



City Council
January 21, 2025
6pm

Newberg Public Safety Building 401 E. Third Street
Denise Bacon Community Room

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

Public Comment Registration: <https://bit.ly/nbgcomment>

[View Slides](#)

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. [City Manager Report](#)

4.1. [November Statistical Report](#)

5. Public Comments

6. New Business

6.1. [City Fleet Management Plan](#)

i [Presentation](#)

6.2. [Landscaping Plan](#)

6.3. [Planning Division Update and 2025 Work Plan](#)

i [Attachment 1: Proposed Work Plan](#)

ii [Attachment 2: 2025 Work Plan Descriptions and Status](#)

iii [Attachment 3: 2024 Planning Division Work Plan](#)

iv [Attachment 4: 2024 Work Plan Tracker](#)

v [Presentation](#)

6.4. Modification of the Newberg Enterprise Zone to Include Industrial Zoned

Lands

- i **Exhibit A: Newberg Enterprise Zone Boundary Map**
- ii **Exhibit B: Newberg Enterprise Zone Taxlots**
- iii **Exhibit C: Public Comment**
- iv **Presentation**

7. Public Hearing

7.1. Supplemental Budget #2

- i **Presentation**

8. Council Business

8.1. Board, Commission, and Committee Updates

9. ADJOURNMENT

ADA STATEMENT

Contact the City Recorder's Office for physical or language accommodations 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: (January 21, 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 statistics for November 2025 events				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 summary of events conducted by city departments in November of 2025.

Fiscal Impact: All were conventionally budgeted items.

Council Goals:

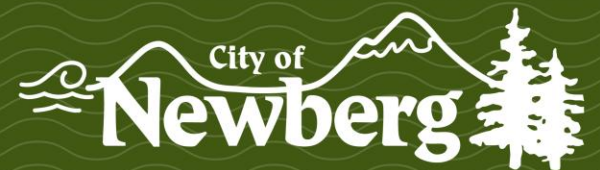
Goal 5: Create and maintain a high level of transparency with our residents in order to build trust.

Effective CM reporting assists with Objective 1:

Expand communication outreach in regard to regular city workflow as represented by its production statistics.

Newberg CM report

Monthly Statistics to the end of November 2024



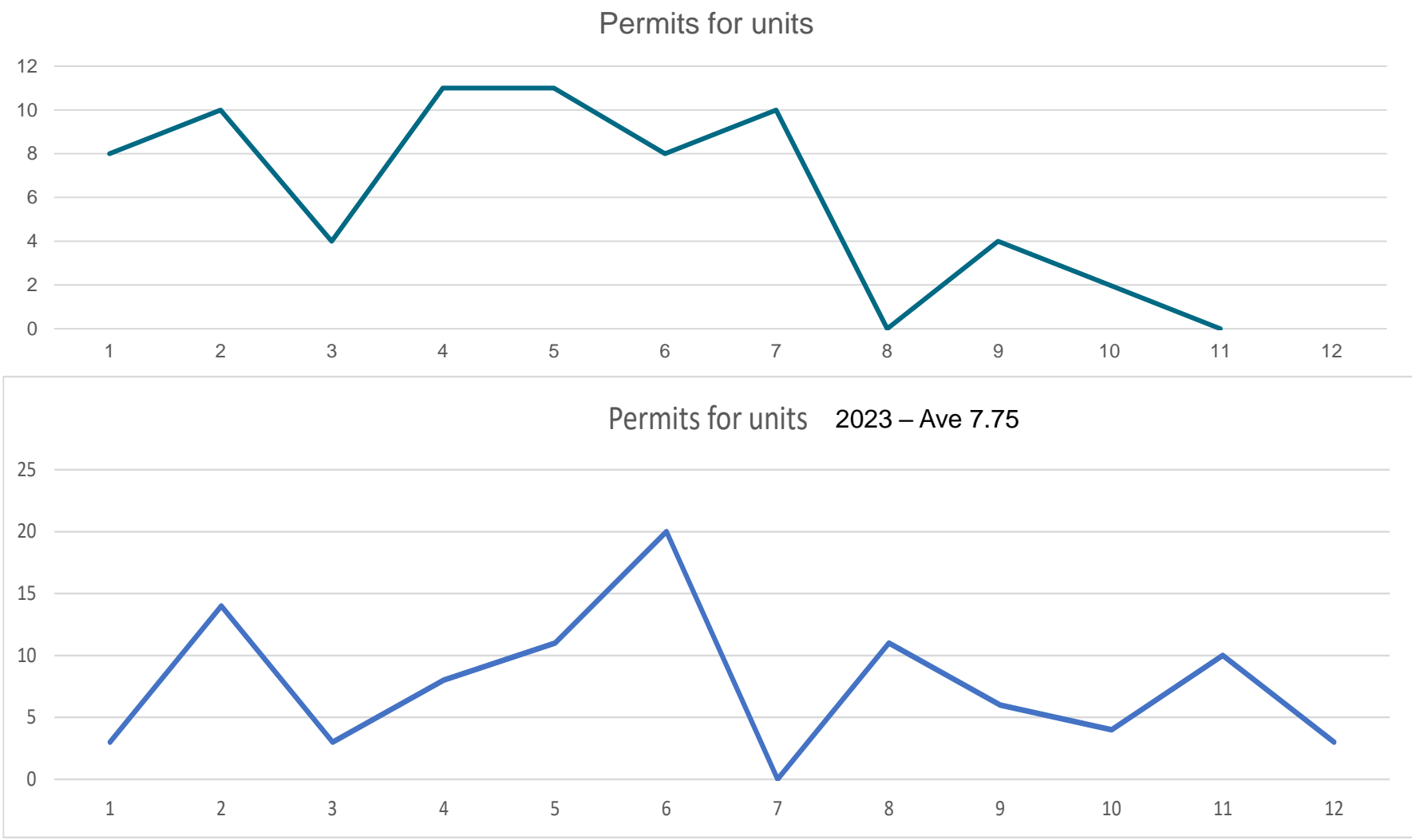
Planning: combined planning decisions of all sorts*: 14

**Average
2022**
11.67



* Combined from the Director, Planning Commission and Council

Planning: building permits for housing units: Nil



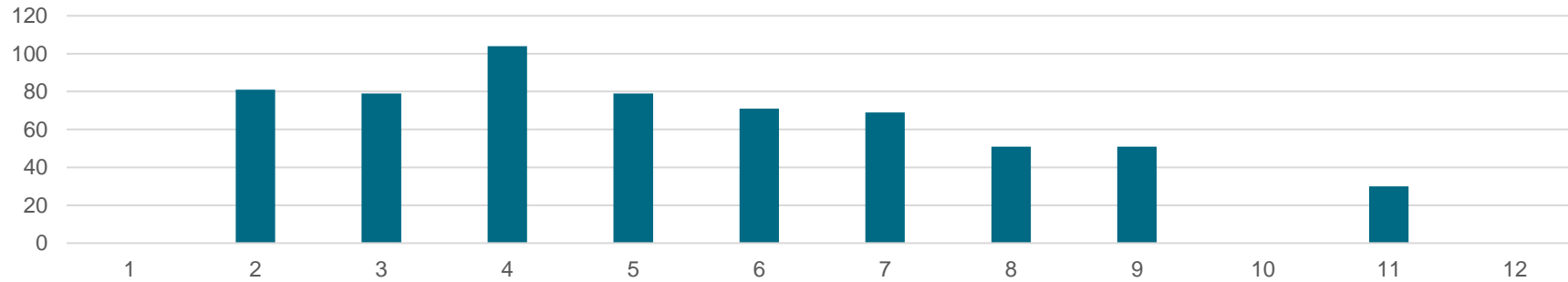
Average
2022
15

Planning: building permits other types: 30

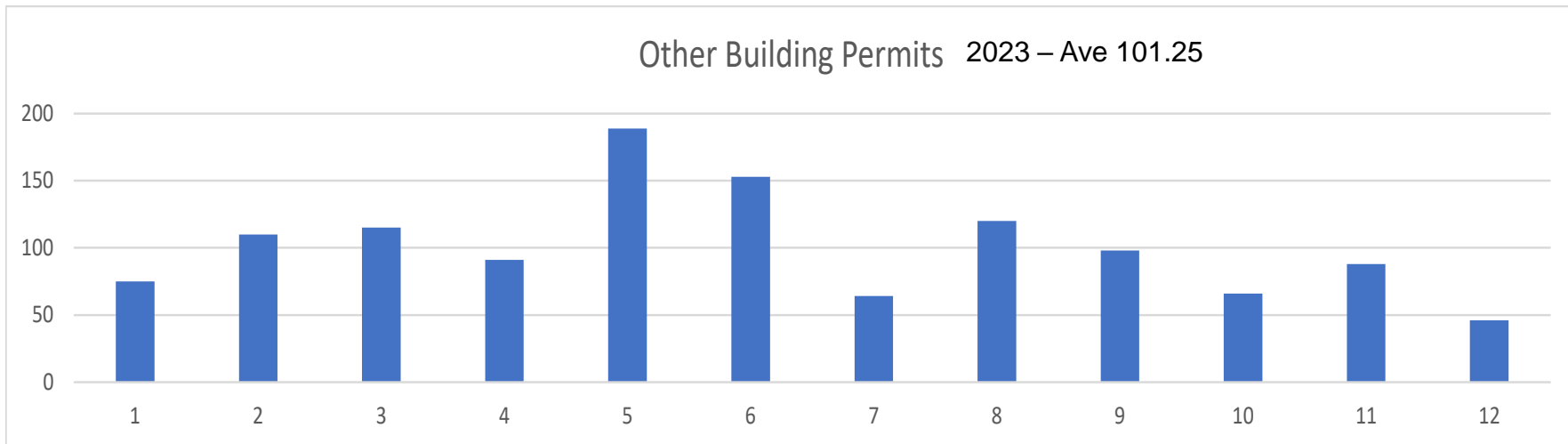
**Average
2022**

122

Other Building Permits

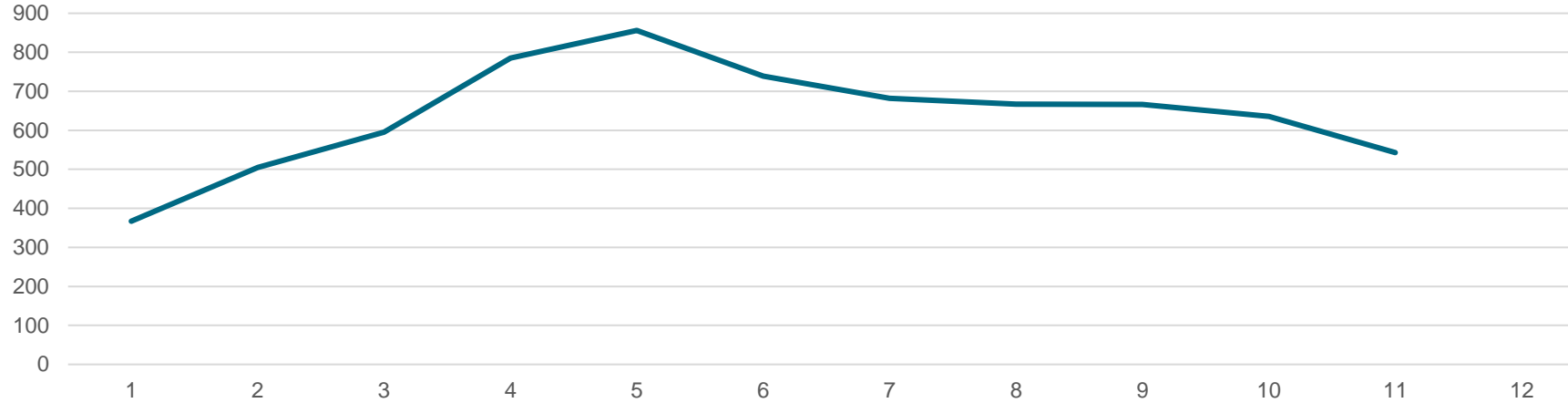


Other Building Permits 2023 – Ave 101.25



Planning: building inspections: 543

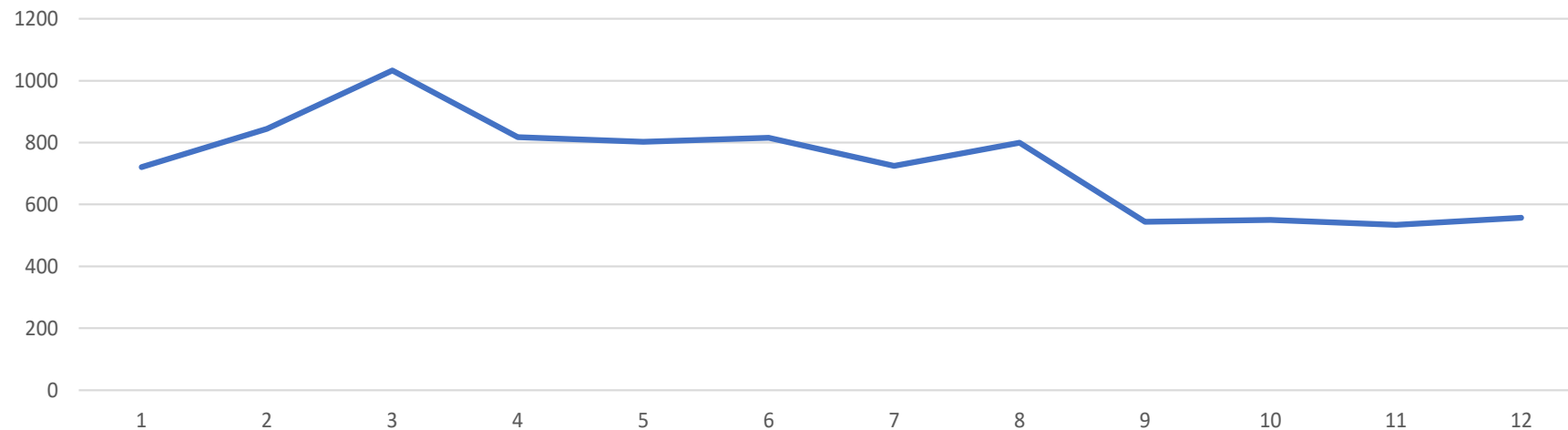
Building Inspections



Average
2022

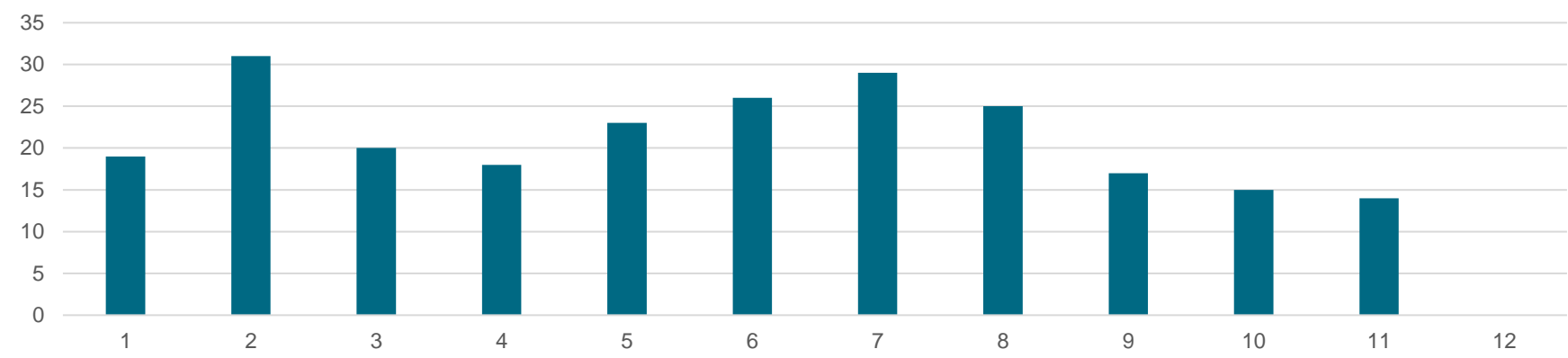
691

Building Inspections 2023 – Ave 728.42



Community Engagement: submission forms through website: 14

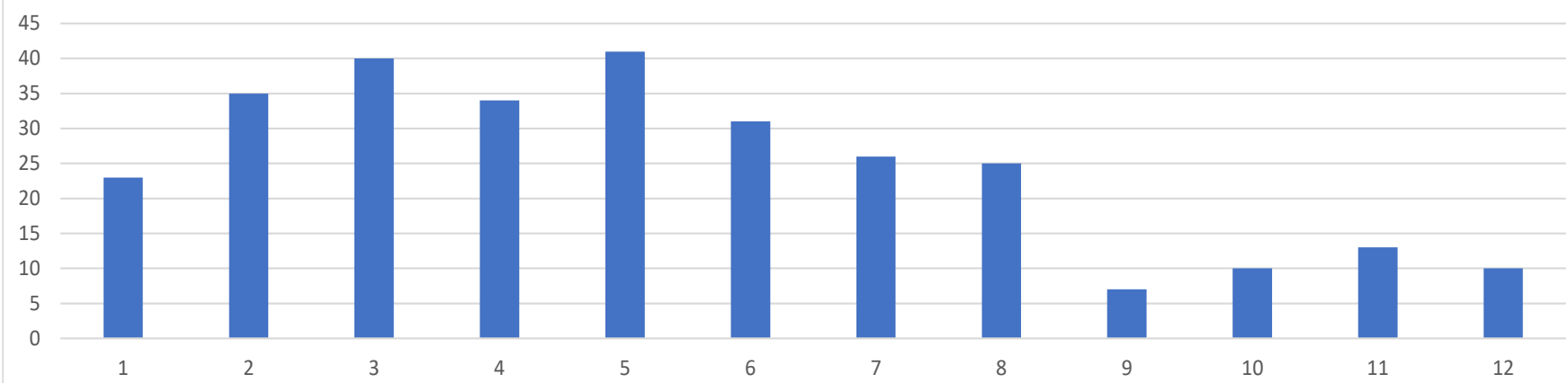
Web site postings we responded to



Average
2022

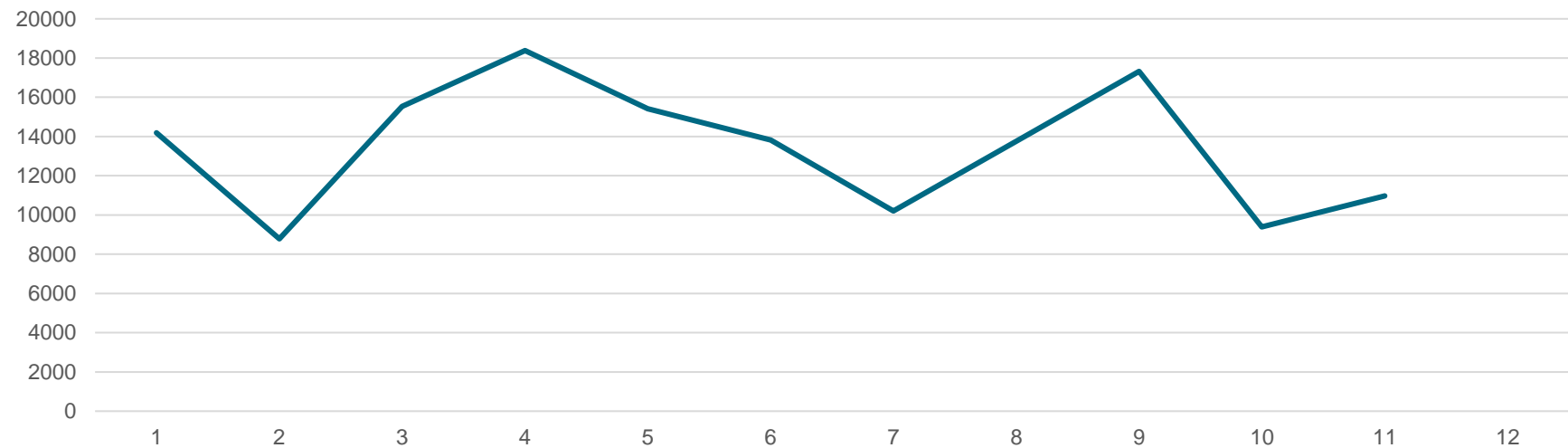
23

Web site postings we responded to 2023 – Ave 24.58



Community Engagement: social media engagement: 10,973

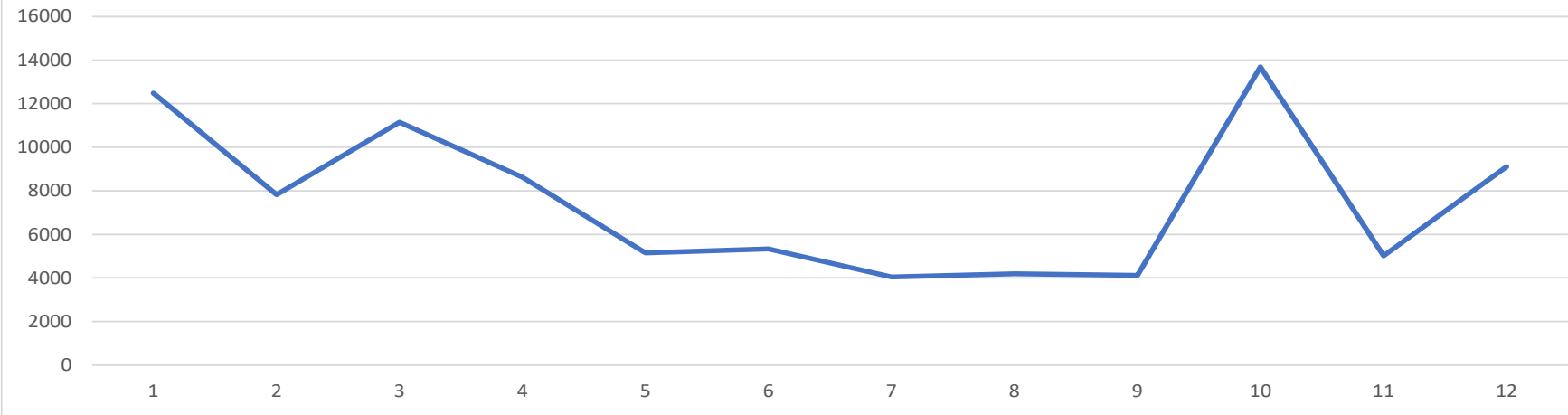
Social Media Engagement



Average
2022

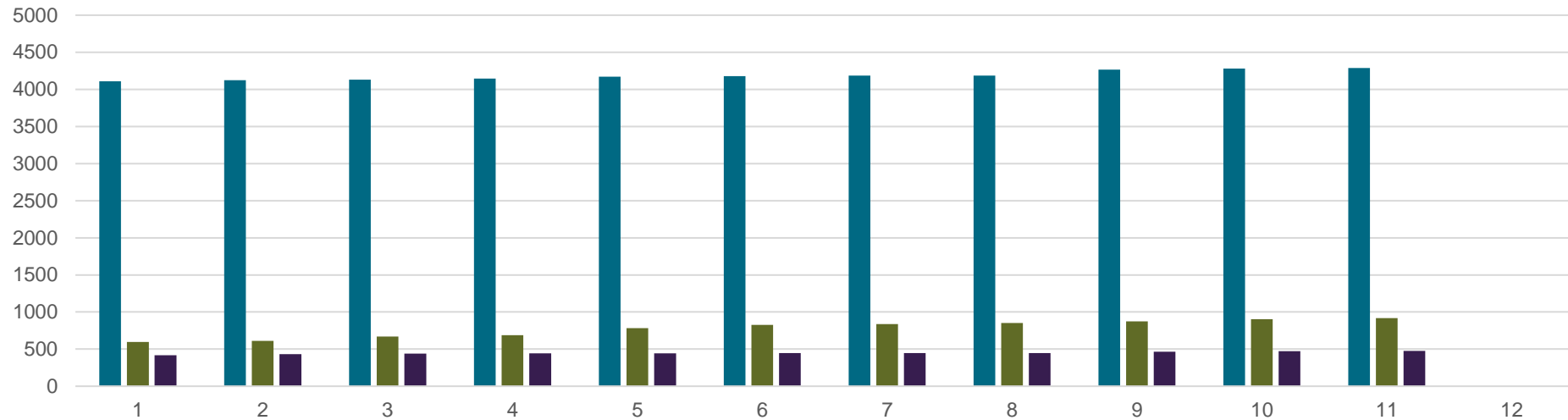
7942.5

Social Media Engagement 2023 – Ave 7560.83



Community Engagement: Socials followers Facebook 4289, Other 919, LinkedIn 475

Facebook, Other, and LinkedIn



**Average
2022**

Facebook

3746

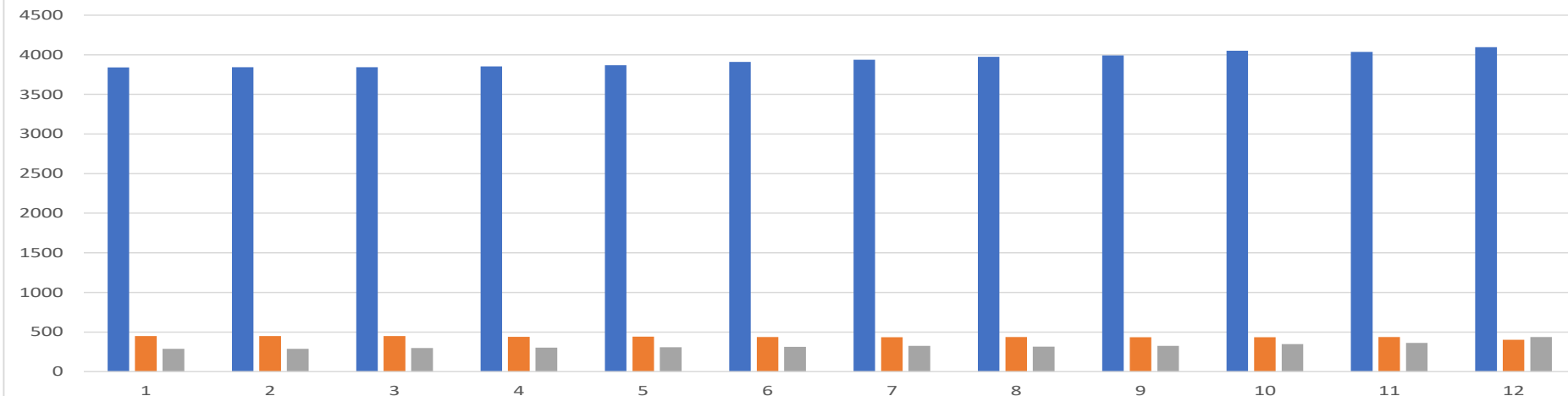
Twitter

415

LinkedIn

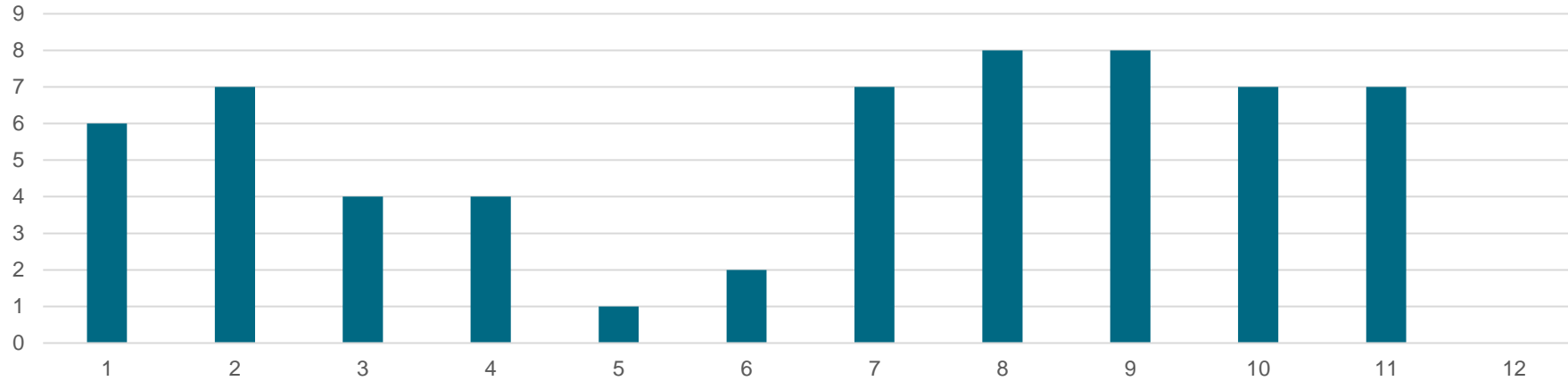
253.6

2023 data – Facebook: 3936.67 Other: 436.83 LinkedIn: 325.83



City Recorder: Public Records Requests: 7

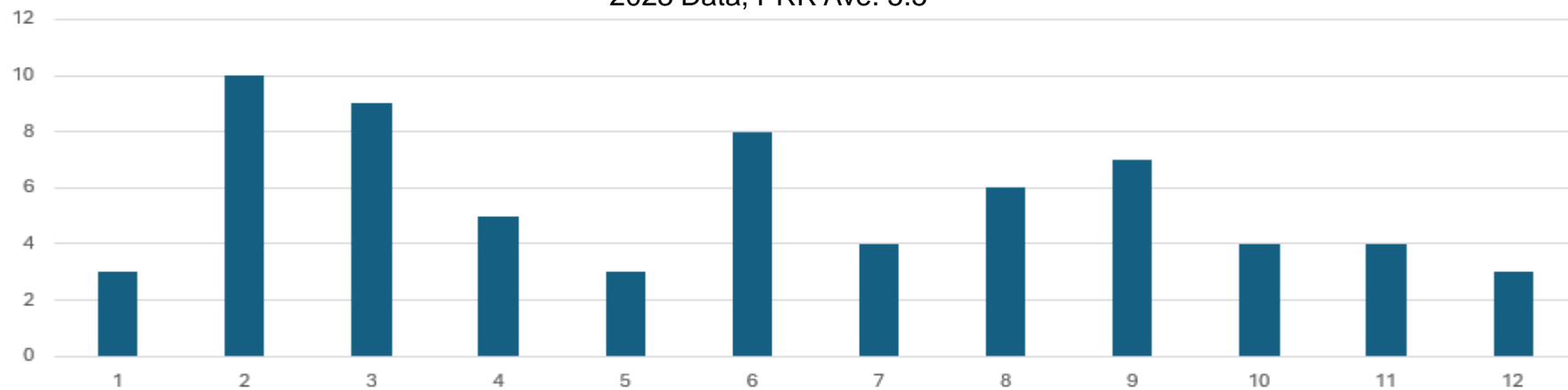
Public Information Requests



Average
2022

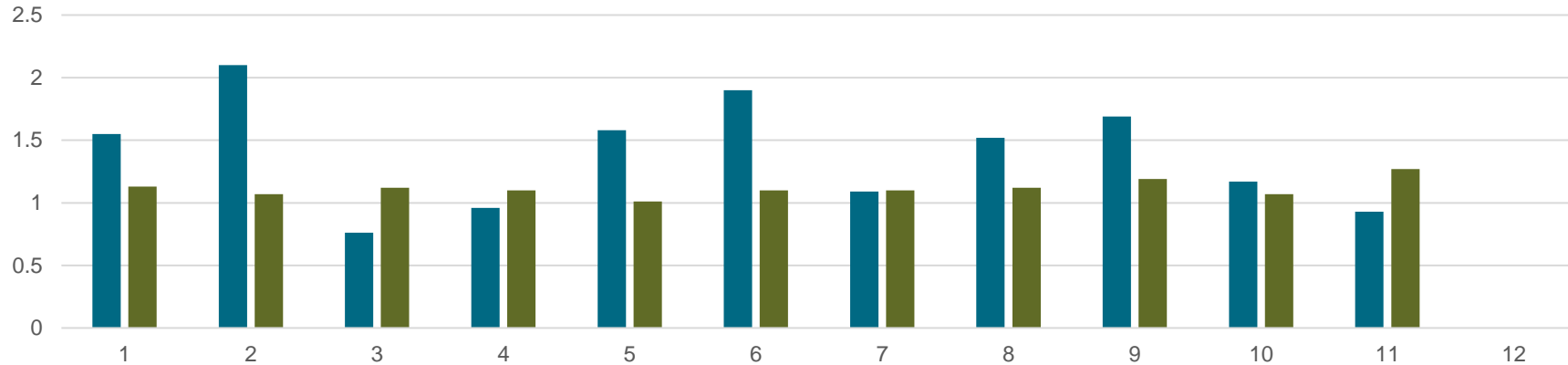
4.5

2023 Data, PRR Ave. 5.5



Finance: \$0.93 M of payments to accounts payable & \$1.27 M of payroll

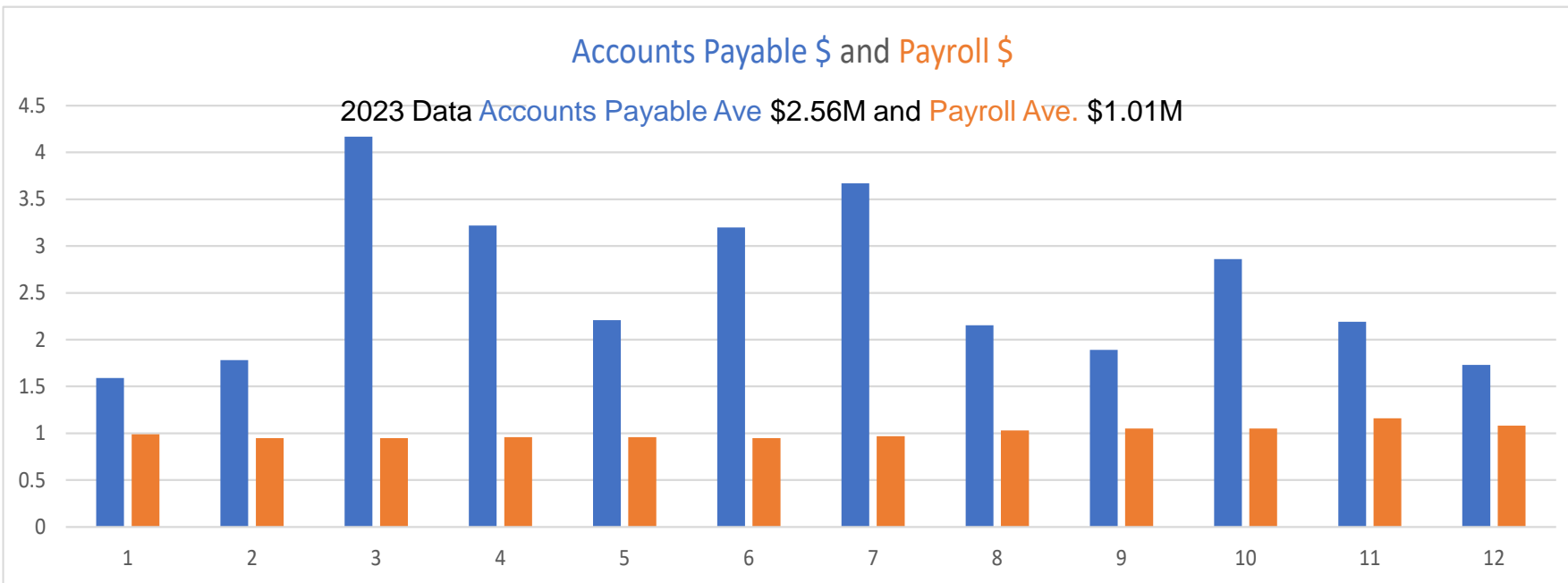
Accounts Payable \$ and Payroll \$



**Average
2022**

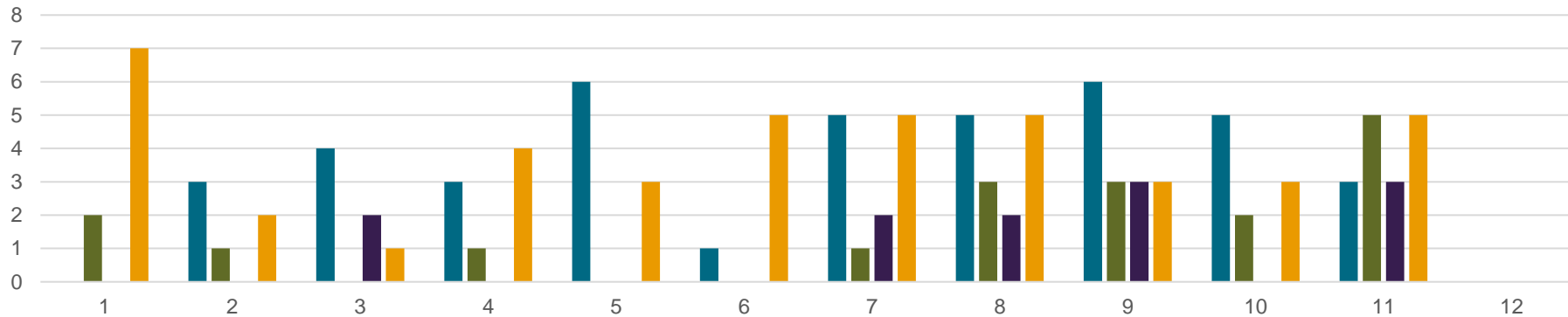
**AP
\$1.75 M
Payroll
\$0.93 M**

Accounts Payable \$ and Payroll \$

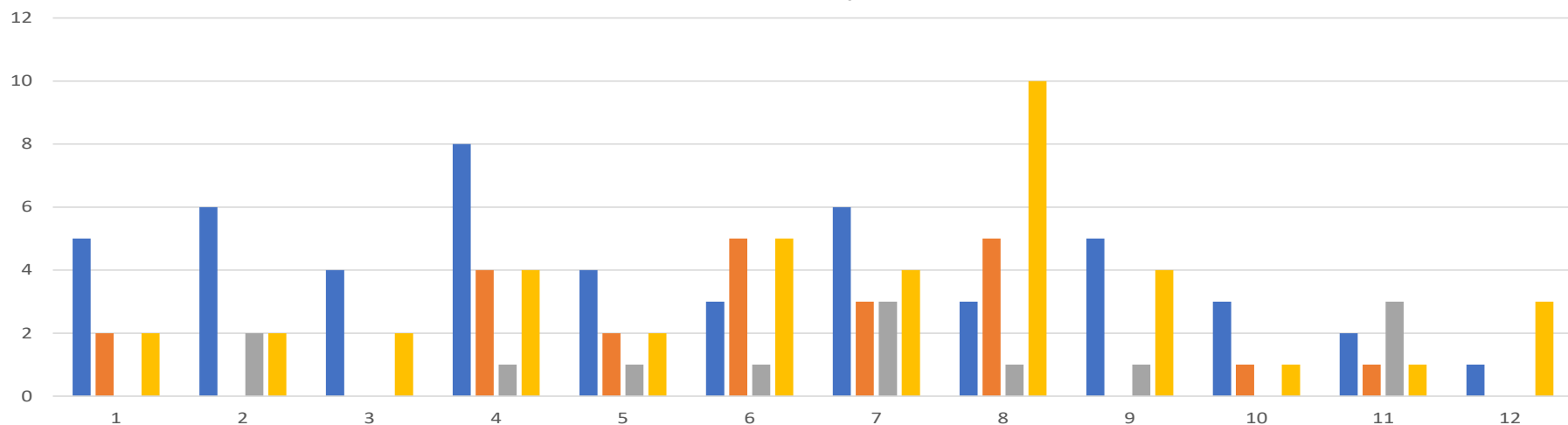


HR activity: Recruitments advertised: 3 Hires: 5 Separations: 3,
FMLA / ADA / OFLA / workers comp claims: 5

Recruitments, Hires, Seperations, Claims



2023 Data, Recruitments Ave 4.17, Hires Ave 1.92, Separations Ave 1.08, Claims Ave 3.33



**Average
2022**

Recruitments

5.6

Hires

1.9

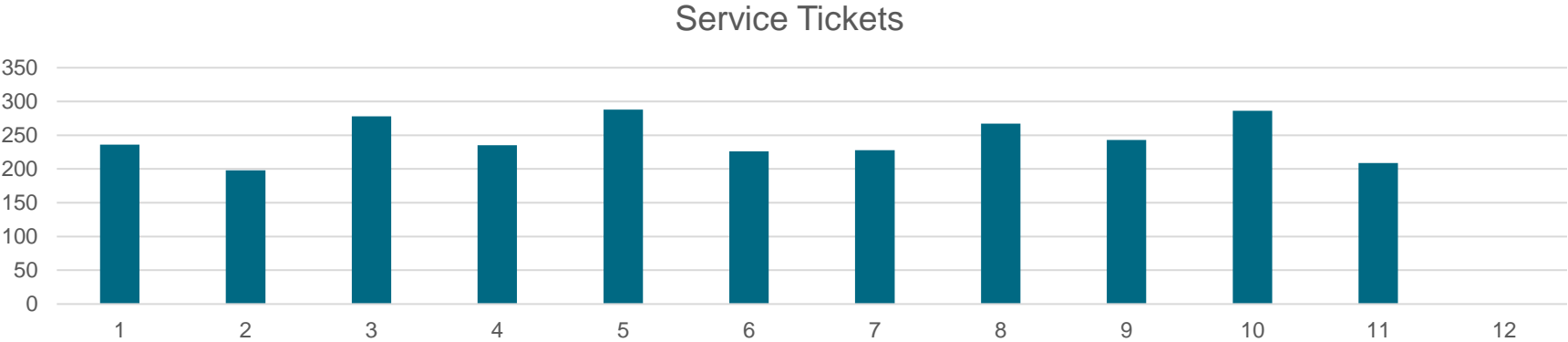
Separations

1.6

Claims

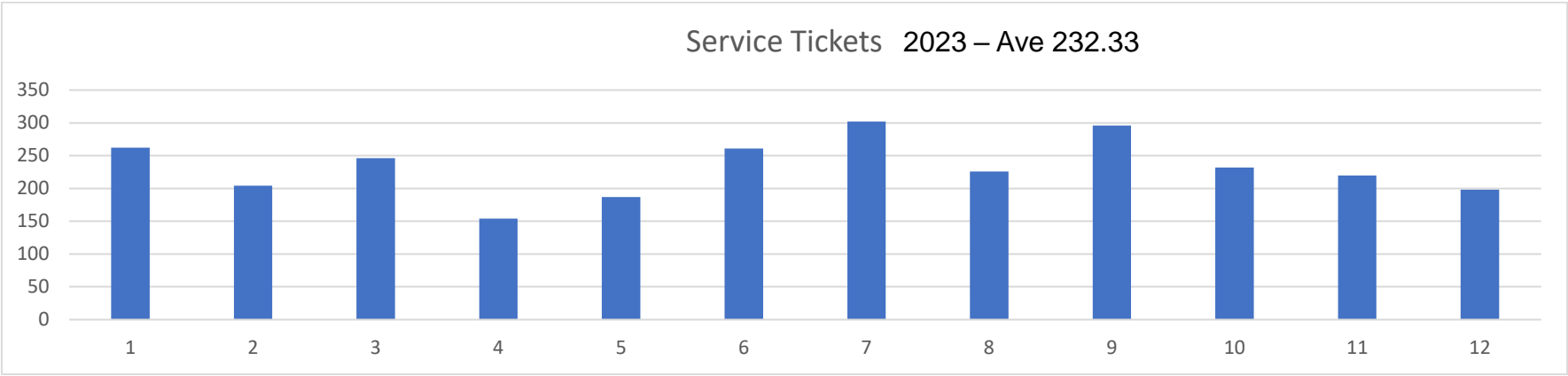
2.6

IT resolved 209 service tickets for the city.



Average
2022

203.4

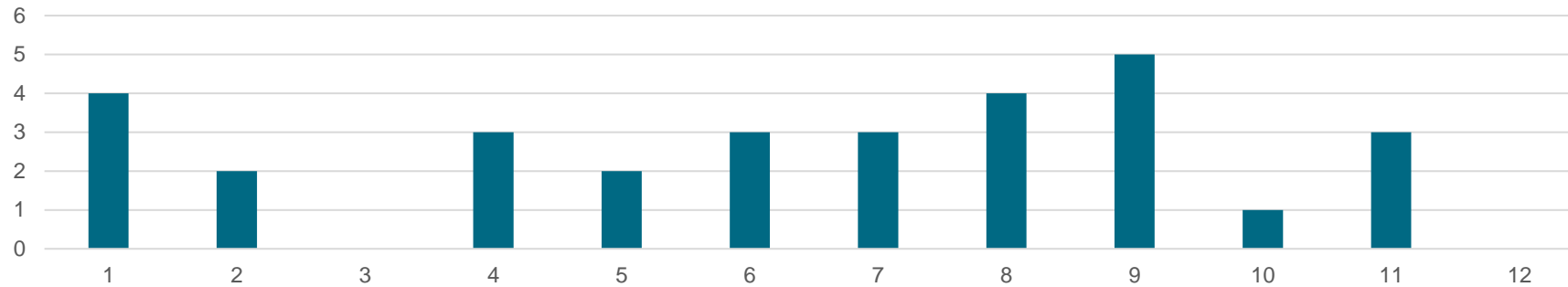


IT responded to 3 after hours on-call events.

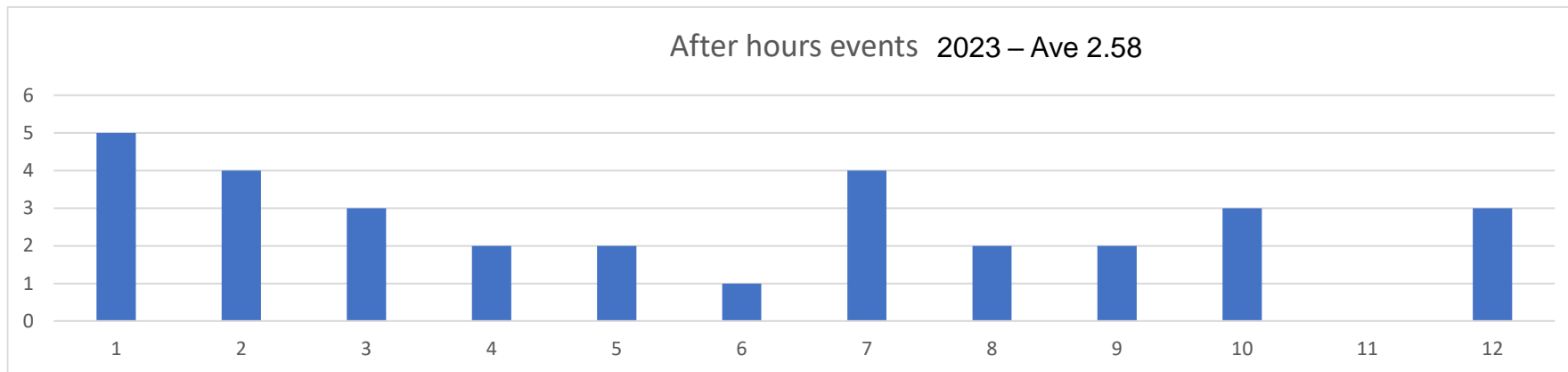
**Average
2022**

3.6

After hours events

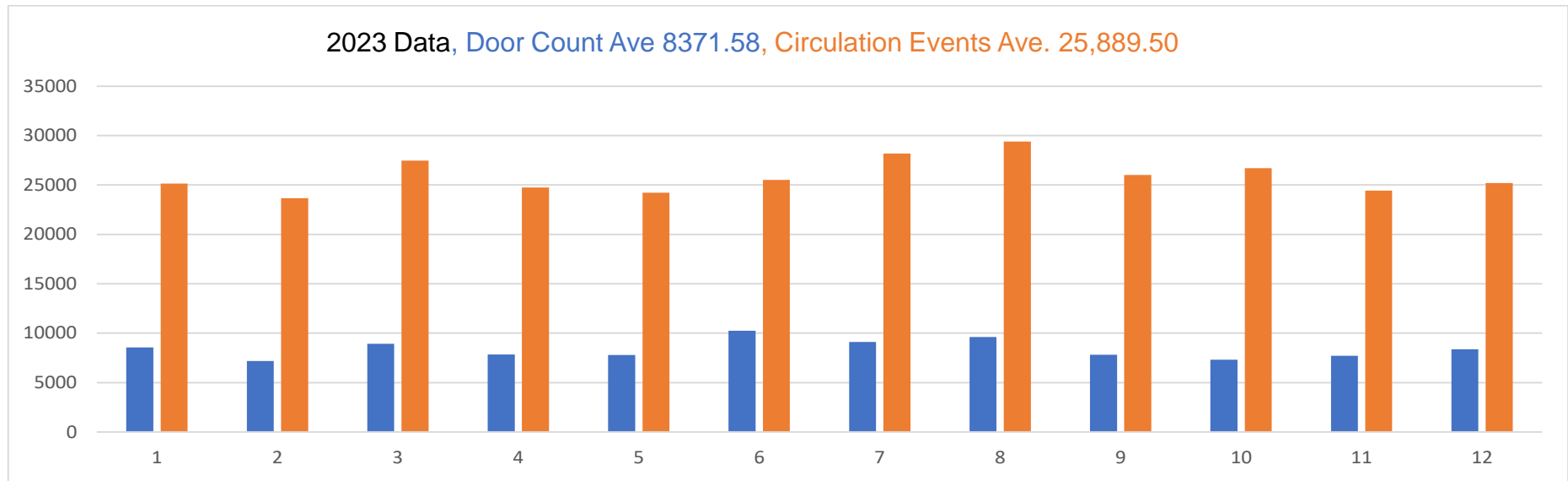
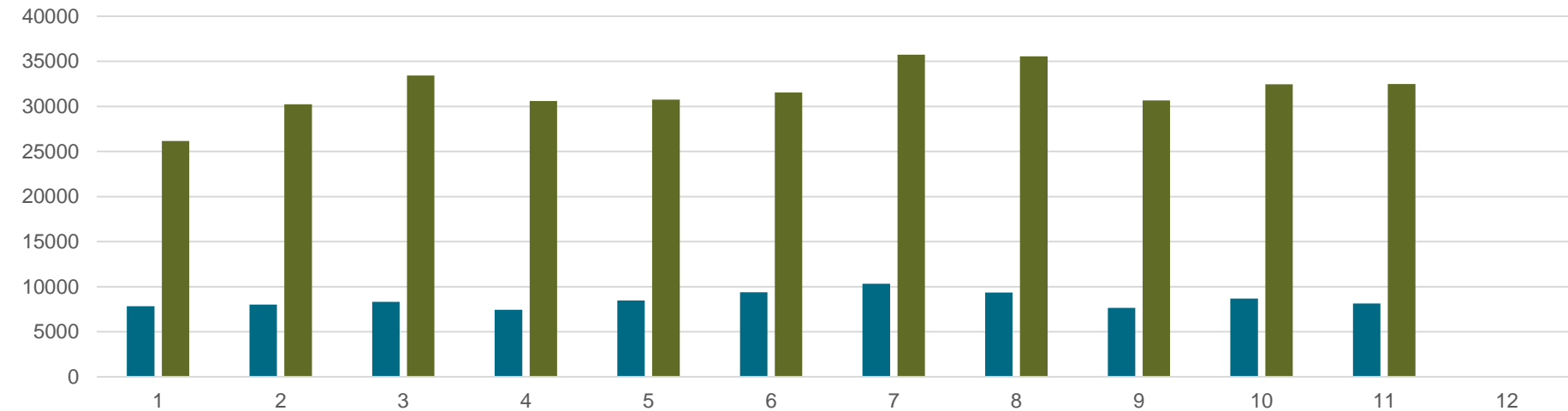


After hours events 2023 – Ave 2.58



Library Activity: Door count 8,146, Circulation events 32,488

Door Count, Circulation Events



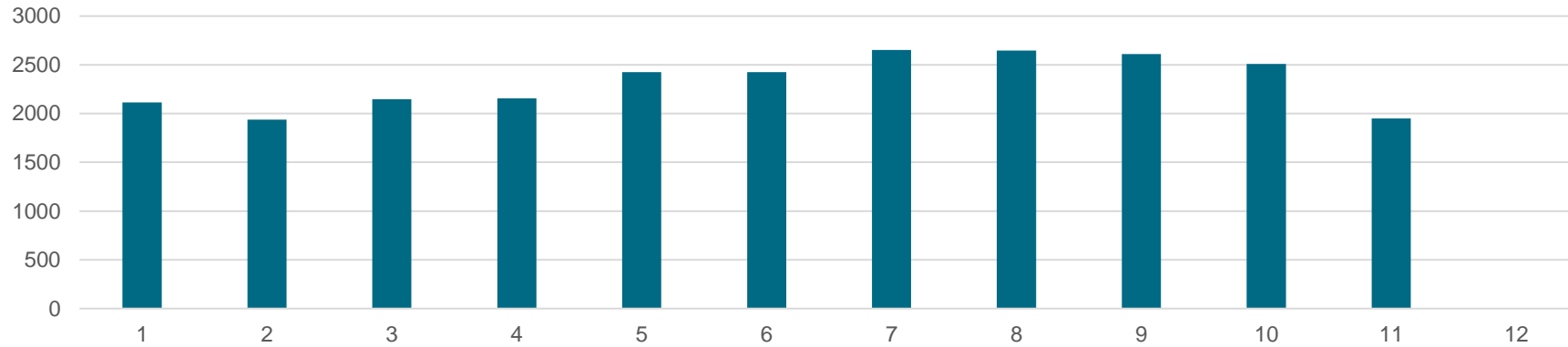
Average 2022

Door Count
7108

Circulation Events
23,418

Public Safety: 1949 – calls for service

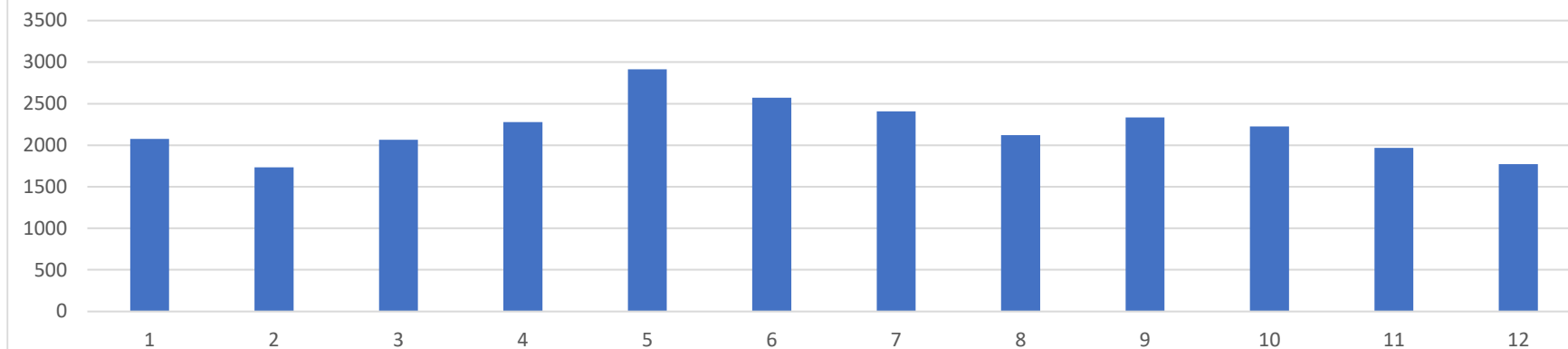
Calls for service



**Average
2022**

2065

Calls for service 2023 – Ave 2205.67

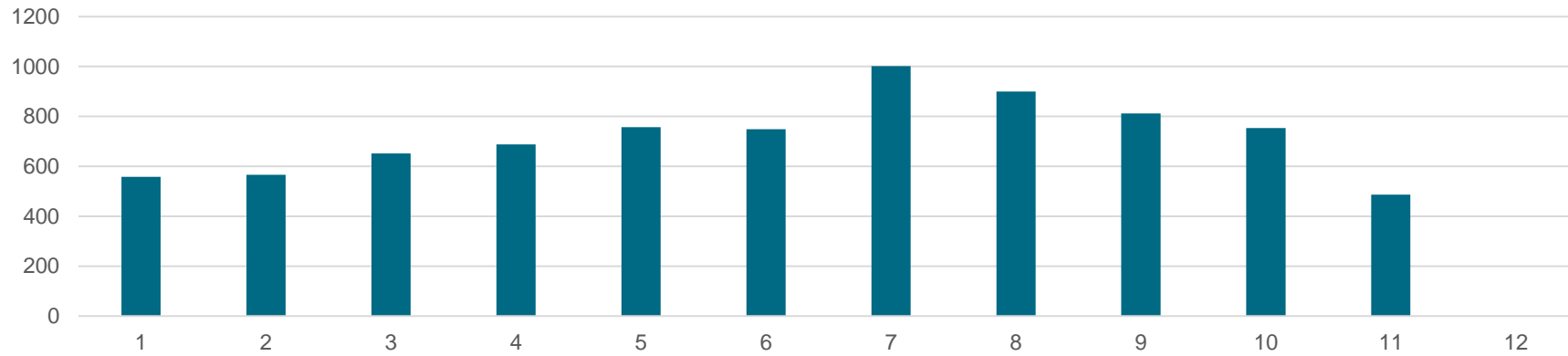


Public Safety: 487 – traffic stops

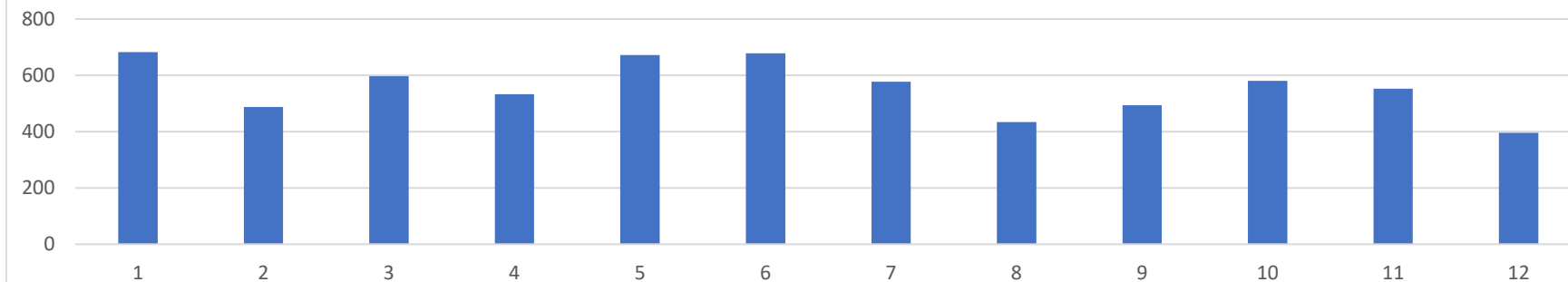
**Average
2022**

561

Traffic Stops

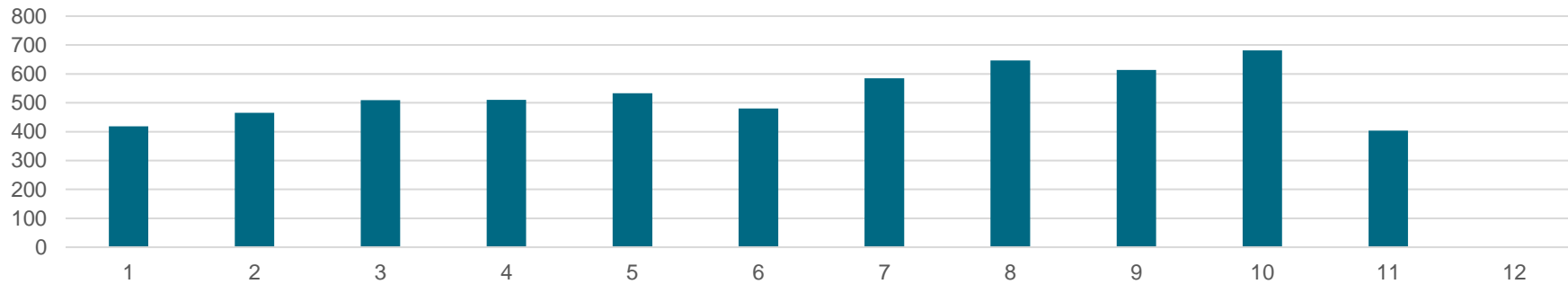


Traffic Stops 2023 – Ave 557.33



Public Safety: 404 – citations & warnings

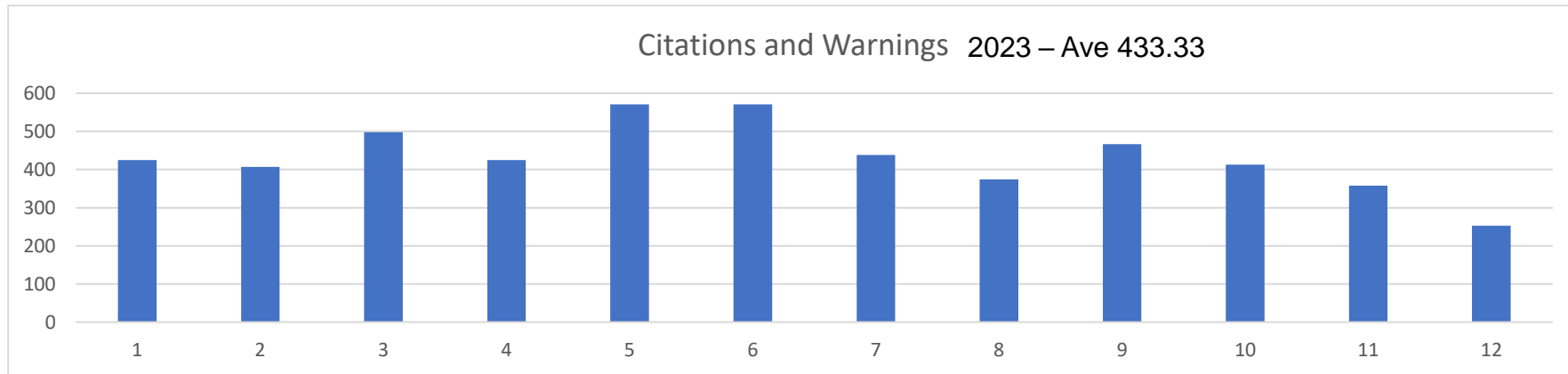
Citations and Warnings



**Average
2022**

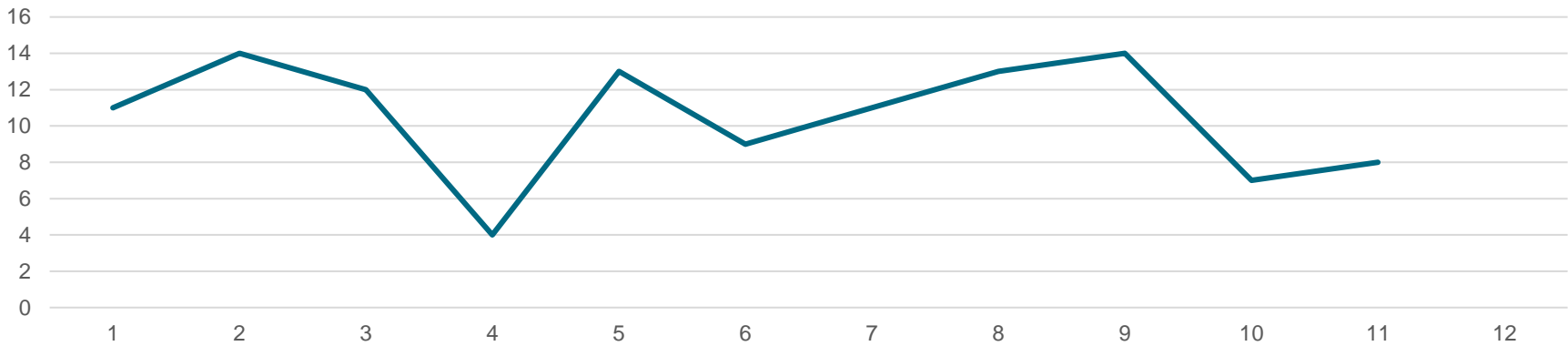
428

Citations and Warnings 2023 – Ave 433.33



Public Safety: 8 – DUII’s

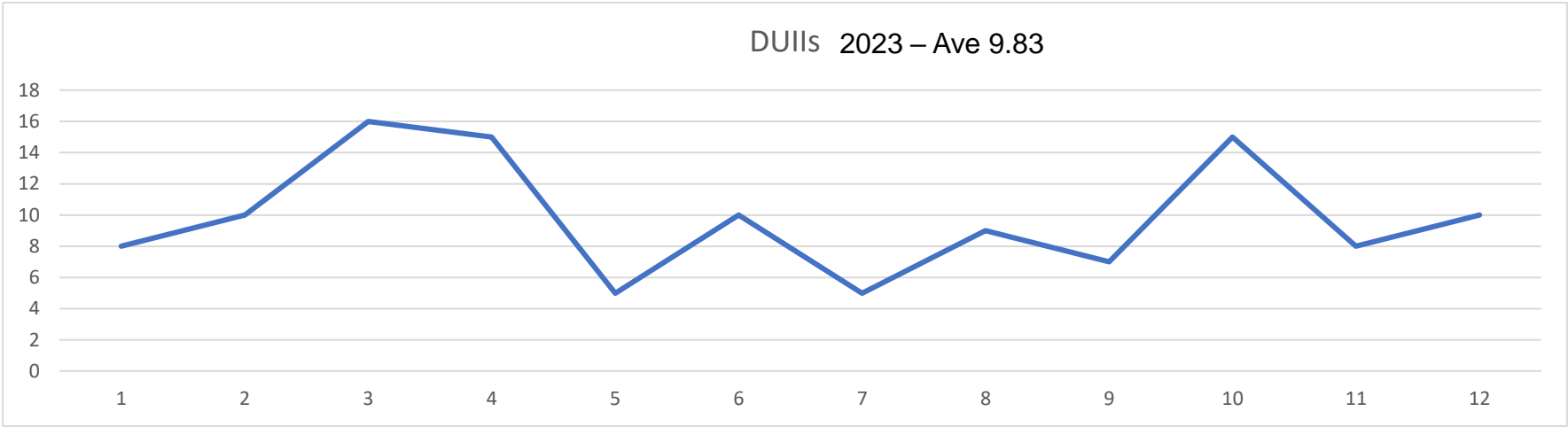
DUIIs



Average
2022

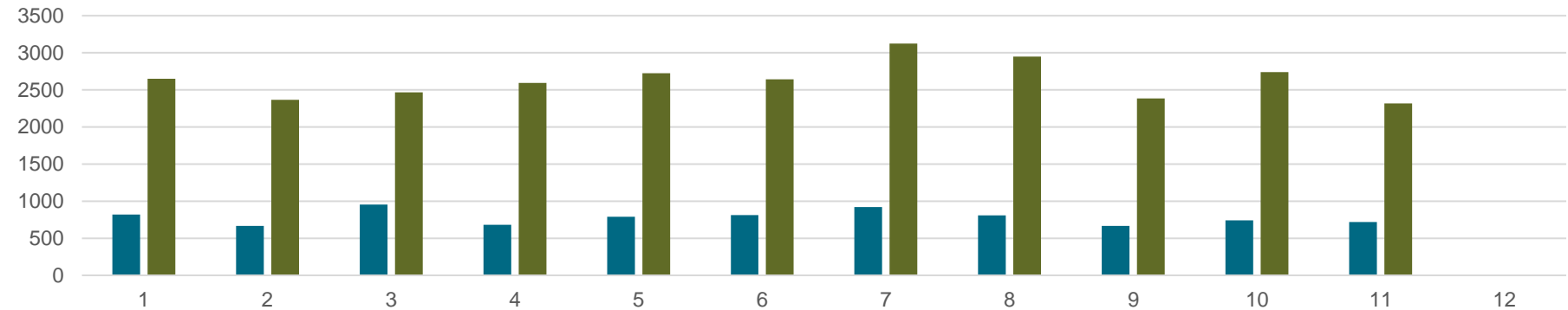
12.1

DUIIs 2023 – Ave 9.83



Dispatch: 718 “911” calls & 2319 non-emergency calls

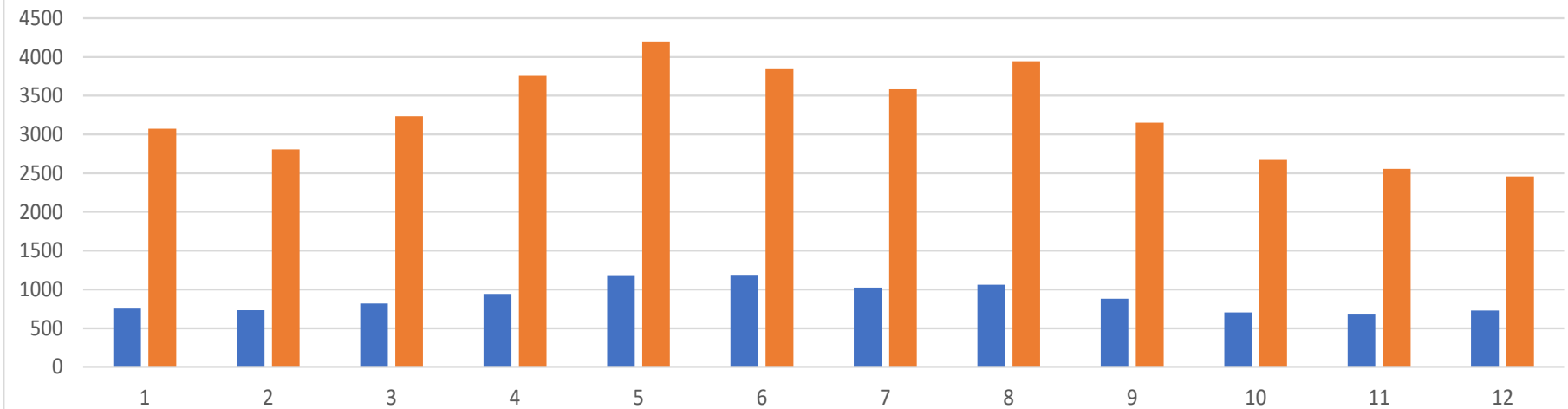
911 calls, Non emergency calls



Average
2022

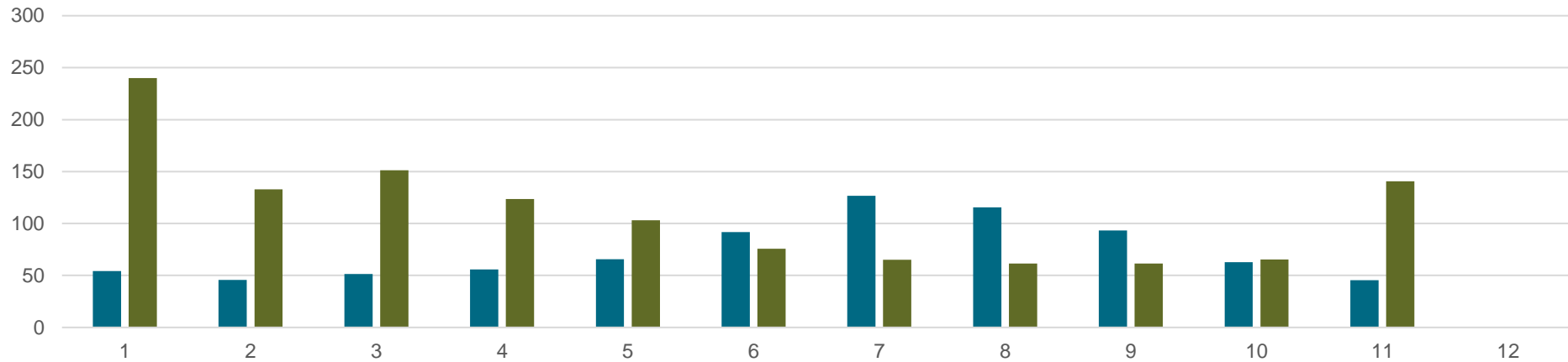
911 Calls
817
Non-
Emergency
Calls
3436

2023 Data, 911 calls Ave. 891.92, Non-Emergency calls Ave. 3214.08

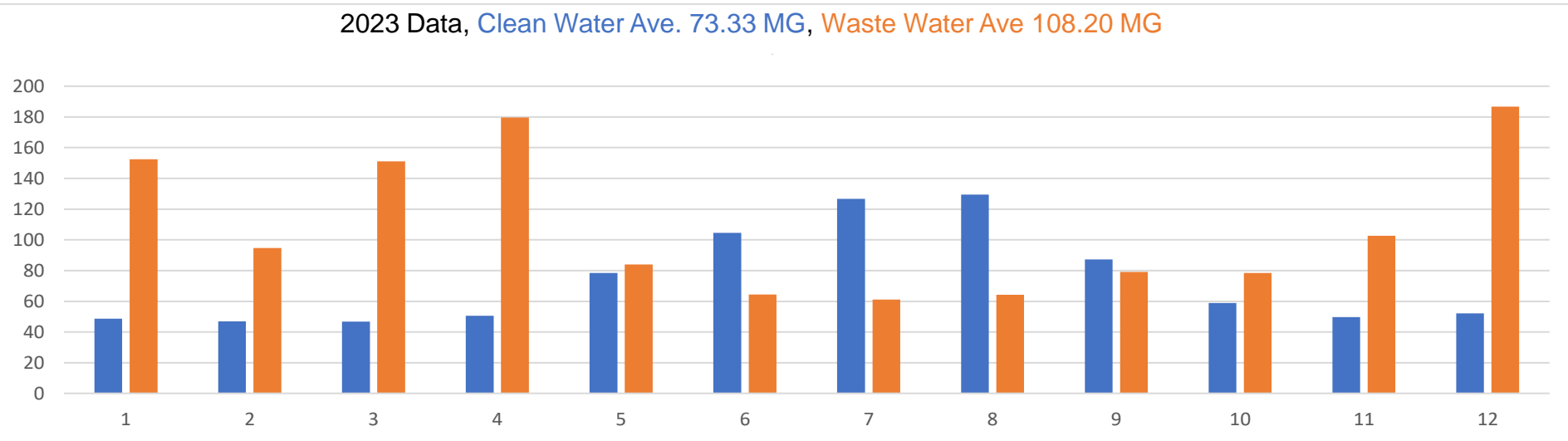


Public Works: water production was 45.41 million gallons, & 140.7 million gallons (MG) were treated

Clean water, Waste Water



2023 Data, Clean Water Ave. 73.33 MG, Waste Water Ave 108.20 MG



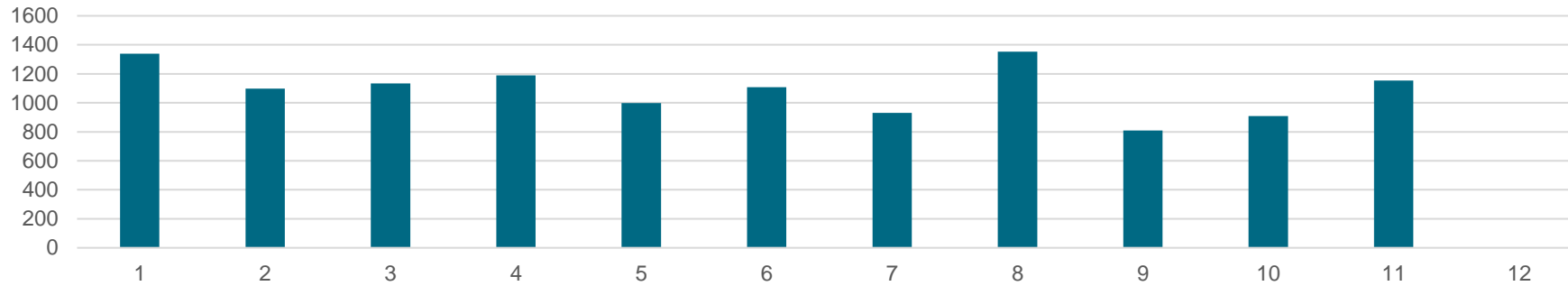
**Average
2022**

**Clean Water
69.45 MG**

**Waste Water
105.46 MG**

Public Works: 1154 work orders completed

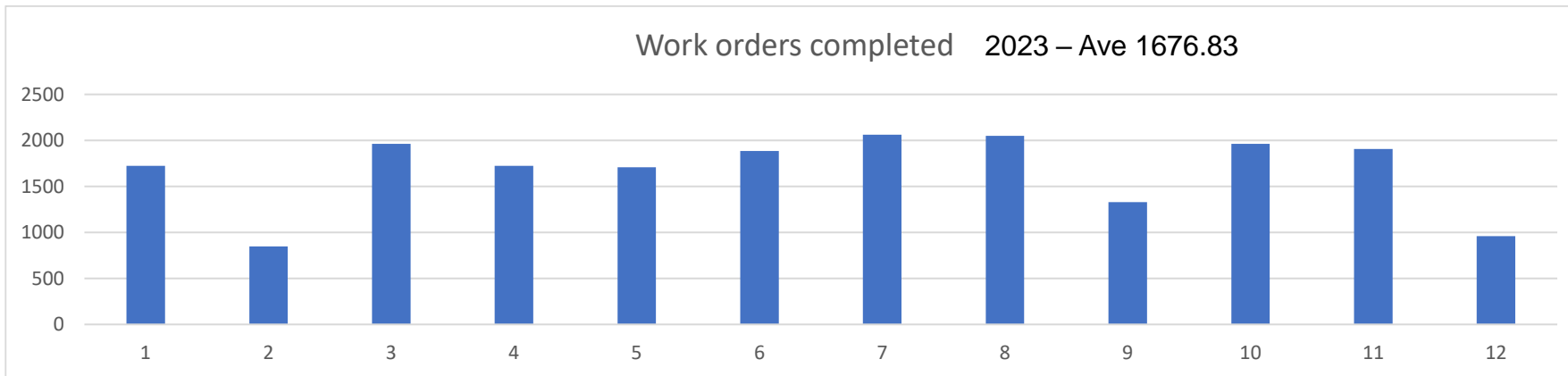
Work orders completed



**Average
2022**

1452.6

Work orders completed 2023 – Ave 1676.83



So that's the totals to the end of November 2024!

Housing production continues to be very limited.

DUIs seem to be relatively moderate.

Social media reach continues to grow steadily.

Questions?

REQUEST FOR COUNCIL ACTION



Date Action Requested: January 21, 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: Fleet Replacement Strategy			Staff: Preston Langeliers Maintenance Superintendent Department: Public Works Maintenance		
Work Session <input type="checkbox"/> Business Session <input type="checkbox"/>			Order On Agenda: Presentation		

Is this item state mandated? s ☐ No ☒

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

Recommendation:

Provide direction to the staff regarding how to handle the City of Newberg's Fleet Replacement Program.

1. Adopt a blended replacement strategy of optimal and predictive analytics vehicle Replacement strategy, minimizing vehicle maintenance costs and recovering best vehicle values when replaced.
2. Continue to replace vehicles when they have little value, continued downtime and maintenance costs, reduced service capabilities, costly fuel bills, and less safe vehicles and equipment to operate.

Executive Summary: Public works maintenance constantly tries to increase capabilities with less equipment and staff. For public works maintenance to continue to do this, maintenance needs to adopt a new Fleet program and replacement Strategy. Without this change, public works maintenance will continue to struggle to meet the city's required maintenance goals, and service levels will decline. The Maintenance Superintendent, Finance Director, Public Works Director, and the City Manager support this program.

Fiscal Impact:

1. The new fleet replacement program and strategy will recover the best possible values when replaced, reduce overall vehicle maintenance costs, allow maintenance to meet required maintenance goals, maintain or increase the level of current services, and save the city thousands of dollars annually.
2. Continuing with the existing method will require additional funds to be directed to the fleet replacement program, vehicle and equipment maintenance costs, and additional fleet mechanic FTE's to keep up with repairs and scheduled maintenance to minimize downtime.

Council Goals: This Item is related to the following Council goals and objectives:

Goal 1. Create and maintain a high level of customer service.

Objective 1. Improve customer service in all departments.

Goal 3. Ensure Newberg Infrastructure (roads, water, city employees) is in good repair and supply.

Goal 4. Enhance community safety

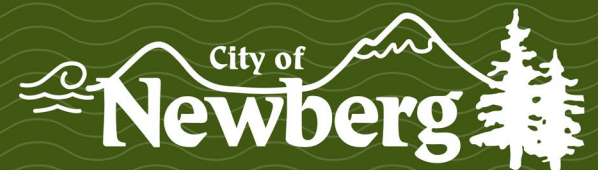
Objective: Newberg's vehicle, pedestrian, and property safety.

Goal 6. Implement a careful and prudent fiscal policy.

Objective 4. Ensure that the City has a long-term financial plan that supports its goals and objectives.

Fleet Replacement Strategy

Public Works Maintenance
Preston Langeliers
Maintenance Superintendent



Possible Fleet Strategies

- Fixed Milage Replacement
- Age-Based Replacement
- Condition-Based Replacement
- Predictive Analytics
- Optimal Vehicle Replacement

Factors to Consider

- Vehicle Type and Usage
- Maintenance Records
- Fuel Efficiency
- Environmental Impacts
- Budget Constraints
- Down Time Costs
- Emergency Response Capabilities

Proposed Strategy

Optimal Vehicle Replacement
&
Predictive Analytics

Total Ownership Cost

• Step 1:

Purchase Price
+ Maintenance
Sub Total

• Step 2:

Sub Total
- Estimated Return at Auction
Total Ownership Cost

Example 1: Sewer Operations Truck

2015 ½ Ton Chevrolet Pickup



Life Cycle Costs

• Existing Method

2015 ½ Ton Chevrolet Pickup

Purchase Price	\$29,311.25
Maintenace	\$755.28
Sub Total	\$30,066.53

Estimated Return	
at Auction	\$13,000
Total Ownership Cost	\$17,066.53

9 Years Old	
Monthly Cost	\$158.03

• Proposed Method

2019 ½ Ton Chevrolet Pickup

Purchase Price	\$29,311.25
Maintenace	\$419.60
Sub Total	\$29,730.85

Estimated Return	
at Auction	\$25,000
Total Ownership Cost	\$4,730.85

5 Years Old	
Monthly Cost	\$78.85

Total Ownership over 9 years	\$8,515.80
------------------------------	------------

9 Years of Ownership Comparison

- | | |
|---------------------------------------|--------------------------------------|
| • Existing Method | • Proposed Method |
| • Total Ownership Cost
\$17,066.53 | • Total Ownership Cost
\$8,515.80 |
| • <i>Loss of (\$8,550.73)</i> | • Savings of \$8,550.73 |

Example 2: Maintenance Dump Truck

2008 1 Ton F450 Ford Truck



Life Cycle Costs

• Existing Method

Purchase Price	\$53,435.50
Maintenace	<u>\$15,384.72</u>
Sub Total	\$68,820.22
Estimated Return	
at Auction	<u>\$20,000</u>
Total Ownership Cost	\$48,820.22
16 Years Old	
Monthly Cost	\$254.27

• Proposed Method

Purchase Price	\$53,435.50
Maintenace	<u>\$4,807.73</u>
Sub Total	\$58,243.23
Estimated Return	
at Auction	<u>\$54,000</u>
Total Ownership Cost	\$4,243.23
5 Years Old	
Monthly Cost	\$70.73
Total Ownership over 16 years	\$13,580.16

16 Years of Ownership Comparison

- | | |
|---------------------------------------|---------------------------------------|
| • Existing Method | • Proposed Method |
| • Total Ownership Cost
\$48,820.22 | • Total Ownership Cost
\$13,580.16 |
| • <i>Loss of (\$35,240.06)</i> | • Savings of \$35,240.06 |

Summary

- Proposed Method

- Optimal Vehicle Replacement & Predictive Analytics

- 2 Example Vehicles

- Total Ownership Savings
\$43,790.79

City of Newberg's Fleet Size

Total Assets Managed

134

53 Vehicles

Customer Service Benefits

- Improved Response Times
- Less Service Disruptions
- Improved Street Sweeping
- Improved Pedestrian Safety
- Emergency Readiness
- Less Down
- Employee Retention & Satisfaction
- Employee Safety

REQUEST FOR COUNCIL ACTION



Date Action Requested: January 21, 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: Discussion of Maintenance Landscape Contract.				Staff: Preston Langeliers, Maintenance Superintendent Department: Public Works Maintenance	
Business Session				Order On Agenda: New Business	

Is this item state mandated? s ☐ No ☒

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

Recommendation:

Provide direction to the staff through a motion regarding how to handle the City of Newbergs landscape maintenance.

1. The City's landscape maintenance needs to be done by a contractor through a multi-year contract.
2. Hire four (4) additional FTEs to perform the work.
3. Let all landscape maintenance and vegetation maintenance go. This results in a poor aesthetic appearance for the City of Newberg and potentially increases fire hazards during fire season.

Executive Summary: Public works maintenance constantly tries to do more with less equipment and staff. However, over the years, regulatory agencies have created more regulations and requirements for the City to perform more maintenance tasks or make completing the tasks more time-consuming. The increase in utility services, mainline utilities, streets, and other city assets compounds the issue. As a result, public works maintenance has reached a point where they can either hire more staff or contract less expensive work out so that current staff can focus on the higher-skilled work required to meet the City's annual regulatory requirements.

Fiscal Impact:

1. Contracted Landscape Maintenance

Maintenance will be asking for \$144,000 dollars over multiple ledger lines (02, 06, 07, 17, 31) to cover the cost of the proposed landscape maintenance contract in the upcoming budget.

2. Four (4) New FTEs

If the City could afford to go in this direction, it would cost the City an estimated \$547,020 to hire four (4) new employees. These employees' long-term costs include the cost of living and step increase yearly. It is public works maintenance understanding that this increase in staffing is not feasible for the foreseeable future.

3. Cease Landscape Maintenance

This option will generate major political and customer dissatisfaction. This action will have financial consequences, but they are monetarily unpredictable, such as.

- i. Increased complaints to deal with
- ii. Lower vehicle safety, such as sight line distances
- iii. Reduced pedestrian safety
- iv. Increased claims against the City regarding traffic issues
- v. Increased fire risk as a result of City negligence.
- vi. Increased insurance costs.
- vii. Increase in attorney expenses.

Council Goals:

This Item is related to the following Council goals and objectives:

Goal 1. Create and maintain a high level of customer service.

Objective 1. Improve customer service in all departments.

Goal 3. Ensure Newberg Infrastructure (roads, water, city employees) is in good repair and supply.

Objective 2. Focus on road and sidewalk improvements in District 1 & 3.

Goal 4. Enhance community safety

Objective: Newberg's vehicle, pedestrian, and property safety.

Goal 6. Implement a careful and prudent fiscal policy.

Objective 4. Ensure that the City has a long-term financial plan that supports its goals and objectives.

REQUEST FOR COUNCIL ACTION



Date Action Requested: January 21, 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: Proposed 2025 Planning Division Work Plan	Staff: Jeremiah Cromie, Associate Planner Department: Community Development
Business Session	Order On Agenda: New Business

Is this item state mandated? Yes ☐ No ☒

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

Recommendation:

1. Receive an informational presentation on the Planning Division's proposed 2025 Work Plan.
2. Move to approve the Planning Division's proposed 2025 Work Plan as shown in Attachments 1 and 2.

Executive Summary:

The Community Development Department's Planning Division helps create a vision for the future through long-range planning efforts that include gathering feedback from elected officials and residents and analyzing data that develops into different plans which also meet statewide land use planning goals. Those plans are typically implemented through a variety of mechanisms, often resulting in changes to municipal code to guide the direction of future development and landscape of the city.

Planning helps improve the quality of life by providing places for people to live, work, and play while promoting health, safety, and public welfare in the city. This can be accomplished through a number of actions such as breaking economic and permitting barriers, requiring additional open space for activities, or creating opportunities for additional housing units. This work takes on various forms of projects to help create and maintain a better environment for everyone.

Staff created the proposed 2025 Work Plan (Attachments 1 and 2) for the Planning Division based on what they believe are the most important items to the City Council's 2023 Council Goals, the previously approved 2024 Planning Division Work Plan, Federal and State mandates, as well as recent Council decisions and direction. The Planning Division's proposed 2025 Work Plan builds on and continues work conducted since the Council's approval of the 2024 Work Plan (Attachment 3). Additionally, the status and accomplishments of the 2024 Work Plan are provided in Attachment 4.

The Work Plan's projects are currently broken down into three categories:

1. Critical Projects

Critical projects are those that staff believe are the most important to the city and that staff resources should be used for.

2. Significant Projects

Significant projects are those that staff believe have value and are important to the city that would be the next in line to work on when time is available.

3. Other Projects

Other projects are things that staff believe are important but would either require significant staff time and resources, are not time-sensitive, and may or may not have a direct relationship to current Council goals.

The proposed 2025 Work Plan projects are not ranked in any order inside the three categories.

Staff are seeking feedback and approval to verify that the proposed items within the Critical Projects list reflect the most important projects to the Council, to determine if other items need to be moved up or down in priority, and verify that other projects have not been overlooked. Staff plan to work on the most critical projects but will continue to bring forward other items as directed by Council and as time permits. The list of projects includes some projects that may have been started already and are ongoing, and for this reason project descriptions and statuses are provided in Attachment 2.

Staff would also like input if the Council would like to see a biennial work plan rather than an Annual Work Plan to go along with the recently adopted Biennium schedule for the budget.

Background: What is land use planning?

State law requires each city and county to adopt a comprehensive plan and the zoning and land division ordinances needed to put the plan into effect. The Planning Division is responsible for supporting this requirement by guiding and regulating development in Newberg. The Planning Division has various functions it carries out year over year. These are generally put into one of two categories, referred to as either:

a. Current Planning

Current Planning includes functions that are non-discretionary in nature, meaning that these items are required, such as land use and development application reviews such as subdivisions, design reviews, variances, and other requests, that must be processed in a certain amount of time. Additionally, current planning requires working on state required mandates and reports.

Typically, these non-discretionary items take up most of the staff's time and are not generally included in the proposed work plan.

b. Long-Range Planning

Long-Range Planning is the portion of planning that is responsible for growth and development plans as well as policies that guide the future design of the City. It generally requires research, studies, and public outreach, which may include ad hoc committees, to update or produce new plans and incorporate those plans into the Development Code (Newberg Municipal Code, Title 15) of the City with City Council approval. Projects often involve municipal code amendments, comprehensive plan amendments, and/or the development of specific or master plans. Long-range planning is also limited by current planning workload and other mandated activities.

Long-range planning is the focus of the proposed 2025 Work Plan. It is generally recommended that a limited number of projects be focused on so that things can be accomplished within a reasonable amount of time. As such staff has put together the proposed 2025 Work Plan to identify Critical Projects which they believe are the most important as seen in this request.

Fiscal Impact: There is no direct fiscal impact from the 2025 Planning Division Work Plan.

Council Goals: The Planning Division's proposed 2025 Work Plan is related to all council goals. See Attachment 1 for details.

Contents:

Attachment 1: Proposed 2025 Planning Division Work Plan Items

Attachment 2: Proposed 2025 Planning Division Work Plan Descriptions and Status

Attachment 3: Approved 2024 Planning Division Work Plan

Attachment 4: 2024 Planning Division Work Plan Tracker (Updated 1-10-25)

Attachment 1. Proposed 2025 Planning Division Work Plan

2023 Council Goals	G1. Create and maintain a high level of customer service	G2. Identify industrial land and attract employers to encourage family wage jobs	G3. Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply	G4. Enhance Community Safety	G5. Create and maintain a high level of transparency with our residents in order to built trust	G6. Implement a careful and prudent fiscal policy	G7. Increase land availability for housing
<p style="text-align: center;">KEY: + Project was included in 2024 Work Plan. *Project is a state or federal requirement (mandate) # Project is actively being worked on</p>							
Critical Projects							
Development Standards Update	X				X		
Amending Urban Growth Boundary +#		X					X
Vacation Rentals Update +#				X	X		
FEMA NFIP Floodplain Compliance Measures*				X		X	
Street Tree & Planter Strips Update (Expanded to Include Title 12 Policy Options) +			X	X			

Significant Projects							
Requirements related to HOA's and stormwater facilities management +			X	X		X	
Update and Compliance with HB3395 (2023)*	X				X		X
Code Maintenance + #	X				X		
Increase from \$30,000 threshold for public improvements (i.e. sidewalks) +	X				X		
Commercial Conversions to Residential (HB2984)*							X
Enterprise Zone Update + #		X					
Middle Housing Land Divisions 2.0 after State Legislation Updates	X				X		
Public Utilities and Infrastructure Update	X		X		X		
Adjustments for SB1537 (2024)*	X				X		

Other Projects							
Comprehensive Plan Update +	X	X			X		X
Airport Code Update (CFR Part 77) +				X			
Historic Preservation Commission Projects 5 year work program +							

Attachment 2. 2025 Planning Division Work Plan Project Descriptions and Current Status

Critical Projects

- **Development Standards Update** – Update various sections of the development code to keep up with current technological advances and known issues, and to maintain a high level of customer service. Some items include:
 1. Lighting Standards and Trespassing of Lights onto adjacent properties
 2. Driveway width requirements
 3. Downtown Standards
 4. Industrial Outdoor Screening/Buffering

Status: 0% Not Started

Source: City Staff

Required Staff Time: High

- **Urban Growth Boundary (UGB) Expansion** – Explore UGB expansion to help bring lands into the City of Newberg’s UGB for future uses in a timely fashion.

Status: 30% Council Initiated UGB Sequential Process on December 4, 2023, and dissolved it in August 2024 to focus work efforts on employment lands only. (Housing planning will follow in 2026-2027, per state deadlines.)

Source: City Council

Required Staff Time: High

- **Vacation Rentals Update** – Review short-term rentals and code in Newberg and potentially update vacation rental review criteria and standards to facilitate tourism development while protecting neighborhood livability.

Status: 30% Community engagement for input regarding short-term rental regulations and issues ended in December 2024. Council Presentation expected in late winter or early spring on input given from community.

Source: City Council

Required Staff Time: High

- FEMA National Flood Insurance Program (NFIP) Compliance Measures** – Review City code and evaluate options to maintain eligibility for National Flood Insurance Program (NFIP). This pertains to the National Marine Fisheries Service 2016 Biological Opinion and related court case regarding floodplain development and the Endangered Species Act.
Status: 30% Staff has attended informational meetings and trainings with FEMA.
Source: Federal Mandate
Required Staff Time: High
- Street Tree and Planter Strips Update (Including Policy)** – Research and update best practices for planter strips and street trees to help prevent utility conflicts and sidewalk uplift in the future. Project will also research policies around street trees and planter strip replacement based on August 2024 Council direction regarding voluntarily planted trees.
Status: 0% Not started
Source: City Council/Staff
Required Staff Time: High

Significant Projects

- Requirements related to Homeowner Associations and Stormwater Facilities** – Update code to ensure that HOA's responsible for stormwater facilities management continue, even as HOAs may become inactive or disband, to avoid leaving unfunded responsibility for stormwater tracts and facilities with the city.
Status: 0% Not Started
Source: City Maintenance Staff
Required Staff Time: Medium
- Update Code for Compliance with HB3395 (2023)** – Review and update code so that it matches and is compliant with state code coming from HB3395 including residential use of commercial lands, residential approval procedures, emergency shelter siting, subdivisions for affordable housing and single-room occupancies. State statutes may be applied directly in the interim.
Status: 0% Not Started
Source: State Mandate/City Staff
Required Staff Time: Medium

- **Code Maintenance** – Update the development code to codify the Director’s interpretations through the years and correct minor errors.
Status: Ongoing. The Planning Commission has conducted public hearing and recommended approval of the first package of code maintenance amendments, which is scheduled for City Council review in February-March 2025. This will be a continually ongoing item.
Source: City Staff
Required Staff Time: Medium
- **Review of \$30,000 threshold for Public Improvements** – Review the City’s existing \$30,000 threshold for requiring public improvements (i.e. sidewalks) as part of remodels and building construction considering inflation in the past 5 years. Potentially tie threshold dollar number to a consumer price index. Code requirements for public improvements must be proportional to the impacts of development under state and federal constitutional laws.
Status: 0% Not Started
Source: City Staff
Required Staff Time: Medium
- **HB2984 (2023) Commercial Conversions to Residential for Affordable Housing** – Update code to be compliant with state law regarding commercial buildings being allowed to convert to residential uses for affordable housing. State statute may be applied directly in the interim.
Status: 0% Not Started
Source: State Mandate/City Staff
Required Staff Time: Medium
- **Enterprise Zone Boundary Update**– Enterprise Zone Update to include all Industrial area.
Status: 100%⁺ Enterprise Zone was redesignated in 2024, completing the assigned project. However, additional work was later assigned to modify the existing boundaries to include all industrial zoned land in the city which is expected to include the newly created Craft Industrial (M-5) Zoning District.
Source: City Staff
Required Staff Time: Low

- **Middle Housing 2.0 Revisions** – Update the municipal code to better reflect middle housing land division requirements and criteria for review. Updating other items as needed regarding this item from 2025 Legislative Session in which staff anticipate changes.
Status: 0% Not Started
Source: State Mandate/City Staff
Required Staff Time: Medium
- **Public Utilities and Infrastructure Update** – Review requirements for utility undergrounding and other infrastructure standards applied at the time of land use review, to ensure compliance with ORS 197.307(4) Clear and objective housing standards.
Status: 0% Not Started
Source: City Staff
Required Staff Time: Medium
- **Adjustments for SB1537 (2024)** – Review requirements and determine whether code should be amended to match state requirements allowing adjustments for housing, or leave as is as. The bill sunsets in 2032. State statute be applied directly in the interim.
Status: 0% Not Started
Source: State Mandate
Required Staff Time: Medium

Other Projects

- **Comprehensive Plan Update** – Update Newberg’s Comprehensive Plan which has only had minor amendments since the 1990’s and guides the overall planning direction of the city. This would require additional staff resources and likely proceed in phases as other city master plans are also updated. For example, the City anticipates beginning an update to the Transportation Systems Plan in 2027.
Status: 0% Not Started
Source: City Staff
Required Staff Time: High
- **Airport Code Update** – Explore maintenance amendments as may be required by the FAA.
Status: 0% Not Started
Source: City Staff
Required Staff Time: Medium
- **Historic Preservation Projects** – Help the Historic Preservation Commission with their 5-year work program including historic building façade restoration research and historic inventory resources update if grant is approved. The work program has been handed over to the Administration Department for the time being.
Status: 15% Some items have been accomplished such as mapping project with George Fox
Source: City Staff
Required Staff Time: Low

Attachment 3. 2024 Planning Division Work Plan Table

2023 Council Goals	G1. Create and maintain a high level of customer service	G2. Identify industrial land and attract employers to encourage family wage jobs	G3. Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply	G4. Enhance Community Safety	G5. Create and maintain a high level of transparency with our residents in order to build trust	G6. Implement a careful and prudent fiscal policy	G7. Increase land availability for housing
Critical Projects							
Customer Service and Development Standards Update	X				X		
Amending Urban Growth Boundary		X					X
Vacation Rentals Update				X	X		
Childcare Updates		X					
CET Funding Process - Affordable Housing							X
Significant Projects							
Update requirements related to HOA's and stormwater facilities management			X	X		X	
Update and Compliance with HB3395 (2023) – Housing Items	X				X		X

2023 Council Goals	G1. Create and maintain a high level of customer service	G2. Identify industrial land and attract employers to encourage family wage jobs	G3. Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply	G4. Enhance Community Safety	G5. Create and maintain a high level of transparency with our residents in order to build trust	G6. Implement a careful and prudent fiscal policy	G7. Increase land availability for housing
Director's interpretations and code maintenance	X				X		
Review \$30,000 threshold for public improvements (i.e. sidewalks)	X				X		
West End Mill District Comp Plan/Zone Change		X					
Small Cell Sites						X	
Commercial Conversions to Residential (HB2984)							X
Enterprise Zone Renewal		X					
Other Projects							
Comprehensive Plan Update	X	X			X		X
Street Tree and Planter Strips Update			X	X			

2023 Council Goals	G1. Create and maintain a high level of customer service	G2. Identify industrial land and attract employers to encourage family wage jobs	G3. Ensure Newberg infrastructure (roads, water, city employees) is in good repair and supply	G4. Enhance Community Safety	G5. Create and maintain a high level of transparency with our residents in order to build trust	G6. Implement a careful and prudent fiscal policy	G7. Increase land availability for housing
Airport Overlay Updates to Comply with US Code (CFR Part 77)				X			
Historic Preservation Commission Projects 5-year work program							

Attachment 4. 2024 Planning Work Plan Tracker

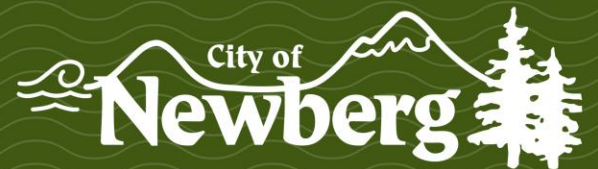
2024 Planning Division Work Plan				2023				2024				2025				
Project Name	Project Type	Status	Progress	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Notes
			% Complete													
Customer Service and Development Standards Update	Critical Projects	Complete	100							Customer Service Plan Complete						City Council received plan 7/15/2024
Amending Urban Growth Boundary	Critical Projects	Active	30													Project scope of work modified by City Council in August 2024.
Vacation Rentals Update	Critical Projects	Active	40													Staff work initiated September 2024. Open houses on November and December. Presentation of input early Spring 2025
Childcare Code (Indusrial zones and parking reform) Updates	Critical Projects	Complete	100							Aemdnemtns Complete						Adopted by Newberg City Council 9/3/2024.
2023-2024 CET Funding Process - Affordable Housing	Critical Projects	Complete	100							Round 1 Funding Awards Complete	Round 2 initiated.					Round 1 funding awarded by City Council Aug 2024 for 2023-24 NOFA. New Assignment: Round 2
Update requirements related to HOA's and stormwater facilities management	Significant Projects	Not Started	0													
Update and Compliance with HB3395 (2023) - Allowing affordable housing on commecially zoned lands.	Significant Projects-Mandate	Not Started	0													City may apply state law directly in interim.
Commercial Conversions to Residential (HB2984)	Significant Projects-Mandate	Not Started	0													City may apply state law directly in interim.
Director's interpretations and code maintenance	Significant Projects	Active	60													Initial staff review completed Sept 2024. Planning Commission review and heard Dec/Jan 2025. Work Session and adoption by Council Spring 2025
Increase from \$30,000 threshold for public improvements (i.e. sidewalks)	Significant Projects	Not Started	0													
West End Mill District Comp Plan/Zone Change (DCA19-0008/CPMA19-0002/ZMA19-0002)	Significant Projects	Active	100								Amendments Complete					Adopted by Council 1-6-25. Will go into effect 2-7-25 barring an appeal
Small Cell Sites per FCS rules	Significant Projects-Mandate	Inactive	60													Proposed amendments have been made and submitted to DLCD. It is currently still being reviewed by the legal team that staff is aware of.

2024 Planning Division Work Plan				2023				2024				2025						
Project Name	Project Type	Status	Progress	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sept	Oct-Dec	Notes		
			% Complete															
Enterprise Zone Update	Significant Projects	Complete	100							Redesignation Complete	Boundary Change Initiated					Enterprise Zone redesignation adopted by City Council Aug 2024. Enterprise Zone boundaries to be modified Jan 2025		
Comprehensive Plan Update	Other Projects	Not Started	0															
Street Tree & Planter Strips Update [Street Tree List Update Only]	Other Projects	Assigned	<div><div></div></div> 5															
Airport Overlay Updates to Comply with US Code (CFR Part 77)	Other Projects-Mandate	Not Started	0															
Historic Preservation Commission Projects 5 year work program	Other Projects	Active	<div><div></div></div> 40													Administration now lead for HPS work program.		
Street Tree & Planter Strips Update [Policy Options for NMC Title 12 and related issues]	New Project	Started	0													July 2024, Street Tree and Planter Strip work expanded to consideration of NMC Title 12 applicable sections.		
HB2006 Rent Burdened Housing Workshop	New Project-Mandate	Complete	100								Workshop Complete					Public meeting and survey due Dec 31, 2024. Workshop completed November 2024.		

updated 01/10/2025

2025 Planning Division Work Plan

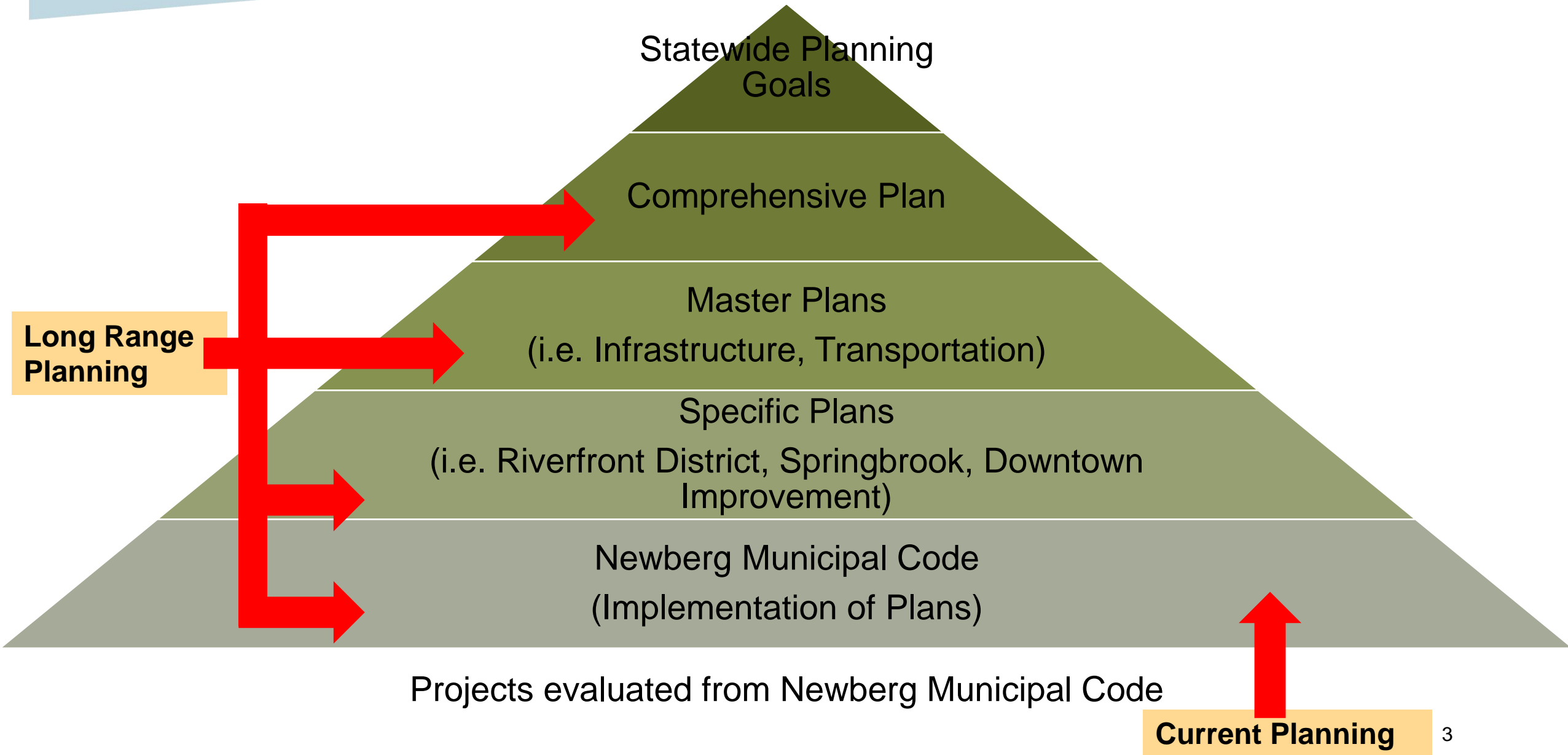
Newberg City Council | January 21, 2025



1. Receive an informational presentation on the Planning Division's 2024 accomplishments and the proposed 2025 Work Plan
2. City Council approval of the Planning Division's proposed 2025 Work Plan

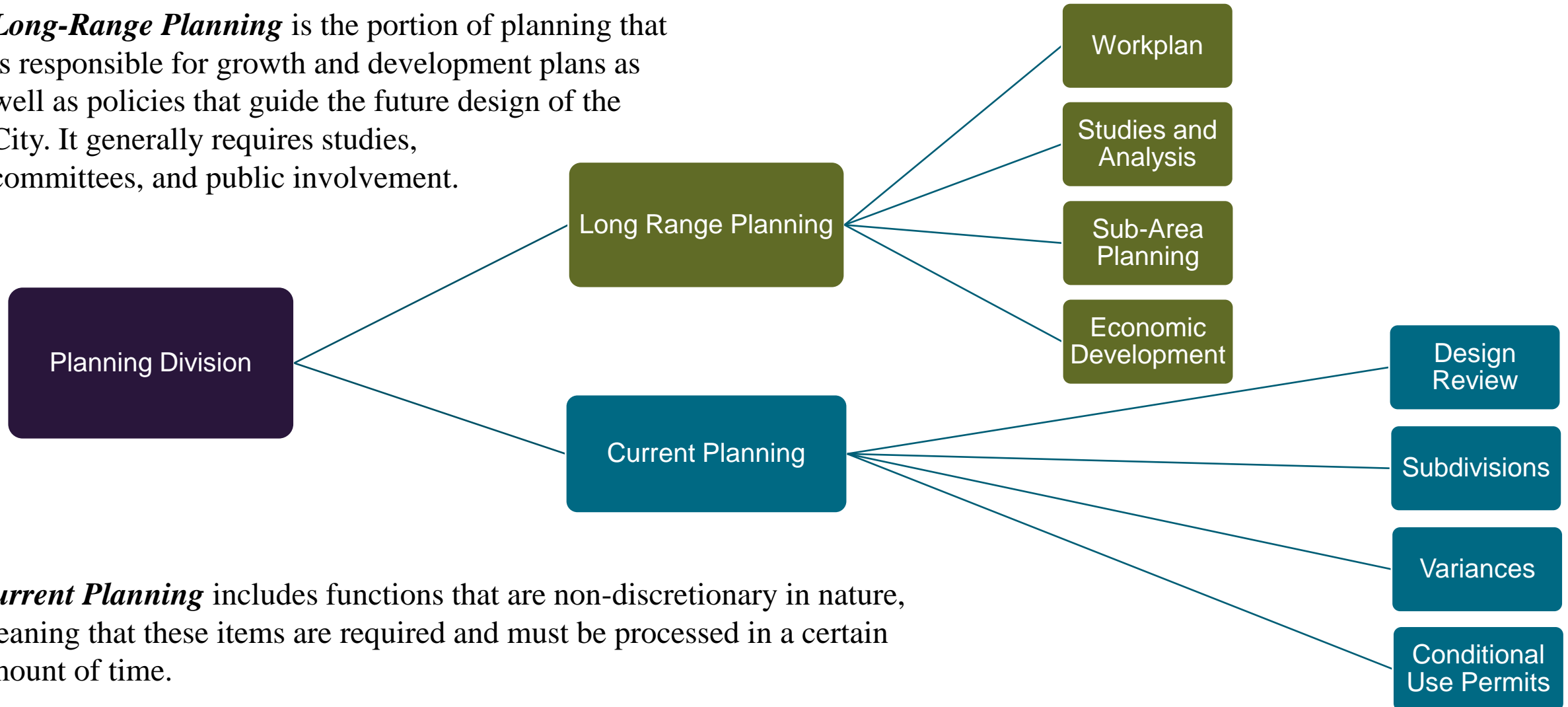


Planning Background



Planning Background

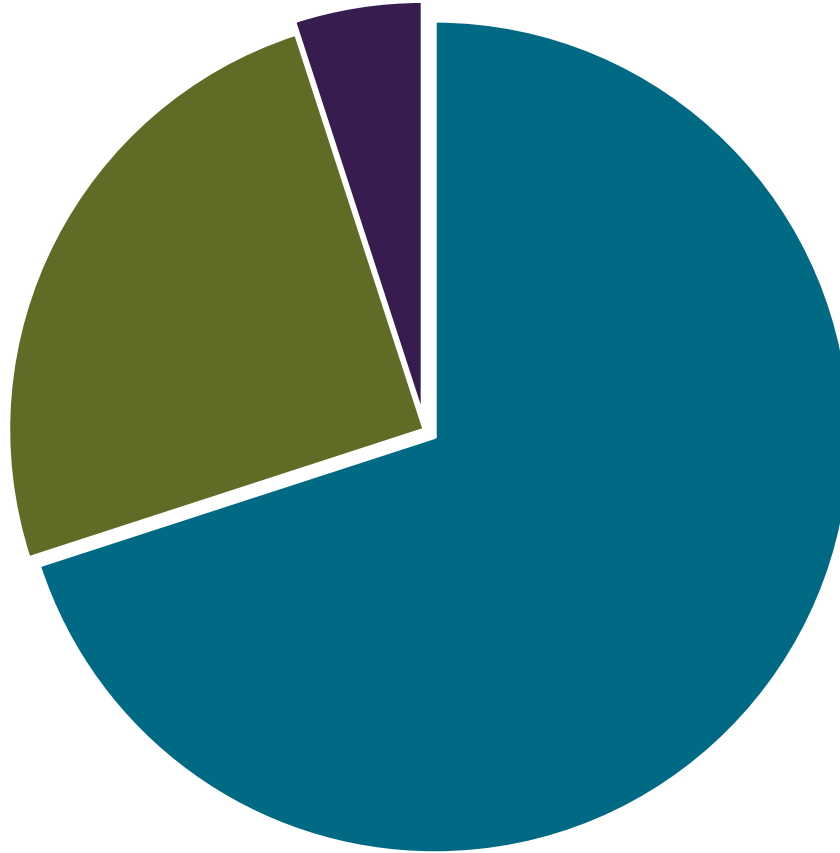
Long-Range Planning is the portion of planning that is responsible for growth and development plans as well as policies that guide the future design of the City. It generally requires studies, committees, and public involvement.



Current Planning includes functions that are non-discretionary in nature, meaning that these items are required and must be processed in a certain amount of time.

Planning Background

Planning Staff Time (approx.)



- Current Planning
- Long-Range Planning
- Programming and Committee Administration

Most of the Planning Divisions staff's time is taken up by current planning but can ebb and flow from season to season.



2024 Work Plan Accomplishments

Daycare Code Amendments – Updated City Code to better help daycares open in Newberg including allowing them as a permitted use in light industrial zones (previously CUP) and reducing parking requirements

Customer Service Standards – Created a customer service manual that was presented to Council in July 2024 and creates metrics for the department

Round 1 of CET/Affordable Housing Grant Process – The City awarded funds to affordable housing projects for rehabilitation of homes

Enterprise Zone Update – The Enterprise Zone was redesignated, giving employers more incentives to make qualifying investments in Newberg

Craft Industrial Zoning District – New zoning district created to expand allowable uses and create district that hybridizes commercial and industrial business activities.



Urban Growth Boundary (UGB) Amendment– City Council updated to only include employment lands looking to be brought into the UGB at this time; exploring feasibility of one-time only UGB amendment for housing (SB 1537)

Vacation Rental Standards – Open houses recently concluded, items being looked at include a regulations amended procedures, number allowed, and other standards in the City.

Code Maintenance– Updating code to reflect director interpretations, clarifications, state code conflicts or renumbering, streamlining and restructuring to make code more user friendly



Project Categorization

1. Critical Projects

Critical projects are those that staff believe are the most important to the city and that staff resources should be used for.

2. Significant Projects

Significant projects are those that staff believe have value and are important to the city that would be the next in line to work on when time is available.

3. Other Projects

Other projects are things that staff believe are important but would either require significant staff time and resources, are not time-sensitive, and may or may not have a direct relationship to current Council goals.

Critical Projects

Development Standards Update – Updated from 2024 (Ongoing Item)

Studying and updating various sections of the development code to keep up with current technological advances and known issues. Some items to discuss and be included:

1. Lighting Standards (including light trespass)
2. Driveway Width Requirements
3. Downtown Standards
4. Industrial Outdoor Screening

Related Council Goal(s): G1 (Customer Service) and G5 (Transparency)

Amending Urban Growth Boundary (UGB) – Continued from 2024 (Ongoing Item)

This project works on bringing in additional land to the City's UGB for future industrial uses. The sequential process initiated on December 4, 2023 was dissolved this fall per City Council in favor of a narrower process focused on employment lands. Staff is having regular ongoing meetings with the Department of Land and Conservation Development (DLCD) working on this item and a potential one-time only UGB expansion for housing under SB 1537 (2024).

Related Council Goal(s): G2 (Industrial Land/Family Wage Jobs)

Vacation Rentals Update – Continued from 2024

Review short-term rentals and development code in the City including operational and code amendments to the rental process, review criteria, and standards.

In March 2024, City Council directed staff to review policies and programs related to the City's vacation rentals including procedures, number allowed, compliance requirements, and other regulations for their continued operation in the city.

Staff kicked off community engagement sessions in Fall 2024 and will give that feedback to Council in Winter 2025 with likely code amendments being presented for consideration and adoption in Spring 2025.

Related Council Goal(s): G4 (Enhance Community Safety) and G5 (Transparency)



FEMA National Flood Insurance Program (NFIP) Compliance Measures – New for 2025

Review City code and evaluate options to satisfy FEMA requirements related to how development occurs floodplain-habitat areas to maintain our status in the National Flood Insurance Program (NFIP).

Related Council Goal(s): G4 (Enhance Community Safety)/ and G5 (Transparency)

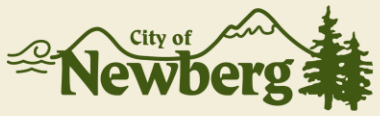
Street Tree and Planter Strips Update (Including Policy) Updated from 2024 and New for 2025

Research and update best practices for planter strips and allowed required street trees to help prevent utility conflicts and sidewalk uplift in the future. Also research policy around street trees and planter strip replacement based on August 2024 Council Direction.

*Related Council Goal(s): G3 (Newberg Infrastructure Good Repair)
G5 (Transparency)/ G4 (Community Safety)*

Note: This item is not a land use regulation





Significant Projects

Code Compliance with HB3395 (2023) – Continued from 2024

Review and update code to be compliant with HB3395 including residential use of commercial lands and subdivisions for affordable housing, emergency shelter siting as well as single-room occupancies (similar to dormitories). State Statute can be used in interim

Related Council Goal(s): G1 (Customer Service), G5 (Transparency), G7 (Increase land for housing)

Code Maintenance – Continued from 2024 (Ongoing Item)

Update development code to codify Director's interpretations as well as fix ambiguous or inconsistent code language.

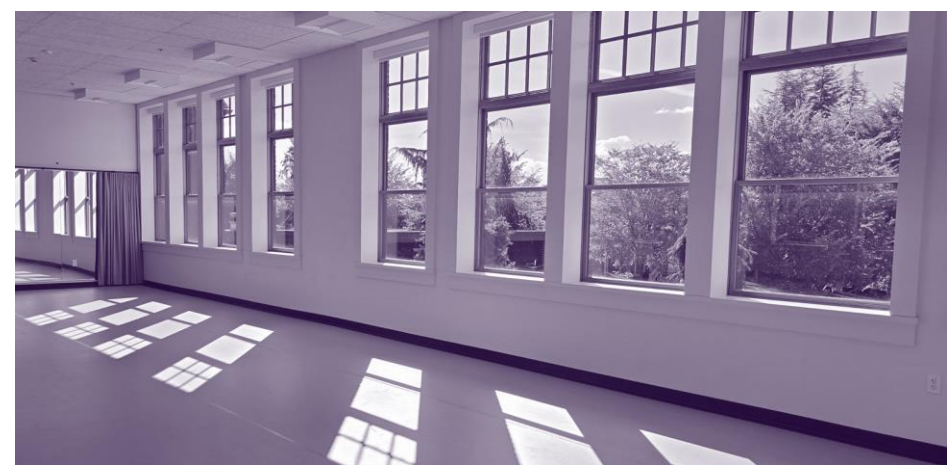
Related Council Goal(s): G1 (Customer Service), G5 (Transparency)

Middle Housing 2.0 – New Item for 2025

Update code to better reflect middle housing land division requirements and criteria for review. Updating other items as needed as staff expects changes in middle housing requirements from the 2025 Legislative Session.

Related Council Goal(s): G5 (Transparency), G7 (Increase land for housing)

Make a motion to “approve the Planning Division’s proposed 2025 Work Plan as shown in Attachments 1 and 2.”



REQUEST FOR COUNCIL ACTION



Date Action Requested: January 21, 2025

Order <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Information <input type="checkbox"/>	
Subject: Adopt Resolution No. 2024-3957 Modifying the Boundaries of the Newberg Enterprise Zone to Include Additional Employment Lands within the City of Newberg	Staff: James Dingwall Department: Community Development File No. GEN24-0013
Work Session <input type="checkbox"/> Business Session <input checked="" type="checkbox"/>	Order On Agenda: New Business

Is this item state mandated? Yes ☐ No ☒

Recommendation:

1. Adopt Resolution No. 2024-3957 modifying the boundaries of the Newberg Enterprise Zone to include additional employment lands within the City of Newberg.

Executive Summary:

In 2014, City Council designated an Enterprise Zone in south and downtown Newberg through approval of Resolution 2014-3122, which expired on June 30, 2024. The Zone was redesignated by City Council on August 5, 2024 through Resolution No. 2024-3937. The Enterprise Zone program provides tax abatement incentives to businesses on qualifying investments in real property improvements and job creation for three to five years. In 2015, City Council passed an exception to the employment increase requirements through approval of Resolution 2015-3181, designating that program participants not meeting target job creation in addition to qualified investment in property improvements contribute to career and technical education (CTE) programs at Newberg public schools in addition to other requirements. Since its original designation in 2014, the City has received multiple inquiries and applications to use the Enterprise Zone and in 2024 approved two investments totaling approximately \$950,000

The Newberg Enterprise Zone currently includes approximately 361 acres across 89 tax lots in designated areas within the city limits and Newberg's Urban Growth Boundary. The City has received inquiries from employers considering investment in industrial and other employment zones within the City, and is proposing to include additional land zoned for industrial and employment uses within city limits in the Newberg Enterprise Zone. The proposed expansion would add approximately 180 acres across 87 tax lots to the Enterprise Zone boundary.

Background

The Newberg City Council established the Newberg Enterprise Zone in 2014 through Resolution 2014-3122, which includes 89 tax lots, covering approximately 361 acres. Tax lots within the Enterprise Zone are primarily located within the Light Industrial (M-2), Heavy Industrial (M-1) and Mixed Employment (M-E) City zoning districts, as well as Yamhill County's Agricultural Forestry Small Holding (AF-10) zone for those properties located outside of city limits but within the Urban Growth Boundary. The proposed Newberg Enterprise Zone boundary expansion is shown in Figure 1 and Exhibit "A" and described by tax lot in Exhibit "B". The proposed expansion area would include only tax lots within the city limits, and include land zoned Limited Industrial (M-1), Light Industrial (M-2), Light Industrial – Riverfront District (M-2/RD), Mixed Employment – Riverfront District (M-E/RD), Craft Industrial (M-5), and Springbrook District – Employment (SD-E). There are two parcels zoned Limited Industrial – Specific Plan (M-1/SP) and Light Industrial (M-2) which include a portion of the Chehalem Glenn Golf Course and

a City-owned parcel in the Stream Corridor Overlay respectively which are not proposed to the included in the expanded Enterprise Zone boundary. The proposed zoning designations to be included are shown in Figure 2.

Figure 1. Map of the Newberg Enterprise Zone Proposed Boundary

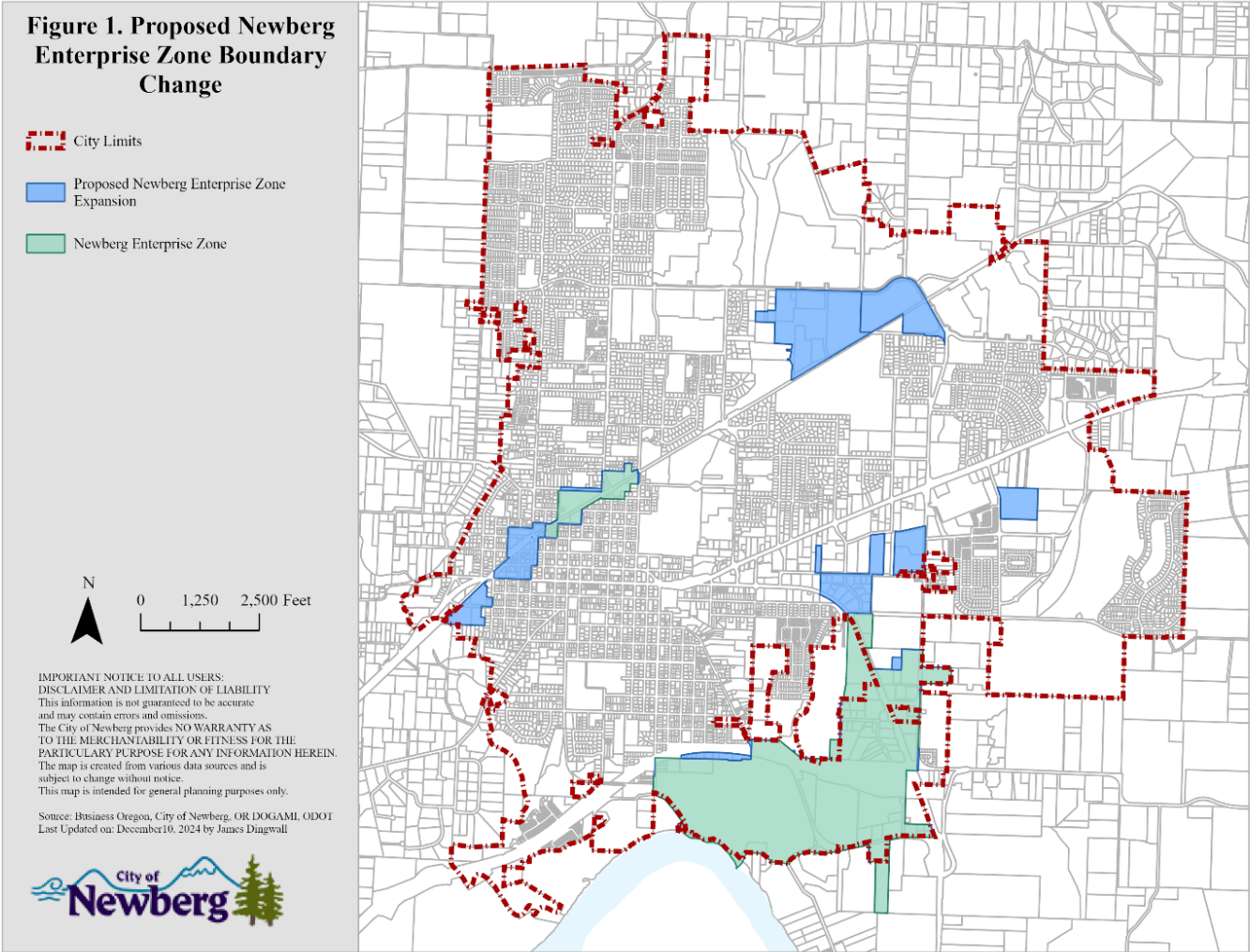
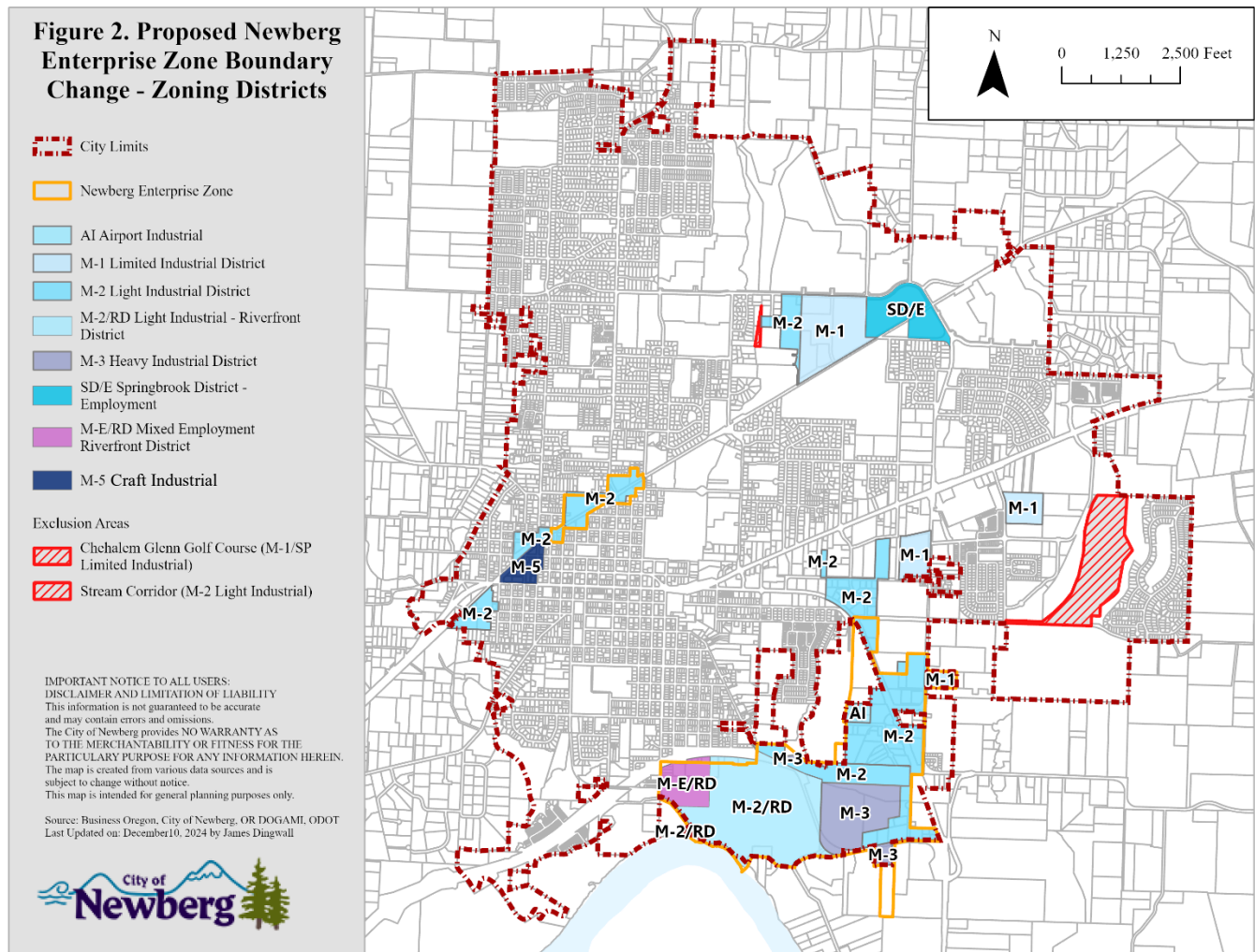


Figure 2. Map of the Newberg Enterprise Zone Proposed Boundary by Zoning District



What is the Enterprise Zone Program?

The Enterprise Zone Program incentivizes new business investment by providing property tax abatement on certain improvements within the designated zone. Eligible businesses are firms that produce goods or services for other business operations, including manufacturers, processors, or shippers, among others (consumer-facing industries are ineligible, including retail, construction, or healthcare). A zone sponsor may elect, at the time of designation or redesignation, to allow qualified property hotel, motel, and destination resorts to receive the standard tax abatement. Newberg's Enterprise Zone does not currently allow tax abatement for hotels, motels, or destination resorts.

Businesses that invest in significant improvements and increase employment within the Enterprise Zone qualify for a variety of benefits:

- **Basic Tax Abatement (Three Years)** – 100% exemption from the property taxes normally assessed on significant new plant and equipment.
- **Extended Abatement** – a potential extension (for a fourth and fifth year) of the basic tax abatement in agreement with the zone sponsor if additional criteria are met.
- **Construction in Process** – While qualified investments are under construction or in installation, they may be exempt from property taxes for up to two years before the 3-5 year tax abatement begins.

The basic tax abatement limits the types of investment that qualify for the tax incentive. The **total** investment cost of real property, including newly constructed buildings or structures, new additions or modifications to existing buildings or structures, or heavy/affixed machinery and equipment must be \$50,000 or more. **Each** item of personal property (readily movable and not affixed to real property) must cost \$50,000 or more, or \$1,000 if used exclusively in tangible production. Land, non-inventory supplies, rolling stock, vehicles, and motorized-driven devices are not eligible.

In addition to providing tax relief for qualified investment, Enterprise Zones are also intended to create jobs. New businesses locating within the zone must create at least one new job, and existing businesses must increase employment by 10 percent, compared to the annual average employment over the 12 months preceding the application.

The basic tax abatement is applicable for three years for qualifying business and investments. To extend the incentive another one or two years (up to five years total), a business must commit to annual compensation for the new employees of 150 percent of the county average annual wage.

Table 1: Enterprise Zone Criteria Summary

Qualifying Criteria	Basic 3 Years	Extended 4-5 Years
Minimum Investment	\$50,000	\$50,000
Minimum New Employment for New Company	1	1
Minimum New Employment for Existing Company	10% increase in first year	10% increase in first year
Minimum Average Compensation per Employee	none	150% of County Average

A business may receive an exemption from the employment creation requirement if certain criteria are met. The State requires that a firm must either:

- complete an investment of \$25 million or more in qualified property or
- demonstrate at least a 10% increase in productivity over a specified period and the employment of the firm does not drop below the annual average employment of the firm, while dedicating training funds for employees.

In addition to these requirements, the City of Newberg requires that:

- only one waiver may be granted per qualified firm per exemption period (regardless of additional investment within the exemption period),
- the firm is required to coordinate with local schools or Workforce Oregon to continuously support an internship program at the firm during the exemption period for Newberg area residents, and
- the firm would be required to help fund Newberg area schools STEM (Science, Technology, Engineering, and Math) programs by annually donating an amount earmarked to a STEM program equivalent to ten percent of the tax savings associated with the property tax abatement.

Process

The Enterprise Zone boundary change process included the following key dates:

August 5, 2024:	The Newberg City Council approved Resolution No. 2024-3937 redesignating the Newberg Enterprise Zone and directing staff to initiate work on a potential expansion of the Newberg Enterprise Zone to include additional industrial areas in Newberg.
December 31, 2024:	Notice of the proposed Newberg Enterprise Zone boundary change was mailed to local taxing districts and the Special District Association of Oregon.

Following approval of Resolution No. 2024-3957, the City will submit a memorandum and required materials to Business Oregon.

Public Comment

The City has received one public comment from SEDCOR in support of redesignation of the enterprise zone and requesting that City Council consider expanding the zone boundary to include all manufacturing zones within city limits (Exhibit “C”)

Fiscal Impact:

Processing the boundary expansion of the Newberg Enterprise Zone will primarily require staff time from the Planning Division which is funded by the City’s General Fund (Fund 1, Planning).

Approved enterprise zone projects will receive property tax abatements on new qualifying investment for three to five years. Table 2 indicates potential annual abatement amounts at varying investment levels, based on the 2024-2025 tax rates.

Table 2. Examples of Property Taxes on New Investment Levels (2024-2025)

Taxing District	Tax/\$1000	Examples of Investment Levels			
		\$ 50,000	\$ 500,000	\$ 1,000,000	\$ 10,000,000
Yamhill County	2.5775	\$ 128.88	\$ 1,289	\$ 2,578	\$ 25,775
Yamhill County Extension Service	0.0449	\$ 2.25	\$ 22.45	\$ 44.90	\$ 449.00
Yamhill County Soil & Water	0.0354	\$ 1.77	\$ 17.70	\$ 35.40	\$ 354.00
S.D. 291 Newberg	6.0681	\$ 303.41	\$ 3,034.05	\$ 6,068.10	\$ 60,681.00
Willamette Regional ESD	0.2967	\$ 14.84	\$ 148.35	\$ 296.70	\$ 2,967.00
City of Newberg	2.9852	\$ 149.26	\$ 1,492.60	\$ 2,985.20	\$ 29,852.00
Tualatin Valley Fire and Rescue	2.1066	\$ 105.33	\$ 1,053.30	\$ 2,106.60	\$ 21,066.00
Chehalem Park and Recreation	1.2151	\$ 60.76	\$ 607.55	\$ 1,215.10	\$ 12,151.00
Portland Community College	0.6555	\$ 32.78	\$ 327.75	\$ 655.50	\$ 6,555.00
	15.985	\$ 799.25	\$ 7,992.50	\$ 15,985.00	\$ 159,850.00

Council Goals:

- Goal 2: Identify industrial land and attract employers to encourage family wage jobs.
 - Objective 4. Remove barriers/deterrents to new, “clean” / light industrial employers that will provide family wage jobs.

Exhibits:

- Exhibit “A” Newberg Enterprise Zone Boundary Map
- Exhibit "B" Newberg Enterprise Zone Tax Lots
- Exhibit “C” Public Comment

RESOLUTION No. 2024-3957

A RESOLUTION AUTHORIZING THE SUBMISSION OF MATERIALS TO THE STATE OF OREGON REQUESTING THE MODIFICATION OF THE BOUNDARIES OF THE NEWBERG ENTERPRISE ZONE

Recitals:

1. The City of Newberg sponsors the Newberg Enterprise Zone and has determined to modify its boundary.
2. The City of Newberg is interested in encouraging new business investment, job creation, higher incomes for local residents, greater diversity of economic activity in additional employment lands within the City.
3. The City of Newberg appreciates the impacts that the modified enterprise zone boundary would have and the property tax exemptions that eligible business firms might receive therein.
3. The municipal corporations, school districts, special service districts, and so forth that receive operating revenues through the levying of ad valorem taxes on real and personal property in any area of this enterprise zone, as amended, were sent notice regarding this boundary change.
4. The enterprise zone, as amended, has a total area of 0.84 square miles; it meets other statutory limitations on size and configuration, and is depicted herein on a drawn-to-scale map (Exhibit “A”), and its boundary herein described (Exhibit “B”).
5. The City of Newberg shall continue to fulfill its duties and implement provisions under ORS 285C.105 or elsewhere in ORS Chapter 285C and related parts of Oregon Law.
6. Modification of the Newberg Enterprise Zone does not grant or imply permission to develop land within the zone without complying with jurisdictional zoning, regulatory and permitting processes and restrictions; nor does it indicate any intent to alter those processes or restrictions, except as otherwise done in accordance with Comprehensive Plans as acknowledged by the State of Oregon Land Conservation and Development Commission (LCDC).

The City of Newberg Resolves as Follows:

1. Under ORS 285C.115, the City does hereby change the boundary of the Newberg Enterprise Zone, the boundary and area of which are described in Exhibits “A” and “B”. The City Manager is authorized to prepare and submit documentation for this enterprise zone boundary change to the Oregon Business Development Department (OBDD) on behalf of the zone sponsor for purposes of a positive determination in favor under ORS 285C.117.

2. This enterprise zone boundary change shall take effect on the effective date of Ordinance No. 2025-2930 (or later, as so stipulated by OBDD in its determination pursuant to any revision and resubmission of documentation).

Effective Date of this resolution is the effective date of Ordinance No. 2025-2930, which is February 7, 2025.




Adopted by the City Council of Newberg, Oregon, this 21st day of January, 2025.

Rachel Thomas, City Recorder

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

Bill Rosacker, Mayor

Exhibit "A" Newberg Enterprise Zone Boundary

-  City Limits
-  Urban Growth Boundary
-  Newberg Enterprise Zone



0 1,250 2,500 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.

Source: City of Newberg, OR DOGAMI, ODOT
Last Updated on: January 14, 2025 by James Dingwall

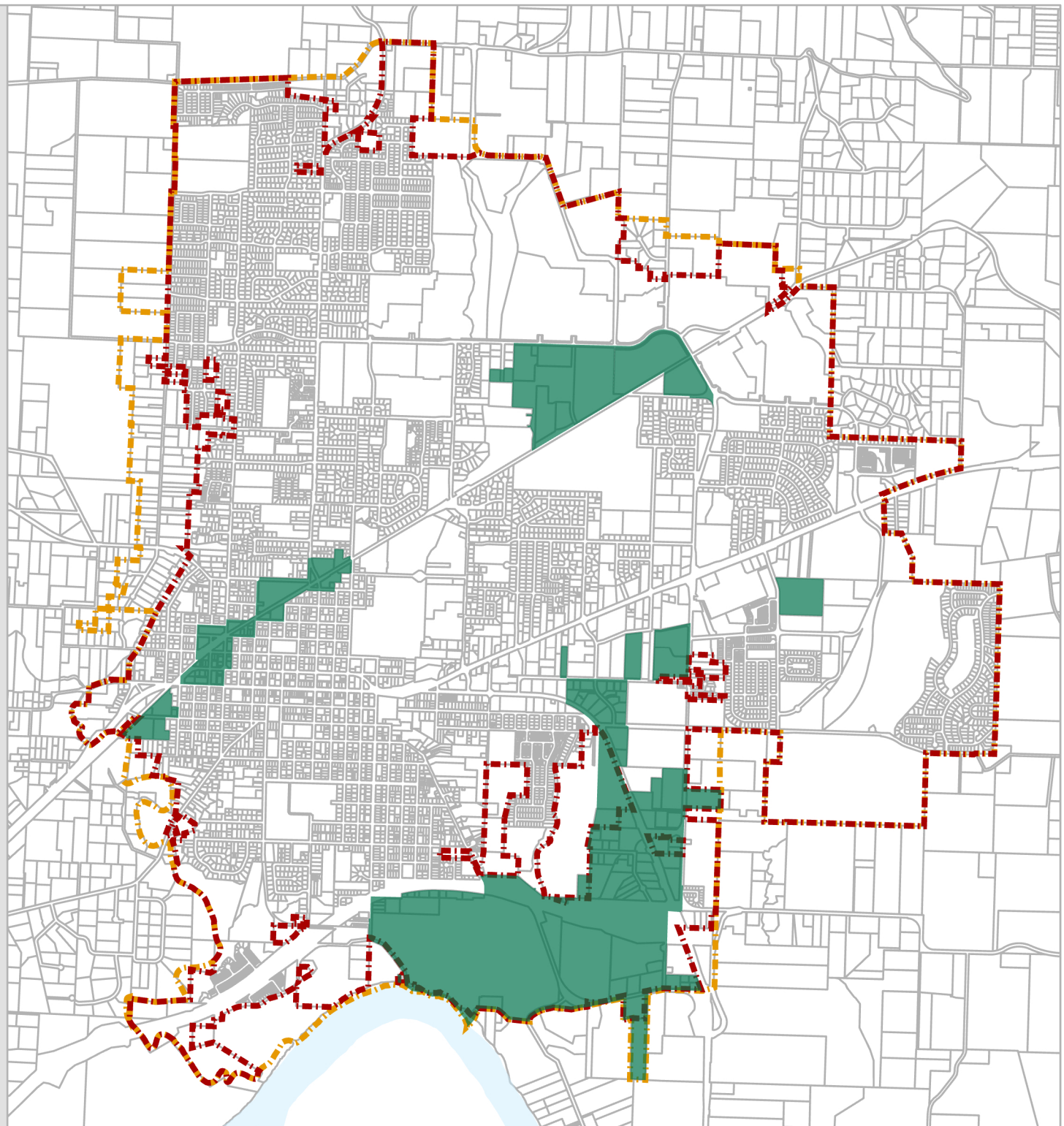


Exhibit "B" - Newberg Enterprise Zone Taxlots

Taxlot	Situs Address	Owner
R3229 00104		0 NEWBERG CITY OF
R3220DD 91000		0 ROSE JARRETT
R3228 01800		WASTE MANAGEMENT OF OREGON INC
R3220 00601		NEWBERG CITY OF
R3220 00700		NEWBERG CITY OF
R3220CD 02300		NEWBERG OR LLC
R3220CD 02100		NEWBERG OR LLC
R3220CD 01900		NEWBERG OR LLC
R3220 90200		9TH STREET HANGARS LLC
R3220 90100		9TH STREET HANGARS LLC
R3220 00303		AIRPARK PROPERTIES LLC
R3219AB 02901		SOSA INVESTMENTS LLC
R3218DC 08300		SOUTHERN PACIFIC TRANSPORTATION COMPANY
R3218DD 00900		OREGON STATE OF
R3217 00601		USHIO AMERICA INC OREGON OPERATIONS DIV
R3217 03700		ALLISON PROPERTIES LLC
R3217 03800		ALLISON PROPERTIES LLC
R3221 01702		BARTHOLEMY ED
R3219AB NONTL	<Null>	<Null>
R3218DC 10500	0 E SHERMAN ST	JEFF & GEORGE LLC
R3220DD 90000	0 INDUSTRIAL PARKWAY	NEWBERG COMMERCE CENTER CONDOMINIUM
R3217 00302	0 MOUNTAINVIEW DR	AUSTIN G KENNETH III TRUSTEE
R3217 00300	0 MOUNTAINVIEW DR	K&J REAL ESTATE LLC
R3219AB 03400	0 N GRANT ST	WALDROUP STEPHEN H
R3221 01900	0 S SPRINGBROOK RD	ACG CONCRETE LLC
R3219AB 04900	0 W HANCOCK ST	FITZROY LLC
R3220AD 00500	100 S ELLIOTT RD	BRETHAUER NEWBERG LLC
R3220DD 00900	1000 INDUSTRIAL PARKWAY	HARRIS RODNEY L
R3221 02100	1001 S MCKERN CT	STELOR PROPERTIES LLC
R3220AD 01000	101 N ELLIOTT RD	ELLIOTT ROAD NEWBERG 1 LLC
R3220DD 01700	1025 INDUSTRIAL PARKWAY D	GODSONG
R3220DD 01000	1040 INDUSTRIAL PARKWAY	SLATE PROPERTIES LLC
R3220DD 01600	1045 INDUSTRIAL PARKWAY	DELTA-P PROPERTIES LLC
R3219AB 05400	105 N MAIN ST	BALDING BUFFALO LLC
R3220DD 00700	1050 COMMERCE PARKWAY	AIRPARK BUSINESS COMPLEX INC
R3220DD 01900	1055 COMMERCE PARKWAY	WESTERN HELICOPTER SERVICES INC
R3219AB 03300	108 W SHERIDAN ST	BOUCHER THOMAS
R3220DD 01500	1095 INDUSTRIAL PARKWAY	BRADY BRYCE C & BRENDA W
R3220AD 00501	110 S ELLIOTT RD	KSB1946 LLC
R3221 02101	1101 S MCKERN CT	PORTLAND GENERAL ELECTRIC COMPANY
R3219AB 05500	111 N MAIN ST	BALDING BUFFALO LLC
R3219AB 05300	111 W 1ST ST	ZHENG WENWEN
R3219AB 03100	111 W HANCOCK ST	E&J INVESTMENTS LLC
R3220CD 06200	1112 S WILLAMETTE ST	NEWBERG OR LLC
R3220CC 04300	1114 E 12TH ST	NEWBERG OR LLC
R3220DD 01400	1125 INDUSTRIAL PARKWAY	NEWBERG INDUSTRIAL HOLDINGS LLC
R3220DD 01300	1145 INDUSTRIAL PARKWAY B	INTEGRITY PROPERTIES LLC
R3218DC 10600	115 E SHERMAN ST	SHERMAN OAK LLC
R3219AB 05600	115 N MAIN ST	LEE HANG RIM
R3220AD 00900	115 S ELLIOTT RD	JANKAT LLC
R3220DD 01200	1150 INDUSTRIAL PKWY	OREGON DEPARTMENT OF TRANSPORTATION
R3220AD 00502	116 S ELLIOTT RD	ELLIOTT ROAD NEWBERG 2 LLC
R3220AD 00600	120 S ELLIOTT RD	SCHMITZ DAVID & ELIZABETH REV LIVING TRU
R3220CC 04200	1200 S RIVER ST	NEWBERG OR LLC
R3220CD 02700	1201 S PACIFIC ST	NEWBERG OR LLC
R3220CC 04700	1202 E 12TH ST	NEWBERG OR LLC
R3220CC 04400	1208 S RIVER ST	NEWBERG OR LLC
R3220CC 04500	1212 S RIVER ST	NEWBERG OR LLC
R3220CC 04600	1218 S RIVER ST	NEWBERG OR LLC
R3220AD 00800	125 S ELLIOTT RD	CHEHALEM PARK & RECREATION DISTRICT
R3229 02200	1301 NE WYNOOSKI RD	NEWBERG OR LLC
R3229 02200	1301 NE WYNOOSKI RD	NEWBERG OR LLC
R3220CD 06400	1302 S COLUMBIA ST	NEWBERG OR LLC
R3220CD 06300	1309 E 12TH ST	NEWBERG OR LLC
R3220AD 01101	131 N ELLIOTT RD	DANMAR LLC
R3229 00202	1400 NE WYNOOSKI RD	NEWBERG OR LLC
R3229 00202	1400 NE WYNOOSKI RD	NEWBERG OR LLC
R3220AD 01100	141 N ELLIOTT RD	EEA HOLDINGS LLC
R3220CD 06500	1415 E 12TH ST	NEWBERG OR LLC
R3220CD 02900	1500 E 11TH ST	NEWBERG OR LLC
R3220AD 01200	151 N ELLIOTT RD	MATTHIESEN DANIEL J 1/3 (WROS)
R3229 00100	1591 S SANDOZ RD	NEWBERG ANIMAL SHELTER FRIENDS
R3228BB 00400	1708 S SANDOZ RD	SALMON STEVEN & EDITH TRUST
R3219AB 02300	200 N MAIN ST	STOREY INVESTMENT LLC
R3218DC 10300	201 E SHERMAN ST	PETERSEN JOANNE M
R3219AB 03500	201 N GRANT ST	LLP PROPERTIES LLC
R3219AB 02900	205 N MAIN ST	SOSA RAYMUNDO
R3219BD 00600	205 S HARRISON ST	FREEBORN CHARLES R TRUSTEE
R3217 00500	2050 E MOUNTAINVIEW DR	USHIO AMERICA INC
R3219AB 05100	206 W HANCOCK ST	FITZROY LLC
R3218DC 10200	207 E SHERMAN ST	PETERSEN JOANNE M
R3219AB 03600	207 W HANCOCK ST	LLP PROPERTIES LLC
R3219AB 02500	208 N MAIN ST	VONDRACHECK THOMAS
R3218DC 10100	209 E SHERMAN ST	BREWER MARIANELA M
R3219AB 02800	209 N MAIN ST	SOSA INVESTMENTS LLC
R3217 00402	2101 CRESTVIEW DR	GTR LLC
R3219AB 04800	211 W 1ST ST	UZUN YASAR

Taxlot	Situs Address	Owner
R3219AB 03700	211 W HANCOCK ST	LLP PROPERTIES LLC
R3219AB 03200	212 N GRANT ST	J L INVESTMENTS LLC
R3219AB 03800	213 W HANCOCK ST	LLP PROPERTIES LLC
R3219AB 02600	214 N MAIN ST	CHANG SOONG & KEUM REVOCABLE LIVING TRUS
R3219AB 05000	214 W HANCOCK ST	FITZROY LLC
R3218DC 10000	215 E SHERMAN ST	OLSON ZACHARY S
R3219AB 02700	215 N MAIN ST	1023 LLC
R3219AB 03900	215 W HANCOCK ST	LLP PROPERTIES LLC
R3219AB 03990	217 W HANCOCK ST	ZEWENGIANGZE
R3216 04000	2201 N SPRINGBROOK RD	ALLISON PROPERTIES LLC
R3217 00301	2206 MOUNTAINVIEW DR	K&J REAL ESTATE LLC
R3217BA 01100	2209 N ALICE WY	HEINZMAN ZOILA V
R3217BA 01200	2212 N ALICE WY	HAZELDEN FOUNDATION THE
R3229 00102	2301 WYNOOSKI ST	NEWBERG CITY OF
R3220AD 01300	2400 E HANCOCK ST	MCA INVESTMENTS LLC
R3220AB 00202	2401 E HANCOCK ST C-5	TOTAL CONCEPT DEVELOPMENT LLC
R3220AD 01400	2410 E HANCOCK ST	SHEEHAN JAMES A
R3220AD 01500	2500 E HANCOCK ST	2500 HANCOCK STREET NEWBERG LLC
R3220AD 00100	2600 E HANCOCK ST	BRETHAUER NEWBERG LLC
R3217 00201	2601 E CRESTVIEW DR 1	K&J REAL ESTATE LLC
R3229 00200	2601 WYNOOSKI ST	TWO BEARS CO
R3220AD 00200	2610 E HANCOCK ST	NUTMEG PROPERTIES LLC
R3220DD 00600	2700 E 9TH ST	ROE BOX LLC
R3220AD 00301	2700 E HANCOCK ST	WILLIAMS JACK D
R3220AD 00700	2701 E 2ND ST	2701 EAST 2ND ST LLC
R3220AD 00300	2705 E HANCOCK ST	NUTMEG PROPERTIES LLC
R3220AD 00400	2710 E HANCOCK ST	GOUGER FAMILY TRUST
R3220 00200	2712 E 2ND ST	CLIMAX PORTABLE MACHINE TOOLS INC
R3229 00300	2716 NE WYNOOSKI RD	GLACIER NORTHWEST INC
R3220DD 00500	2750 E 9TH ST	RENEE PROPERTIES LLC
R3220 00305	2751 E 9TH ST	KDK PROPERTIES LLC
R3229 00205	2751 WYNOOSKI ST	2751 WYNOOSKI STREET LLC
R3220 00306	2761 E 9TH ST	REVERENCE LLC
R3220 00307	2771 E 9TH ST C	KINTON LAND AND BISON LLC
R3220 00304	2781 E 9TH ST	AIRPARK PROPERTIES LLC
R3220 00201	2800 E 2ND ST	ASHER STEPHEN E TRUSTEE
R3220DD 00400	2800 E 9TH ST 100	NIBLER JAMIE L TRUSTEE FOR
R3220AA 00702	2800 E HAYES ST	FNLR GOOD VIBRATIONS LLC
R3229 00203	2801 WYNOOSKI ST	HALSTAD RONALD
R3220 90000	2803 E 9TH ST	9TH STREET HANGAR CONDOMINIUMS
R3220DD 00300	2900 E 9TH ST	LM PROPERTIES LLC
R3218DC 08200	300 N LINCOLN ST	CRAIG CHESTER W
R3219AB 04500	300 W HANCOCK ST	GP MANAGEMENT LLC
R3219AB 04700	301 W 1ST ST	GP MANAGEMENT LLC
R3218DC 08400	305 N MAIN ST	LLP PROPERTIES LLC
R3221BB 01100	305 N SPRINGBROOK RD	SPENCER JOHN & JANELLE TRUST
R3218DC 08600	306 N MAIN ST	LLP PROPERTIES
R3221BB 01200	309 N SPRINGBROOK RD	PORTLAND GENERAL ELECTRIC COMPANY
R3218DC 08500	314 N MAIN ST	GIESCH CHRISTOPHER R
R3218DD 08200	315 E FRANKLIN ST	MAKERSPACE PROPERTIES LLC
R3228BB 00502	3201 WYNOOSKI ST	BALD PEAK PROPERTIES LLC
R3228BB 00501	3209 WYNOOSKI ST	3 TS NEWBERG LLC
R3228BB 00500	3215 WYNOOSKI ST	3 TS NEWBERG LLC
R3228BB 00503	3223 WYNOOSKI ST	3 TS NEWBERG LLC
R3219BD 00700	401 W 3RD ST	HF PROPERTIES LLC
R3218DC 08100	403 N MAIN ST	WALDROUP STEPHEN H & CORA E
R3218DC 10800	406 N MAIN ST	JEFF & GEORGE LLC
R3219BD 00300	408 W 1ST ST	HF PROPERTIES LLC
R3218DC 09900	409 N WASHINGTON ST	ENGNELL RICHARD A CO-TRUSTEE
R3218DC 09800	415 N WASHINGTON ST	WIESE HARRY C
R3218DD 01000	500 E ILLINOIS ST	NEWBERG INDUSTRIAL PARK LLC
R3218DD 08000	501 N HOWARD ST B	SLATE PROPERTIES LLC
R3219BD 01100	508 W 3RD ST	NEWBERG CITY OF
R3221 03700	518 S SPRINGBROOK RD	ELBERT RENTAL AT 512 LLC
R3221 03700	518 S SPRINGBROOK RD	ELBERT RENTAL AT 512 LLC
R3219BD 00301	519 W 3RD ST	DORAN MICHAEL J
R3219BD 01000	520 W 3RD ST	NEWBERG CITY OF
R3219BD 01000	520 W 3RD ST	NEWBERG CITY OF
R3221 01600	615 S SPRINGBROOK RD	W F INCORPORATED
R3221 01602	653 S SPRINGBROOK RD	RICK & TERRY BEAUDRY LLC
R3221 01601	675 S SPRINGBROOK RD C800	SPRINGBROOK INDUSTRIAL PARK LLC
R3218DD 00500	700 N COLLEGE ST	OLSON MICA H
R3221 01703	705 S SPRINGBROOK RD A 100	PNWP LLC #5
R3221 01700	705 S SPRINGBROOK RD B	PNWP LLC #5
R3221 01701	705 S SPRINGBROOK RD C	PNWP LLC #5
R3218DD 00600	713 VERMILLION ST	BAUGH JANELLE F
R3218DA 02600	730 N COLLEGE ST	OREGON STATE OF
R3216 02009	800 N BRUTSCHER ST	LION NATHAN USA INC
R3218DD 00100	801 N MERIDIAN ST	NEWBERG AREA HABITAT FOR HUMANITY
R3221 01800	832 WILSONVILLE RD	SWONGER DARLENE M TRUSTEE
R3220 00308	888 S INDUSTRIAL PKWY	LONGPLAY PALACE LLC
R3220DD 00100	900 INDUSTRIAL PARKWAY	NORMAN FAMILY TRUST
R3220DD 00200	901 INDUSTRIAL PARKWAY	THURMAN NEWBERG PROPERTY LLC
R3218DA 02801	901 N MERIDIAN ST	DORAN MICHAEL J & BARBARA G
R3221 01901	901 S MCKERN CT	LAW DAVID
R3221 02000	905 S MCKERN CT	BROOKS BARBARA A

May 24, 2024

Mayor Bill Rosacker and City Council
City of Newberg
414 E. First Street
Newberg, OR 97132

President
Erik Andersson

2023-2024
Executive Council

Chair
Kate Schwarzler
Indy Commons

Vice-Chair
Ryan Allbritton
Willamette Valley Bank

Secretary/Treasurer
Tim Murphy
DCI

Past Chair
Mike Keane
Garrett Hemann Robertson

Members at Large

Michael Fowler
Cabinet Door Service

Tony Schacher
Salem Electric

Scott Snyder
The Grand Hotel in Salem

Keith Stahley
City of Salem

Colm Wills
Marion County
Commissioner

Re: Request for consideration of an Enterprise Zone boundary expansion

Dear Mayor Rosacker and Newberg City Council:

SEDCOR views Oregon's Enterprise Zone program as an important tool in incentivizing traded sector businesses to invest in our communities. This tool is utilized to recruit and, more importantly, to retain vital employers in our communities. For this reason, we are glad to know the Council is reviewing a request to renew Newberg's Enterprise Zone.

While SEDCOR manages select Enterprise Zones in the Mid-Willamette Valley, we also promote the program to eligible businesses considering investment in new buildings, machinery and equipment in all of our region's Enterprise Zones. Additionally, we help to educate our communities, at large, about the uses and benefits of the program. Some of those benefits are:

- This program offers businesses a runway to begin generating revenue from new large investments before they must start paying the annual taxes attached to that investment.
- These incentive programs offer a unique competitive advantage for the communities that host them, demonstrating to investors that they are "open for business."
- The availability of an incentive like the Enterprise Zone often encourages businesses to invest more into projects than they would have in a community without incentives, ultimately resulting in greater taxable investments.
- Programs such as the Enterprise Zone have strict investment and job creation requirements that ensure the qualifying investments are contributing to the community's job creation and investment goals.

As the Council reviews the staff recommendation to renew the existing Newberg Enterprise Zone, SEDCOR asks you to also consider expanding the zone boundary to include all manufacturing zones within city limits (M-1, M-2, M-3, and M-4). Currently this zone is focused around two specific areas of the city. The Council does have the ability to move or expand the boundaries of this zone and based on Newberg's shortage of buildable industrial land, and the competitive landscape with neighboring communities, we believe that a zone expansion would help your community further solidify your commitment to retaining, growing, and attracting manufacturing businesses and family wage jobs.

Thank you for your consideration and ongoing partnership as we work to make Newberg, Yamhill County, and our region a place where businesses and communities thrive.

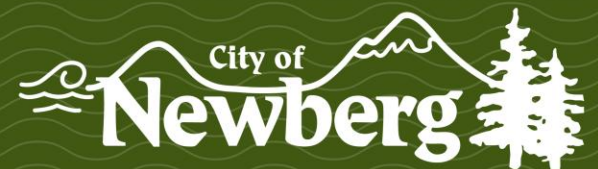
Sincerely,



Erik Andersson, President

Enterprise Zone Boundary Change

City Council Briefing
January 21, 2025



Staff Recommendation

1. Adopt Resolution No. 2024-3957 modifying the boundaries of the Newberg Enterprise Zone to include additional employment lands within the City of Newberg.

City Council Goals

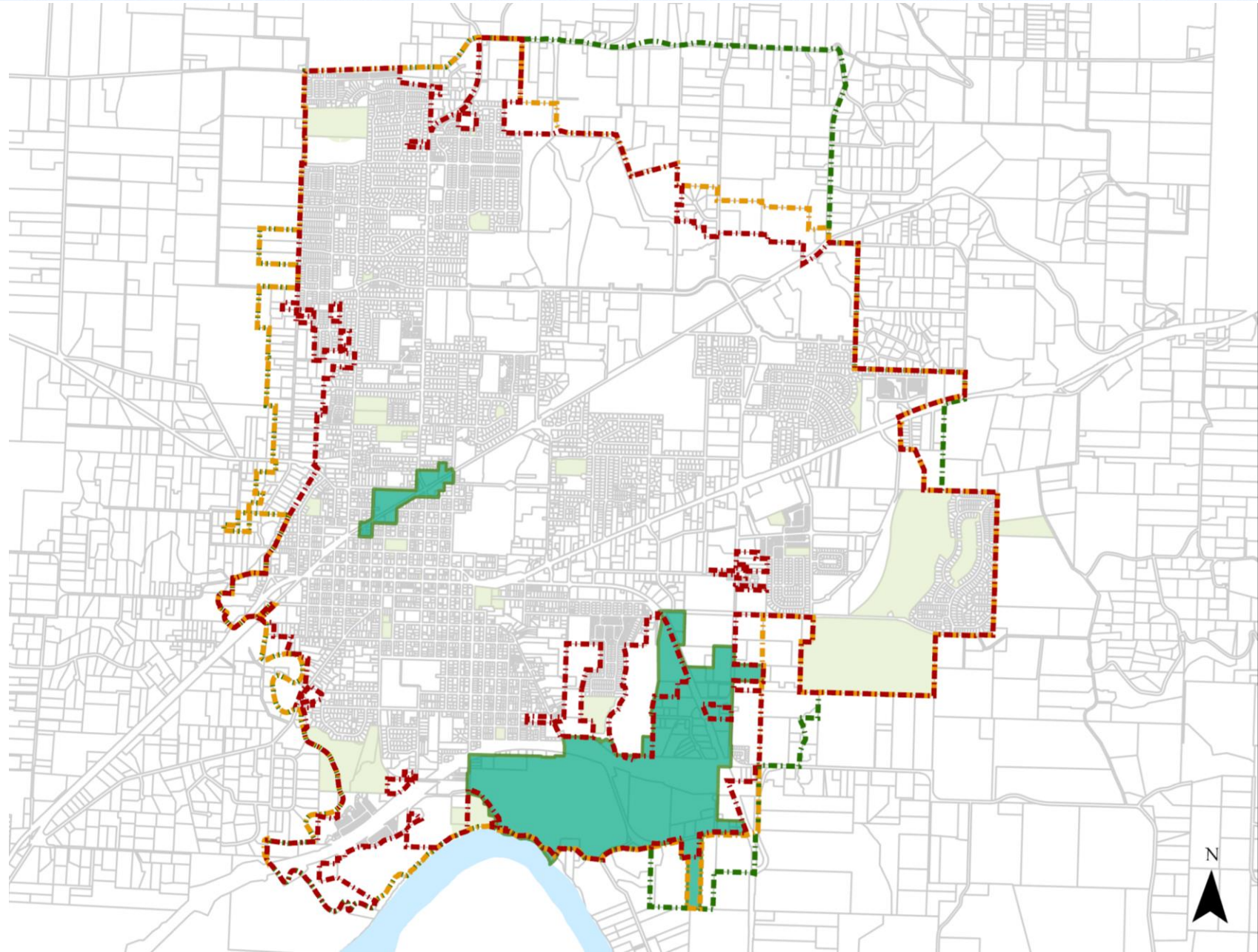
- *Goal 2: Identify industrial land and attract employers to encourage family wage jobs.*
 - *Objective 4. Remove barriers/deterrents to new, “clean” / light industrial employers that will provide family wage jobs.*

Background

- Resolution 2014-3122
 - Created the Newberg Enterprise Zone
- Resolution 2015-3181
 - Allowed waivers to the standard Enterprise Zone employment requirements
- *Resolution 2024-3937*
 - *Redesignated the Enterprise Zone on August 5, 2024*

Newberg Enterprise Zone

-  Enterprise Zone
-  City Limit
-  Urban Growth Boundary
-  Urban Reserve Area
-  Taxlots



Enterprise Zone Statistics

- 87 tax lots
- Approx. 361 acres
 - Primarily Light Industrial (M-2), Heavy Industrial (M-1), and Mixed Employment (M-E)
- Multiple applications and inquiries since 2014 designation
 - 2024: Approved two investments ~\$950,000

Enterprise Zone Overview

- Eligible businesses include manufacturers, processors, shippers, etc.
- 100% exemption on property taxes normally assessed on new capital investments and job creation for up to 3 years.
 - Eligible investments include buildings, major site improvements, large or immobile equipment and tools
 - Non-qualifying investment include land, existing buildings, existing equipment, rolling stock, and most personal property
- An extension up to 4-5 years may be obtained if higher income jobs are created.
- There is no limit to the number of times a company may use the zone (but must meet the criteria each time).

Enterprise Zone Overview


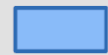

Qualifying Criteria	3 Years	5 Years
Minimum Investment	\$50,000	\$50,000
Minimum New Employment for New Company	1	1
Minimum New Employment for Existing Company	10% increase in first year	10% increase in first year
Minimum Average Compensation per Employee	none	150% of County Average

Enterprise Zone Overview

- The City has approved a waiver to the employment requirements if:
 - The Firm makes an investment of \$25 million or demonstrates an increase in productivity and no reduction in workforce; and
 - the Firm coordinates with local schools on an internship program and funds STEM programs by donating a portion of the tax incentive amount to Newberg area schools.
- In addition to the standard and extended tax incentives, businesses can also receive a “Construction in Process” exemption for up to two years while the qualified investment is constructed/installed.
- At designation or redesignation of a zone, a jurisdiction can elect to include hotels, motels, and destination resorts as eligible businesses to receive the tax abatement on qualified property.
- The State Legislature has set a sunset for program by June 30, 2032 unless extended.

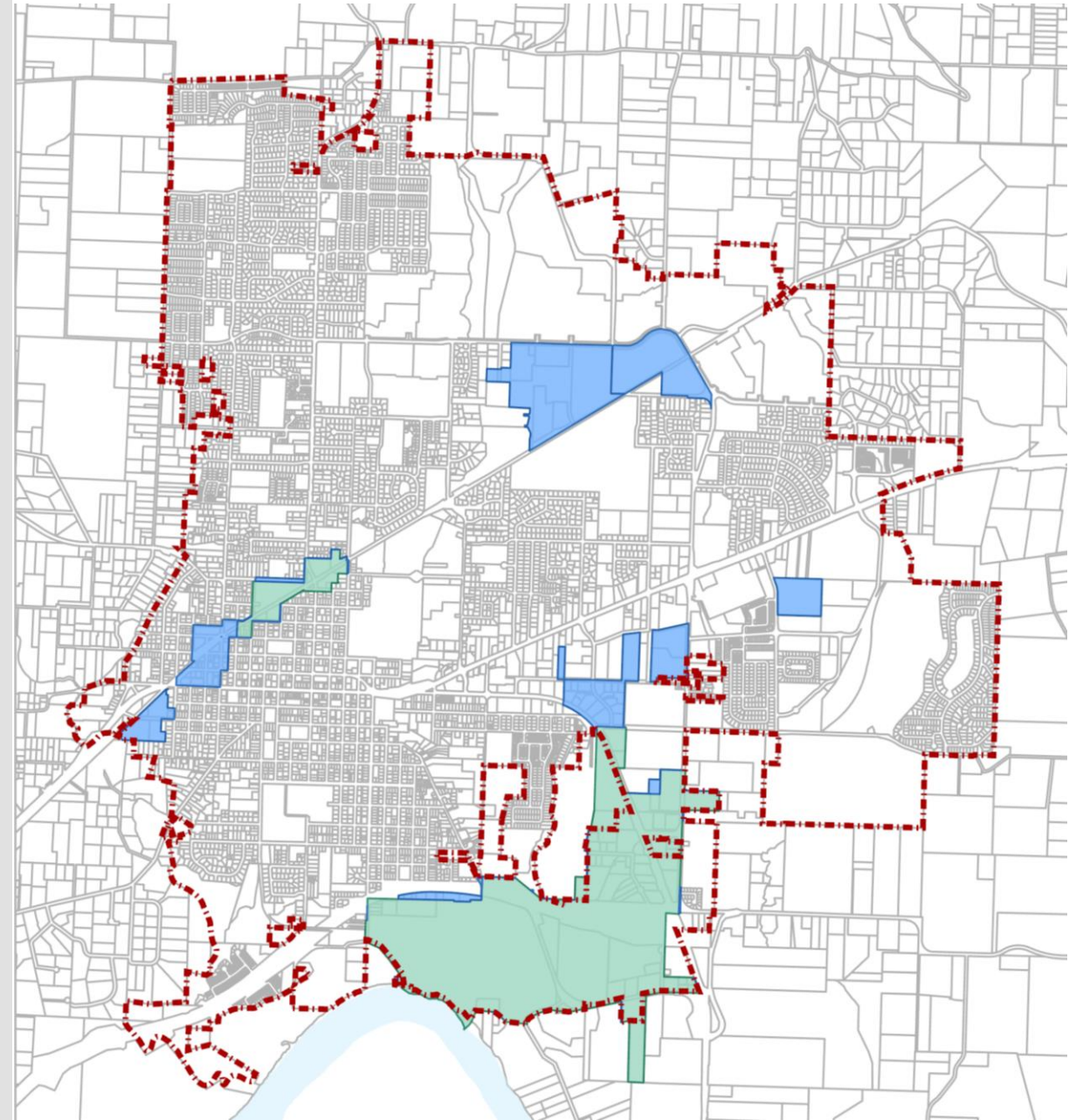
Enterprise Zone Boundary Change

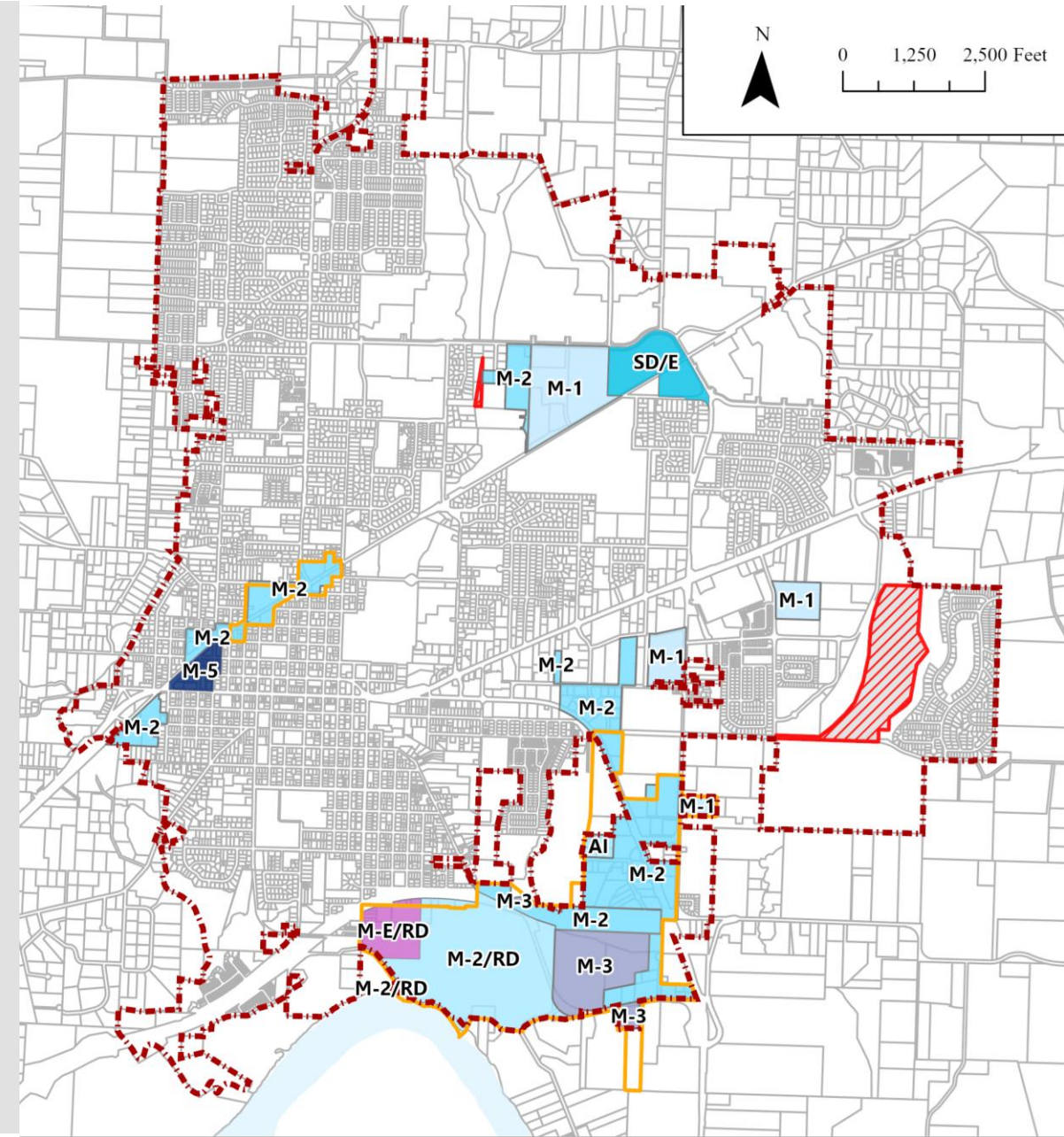
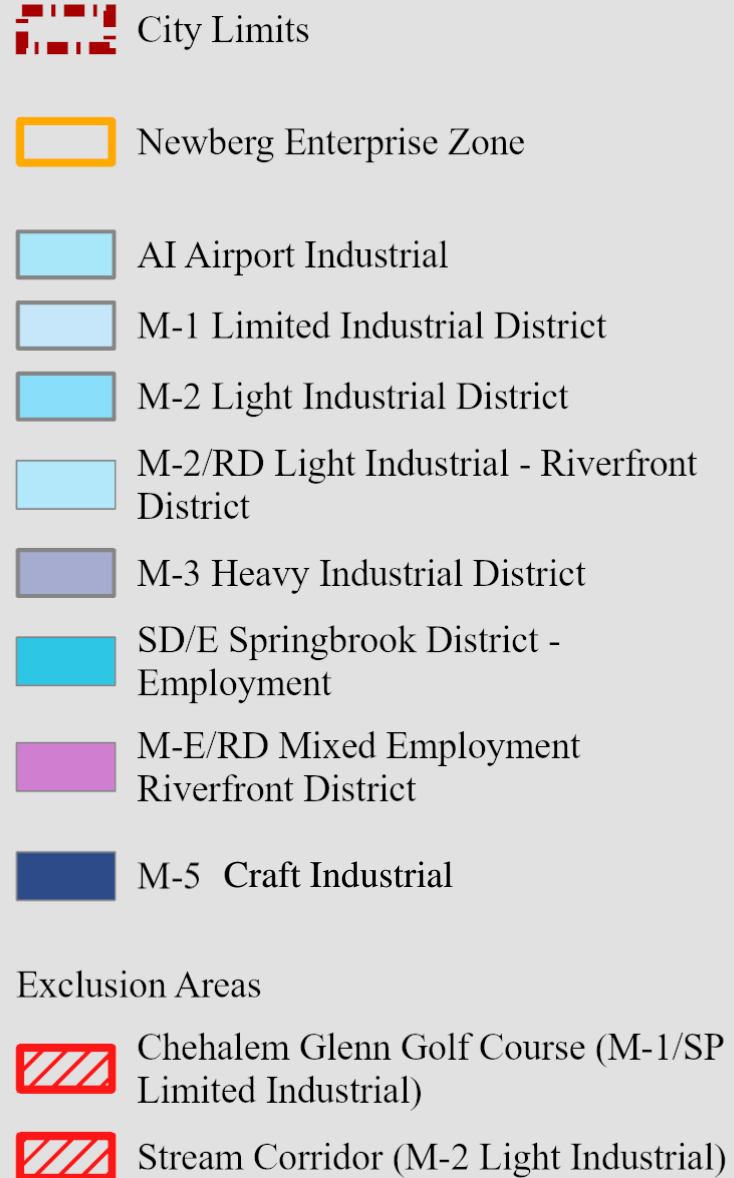
- Consulted with Business Oregon
- Provide public notice to overlapping taxing districts
- City Council adopts resolution modifying the zone boundary
- Submit memo & documentation to Business Oregon

-  City Limits
-  Proposed Newberg Enterprise Zone Expansion
-  Newberg Enterprise Zone



0 1,250 2,500 Feet





Enterprise Zone Expansion

- 87 tax lots
- New total approx. 540 acres (0.84 sq. mi)
 - Expansion primarily includes:
 - Limited Industrial (M-1)
 - Light Industrial (M-2)
 - Craft Industrial (M-5)
 - Springbrook District – Employment (SD/E)

Staff Recommendation

1. Adopt Resolution No. 2024-3957 modifying the boundaries of the Newberg Enterprise Zone to include additional employment lands within the City of Newberg.

Thank you!

Questions?

REQUEST FOR COUNCIL ACTION



Date Action Requested: January 21, 2025

Order <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Information <input type="checkbox"/>	
No. 2025-3958	
Subject: Public hearing and approval of Supplemental Budget #2 for fiscal year 2024-2025 as described in Exhibit "A".	Staff: Kady Strode Department: Finance File No.
Business Session	Order On Agenda: Public Hearing
Hearing Type: Administrative	

Recommendation: Adopt Resolution No. 2025-3958 for approval of Supplemental Budget #2 for fiscal year 2024-2025.

Executive Summary: The changes presented in the Supplemental Budget #2 covers 20 funds. A brief description of the reasons for these changes is provided below. Notice of the supplemental budget public hearing was published in the Newberg Graphic on January 9th, 2025.

Fiscal Impact: The Supplemental Budget #2 results in a net increase in total appropriations of \$12,016,331, bringing total appropriations to \$140,700,799 and unappropriated ending fund balances of \$15,995 for a total amount of \$143,716,794. The main reason for increase of appropriations was truing up beginning fund balances to match the actual ending fund balances from the prior year. Many of these numbers came in higher than budgeted due to capital projects which were not completed during the prior year as well as additional revenue the city received that was unexpected.

Strategic Assessment: The Supplemental Budget #2 allows for better transparency to the public and Council for truing up the budget to actual beginning fund balances and to reflect current expected spending throughout the fiscal year.

RESOLUTION No. 2025-3958

A Resolution to approve the Supplemental Budget #2 for fiscal year 2024-2025 as described in Exhibit A.

Recitals:

1. The 2024-2025 Budget was adopted by Resolution 2024-3929 on June 3, 2024.
2. The 2024-2025 Supplemental Budget #1 was adopted by resolution on August 5, 2024.
3. Increase in appropriations can be characterized into three categories – 1) beginning fund balance adjustments to match actual ending fund balance from prior fiscal year, 2) carryover expenditures from prior fiscal year offset by contingency or higher beginning fund balance, and 3) Increasing an appropriation due to a need for an expenditure increase.
4. In accordance with Oregon Budget Law, notice of this Council public hearing was published in the Newberg Graphic on January 9th, 2025.

The City of Newberg Resolves as Follows:

1. The Council adopts the above recitals.
2. The Council adopts the Supplemental Budget #2 as reflected in the attached Exhibit A which is incorporated in full by this reference. The Council further authorizes the supplemental appropriations reflected in Exhibit A.

Effective Date of this resolution is the day after the adoption date, which is: January 22nd, 2025.

Adopted by the City Council of Newberg, Oregon, this 21st day of January, 2025

Rachel Thomas, City Recorder

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

Bill Rosacker, Mayor

**EXHIBIT A TO
RESOLUTION NO. 2025-3958**

City of Newberg
Supplemental Budget #2
Fiscal Year 2024-2025

<u>FUND 01 - GENERAL FUND</u>		BUDGET	CHANGE	REVISED
Resources	<i>Decrease</i>	20,997,674	(32,100)	20,965,574
Municipal Court	<i>Increase</i>	541,363	4,103	545,466
Contingency	<i>Decrease</i>	3,723,173	(36,203)	3,686,970
Revised Total Resources		20,965,574		
Revised Total Requirements		20,965,574		
<i>Resources include truing up beginning fund balance to actual numbers from the 2023-24 audit. Court increased due to additional costs for translation services and dues and meetings costs related to court. Contingency decreased as the offset in change in beginning fund balance number.</i>				
<u>FUND 02 - STREETS</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increased</i>	5,890,351	726,392	6,616,743
Public Works	<i>Increased</i>	2,051,682	748	2,052,430
Transfers	<i>Increased</i>	2,150,000	142,916	2,292,916
Contingency	<i>Increased</i>	1,688,669	582,728	2,271,397
Revised Total Resources		6,616,743		
Revised Total Requirements		6,616,743		
<i>Resources increased from truing up the beginning fund balance to actual numbers from the audit as well as including the Federal Exchange Funds which we have now moved into the Street Fund. Expenditures increased due to now budgeting Transfers Out to the Debt Service fund related to the Bypass Loan payments. Contingency also increased due to an offset in change in beginning fund balance.</i>				
<u>FUND 03 - CIVIL FORFEITURE</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	6,716	224	6,940
Police	<i>Increase</i>	6,716	224	6,940
Revised Total Resources		6,940		
Revised Total Requirements		6,940		
<i>Resources and Police expenditures increased due to the true up of beginning fund balance to actual from the audit.</i>				
<u>FUND 06 - WASTEWATER FUND</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	26,369,425	2,924,683	29,294,108
Public Works	<i>Increase</i>	9,133,716	13,748	9,147,464
Contingency	<i>Increase</i>	13,491,086	2,910,935	16,402,021
Revised Total Resources		29,294,108		
Revised Total Requirements		29,294,108		
<i>Resources and Contingency increased due to beginning fund balance trued up to actual due to capital projects that were not completed last year or that were delayed such as Hess Creek, PLC project, I&I work, the Hydraulic Study and the Short-Term Lift Station Program.</i>				

<u>FUND 07 - WATER</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	19,127,570	4,352,446	23,480,016
Public Works	<i>Increase</i>	8,307,099	14,087	8,321,186
Transfers	<i>Increase</i>	2,978,782	228,440	3,207,222
Contingency	<i>Increase</i>	7,783,112	4,109,919	11,893,031

Revised Total Resources	23,480,016
Revised Total Requirements	23,480,016

Resources increased due to beginning fund balance trued up to actual due to capital projects that were not completed last year or that were delayed such as the Redundant Water Supply (also partially fund through ARPA funds), Emergency Connection for the WTP (seismic upgrade), Seismic Improvement for Water Lines, Otis Springs Non-Potable Water, and various HB 2001 projects.

<u>FUND 08 - BUILDING INSPECTION</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	4,312,482	291,544	4,604,026
Contingency	<i>Increase</i>	3,136,715	291,544	3,428,259

Revised Total Resources	4,604,026
Revised Total Requirements	4,604,026

Resources and Contingency increased due to the true up of beginning fund balance to actual.

<u>FUND 13 - 911 EMERGENCY</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	504,825	142,697	647,522
Communications	<i>Increase</i>	429,280	142,697	571,977

Revised Total Resources	647,522
Revised Total Requirements	647,522

Resources and Communication expenditures increased due to beginning fund balance trued up to actual.

<u>FUND 14 - ECONOMIC DEVELOPMENT</u>		BUDGET	CHANGE	REVISED
Resources	<i>Decrease</i>	2,328,677	(434,570)	1,894,107
Special Payments	<i>Decrease</i>	1,923,294	(213,211)	1,710,083
Contingency	<i>Decrease</i>	330,263	(221,359)	108,904

Revised Total Resources	1,894,107
Revised Total Requirements	1,894,107

Resources decreased due to beginning fund trued up to actual. Offset comes from Special Payments and Contingency due to timing of various items which occurred last fiscal year instead of this fiscal year.

<u>FUND 16 - PUBLIC SAFETY FEE</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	893,149	203,632	1,096,781
Police	<i>Increase</i>	477,179	100,000	577,179
Contingency	<i>Increase</i>	146,774	103,632	250,406

Revised Total Resources	1,096,781
Revised Total Requirements	1,096,781

Resources and Police expenditures increased due to beginning fund balance trued up to actual.

<u>FUND 17 - STORMWATER</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	5,471,900	106,037	5,577,937
Public Works	<i>Increase</i>	2,765,819	6,037	2,771,856
Contingency	<i>Increase</i>	1,274,081	100,000	1,374,081
Revised Total Resources		5,577,937		
Revised Total Requirements		5,577,937		
<i>Resources and Contingency increased due to beginning fund balance true up to actual due to carryover of stormwater projects not completed last year such as Storm Fixes for Pipes, 800 Block Wynyoski Stormwater Outfall, Springbrook Stormwater Evaluation, and West Franklin Stormline.</i>				
<u>FUND 18 - STREET CAPITAL PROJECTS</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	2,326,800	106,170	2,432,970
Reserves for Payment in Lieu	<i>Increase</i>	46,800	106,170	152,970
Revised Total Resources		2,432,970		
Revised Total Requirements		2,432,970		
<i>Resources and Reserves for Payment in Lieu increased due to true up of fund balance from prior year.</i>				
<u>FUND 19 - TRANSIENT LODGING TAX</u>		BUDGET	CHANGE	REVISED
Resources	<i>Decrease</i>	1,720,069	(125)	1,719,944
Contingency	<i>Decrease</i>	3,258	(125)	3,133
Revised Total Resources		1,719,944		
Revised Total Requirements		1,719,944		
<i>Resources and Contingency decreased due to the true up of beginning fund balance to actual.</i>				
<u>FUND 21 - GOVERNMENTAL CAPITAL PROJECTS</u>		BUDGET	CHANGE	REVISED
Resources	<i>Decrease</i>	171,285	(98,946)	72,339
Capital Projects	<i>Decrease</i>	171,285	(98,946)	72,339
Revised Total Resources		72,339		
Revised Total Requirements		72,339		
<i>Capital project related to the CAD had the final payment at the end of last fiscal year. The remaining money in the fund will need to be applied to the next debt payment at the end of this fiscal year to close out the fund.</i>				
<u>FUND 22 - LIBRARY GIFT, MEMORIAL & GRANT</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	67,865	24,938	92,803
Library	<i>Increase</i>	56,043	27,081	83,124
Contingency	<i>Decrease</i>	11,822	(2,143)	9,679
Revised Total Resources		92,803		
Revised Total Requirements		92,803		
<i>Resources increased due to the true up of beginning fund balance to actual as well as additional donations that were received in the current fiscal year. Library expenditures increased due to additional revenue that was received.</i>				

<u>FUND 31 - ADMIN SUPPORT SERVICES</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	8,559,654	1,247,739	9,807,393
Public Works	<i>Increase</i>	1,742,461	272,579	2,015,040
Contingency	<i>Increase</i>	390,173	975,160	1,365,333

Revised Total Resources	9,807,393
Revised Total Requirements	9,807,393

Resources increased due to the true up of beginning fund balances from actual. Resources also increased due to insurance reimbursements received related to the City Hall Flood. Public Works expenditures increased due to costs related to the City Hall Flood. Contingency serves as the offset to beginning fund balance.

<u>FUND 42 - STREET SYSTEM DEVELOPMENT</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	7,078,647	1,144,322	8,222,969
Reserve for Future Expense	<i>Increase</i>	7,048,547	1,144,322	8,192,869

Revised Total Resources	8,222,969
Revised Total Requirements	8,222,969

Resources and Reserve for Future Expense increased due to the true up of beginning fund balance to actual. These are related to projects that were not completed during the prior fiscal year that were SDC eligible.

<u>FUND 43 - STORMWATER SYSTEM DEVELOPMENT</u>		BUDGET	CHANGE	REVISED
Resources	<i>Decrease</i>	453,642	(102,964)	350,678
Reserve for Future Expense	<i>Decrease</i>	178,642	(102,964)	75,678

Revised Total Resources	350,678
Revised Total Requirements	350,678

Resources and Reserves for Future Expense decreased due to the true up of beginning fund balance to actual. These are related to projects that were completed during the prior fiscal year that were SDC eligible.

<u>FUND 46 - WASTEWATER SYSTEM DEVELOPMENT</u>		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	13,873,837	1,454,502	15,328,339
Reserve for Future Expense	<i>Increase</i>	13,147,756	1,454,502	14,602,258

Revised Total Resources	15,328,339
Revised Total Requirements	15,328,339

Resources and Reserve for Future Expense increased due to the true up of beginning fund balance to actual. These are related to projects that were not completed during the prior fiscal year that were SDC eligible.

<u>FUND 47 - WATER SYSTEM DEVELOPMENT</u>		BUDGET	CHANGE	REVISED
Resources	<i>Decrease</i>	1,220,453	(228,440)	992,013
Reserve for Future Expense	<i>Decrease</i>	422,475	(228,440)	194,035

Revised Total Resources	992,013
Revised Total Requirements	992,013

Resources and Contingency decreased due to the true up of beginning fund balance to actual. These are related to projects that were completed during the prior fiscal year that were SDC eligible.

FUND 99 - ARPA		BUDGET	CHANGE	REVISED
Resources	<i>Increase</i>	1,788,873	188,150	1,977,023
Public Safety	<i>Increase</i>	-	121,685	121,685
Information Technology	<i>Increase</i>	-	63,275	63,275
Library	<i>Increase</i>	-	34,000	34,000
Economic Development	<i>Decrease</i>	193,574	(193,574)	-
Public Works	<i>Increase</i>	1,595,299	162,764	1,758,063

Revised Total Resources	1,977,023
Revised Total Requirements	1,977,023

Resources increased due to the true up of beginning fund balance to actual. Resources also increased due to two community ARPA projects being paid back for non-completion. Economic Development expenditures decreased due to the reallocation of ARPA funds to city projects that can be obligated by the federal deadline of December 31, 2024. Public Safety expenditures increased due to ARPA funds being reallocated to the E-Ticketing project. Information Technology expenditures increased due to ARPA funds being reallocated to the purchase of new server equipment. Library expenditures increased due to the ARPA funds being reallocated to the purchase of a new ADA ramp. Public Works expenditures increased due to the ARPA funds being reallocated to the purchase of HVAC units for our buildings.

Total Increase in appropriations for all funds: \$ 12,016,331

Total Appropriated Budget	130,184,468
Plus: Increase in appropriations	
Supplemental Budget #1	1,500,000
Supplemental Budget #2	12,016,331
Revised Appropriated Budget	<u>\$ 143,700,799</u>

Reconciliation of 2024-25 Budget Changes

Appropriations

Total Appropriations from original Adopted Budget (June 3, 2024)	\$ 130,184,468
Changes in appropriations	
Supplemental Budget #1 (August 5, 2024)	1,500,000
Supplemental Budget #2 (January 21, 2025)	12,016,331
Total Appropriations including Supplemental Budgets	<u>\$ 143,700,799</u>

Unappropriated Ending Fund Balance (UEFB)

Unappropriated Ending Fund Balance - Debt Service Fund	15,995
Total Unappropriated Ending Fund Balance	<u>\$15,995</u>

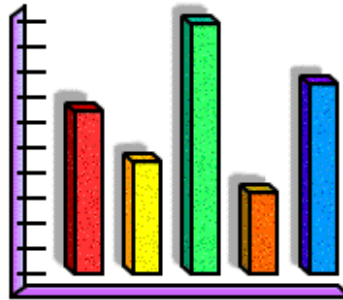
Adjusted Adopted Budget (Sum of Appropriations, UEFB, and Reserves) \$143,716,794

Supplemental Budget



Summary of Changes

- Total adjustments \$12,016,331
- Total revenue/expenditures now totals \$143,716,794



General Fund (01)

Beginning Fund Balance– *Decreased \$32,100 from Adopted Budget*

- Small difference from what was budgeted – likely timing difference of expenditures

Municipal Court – *Increased by \$4,103*

- Additional translation costs needed for court days as well as dues and meetings costs related to court

Contingency – *Decreased by \$36,203*

- To offset beginning fund balance adjustment and other adjustments as needed.

Admin Services Fund (31)

Beginning Fund Balance– *Increased by \$975,160 from the Adopted Budget*

- Primarily due to timing of insurance reimbursements received (PY) and work completed (CY) related to the City Hall Flood

Reimbursed Costs – *Increased by \$272,579*

- Additional insurance reimbursements received related to the City Hall Flood

Public Works– *Increased by \$272,579*

- Related to the City Hall Flood insurance reimbursement received to help cover the costs of the damage

Contingency– *Increased by \$975,160*

- Offset to beginning fund balance and other adjustments.

Street Fund (02)

Beginning Fund Balance– *Increased by \$582,728 from the Adopted Budget*

- Careful spending of the Street Fund in the last quarter of the year helped increase this fund balance

Other Sources – *Increased by \$143,664*

- Related to the Federal Exchange Funds which were previously recorded in Fund 18. The State issued new methodology for issuing the money which now makes sense to record them in the Street Fund.
- Small amount related to revenue received for the sale of a vehicle

Public Works– *Increased by \$748*

- Related to the sale of a vehicle

Transfers– *Increased by \$142,916*

- For the Bypass Loan payment (previously paid for by Fund 18)

Contingency– *Increased by \$582,728*

- Offset to beginning fund balance and other adjustments.

Civil Forfeiture Fund (03)

Beginning Fund Balance – *Increased \$224 from Adopted Budget*

- True up from audit – additional interest accrued during PY

Police – *Increased by \$224*

- Offset the increase to beginning fund balance.

Wastewater Fund (06)

Beginning Fund Balance – *Increased \$2,923,935 from Adopted Budget*

- Carryover of projects from prior year to current year which were delayed or not completed. Some of those projects include Hess Creek, PLC project, I&I work, the Hydraulic Study, and the Short-Term Lift Station Program

Other Sources – *Increased by \$748*

- Related to the sale of a vehicle

Public Works – *Increased by \$13,748*

- Increasing Capital Outlay budget from sale of asset

Contingency – *Increased by \$2,910,935*

- Offset the increase to beginning fund balance.

Water Fund (07)

Beginning Fund Balance – Increased by \$4,338,359 from Adopted Budget

- Resources increased due to carryover of projects from prior year to current year which were delayed or not completed. Some of those projects include Redundant Water Supply, Emergency Connection for WTP (seismic), Seismic improvement for water lines, Otis Springs non-potable water, and HB 2001 projects.

Other Sources – Increased by \$14,087

- Related to the sale of a vehicle

Public Works – Increased by \$14,087

- Capital outlay expenditures increased due to revenue received from the sale of a vehicle

Transfers – Increased by \$228,440

- Increased transfers out related to water projects scheduled to start during this fiscal year. This was previously believed to be covered by Water SDC funds however we have generated less revenue in the CY than expected

Contingency – Increased by \$4,109,919

- Offset the increase to beginning fund balance.

Building Inspection Fund (08)

Beginning Fund Balance— *Increased \$291,544 from Adopted Budget*

- Revenue came in higher than projected in PY (building permits, plumbing/mechanical permits, and contract building inspection)

Contingency – *Increased by \$291,544*

- Offset the increase to beginning fund balance.

911 Emergency Fund (13)

Beginning Fund Balance– *Increased \$142,697 from Adopted Budget*

- In the current year budget, we have utilized these funds differently than previous years, to pay for more senior staff out of this fund.

Communications – *Increased by \$142,697*

- Offset the increase to Communication expenditures.

Economic Development Fund (14)

Beginning Fund Balance– *Decreased by \$434,570 from Adopted Budget*

- Mainly due to CET refunds issued in PY

Special Payments – *Decreased by \$213,211*

- Related to EDRLF loans

Contingency – *Decreased by \$221,359*

- Offset to increase of beginning fund balance

Public Safety Fee Fund (16)

Beginning Fund Balance– *Increased by \$203,632 from Adopted Budget*

- In the current year budget, we have utilized these funds differently than previous years, to pay for more senior staff out of this fund.

Police – *Increased by \$100,000*

- Staff currently in this budget have moved to solo status which increases their costs

Contingency – *Increased by \$103,632*

- Offset the increase of beginning fund balance

Stormwater Fund (17)

Resources – *Increased by \$106,037 from the Adopted Budget*

- More development review and inspection revenue received in CY than anticipated

Public Works – *Increased by \$6,037*

- Capital outlay expenditures increased related to sale of vehicle revenue received

Contingency – *Increased by \$100,000*

- Offset to beginning fund balance.

Street Capital Projects Fund (18)

Beginning Fund Balance— *Increased by \$106,170*

- Related to street projects budgeted in the PY which have now been deferred

Reserves for Payment in Lieu— *Increased by \$106,170*

- Offset to revenue increase.

Transient Lodging Tax Fund (19)

Beginning Fund Balance– *Decreased by \$125 from the Adopted Budget*

- Small true up interest revenue earned

Contingency– *Decreased by \$125*

- Offset to beginning fund balance

Governmental Capital Projects Fund (21)

Beginning Fund Balance– *Decreased by \$98,946 from the Adopted Budget*

- Final payment for CAD upgrade occurred at the end of the prior fiscal year. The remaining funds will be applied to the outstanding debt related to the Communications Tower per Bond Council.

Capital Outlay– *Decreased by \$98,946*

- Offset to beginning fund balance

Library Gift and Memorial Fund (22)

Beginning Fund Balance – Increased by \$4,948 from Adopted Budget

- Carryover of grants and donations received that are planned to be spent in this fiscal year

Grants – Increased by \$10,000

- Additional grant money received in the CY from Library Friends

Donations – Increased by \$9,990

- Additional donations received in the CY from various donors

Library – Increased by \$27,081

- Add'l expenditures planned for books and periodicals and supplies and equipment due to increased donations and grants.

Contingency – Decreased by \$2,143

- Offset to beginning fund balance and other adjustments

Street SDC Fund (42)

**Beginning Fund Balance– Increased by
\$1,144,322 from the Adopted Budget**

- Due to street projects that were either carried over from the PY or delayed.

**Reserve for Future Expense– Decreased by
\$1,144,322**

- Offset to beginning fund balance

Stormwater SDC Fund (43)

Beginning Fund Balance– *Decreased by \$102,964 from the Adopted Budget*

- Due to carryover of capital projects that finished in the PY that were SDC eligible.

Reserve for Future Expense– *Decreased by \$102,964*

- Offset to beginning fund balance

Wastewater SDC Fund (46)

Beginning Fund Balance– *Increased by \$1,454,202 from the Adopted Budget*

- Due to carryover of capital projects that did not finish in the PY that were SDC eligible.

Reserve for Future Expense– *Increased by \$1,454,502*

- Offset to beginning fund balance

Water SDC Fund (47)

Beginning Fund Balance– *Decreased by \$228,440 from the Adopted Budget*

- Due to carryover of capital projects that finished in the PY that were SDC eligible.

Contingency– *Decreased by \$228,440*

- Offset to beginning fund balance

ARPA Fund (99)

Beginning Fund Balance – Increased by \$162,183 from Adopted Budget

- Due to the timing of project completion

Other Sources – Increased by \$25,967

- Two projects repaid a portion of their ARPA funds due to the incomplete status of their projects

Public Safety – Increased by \$121,685

- Related to E-Ticketing Project and small capital improvements made at PSB

Information Technology – Increased by \$63,275

- Purchase of new servers

Library – Increased by \$34,000

- For the ADA ramp improvement

Economic Development Expenditures – Decreased by \$193,574

- Projects were reassigned by City Council due to the timing of the end of ARPA funds

Public Works – Increased by \$162,764

- Related to Geotech survey for the WTP, HVAC purchases, and various other small capital improvements made

QUESTIONS?

