



# NEWBERG URBAN RENEWAL AGENCY

Newberg Urban Renewal Agency

July 7, 2025

Immediately Following Council Meeting

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>

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## 1. CALL TO ORDER

## 2. ROLL CALL

## 3. COMMITTEE BUSINESS

### 3.1. Resolution 2025-15: A Financing IGA with the City of Newberg for River Street Repair Funding

#### a Exhibit A: Intergovernmental Agreement

## 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](mailto:cityrecorder@newbergoregon.gov). For TTY services please dial 711.

\*indicates supplementary item



# NEWBERG URBAN RENEWAL AGENCY

## REQUEST FOR BOARD ACTION

**Date Action Requested: (July 7, 2025)**

Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Information <input type="checkbox"/> No. 2025-15	
Subject: Authorizing the Mayor and City Manager to execute a new IGA between the City and NURA to allow for the development of a financing instrument for River Street improvements.	Staff: Administrator Worthey Department: Administration with legal support from the City of Newberg.

### **Recommendation:**

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

A motion could be made to this effect:

“I move to approve resolution 2025-15 to facilitate the improvement of River Street”.

### **Executive Summary:**

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

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

**Fiscal Impact:**

The attached IGA would generate \$6M of a total of \$12.6M towards a complete River Street rebuild. The debt would be paid by the agency and not with Newberg City transportation dollars. The City of Newberg can assist the project with transportation SDC revenue to power its share of the whole amount.

Using our established principles of fiscal conservatism, the initial design work would be paid for via SDCs and the debt will only be taken out when construction is imminent to seek the best rate possible.

# RESOLUTION No. 2025-15

**A Resolution authorizing the Administrator to execute a new intergovernmental agreement between NURA and the City of Newberg to allow for financing River Street improvements.**

## **Recitals:**

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

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

- L. The Parties intend to use this debt mechanism to complete the Urban Renewal Projects, which includes projects described in the Newberg Urban Renewal Plan and located on River Street.

**The Newberg Urban Renewal Agency Resolves as Follows:**

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

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

**Adopted** by the Newberg Urban Renewal Agency, Oregon, this 7<sup>th</sup> day of July, 2025.

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Rachel Thomas, City Recorder

**Attest** by Chair Carmon this 7<sup>th</sup> day of July, 2025.

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Derek Carmon, Chair

## **INTERGOVERNMENTAL AGREEMENT**

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

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

#### **RECITALS**

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

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

### **TERMS**

The Parties agree as follows:

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

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

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

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

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

### **3. Projects.**

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

#### **Project One:**

##### ***E. Sub-Area E Riverfront:***

##### ***1. Public Transportation and Infrastructure***

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

#### **Project Two:**

##### ***F. Sub-Area F Downtown***

##### ***1. Public Transportation and Infrastructure***

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



**4. Not to Exceed and Surplus Funds.**

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

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

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

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

**8. Termination.** This IGA may be terminated:

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

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

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

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

City of Newberg

\_\_\_\_\_  
Bill Rosacker  
Mayor, City of Newberg

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Date

Newberg Urban Renewal Agency

\_\_\_\_\_  
Will Worthey  
NURA Administrator

\_\_\_\_\_  
Date