalem Creek: Part of the Levi Hagey Donation Land Claim No. 41 and No. 61 in Township 3 South, Ranges 2 and 3 West of the Willamette Meridian in Yamhill County, Oregon, described as follows:

Beginning at the Northeast corner of said Claim; thence South along the East line thereof, 31.10 chains to an iron gas pipe; thence North 89° West 21.10 chains to an iron gas pipe; thence North parallel with the East line of said Claim 30.52 chains; thence North 88°38' East 21.10 chains to the place of beginning.

PARCEL III:

That portion of Lot 8, SOUTH NEWBERG SUBURBAN ACRES which lies South of Chehalem Creek and being a part of the land described in contract dated November 6, 1963 and recorded November 18, 1963 in Film Volume 33, Page 957, Deed and Mortgage Records, between Harold H. Miller and Martin VerMulm, in Yamhill County, Oregon.



FIRST AMERICAN TITLE

Property Research Report

SUBJECT PROPERTY

Parcel #: 560575

Map & Taxlot #: R3230B06100

County: Yamhill

OWNER

Jeffery, John Trust

Jeffery, Launa Trust

DATE PREPARED

Date: 01/13/2025

PREPARED BY

rrizo@firstam.com



First American Title

Customer Service Department

503-476-8735

csfirst@firstam.com

©2018 First American Financial Corporation and/or its affiliates.

All rights reserved. | NYSE: FAF | 39203000418

IMPORTANT – READ CAREFULLY: THIS REPORT IS NOT AN INSURED PRODUCT OR SERVICE OR A REPRESENTATION OF THE CONDITION OF TITLE TO REAL PROPERTY. IT IS NOT AN ABSTRACT, LEGAL OPINION, OPINION OF TITLE, TITLE INSURANCE COMMITMENT OR PRELIMINARY REPORT, OR ANY FORM OF TITLE INSURANCE OR GUARANTY. THIS REPORT IS ISSUED EXCLUSIVELY FOR THE BENEFIT OF THE APPLICANT THEREFOR, AND MAY NOT BE USED OR RELIED UPON BY ANY OTHER PERSON. THIS REPORT MAY NOT BE REPRODUCED IN ANY MANNER WITHOUT FIRST AMERICAN'S PRIOR WRITTEN CONSENT. FIRST AMERICAN DOES NOT REPRESENT OR WARRANT THAT THE INFORMATION HEREIN IS COMPLETE OR FREE FROM ERROR, AND THE INFORMATION HEREIN IS PROVIDED WITHOUT ANY WARRANTIES OF ANY KIND, AS-IS, AND WITH ALL FAULTS. AS A MATERIAL PART OF THE CONSIDERATION GIVEN IN EXCHANGE FOR THE ISSUANCE OF THIS REPORT, RECIPIENT AGREES THAT FIRST AMERICAN'S SOLE LIABILITY FOR ANY LOSS OR DAMAGE CAUSED BY AN ERROR OR OMISSION DUE TO INACCURATE INFORMATION OR NEGLIGENCE IN PREPARING THIS REPORT SHALL BE LIMITED TO THE FEE CHARGED FOR THE REPORT, IF ANY. RECIPIENT ACCEPTS THIS REPORT WITH THIS LIMITATION AND AGREES THAT FIRST AMERICAN WOULD NOT HAVE ISSUED THIS REPORT BUT FOR THE LIMITATION OF LIABILITY DESCRIBED ABOVE. FIRST AMERICAN MAKES NO REPRESENTATION OR WARRANTY AS TO THE LEGALITY OR PROPRIETY OF RECIPIENT'S USE OF THE INFORMATION HEREIN.



First American Title

Customer Service Department
503-476-8735
csfirst@firstam.com
Date: 01/13/2025

OWNERSHIP INFORMATION

Owner: Jeffery, John Trust
CoOwner: Jeffery, Launa Trust

Site: Newberg OR 97132
Mail: 16107 SE Wallace Rd Dayton OR 97114

Parcel #: 560575
Ref Parcel #: R3230B06100

TRS: 03S / 02W / 30 / NW
County: Yamhill

PROPERTY DESCRIPTION

Map Grid: 743-B2
Census Tract: 030202 Block: 2023
Neighborhood: Newberg Southwest
School Dist: 29J Newberg
Impr Type: 0
Subdiv/Plat:
Land Use: 401 - Tract - Improved (typical of class)
Std Land Use: 1000 - Residential (General) (Single)
Zoning: R-2/RD - Riverfront District
Lat/Lon: 45.28455 / -122.981438
Watershed: Chehalem Creek-Willamette River
Legal: See Metes & Bounds

ASSESSMENT AND TAXATION

Market Land: \$67,728.00
Market Impr: \$5,858.00
Market Total: \$73,586.00 (2024)
% Improved: 8.00%
Assessed Total: \$46,018.00 (2024)
Levy Code: 29.52
Tax: \$735.60 (2024)
Millage Rate: 15.9850
Exemption:
Exemption Type:

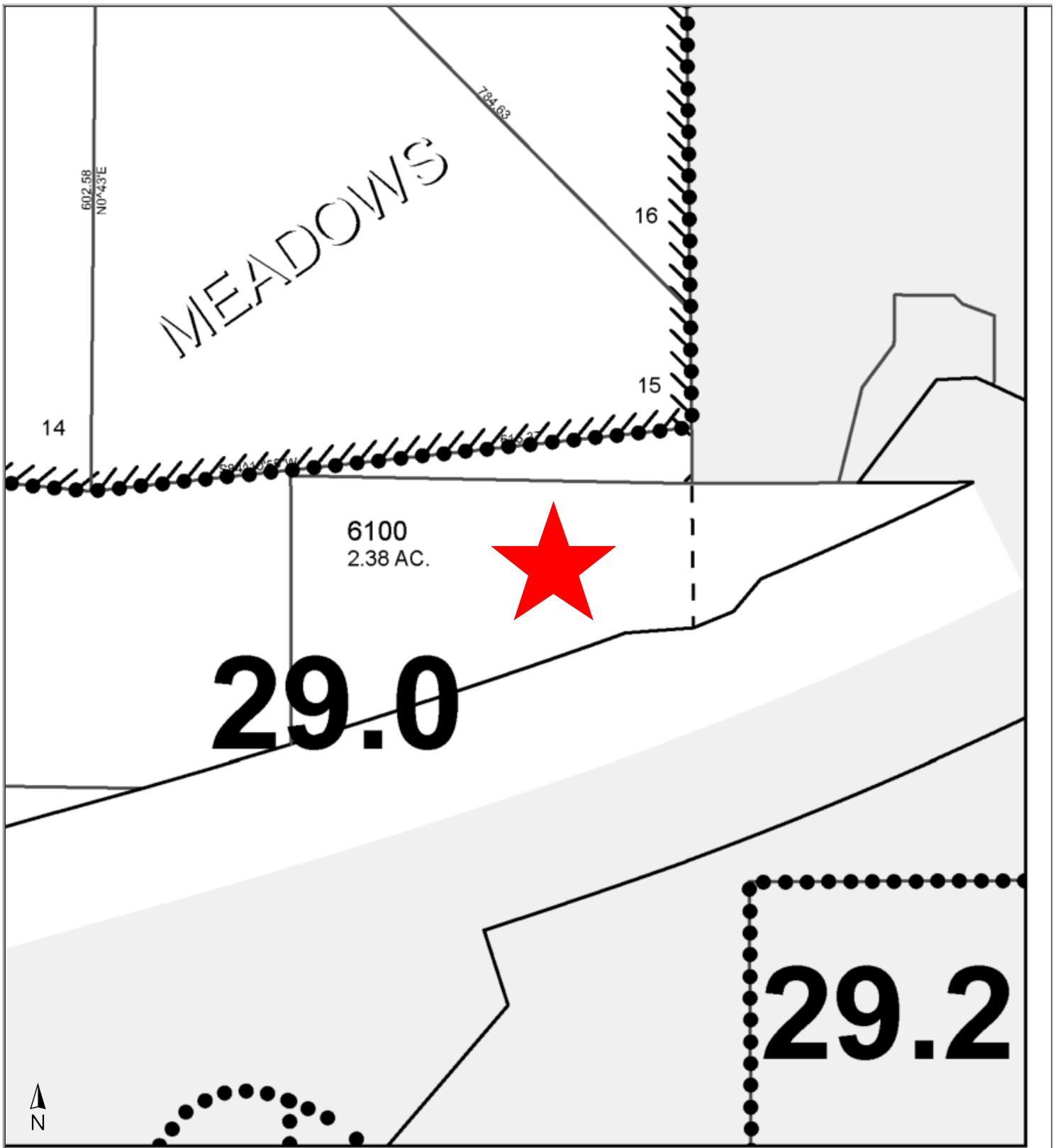
PROPERTY CHARACTERISTICS

Bedrooms:	Total SqFt:	Year Built:
Baths, Total:	First Floor:	Eff Year Built:
Baths, Full:	Second Floor:	Lot Size Ac: 2.38 Acres
Baths, Half:	Basement Fin:	Lot Size SF: 103,672 SqFt
Total Units:	Basement Unfin:	Lot Width:
# Stories:	Basement Total:	Lot Depth:
# Fireplaces:	Attic Fin:	Roof Material:
Cooling:	Attic Unfin:	Roof Shape:
Heating:	Attic Total:	Ext Walls:
Building Style:	Garage:	Const Type:

SALES AND LOAN INFORMATION

Owner	Date	Doc #	Sale Price	Deed Type	Loan Amt	Loan Type
JEFFERY JOHN & LAUNA TRUST	11/20/2023	2023-10560				
John Jeffery	11/20/2023	2023-10560		Deed		Conv/Unk
CINDY A CHRISTENSON TRUST	04/01/2022	2022-04807		Special Warranty Deed		Conv/Unk

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.



First American Title

ParcelID: 560575

**Tax Account #: R3230B06100
, Newberg OR 97132**

This map/plat is being furnished as an aid in locating the herein described land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

Aerial Map



First American Title

Parcel ID: 560575

Sentry Dynamics, Inc. and its customers make no representations, warranties or conditions, express or implied, as to the accuracy or completeness of information contained in this report.

Launa Jeffery and John A. Jeffery, Grantor
2090 Crest Drive
Lake Oswego, Oregon 97034

FOR RECORDING PURPOSES

Launa Jeffery and John A. Jeffery, Trustees of the John and
Launa Jeffery Trust u/i/d November 16, 2023, Grantee
2090 Crest Drive
Lake Oswego, Oregon 97034

After Recording, return to: Valerie I. Kirkendall, Attorney
9250 S.W. Tigard St.
Tigard, Oregon 97223

OFFICIAL YAMHILL COUNTY RECORDS
KERI HINTON, COUNTY CLERK

202310560



\$91.00

00662671202300105600030033

11/20/2023 10:55:21 AM

Until requested otherwise, send all tax statements to:

Larry D. Christenson
16107 SE Wallace Road
Dayton, Oregon 97114

DMR-DDMR Cnt=1 Stn=1036 DAVISM
\$15.00 \$5.00 \$11.00 \$60.00

BARGAIN AND SALE DEED – STATUTORY FORM

Launa Jeffery and John A. Jeffery, hereinafter called Grantor, CONVEYS TO Launa Jeffery and John A. Jeffery, Trustees, or the survivor, or in the event of a vacancy in the office of Trustee, the successor Trustee of the John and Launa Jeffery Trust u/i/d November 16, 2023, hereinafter called Grantee, their undivided interest in the following real property in the situated at 1835 NE Waterfront Street, Newberg, in Yamhill County, State of Oregon, described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART THEREOF.

The true and actual consideration paid for this conveyance is \$0.00. Trust is for benefit of Grantors.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

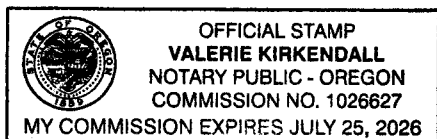
DATED: November 16, 2023

Launa Jeffery

John A. Jeffery

STATE OF OREGON)
)ss.
County of Washington)

This instrument was acknowledged before me on November 16, 2023, by Launa Jeffery and John A. Jeffery, Grantors.



NOTARY PUBLIC FOR OREGON

EXHIBIT "A"
Legal Description

ALL OF THE FOLLOWING DESCRIBED PROPERTY LYING NORTHERLY OF THE STATE HIGHWAY as awarded in Stipulated General Judgment in Yamhill County Circuit Court Case 14CV07218, and recorded September 29, 2015 as Instrument No. 201515432:

PARCEL I:

Beginning at a stake on the right bank of Chehalem Creek and on the East line of the Levi Hagey Donation Land Claims No. 41 and No. 61 in Township 3 South, Ranges 2 and 3 West of the Willamette Meridian, Yamhill County, Oregon, 4.80 chains South of the Northeast corner of said Claim, from which a cedar 36 inches in diameter bears South 40° West 100 links distant and a maple 6 inches in diameter bears North 40° West 82 links distant; thence North on the East boundary of said Claim (intersect the left bank of said Creek at 0.18 of a chains, intersect the Northeast corner of the Hagey Donation Land Claim at 4.80 chains) 9.60 chains to a stake from which a maple tree 8 inches in diameter bears South 1° West 64 links distant and a maple 6 inches in diameter bears North 89° East 45 links distant; thence East (at 6.32 chains intersect the Southwest corner of the Joseph B. Rogers Donation Land Claim) 12.17 chains to a stake on the South boundary of said Rogers Claim from which a fir 8 inches in diameter bears North 38°30' West 53 links distant and a fir 6 inches in diameter bears North 52° East 47 links distant; thence South 10.50 chains to stake from which a maple 6 inches in diameter bears North 40° East 92 links distant; thence South 59°30' East (at 15.50 chains intersect Chehalem Creek) 15.65 chains to a stake on the right bank of Creek from which an ash tree 4 inches in diameter bears South 83° West 10 links distant; thence South 26° West along right bank, 2.33 chains to stake from which an ash 10 inches in diameter bears North 42° East 60 links distant; thence South 73°30' East 1.50 chains to a stake on the left bank of the Willamette River from which an ash 24 inches in diameter bears North 70° East 18 links distant; thence South 45° West along left bank 3.46 chains to a stake from which a balm tree 24 inches in diameter bears North 60° East 29 links distant; thence North 79°15' West 7.25 chains to stake on right bank of Chehalem Creek from which a maple 24 inches in diameter bears South 30° West 13 links distant; thence meandering the right bank of said Creek as follows: North 26°30' West 2.80 chains; South 56° West 4.50 chains; North 41°30' West 17.50 chains to the place of beginning.

SAVE AND EXCEPT THEREFROM the following described tract: Beginning at a point on the South line of the Joseph B. Rogers Donation Land Claim in Section 30, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon; said beginning point being South 89°50' East 436.26 feet from the Southwest corner of said Rogers Claim and being also the most Northerly Northeast corner of that tract conveyed and described in Book 188, Page 104 of Yamhill County Deed Records; thence South 00°10' West along the East line of said tract, 405.9 feet to an iron pipe at the TRUE POINT OF BEGINNING; thence South 00°10' West 287.10 feet to an iron pipe; thence South 74°34' West 394.21 feet to an iron pipe; thence North 00°10' East 392.0 feet to an iron pipe; thence South 89°50' East 380.0 feet to said true point of beginning.

ALSO an easement for roadway purposes, upon and across the following described strip of land: Beginning at an iron rod set on the South line of said Joseph B. Rogers Donation Land Claim in Section 30, Township 3 South, Range 2 West of the Willamette Meridian, Yamhill County, Oregon, being South 89°50' East 436.26 feet from the Southwest corner of said Rogers Claim; thence South 00°10' West 405.90 feet to an iron pipe set at the Northeast corner of the tract described above; thence North 89°50' West 20.0 feet; thence North 00°10' East 405.9 feet to the South line of said Rogers Claim; thence South 89°50' East 20.0 feet to the point of beginning.

PARCEL II:

All that portion of the following described tract lying Northeasterly of Chehalem Creek: Part of the Levi Hagey Donation Land Claim No. 41 and No. 61 in Township 3 South, Ranges 2 and 3 West of the Willamette Meridian in Yamhill County, Oregon, described as follows:

Beginning at the Northeast corner of said Claim; thence South along the East line thereof, 31.10 chains to an iron gas pipe; thence North 89° West 21.10 chains to an iron gas pipe; thence North parallel with the East line of said Claim 30.52 chains; thence North 88°38' East 21.10 chains to the place of beginning.

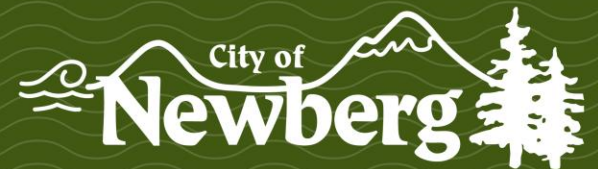
PARCEL III:

That portion of Lot 8, SOUTH NEWBERG SUBURBAN ACRES which lies South of Chehalem Creek and being a part of the land described in contract dated November 6, 1963 and recorded November 18, 1963 in Film Volume 33, Page 957, Deed and Mortgage Records, between Harold H. Miller and Martin VerMulm, in Yamhill County, Oregon.

De-annexation Discussion

City Council Briefing

July 7, 2025



City Council Goals

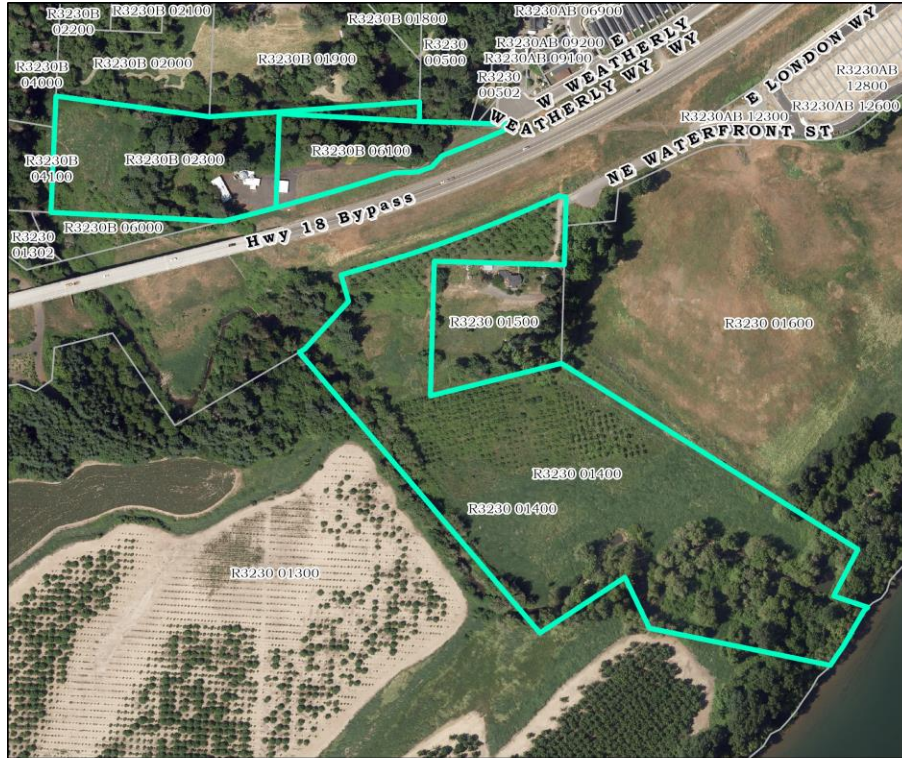
- *Goal 2. Implement a careful and prudent fiscal policy.*
 - *Objective 3. Ensure that the city has a long-term financial plan that supports its goals and objectives.*
- *Continuous Goal E. Further strategic planning and growth with local taxing districts.*

Staff Recommendation

- Discuss the property owner's request to de-annex 1828 and 1835 Waterfront Street. No action is requested at this time as the City has not received an application for de-annexation and action on a de-annexation request requires a public hearing.

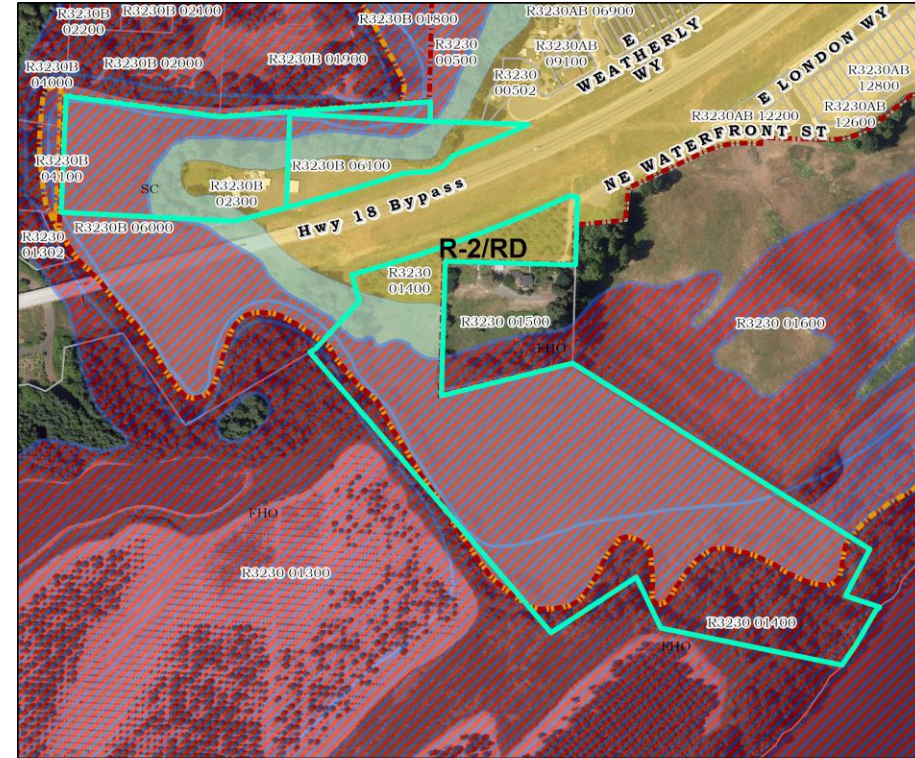
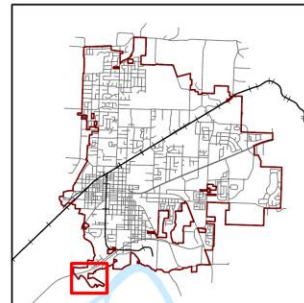
Background

- CDD held a pre-application meeting regarding the development of single-family dwellings, a storage facility, and potential de-annexation.
- The properties were annexed in 2006 through Ordinance No. 2006-2651.
- The sites are zoned R-2/RD and contain significant areas of the Stream Corridor Overlay and Areas of Special Flood Hazard Overlay, and are approximately 20.05, 2.38. and 5.02 acres in size.



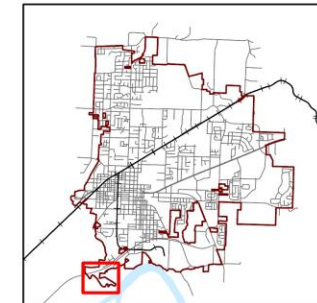
Aerial Map

- Taxlots
- Subject Property



Zoning Map

- Subject Property
- Taxlots
- City Limits
- Urban Growth Boundary
- ZONING**
- R-2/RD Riverfront District
- Stream Corridor
- Special Flood Hazard



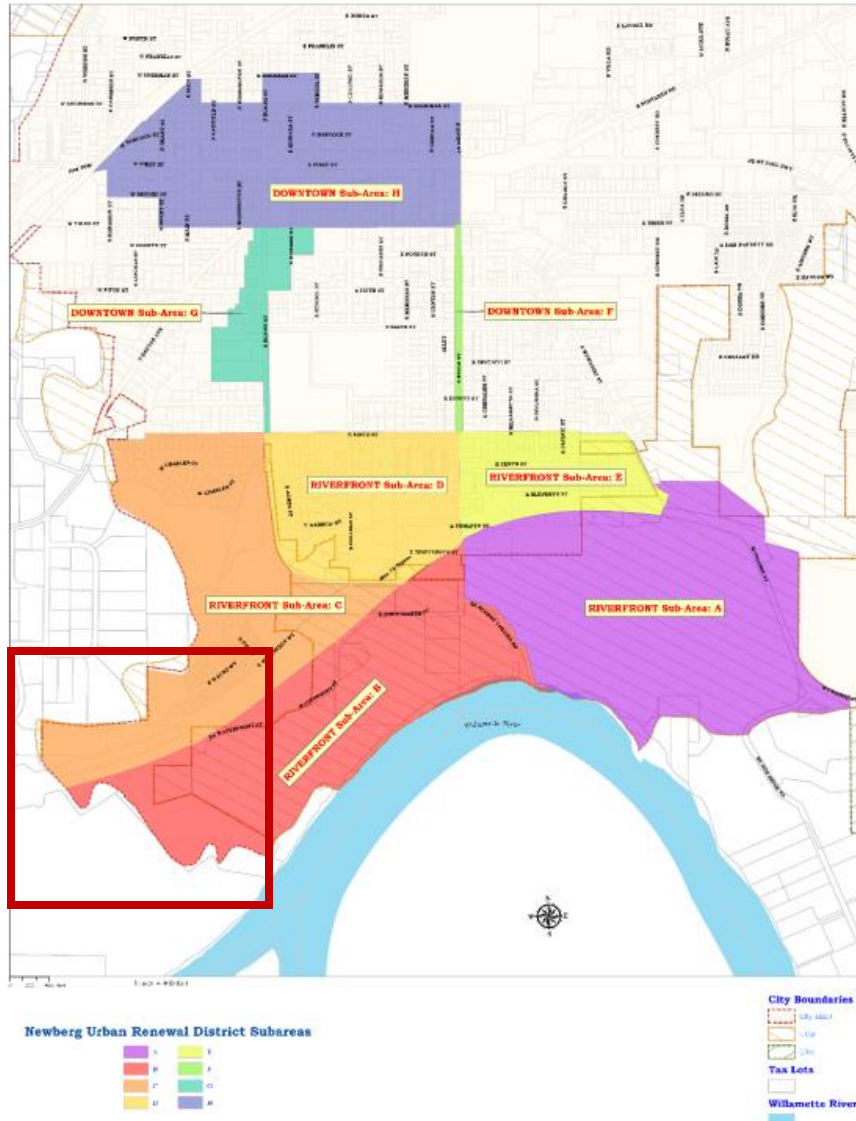
Process – ORS 222.460, 465, and 524

- City Council adopting a resolution initiating the withdrawal from the territory.
- City Council holding a public hearing on the withdrawal no later than 30 days after the adoption of the resolution.
- City Council consideration of entering an order on the withdrawal.
- City Council holding a final public hearing on the withdrawal not less than 20 days or more than 50 days after the date of the order.
- City Council by resolution or ordinance declares the territory detached from the City.

Process

- Would be referred to/coordinated with Yamhill County. Initial discussions indicate that the sites would revert to the previous county zoning prior to annexation.
- The withdrawn area would remain subject to any bonded or other indebtedness existing at the time of the de-annexation.
- The sites are also within the Newberg Urban Renewal Area, which would require a Minor amendment and approval by the Newberg Urban Renewal Agency by resolution.

Newberg Urban Renewal District Subareas



The 2024 assessed values for the tax lots were:

- R3230B 06100: \$46,018
- R3230B 02300: \$51,029
- R3230 01400: \$2,616

SB 1537

- If de-annexation is approved, staff would recommend amending the city's UGB, as development in the county would likely preclude development at urban densities in the future.
- This could occur standalone, with the 2027-2028 housing planning, or through SB 1537 “one-time” provisions.
 - SB 1537 allows a lands swap *in lieu* of other “one-time” UGB expansion for affordable housing provisions.
 - The land swap areas must be roughly equivalent in size, the removed lands must be zoned for residential uses, and the added site must be zoned for residential uses at the same or greater density than the removed lands.

Thank you!

Questions?