

**CHEHALEM PARK AND RECREATION DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
CHEHALEM ADMINISTRATION OFFICE
125 S. ELLIOTT ROAD
NEWBERG, OREGON
October 22, 2020
6:00 P.M.**

- I. Call To Order**
- II. Roll Call**
- III. Approval of or Additions to the Agenda**
- IV. Approval of Consent Agenda**
 - A. Approval Minutes Regular Board Meeting September 24, 2020
 - B. Approval of Bills Payable
 - C. Approval of September Financials
- V. Public Participation**
 - A. City of Newberg
 - B. Christine Darnell
 - C. Others not on Agenda
- VI. Action Items/Committee Reports/Board Comments**
 - A. None at this time
 - B. Reports and Comments from Board Members
- VII. Old Business**
 - A. Updates on Projects and Questions
- VIII. From the Superintendent's Desk**
 - A. Financial Report and Questions
 - B. Superintendent's Report
 - 1. Audit Update 2. ADP Update
 - C. Staff Reports
- IX. Correspondence**
 - A. Citizens' Comments/Evaluations
 - B. Miscellaneous Info
- X. Adjournment**

Next regular Board meeting is December 3, 2020.

\

To: Board of Directors
From: Superintendent
Date: September 22, 2020
Re: Background information for September 24, 2020 Board Meeting
Number corresponds to Agenda Item

II. ROLL CALL – We need 3 present for the meeting. Please call if you cannot attend. **PLEASE REMEMBER MEETING AT THE DISTRICT OFFICE. YOU CAN CALL IN FOR MEETING. YOU CAN ATTEND REMOTELY, VIA ZOOM.** (Meeting ID 886 5398 8754 Passcode 102220)
Please see page 4 for index for page numbers

III. APPROVAL OR ADDITIONS TO AGENDA – If you wish additions please give me a call

IV. APPROVAL OF CONSENT AGENDA

A. Approval of Board Meeting Minutes – Please see pages (5-7) for Regular Meeting Minutes of August 27, 2020 as submitted.

RECOMMENDATION: Approval of Regular Board Meeting Minutes for August 27, 2020

B. Approval of Bills Payable - Bills Payable summary is on page (8) for review. I will have copies of all the bills payable for review at the meeting or you may call me for copy.

RECOMMENDATION: Approval of Bills Payable totaling \$195,099.26 General Fund, \$600.00 SDC Fund, \$0.00 Loan Service Fund, \$0.00 Capital Pool Construction and Loan Fund, \$0.00 Foundation.

C. Approval of September Financial – Copies of the Financials will be at the meeting to review. Please call me for a copy if needed. A summary is available on page (9) for review.

RECOMMENDATION: Approve September Financials

V. PUBLIC PARTICIPATION

A. City of Newberg – Please see pages (10-70). City will be at meeting.

I do not at this time have a recommendation. I am leaning to not be part of the District.

B. Christine Darnell – Please see page (71-73).

B. Others not on agenda – We have no other request at this time.

VI. ACTION ITEMS/COMMITTEE REPORTS/BOARD COMMENTS.

A. None at this time.

B. Reports/Comments from Board Members – Given at meeting

VII. OLD BUSINESS

A. Update on Projects, Operation and Coronavirus Pandemic – Will discuss at meeting. Staff will be present to answer questions.

VIII. FROM THE SUPERINTENDENTS DESK

A. Financial Report and Questions. The projected ending balance was higher for 2017-18 than 2016-17 in the general fund. We did not have to borrow for the 2017-18, 2018-19, and 2019-20 budget. The current debt is for the golf course, property on the river, fitness center and pool bond. We are allowed about \$92,400,000.00 in debt. As of 6/30/2019 we have \$26,025,000 outstanding long term debt obligations. SDC Beginning balance is higher and revenue is up. Revenue is up in SDC because we raised the fee. We refinanced the loans for the golf course, property and combined them with the loan for the pool and fitness center. This was done to save money. Currently we have two loans and one bond. Please note the general fund in previous years had transferred the money to pay for debt to the Loan Service Fund. We are now paying debt out of the SDC fund.

INDEX

<u>DESCRIPTION</u>	PAGES
CONSENT AGENDA	
BOARD MINUTES	5 - 7
BILLS PAYABLE.....	8
FINANCIALS.....	9
PUBLIC PARTICIPATION	
CITY OF NEWBERG INFO.....	10 - 70
CITIZEN CONCERN.....	71 - 73
ACTION ITEMS	
NONE AT THIS TIME	
SUPERINTENDENTS DESK	
STAFF REPORTS.....	74 - 83
CORRESPONDENCE	
CITIZEN COMMENTS/EVALUATIONS.....,	84 - 95
MISCELLANEOUS INFORMATON.....	96 - 100

<u>GENERAL FUND SUMMARY</u>			
DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
TOTAL EXPENDITURES	\$ 1,637,730.30	\$ 1,338,625.79	\$ < 299,104.51>
TOTAL OPERATION EX.	\$ 1,352,543.77	\$ 1,334,126.07	\$ < 18,417.70>
TOTAL CAP/AQ/DEV/TRS	\$ 285,186.53	\$ 4,499.72	\$ <280,686.81>
 TOTAL REVENUE	 \$ 3,136,329.28	 \$ 4,496,844.12	 \$ 1,360,514.84
TOTAL TAXES	\$ 67,508.76	\$ 52,866.82	\$ < 14,641.94>
TOTAL FEES & CHARGES	\$ 1,074,919.88	\$ 957,696.88	\$ <117,223.00>
TOTAL OTHER REVENUE	\$ 88,741.00	\$ 33,204.82	\$ < 55,536.18>
BEGINNING BALANCE	\$ 1,905,159.64	\$ 3,453,075.60	\$ 1,547,915.96
<u>BALANCE</u>	<u>\$ 1,498,598.98</u>	<u>\$ 3,158,218.33</u>	<u>\$ 1,659,619.35</u>

<u>SDC FUND SUMMARY</u>			
DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
BEGINNING BALANCE	\$ 2,336,308.35	\$ 2,508,611.31	\$ 172,302.96
INTEREST	\$ 7,557.40	\$ 3,170.38	\$ < 4,387.02>
CITY OF NEWBERG	\$ 525,476.01	\$ 70,338.52	\$ <455,137.49>
CITY OF DUNDEE	\$ 41,326.60	\$ 0.00	\$ < 41,326.60>
COUNTY OF YAMHILL	\$ 39,148.45	\$ 44,091.09	\$ 4,942.64
TOTAL REVENUE	\$ 2,949,816.81	\$ 2,626,211.30	\$ <323,605.51>
TOTAL EXPENDITURE	\$ 241,647.51	\$ 322,335.41	\$ 80,687.90
<u>BALANCE</u>	<u>\$ 2,708,169.30</u>	<u>\$ 2,303,875.89</u>	<u>\$ <404,293.41></u>

Please note the operational cost in the General Fund was down, due to no transfers for debt. The operational revenue was down due to the virus affecting programs. SDC Fund is down. Please remember the debt was to come out of SDC's for the 2020-21 budget.

- B. Superintendent Report – To be given at meeting.
- C. Staff Reports – Please see pages (74-83).

IX. CORRESPONDENCE

- A. Citizens Comments/Evaluations – Please see Pages (84-95)
- B. Miscellaneous Information – Please see page (96-100).

X. ADJOURNMENT.

Next meeting is December 3, 2020.

CHEHALEM PARK AND RECREATION DISTRICT
REGULAR BOARD MEETING
CPRD Administration Office with remote option
125 S. Elliott Road
September 24, 2020
MINUTES

I. Lisa Rogers called the meeting to order 6:00 p.m.

II. Roll Call

Board members:

Peter Siderius

Bart Rierson

Don Loving

Mike Ragsdale

Lisa Rogers

CPRD Staff:

Don Clements, Superintendent

Casey Creighton, Basic Services Supervisor/Park and Facilities Supervisor

Julie Petersen, Special Services Supervisor/Recreation Supervisor

Shy Montoya, Administrative Coordinator joined remotely

Public:

Brian Bellairs, the Principal Broker at Meadows Group Inc., Realtors

Peter Renwick

Paul Agrimis of GreenWorks, P.C. from Portland

III. Approval of or changes to agenda –

Moved Mike Ragsdale

Second Bart Rierson

Passed unanimously

IV. Approval of consent agenda

a. Approval of minutes of regular Board meeting August 27, 2020

b. Approval of bills payable

c. Approval of August financials

Moved Mike Ragsdale

Second Peter Siderius

Passed unanimously

V. Public participation

a. Brian Bellairs presented a proposal to provide a single-level homes community including four to six pickleball courts on his 60-acre

property off Corral Creek Rd. (along with an additional 15 acres a neighbor is willing to provide), near the top of Schaad Park Loop Trail. Peter Renwick joined discussion in support of the idea. They sought a partnership with CPRD for support in upcoming considerations of land use planning, expanding UGB to include the property, and a partnership including trails. Bart Rierson suggested CPRD put trails in before development begins. Don Clements described how CPRD could support this, including using SDC funds to fund the development of the courts and application for grants, and how this could benefit the golf course. Clements suggested he direct staff to work with them to explore and support the effort. Mike Ragsdale recommended CPRD endorse UGB amendment with a letter of support and begin preliminary planning (without any funding) of how property would be situated. Don Loving suggested the staff spend time with the persons making proposal and return to Board with more details. Lisa Rogers requested more clarification on what the request is. Discussion to continue. Clements suggested the Board tour the site with them as a next step. All were willing.

b. Anyone not on agenda - None

VI. Action items/committee reports/Board comments

- a. Approval of contract for campground: schematic design by Paul Agrimis of GreenWorks, P.C. from Portland - Fees \$188,750; Expenses \$196,750. This item is carried over from the August meeting. Clements: The question is, where will these funds come from? We did budget \$300,000.00 in this year's budget for this purpose. Clements recommended approval.

Motion for approval of contract for schematic design, by Paul Agrimis of GreenWorks, P.C. from Portland

Moved Peter Siderius

Second Don Loving

Passed unanimously

Reports and comments from Board members

Mike Ragsdale said that no action had been taken on his request (made at the previous Board meeting) to take over management of Magness Tree Farm.

Don Loving talked with Rilee Committee and five members are willing to work with Nick's Equine Assisted Therapy (See previous meeting).

Lisa Rogers CCC Night of the Moon annual fundraising event is Saturday; it will be virtual.

VII. Old business/project updates

- a. Casey Creighton said many projects had been delayed due to windstorm and fires. Still waiting on compressor for aquatic facility. Remote meeting with Sander Estate takes place tomorrow on preapplication meeting with City of Dundee. Golf course supervisor resigned suddenly; Creighton replaced him internally with Mike, who has been on staff for about five years. ODOT meeting will take place next week; this is about the bypass right-of-way past golf course, requesting a culvert near Hole 1. He reported on windstorm damage staff has been repairing and clearing: Scout House may be total loss; several trees down in ten parks and on trails; shelter at Jaquith and structure at Crater Parks; plus arson at footbridge at Ewing Young Park. He will seek disaster relief if available.

VIII. From the superintendent's desk

- a. Financial report – Clements said we are surviving and doing fairly well. He provided the 2018-2019 audit and said the 2019-2020 had been completed in July.
- b. Superintendent's report – ADP first payroll just occurred. There were many problems.
- c. Staff reports –
Julie Petersen said 450 flag football players would have first game at NHS this weekend; 475 soccer players play at Jaquith and Renne; 60 youngest children also playing soccer. CARE childcare has been a struggle because children must be segregated in cohorts; registration numbers are down. Aquatic center is being heavily used, especially by people outside the District. Compliance with face coverings is a continuing challenge, as public correspondence indicates. Golf revenue is up 40 percent.

Kat Ricker presented the new, second edition of the pocketguide to CPRD parks, trails and facilities, plus the \$600 check which the publisher paid to CPRD for its partnership (share of sponsorship revenue). She said she had made two hires in reception staff who seemed to have a lot of potential.

IX. Correspondence

- a. Citizen comments/evaluations –

X. Adjournment – Lisa Rogers moved to adjourn 7:30 p.m.

Respectfully Submitted,

Kat Ricker, Public Information Director

**GENERAL FUND
ACCOUNTS PAYABLE AND PAYROLL
UP TO OCTOBER 14, 2020**

<u>CHECK NUMBERS</u>	<u>AMOUNT</u>	<u>TYPE CHECKS</u>
121060 121636 121808 121830 121949 122035 122045 122961		CHECKS EXPIRED
123247		CHECK WAS VOIDED
123340-123424	\$ 215,358.51	ACCOUNTS PAYABLE
123396		CHECK WAS VOIDED
123425-123480	\$ 46,563.72	ACCOUNTS PAYABLE
123428		CHECK WAS VOIDED
123481	\$ 894.76	ACCOUNTS PAYABLE
123482-123550	\$ 147,620.26	ACCOUNTS PAYABLE
WIRE TRANSFER PR	\$ 181,847.75	PAYROLL
DIRECT DEPOSIT	\$ 753.44	PAYROLL
122720-122721	\$ 1,997.89	GOLF CHECKS ACCOUNTS PAYABLE
1946-1950	\$ 5,200.82	WIRE TRANSFER
GRAND TOTAL	\$ 600,237.15	

BREAKOUT

<u>ACCOUNTS PAYABLE</u>	\$ 412,435.14
<u>PAYROLL</u>	\$ 182,601.19
<u>WIRE TRANSFER</u>	\$ 5,200.82

ACCOUNTS PAYABLE FOR SDC FUND

<u>CHECK NUMBERS</u>	<u>AMOUNT</u>	<u>TO WHOM</u>
168	\$ 1,739.50	SEA
GRAND TOTAL	\$ 1,739.50	

ACCOUNTS PYABLE FOR LOAN SERVICE FUND

<u>CHECK NUMBERS</u>	<u>AMOUNT</u>	<u>TO WHOM</u>
NO CHECKS	\$ 0.00	
GRAND TOTAL	\$ 0.00	

ACCOUNTS PAYABLE FOR CAPITAL POOL CONSTRUCTION & POOL BOND

<u>CHECK NUMBERS</u>	<u>AMOUNT</u>	<u>TO WHOM</u>
NO CHECKS	\$ 0.00	
GRAND TOTAL	\$ 0.00	

BREAKOUT

<u>CAPITAL POOL CONST.</u>	\$ 0.00
<u>POOL BOND DEBT</u>	\$ 0.00

ACCOUNTS PAYABLE FOR FOUNDATION

<u>CHECK NUMBERS</u>	<u>AMOUNT</u>	<u>TO WHOM</u>
148	\$ 29.60	US BANK
GRAND TOTAL	\$ 29.60	

**FINANCIAL OVERVIEW
GENERAL FUND SUMMARY**

DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
Total Operational Expense	\$ 1,352,543.77	\$1,334,126.07	\$ < 18,417.70>
Total Capital Outlay & Transfers	\$ 285,186.53	\$ 4,499.72	\$ <280,686.81>
GRAND TOTAL EXPENSES	\$ 1,637,730.30	\$1,338,625.79	\$ <299,104.51>
Total Tax Revenue	\$ 67,508.76	\$ 52,866.82	\$ <14,641.94>
Total Fees & Charges Revenue	\$ 1,074,919.88	\$ 957,696.88	\$ <117,223.00>
Total Other Revenue	\$ 88,741.00	\$ 33,204.82	\$ < 55,536.18>
Beginning Balance	\$ 1,905,159.64	\$3,453,075.60	\$ 1,547,915.96
GRAND TOTAL REVENUE	\$ 3,136,329.28	\$4,496,844.12	\$ 1,360,514.84

SDC FUND SUMMARY

DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
GRAND TOTAL EXPENSES	\$ 241,647.51	\$ 322,335.41	\$ 80,687.90
TOTAL REVENUE	\$ 613,508.46	\$ 117,599.99	\$ <495,908.47>
BEGINNING BALANCE	\$2,336,308.35	\$2,508,611.31	\$ 172,302.96
GRAND TOTAL REVENUE	\$2,949,816.81	\$2,626,211.30	\$ <323,605.51>

LOAN SERVICE FUND SUMMARY

DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
GRAND TOTAL EXPENSES	\$ 180,326.98	\$ 0.00	\$ <180,326.98>
REVENUE TRANSFERS	\$ 180,326.98	\$ 0.00	\$ <180,326.98>
INTREST	\$ 220.38	\$ 63.15	\$ < 157.23>
BEGINNING BALANCE	\$ 32,882.14	\$ 33,567.32	\$ 685.18
GRAND TOTAL REVENUE	\$ 213,429.50	\$ 33,630.47	\$ <179,799.03>

EQUIPMENT AND MAJOR MAINTENANCE FUND SUMMARY

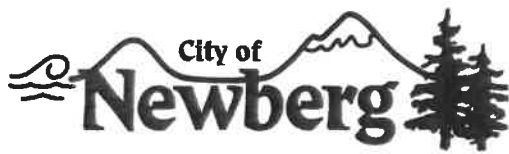
DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
GRAND TOTAL EXPENSES	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL REVENUE	\$ 0.00	\$ 0.00	\$ 0.00
BEGINNING BALANCE	\$ 0.00	\$ 0.00	\$ 0.00
GRAND TOTAL REVENUE	\$ 0.00	\$ 0.00	\$ 0.00

CAPITAL PROJECT POOL FUND SUMMARY

DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
GRAND TOTAL EXPENSES	\$ 65,197.47	\$ 0.00	<\$ 65,197.47>
GRAND TOTAL REVENUE	\$ 483,142.39	\$ 247,933.85	<\$ 235,208.54>

BOND LOAN SERVICE SUMMARY

DESCRIPTION	AS OF 9/30/19-20	AS OF 9/30/20-21	DIFFERENCE
GRAND TOTAL EXPENSES	\$ 0.00	\$ 0.00	\$ 0.00
GRAND TOTAL REVENUE	\$ 176,887.11	\$ 0.00	\$ <176,887.11>



Community Development Department

P.O. Box 970 • 414 E First Street • Newberg, Oregon 97132

503-537-1240 • Fax 503-537-1272 • www.newbergoregon.gov

City of Newberg Proposed Vertical Housing Development Zone (VHDZ) Chehalem Park and Recreation District (CPRD)

Executive Summary and Background

The City of Newberg is hard at work implementing the 2016 Newberg Downtown Improvement Plan (NDIP). The NDIP, Attachment 1, is an important guiding document that is focused on our Downtown. The NDIP Vision Statement states the following.

"Downtown Newberg will be a thriving, active and attractive destination at the gateway to Oregon's wine country. Building upon an authentic main street environment and maximizing redevelopment opportunity, downtown will have a successful, complementary mix of retail, civic, entertainment, cultural, office and residential uses, showcasing its pedestrian-friendly streetscapes, public art, and strong connections to adjacent neighborhoods and activity centers. Downtown Newberg – a unique destination, and a place to live, work, shop and play."

The NDIP suggests a number of economic development tools including the establishment of a Vertical Housing Development Zone (VHDZ) for the area of the downtown delineated in the NDIP (Attachment 1 – NDIP Pages 54 and 55). The City is proposing a VHDZ that matches the boundary of the NDIP (Attachment 2 – NDIP/VHDZ Map). The VHDZ is coterminous with the C-3 Central Business District zoning district and an area of M-2 Light Industrial zoning district also known as the Mill District within the NDIP.

The purpose of the VHDZ will be to encourage investment in construction and/or rehabilitation of properties in targeted areas of a city to augment the availability of higher density housing to enhance revitalization efforts in our downtown core. The program, proposed by the City, encourages mixed-use multi-story developments that contain both non-residential and residential uses in VHDZs. Developing a larger base of mixed-use property is vital to the continued revitalization of Downtown Newberg. Additional residential development provides support to commercial uses, enhances public safety, and ultimately increases taxable value.

The VHDZ designation encourages such development by offering partial property tax exemption to qualified projects. This is not a low-income housing program since it applies equally to all levels of housing. It does not sacrifice commercial space in favor of residential use.

We are hopeful that if a VHDZ is established in Newberg it will:

- Encourage new mixed-use development (housing and commercial uses) in Newberg's core.
- Stimulate more commercial growth in the area, increasing the value of surrounding properties.

- Support the existing commercial development by increasing the number of residents/consumers.
- Create long-term community wealth through larger, mixed use buildings that will be fully taxed after the partial abatement drops off.

Although this program offers specific property tax exemptions to qualified projects, it is designed to ensure that taxing districts will not be negatively impacted. ORS 307.864 (Partial property tax exemption) fully explains the partial tax exemption. We have included a full copy of the VHDZ ORS 307.841 through 307.867 in Attachment 3. The partial property tax exemption applies to new construction on the first four floors of residential development built above a non-residential ground floor. Each floor of new residential development is eligible for a 20% tax exemption with the maximum tax exemption on new construction of 80% per year over the first ten years of the project. Projects classified as affordable housing may also qualify for a partial land or property tax exemption. Each floor of affordable housing is eligible for a 20% tax exemption on the land or lot which the building is located with the maximum tax exemption on new construction of 80%.

For market rate housing projects, tax districts receive property taxes on 100% of the “pre-project” value of the property and taxes on the increased property value of the first story non-residential development. Districts receive partial taxes on the additional value created by the first four floors of residential development of a qualified project when those floors are built above a non-residential first floor. Multi-story development that adds more floors of residential above the first four floors of residential are fully taxed on those additional floors (for example residential floors six and seven of a multi-story building would be fully taxed). After 10 years, the exemption expires and the taxing districts receive taxes on the full value of the building and land.

The City of Newberg can, at any time, terminate the VHDZ by a Resolution of the City Council. Vertical Housing Developments will be monitored annually for compliance with the program. If, for example, the first floor of a building was changed to residential use from commercial then the development would no longer qualify for partial tax exemption.

Displacement Analysis

VHDZs encourage mixed-use residential development by allowing a partial tax abatement in designated areas within a city. In order to implement VHDZs, cities are required by state statute (ORS 307.844) to “consider the potential for displacement (or involuntary relocation due to rising rents no longer being affordable) of households within a proposed vertical housing development zone before designating the zone.” The City retained Leland Consulting Group to conduct the displacement analysis and their report is attached to this memo as Attachment 4.

The two types of potential displacement are direct/physical displacement and indirect/economic displacement. Direct/physical displacement is defined as “displacement resulting from the redevelopment or rehabilitation of existing housing—usually older, lower value housing that is low-density—incited by VHDZ tax abatements, which directly forces

people to relocate”.

As the Leland report (Report) indicates: “...In summary, it will likely be at least 10 years until these vacant downtown sites are developed. Direct displacement is therefore likely to be minimal in the near- and mid-term, although long-term strategic actions and other policies and programs to minimize and mitigate displacement pressures should be considered.”

The Report further explains that: “...Indirect/economic displacement can occur if higher rents in new development incented by VHDZ tax abatements encourages owners of existing rental housing to raise their rents or renovate/reposition their properties, making it difficult or impossible for existing residents to remain. Economic displacement has a greater impact on rental housing, rather than for-sale housing, because Oregon’s property taxation system limits property tax increases and, for the most part, protects homeowners from the effects of rising home prices that result in displacement.”

Within the City of Newberg, average rent growth is clearly significantly higher than rent growth across three of the four census tracts. Downtown and north Newberg has experienced declining average incomes. With that said, rent growth has been stagnant in the city for many years, while incomes have continued to increase city-wide to an estimated \$62,981 in 2019.

Key findings from this study are as follow:

- *“There is limited evidence that VHDZs have a significant impact on the rate of rent growth. Rent growth is due to a wide array of factors and cannot be attributed to VHDZs alone.*
- *Rent growth has been higher in VHDZs than in the region on average. Generally, however, cities have implemented VHDZs in areas where higher-density, urban-style development is desired—such as downtowns—and, thus, higher-renting properties are likely regardless of incentives. In fact, VHDZs are unlikely to be located on the periphery of the region, where one can usually find a greater proportion of suburban, lower-density properties that are inherently more affordable than those found in urban settings.*
- *VHDZs have seen a disproportionate share of new construction. Given that new construction typically achieves higher-than-average rents, it is unsurprising to see a higher rate of rent growth in VHDZs. Rents for existing properties, on the other hand, tend to grow at rates that are consistent with regional rates, despite higher average rates for new construction.*
- *Rent increases are generally the result of combined regional market forces, targeted public investment, incentives, and subsidies, as well as the VHDZ abatements. There is little evidence to suggest that new construction within VHDZs is causing existing properties to raise rents at a faster rate, which would otherwise, in turn, contribute to economic displacement pressures.”*

What Qualifies for a VHDZ Temporary Tax Abatement?

In order for a development to qualify for a partial tax abatement the following general criteria must be met:

- (1) A city or county may not certify a vertical housing development project under ORS 307.857 unless the project meets all requirements of this section.

- The project must be entirely located within a vertical housing development zone designated by the city or county with which the application for certification is filed.
- The project must include one or more equalized floors (residential).
- Construction or rehabilitation must have been started on each building included in the project, including, but not limited to, additions that expand or enlarge an existing building.
- At least 50 percent of the project's ground floor that fronts on the primary public street must be committed to nonresidential use. If a project has access to only one public street, the square footage of driveways, loading docks, bike storage, garbage receptacles and building entryways shall be excluded before applying the 50 percent test.
- For the project's ground floor to be considered committed to nonresidential use, all ground floor interior spaces that front on the primary public street must be constructed to building code standards for commercial use or planned for commercial use upon completion.

Development Opportunity Sites

The Displacement Analysis Report also reviewed all the properties within the proposed VHDZ for potential for development. The analysis showed 13 potential development opportunity sites for a total of 4.71 acres (Attachment 5 – Potential Development Opportunity Site). The analysis states that

“Vacant land, however, is only one of many characteristics that developers look for while prospecting for potential development sites. Above all else, the size, dimensions, and configuration (including access) of land is most important. For multifamily development, the land needs to total at least 0.25 acres in size and be a regularly shaped, developable lot. For mixed-use multifamily residential, 0.5 acres is optimum, especially in Newberg where most projects will be surface parked. Developer’s considerations for other land characteristics, in descending order of importance, include:

- *Large parcels or multiple contiguous parcels with single ownership.*
- *Publicly-owned underutilized land.*
- *Low-value properties that are adjacent to high-value properties.*
- *Vacant land or underutilized land parcels with non-contiguous ownership”*

Two, Three, Four and Five Story Models

To better understand the effects of the tax abatement on the taxing jurisdictions, City Staff have developed 4 hypothetical model spreadsheets (Attachment 6). For the model we’ve used a mixed use building located at 614 E First Street, which is referred to as the Union Block Building. The Union Block Building is an existing two story building with commercial uses on the first floor and residential units on the second floor. Using this base model we then consider a 3-story, 4-story and 5-story building. This analysis uses the 2019 Real Market Value of \$1,681,917 for the building and the Real Market Value of \$278,136 for the land. The Yamhill County Tax Assessor does not tax first floor commercial and second or higher floors of residential at a different rate so we have taken the base value of the building and divided it in half for each floors starting value of \$840,958.50. Each floor of residential above the second floor will add \$840,958.50 of value to the building. These models assume a small increase in

land value after construction of \$2,000. An annual appreciation rate of 3% has been utilized for the models. The tax abatement period is only for the first 10-years then the full collection of taxes begin on year 11.

Two Story Building Model:

<i>Current Building Value</i>	<i>\$0</i>
<i>Current Land Value</i>	<i>\$278,136</i>
<i>Estimated Value of Building</i>	<i>\$1,681,917</i>
<i>Land Value After Construction</i>	<i>\$280,136</i>
<i>Estimated Tax Collected with Abatement over First 10 Years</i>	<i>\$16,596</i>
<i>Total Abated Tax First 10 years</i>	<i>\$3,416</i>

A 2-story building would be constructed with commercial use on the first floor and the second floor would be residential. One floor of residential use would provide a 20% annual tax abatement. Without any sort of abatement CPRD would have collected approximately \$20,012 in tax over the first 10 years of the building being taxed. Estimated tax collected over 10 years with abatement would be \$16,596. Over the first 10-years the total abated tax would be \$3,416. The abated tax amount in year one would be approximately \$298 with the year ten abatement being \$389. Total tax collected jumps to \$2,346 in year 11 due to the abatement period ending. Year 11 would provide a substantial increase in taxes collected on a building that may have not been built without this modest VHDZ tax abatement of \$3,416 over the first 10-years of the development. Years 11 through 20 would provide a total of \$26,895 of taxes collected by CPRD.

Three Story Building Model:

<i>Current Building Value</i>	<i>\$0</i>
<i>Current Land Value</i>	<i>\$278,136</i>
<i>Estimated Value of Construction</i>	<i>\$2,522,876</i>
<i>Land Value After Construction</i>	<i>\$278,136</i>
<i>Estimated Tax Collected with Abatement over First 10 years</i>	<i>\$18,304</i>
<i>Total Abated Tax First 10 years</i>	<i>\$10,249</i>

A 3-story building would be constructed with commercial use on the first floor with the second and third floors being residential. Two floors of residential use would provide a 40% annual tax

abatement. Without any sort of abatement CPRD would have collected approximately \$28,553 in tax over the first 10 years of the building being constructed. Estimated tax collected over 10 years with abatement would be \$18,304. Over the first 10-years the total abated tax would be \$10,249. The abatement amount in year one would be approximately \$894 with the year ten abatement being \$1,166. Tax collected jumps to \$3,347 in year 11 due to the abatement period ending. Year 11 would provide a substantial increase in taxes collected on a building that may have not been built without this modest VHDZ tax abatement over 10 years of \$10,249 over the first 10-years of the development. Years 11 through 20 would provide a total of \$38,373 of taxes collected by CPRD.

4-Story Building Model:

<i>Current Building Value</i>	<i>\$0</i>
<i>Current Land Value</i>	<i>\$278,136</i>
<i>Estimated Value of Construction</i>	<i>\$3,363,835</i>
<i>Land Value After Construction</i>	<i>\$280,136</i>
<i>Estimated Tax Collected with Abatement over First 10 years</i>	<i>\$16,596</i>
<i>Total Abated Tax First 10 years</i>	<i>\$20,498</i>

A 4-story building would be constructed with commercial use on the first and the second, third and fourth floors would be residential. Three floors of residential use would provide a 60% annual tax abatement. Without any sort of abatement CPRD would have collected approximately \$37,095 in tax over the first 10 years of the building being constructed. Estimated tax collected over the first ten years with abatement would be \$16,596. Over the first 10-years the total abated tax would be \$20,498. The abatement amount in year one would be approximately \$1,788 with the year ten abatement being \$2,333. Tax collected jumps to \$4,439 in year 11 due to the abatement period ending. Year 11 would provide a substantial increase in taxes collected on a building that may have not been built without this modest VHDZ tax abatement of \$20,498 over the first 10-years of the development. Years 11 through 20 would provide a total of \$49,851 of taxes collected by CPRD.

5-Story Building Model:

<i>Current Building Value</i>	<i>\$0</i>
<i>Current Land Value</i>	<i>\$278,136</i>
<i>Estimated Value of Construction</i>	<i>\$4,204,794</i>
<i>Land Value After Construction</i>	<i>\$280,136</i>
<i>Estimated Tax Collected with Abatement over First 10 years</i>	<i>\$11,471</i>

Total Abated Tax First 10 years \$34,163

A 5-story building would be constructed with commercial use on the first floor and the second, third, fourth and fifth floors would be residential. Four floors of residential use would provide an 80% annual tax abatement. Without any sort of abatement CPRD would have collected approximately \$45,634 in tax over the first 10 years of the building being taxed. Estimated tax collected over the first 10 years with abatement would be \$11,471. Over the first 10-years the total abated tax would be \$34,163. The abatement amount in year one would be approximately \$2,980 with the year ten abatement being \$3,888. Tax collected jumps to \$5,530 in year 11 due to the abatement period ending. Year 11 would provide a substantial increase in taxes collected on a building that may have not been built without this modest VHDZ tax abatement of \$34,163 over the first 10-years of the development. Years 11 through 20 would provide a total of \$61,329 of taxes collected by CPRD.

Where We Are In the Process and What to Expect

The following steps outlines our progress so far in developing a VHDZ:

1. City Council approved the Request for Council Action, Resolution 2019-3529, on February 4, 2019 to consider implementation of a VHDZ program.
2. Affordable Housing Commission workshop held on April 23 to gather input on the draft code and VHDZ map.
3. Planning Commission Workshop held on May 9, 2019 to gather input on the draft code language, the extent of the Vertical Housing Zone and fees.
4. May 16, 2019, Informational letter sent to taxing districts
5. Draft code and VHDZ map brought back to the Affordable Housing Commission
6. August 27, 2019, Tualatin Valley Fire and Rescue passed resolution 2019-006 supporting the development of a VHDZ program.
7. March 27, 2020, Displacement Analysis completed

The following outlines the steps remaining to be completed to successfully establish the proposed VHDZ.

1. Conduct meetings with all affected taxing jurisdictions to present the proposed VHDZ.
2. After meeting with all taxing jurisdictions, the draft code and VHDZ map brought back to the Planning Commission for review and recommendation to City Council.
3. Opt in or opt out letter sent to taxing districts not less than 60 days before the City Council holds a public hearing to review, approve or deny the proposed VHDZ. The opt in/opt out letter will list the City Council public hearing date.
4. Within 30 days of the taxing district receiving the opt in/opt out notice, the taxing district is requested to notify the City if they are going to opt in or opt out of the VHDZ.

5. Draft code, VHDZ map and fee recommendations from the Affordable Housing Commission and Planning Commission presented to City Council for consideration (Attachment 7). City Council will vote on the proposed VHDZ.

The City of Newberg's Request:

Prior to City Staff presenting the VHDZ to the Planning Commission for a recommendation to City Council, we are asking for an informal indication of support for the establishment of a VHDZ by the taxing districts. TVF&R has already passed a resolution in support of the VHDZ.

We truly appreciate your consideration of Newberg's VHDZ program and we hope that this program will provide some help for projects that may not ever come to fruition without financial incentive. In turn, these projects will provide the taxing district with extra incoming taxes that may not have ever occurred without the benefit of a VHDZ temporary tax abatement.

List of Attachments:

1. Newberg Downtown Improvement Plan Pages 54 and 55
Full copy of the NDIP can be found here
<https://www.newbergoregon.gov/planning/page/newberg-downtown-improvement-plan-0>
2. NDIP Map/VHDZ Area
3. VHDZ ORS 307.841-307.867
4. Displacement Analysis
5. Potential Development Opportunity Site
6. Two, Three, Four and Five Story Model Spreadsheets
7. Draft of Chapter 350 Vertical Housing Development Zone

Attachment 1: Newberg Downtown Improvement Plan

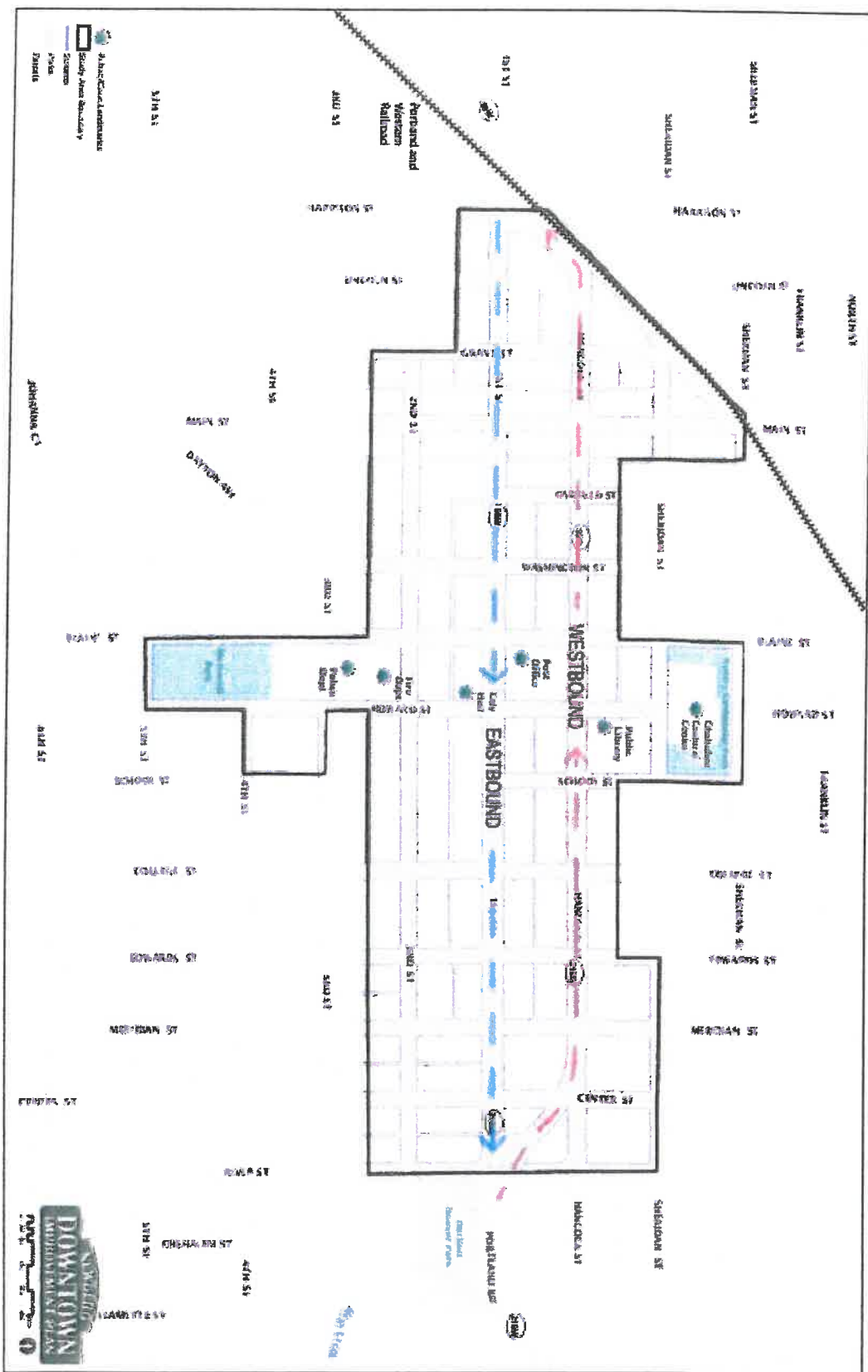
Funding, Administrative, and Organizational Actions

The actions below enable all of the big ideas to be realized, transcending any one individual concept. These actions provide the funding mechanisms and organizational structure for carrying out all of the other projects and actions in the Plan. These actions include:

- *Creation of an Urban Renewal Program.* Urban Renewal programs are powerful, robust City-controlled redevelopment tools that enable the planning, funding, and implementation of significant public infrastructure improvements, and provide support for private development. By leveraging local tax increment, urban renewal programs increase the public sector's borrowing capacity and increase capital project investment.
- *Economic or Business Improvement District.* EIDs and BIDs provide ongoing funding for downtown activities, modest capital projects, public art, and operations and maintenance. These organizations also provide a forum for downtown business and property owners to discuss downtown related topics and issues.
- *Regulatory Improvements.* Downtowns continually evolve. For this reason, it is crucial for regulations and policies to remain flexible and, on an ongoing basis, to look to codify and synchronize policies with current projects and actions. Amendments to the City's Comprehensive Plan and Zoning Redevelopment Code and the creation of
 - design guidelines for a new M-5 zone are proposed as actions to be taken in the short term.
 - *Parking Management.* Parking management plans provide a comprehensive strategy for facilitating parking in the downtown area and planning for future parking needs. Parking is effectively managed through a number of simultaneous policies, programs, and actions. For a full description of parking management tasks, please refer to the Downtown Strategic Parking Management Plan in Appendix E.
 - *Downtown Development Ombudsman.* This position would provide a single point of contact for property owners and developers for any issue pertaining to real estate development. The ombudsman would also act as a mediator for resolving downtown development conflicts, and champion local development initiatives. It is recommended that an initial investment of a half-time employee position be provided to serve in this role.
 - *Downtown Partnership.* This partnership brings together notable community leaders to champion and raise funds for significant community projects. Although projects can be citywide, the primary focus of this committee should be on activity generating projects that draw users to the downtown area.
 - *Other funding tools.* The State of Oregon enables the use of a variety of tools to help facilitate development as envisioned within this Plan and they should be considered for application within downtown Newberg.
 - ◊ *Vertical Housing Program.* The Vertical Housing Program is a state tax abatement program that allows for a tax exemption of up to 80 percent of the improvement over a 10-year term for mixed-use projects in Vertical Housing Development Zones (VHDZ) designated by local jurisdictions. The ground floor of the project is required to be a non-residential use. An additional tax exemption of up to 80 percent may be given on the land for qualifying projects providing low-income housing (set at 80 percent

- of area median income or below). This program could be used to incentivize mixed-use housing development in the downtown Newberg, if the City adopts the incentive.
- ◊ *New Market Tax Credits.* The New Markets Tax Credit program is a state program aimed at helping finance investments and create jobs in low-income communities. The program delivers below-market-rate investment options to Oregon businesses and helps attract additional Federal New Markets Tax Credit investments in Oregon. As one of the communities eligible for new market tax credits, Newberg could potentially develop the community development corporation needed to secure new market tax credits and use the resources as incentives to induce employment opportunities.
- ◊ *Multi-Unit Housing Tax Incentive.* The Multi-Unit Housing Tax Incentive is intended to stimulate construction of transit-supportive multiple-unit housing. The tax incentive is a 10-year property tax abatement for new or converted, non-transient housing units constructed within a designated boundary and providing one or more public benefits. Newberg can consider setting up the procedures for reviewing and approving applications for this tax incentive in coordination with State statute (ORS 307.600-690).
- ◊ *EB-5 Program.* The Federal government created and administers the EB-5 Program to stimulate the U.S. economy through job creation and capital investment by foreign investors. Under this program, entrepreneurs who reside outside of the United States (and their families) are eligible to apply for permanent residence status if they:
 - » Make the necessary investment in a commercial enterprise in the United States. This investment must be at least \$500,000, and often must be \$1 million or more.
 - » Plan to create or preserve 10 permanent full-time jobs for qualified U.S. workers.
- This program is known as EB-5 for the name of the visa that participants receive. In order for cities or counties to attract investment from an EB-5-eligible investor, they must have a designated “regional center,” a designation awarded by the U.S. Citizenship and Immigration Services via a competitive process. The government takes into account the proponent’s economic development plan, job creation, and investment benefits when considering center designations. For more information, see <https://www.uscis.gov/eb-5>.
- ◊ *Local Improvement District (LID).* A LID is a special district within which properties are assessed a fee to pay for specific infrastructure improvements that benefit a specifically-identified district. Revenues can be collected up front or paid over a fixed period of time in annual assessments. LIDs are typically formed by a voluntary petition of affected property owners. In the context of downtown Newberg, infrastructure improvements that could be paid for by a LID and that would benefit surrounding property owners could include streetscape improvements, lighting, utility undergrounding, parks and open space improvements, and other capital projects. LIDs are most frequently used in new development areas where no infrastructure exists, although there are examples where it has been used in a downtown setting (Portland’s transit mall and the Portland Streetcar are two examples).

Attachment 2: NDIP Map/VHDZ Area



Attachment 3: VHDZ ORS 307.841-307.867

CHAPTER 326

AN ACT

SB 310

Relating to vertical housing development zone program administration; creating new provisions; amending ORS 307.841, 307.844, 307.854, 307.857, 307.861, 307.864, 307.866 and 307.867 and section 13, chapter 119, Oregon Laws 2005; repealing ORS 307.847 and 307.851; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 307.841 is amended to read: 307.841. As used in ORS 307.841 to 307.867:

(1) "Construction" means the development of land and the construction of improvements to land, and may be further defined by the *[Housing and Community Services Department by rule]* city or county that designated the vertical housing development zone under ORS 307.844.

(2) "Displacement" means a situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence and that:

(a) A reasonable person would consider to be beyond the household's ability to prevent or control;

(b) Occur despite the household's having met all previously imposed conditions of occupancy; and

(c) Make continued occupancy of the residence by the household unaffordable, hazardous or impossible.

[(2)] (3) "Equalized floor" means the quotient determined under ORS 307.857 [(3)(b)] (4)(b).

[(3) "Light rail station area" has the meaning given that term in ORS 307.603.]

(4) "Low income residential housing" means housing that is restricted to occupancy by persons or families whose income is no greater than 80 percent of area median income, adjusted for family size, as determined by the **Housing and Community Services Department**.

(5) "Nonresidential use" means any use that is not exclusively residential use.

(6) "Rehabilitation" means *[the substantial]* repair or replacement of improvements, including fixtures, or land developments, the cost of which equals at least 20 percent of the real market value of the improvements or land developments being repaired or replaced, and may be further defined by the *[department by rule]* city or county that designated the zone.

[(7) "Transit oriented area" has the meaning given that term in ORS 307.603.]

[(8)] (7) "Vertical housing development project" or "project" means the construction or rehabilitation of a multiple-story building, or a group of buildings, including at least one multiple-story building, so that

a portion of the project is to be used for nonresidential uses and a portion of the project is to be used for residential uses.

[(9)] (8) "Vertical housing development zone" or "zone" means an area that has been designated a vertical housing development zone under ORS [307.847] **307.844**.

SECTION 2. ORS 307.844 is amended to read:

307.844. (1)(a) A city may *[apply to the Housing and Community Services Department for designation of an]* **designate** an area within the city as a vertical housing development zone.

(b) A county may *[apply to the Housing and Community Services Department for designation of an unincorporated area within the county]* **designate** as a vertical housing development zone **an area that is subject to a goal exception for residential use approved under ORS 197.732**.

(2) With the prior consent of the governing body of each city in which a proposed vertical housing development zone is to be located, a county may *[apply to the department for designation of]* **designate** any area within each city that has given consent for vertical housing development zone designation **as a vertical housing development zone**.

(3) A city and a county, or any combination of cities and counties, may *[apply to the department for designation of an]* **designate** an area *[situated]* within each *[applying]* jurisdiction as a vertical housing development zone.

(4) A local taxing district may elect not to participate in a vertical housing development zone. A local taxing district that elects not to participate may continue to impose taxes on property otherwise exempt from ad valorem property tax under ORS 307.864.

(5) A city or county must consider the potential for displacement of households within a proposed vertical housing development zone before designating the zone.

[(5)] (6)(a) *[An application for designation of]* **Before designating** a vertical housing development zone *[must be submitted to the department. The application shall be in the form and contain the information required by the department, including:]*

[(a) A list of], a city or county, as applicable, **must notify** the local taxing districts, other than the *[applicant]* city or county, that have territory in the proposed vertical housing development zone of the city's or county's intention to designate a vertical housing development zone.

(b) *[A copy of a written notification that the applicant mailed to the local taxing districts listed pursuant to paragraph (a) of this subsection that]* **The notice required under paragraph (a) of this subsection must be sent by regular mail and must:**

(A) *[Describes]* **Describe** the proposed vertical housing development zone;

(B) *[Explains]* **Explain** the exemption described in ORS 307.864 that would apply if the proposed zone is designated; and

(C) *[Explains]* **Explain** the process by which a local taxing district may elect not to participate in the vertical housing development zone; *and*].

[(D) Is in a form that is satisfactory to the department.]

(c) *[A statement signed by the applicant attesting that the notification described in paragraph (b) of this subsection was sent by regular mail to each local taxing district listed pursuant to paragraph (a) of this subsection.]* Notice of the election of a district listed in ORS 198.010 or 198.180 not to participate in the vertical housing development zone must be received by the city or county, as applicable, within 30 days after the district receives the notice required under paragraph (a) of this subsection.

[(6) The application shall:]

[(a) Be filed on behalf of one or more local government units as described in subsections (1) to (3) of this section by action of the governing body of each applicant;]

[(b) Contain a description of the area sought to be designated as a vertical housing development zone, including proposed zone boundaries;]

[(c) Contain the reasons that all or a portion of a proposed zone constitutes a core area of an urban center, a light rail system area or a transit oriented area; and]

[(d) Contain any other information required by the department.]

[(7) The applicant shall submit to the department, within 30 days following the date the application is filed with the department, a list of the local taxing districts that elected not to participate in the vertical housing development zone.]

(7)(a) Not sooner than 60 days after sending the notice required under subsection (6)(a) of this section, the governing body of the city or county that seeks to designate a vertical housing development zone may adopt an ordinance or resolution designating the vertical housing development zone and describing the area and boundaries of the zone. The ordinance or resolution may include additional criteria for certification of a vertical housing development project that do not conflict with the requirements described in section 5 of this 2017 Act.

(b) As soon as practicable after adopting the ordinance or resolution designating the zone, the governing body shall notify the assessor of the county in which the zone is located of the designation of the zone and the districts that elected not to participate in the zone.

SECTION 3. ORS 307.854 is amended to read:

307.854. (1) Following the designation of a vertical housing development zone under ORS [307.847] 307.844, the city or county that *[sought zone designation]* **designated the zone** may acquire or dispose of real property within the zone for the purpose of developing vertical housing development projects within the zone.

(2) The development of projects may be undertaken by the city or county independently, jointly or in partnership with a private entity or may be undertaken by a private entity acting independently.

(3) The entities undertaking the development of property under this section may own and operate the developed property or may sell or otherwise dispose of the property at any time during or after development. The property may be sold at the property's real market value or at a lesser value.

SECTION 4. Section 5 of this 2017 Act is added to and made a part of ORS 307.841 to 307.867.

SECTION 5. (1) A city or county may not certify a vertical housing development project under ORS 307.857 unless the project meets all requirements of this section.

(2) The project must be entirely located within a vertical housing development zone designated by the city or county with which the application for certification is filed.

(3) The project must include one or more equalized floors.

(4) Construction or rehabilitation must have been started on each building included in the project, including, but not limited to, additions that expand or enlarge an existing building.

(5)(a) At least 50 percent of the project's ground floor that fronts on the primary public street must be committed to nonresidential use. If a project has access to only one public street, the square footage of driveways, loading docks, bike storage, garbage receptacles and building entryways shall be excluded before applying the 50 percent test.

(b) For the project's ground floor to be considered committed to nonresidential use, all ground floor interior spaces that front on the primary public street must be constructed to building code standards for commercial use or planned for commercial use upon completion.

SECTION 6. ORS 307.857 is amended to read:

307.857. (1) Following the designation of a vertical housing development zone under ORS [307.847] 307.844, a person proposing to undertake a proposed vertical housing development project and seeking the partial property tax exemption set forth in ORS 307.864 shall apply to the *[Housing and Community Services Department]* **governing body of the city or county that designated the zone for certification of the project. Each phase of a phased development, whether vertical or horizontal, requires a separate application.**

(2) The application must be satisfactory to the *[department]* **city or county** in form and content and *[shall]* **must** contain any information required by the *[department]* **city or county**, including all of the following:

(a) The address and boundaries of the proposed vertical housing development project[.].

(b) A description of the existing state of the property[;].

(c) A description of the proposed project construction or rehabilitation, including the design of the construction or rehabilitation, the cost of the construction or rehabilitation and the number of floors and residential units to be constructed or rehabilitated[;].

(d) A description of the nonresidential uses to which any portion of the proposed project is to be put, including the proportion of total square footage of the project proposed for nonresidential uses[;].

(e) A description of the proposed portion of the project to be used for residential uses, including the proportion of total square footage of the project proposed for residential uses[;].

(f) A description of the number and nature of residential units in the proposed project that are to be low income residential housing, including the proportion of total square footage of the project proposed for low income residential housing uses[;].

(g) The calculation and allocations described under subsection [(3)] (4) of this section[; and].

(h) **Documentation establishing the costs of construction and rehabilitation with respect to the project.**

[(h)] (i) A commitment that is satisfactory to the [department] **city or county**, including documentation and evidence of recording of the documentation, that the project will be maintained and operated in a manner consistent with the application submitted under this section for the duration of the commitment. The duration of the commitment, **including the eligibility of units in the project as low income residential housing**, may not be less than the number of tax years for which the project is intended to be partially exempt from ad valorem property taxes under ORS 307.864.

(3) For purposes of this section, square footage does not include areas used for parking, patios or porches, unless these areas are demonstrated to the satisfaction of the city or county to be economically necessary to the project or the city or county otherwise determines that it is appropriate to include the areas in square footage.

[(3)(a)] (4)(a) Each application filed under this section shall contain a calculation of equalized floors, an allocation of equalized floors to residential uses and an allocation of equalized floors to low income residential housing uses as determined under this subsection.

(b) An equalized floor is the quotient that results from the division of total square footage of a project by the number of actual floors of the project that are at least 500 square feet per floor, or as may be increased or otherwise qualified by the [department] **city or county** by rule.

(c) To allocate equalized floors to residential uses, divide the total square footage of residential property in the project by the square footage of an equalized floor.

(d) To allocate equalized floors to low income residential housing use, divide the total square footage of low income residential housing property in the project by the square footage of an equalized floor. In determining the square footage of low income residential housing property, include that proportion of the square footage of residential common space that is the same as the proportion of the total square footage of low income residential housing units to the total square footage of all residential housing units.

(e) Land that is necessary for a project having at least one equalized floor of low income residential housing may be certified for partial exemption. Land that is not necessary for the project may not be certified for partial exemption.

[(4)] (5)(a) **For rehabilitation that does not involve displacement of tenants, the application must be filed on or before the date on which the rehabilitation is complete.**

(b) The application must be filed [under this section] on or before the date **on which** residential units that are a part of the vertical housing development project are ready for occupancy.

[(5)] (6) The [department] **city or county** shall review each application submitted under this section and shall certify or deny certification based on whether the proposed vertical housing development project meets **the requirements described in section 5 of this 2017 Act** and all criteria established by the [department by rule] **city or county** that are consistent with ORS 307.841 to 307.867.

[(6)] (7) The [department] **city or county** may request any documentation or undertake any investigation necessary to ascertain the veracity of any statement made on an application under this section.

[(7)] (8) The certification issued by the [department] **city or county** shall:

(a) Identify the property included in the certified vertical housing development project;

(b) Identify the number of equalized floors of residential housing in the project and include a description of the property of each equalized floor;

(c) Identify the number of equalized floors of low income residential housing in the project and include a description of the property of each equalized floor; and

(d) Contain any other information prescribed by the [department] **city or county**.

[(8)] (9) The determination of the [department] **city or county** to certify or deny certification is a discretionary determination. The determination is final and is not subject to judicial or administrative review.

[(9)] (10) The [department] **city or county** may charge appropriate fees to offset the cost of administering the application and certification process under this section and any other related costs.

SECTION 7. ORS 307.861 is amended to read:
307.861. (1) Upon determining to certify a vertical housing development project **under ORS**

307.857, the [*Housing and Community Services Department*] **city or county** shall send a copy of the certification to the county assessor of the county in which the project is to be located. **The certification must be accompanied by a description of the property granted partial exemption under ORS 307.864.**

(2) At any time after certification and prior to the end of the exemption period, the [*department*] **city or county** may:

(a) Request documentation, undertake investigations or otherwise review and monitor the project to ensure ongoing compliance by project applicants and owners[; and].

(b) Undertake any remedial action that the [*department*] **city or county** determines to be necessary or appropriate to fulfill the purposes of ORS 307.841 to 307.867, including issuing a notice of decertification directing the county assessor to disqualify all or a portion of a project.

(3)(a) [The] A notice of decertification [notice] issued under subsection (2)(b) of this section shall identify:

(A) The property decertified from the vertical housing development project;

(B) The number of equalized floors that have ceased qualifying as residential housing for purposes of ORS 307.841 to 307.867;

(C) The number of equalized floors that have ceased qualifying as low income residential housing for purposes of ORS 307.841 to 307.867;

(D) The remaining number of equalized floors of residential housing in the project and include a description of the property of each remaining equalized floor; and

(E) The remaining number of equalized floors of low income residential housing in the project and include a description of the property of each remaining equalized floor of low income residential housing.

[(3)] (b) [A] The notice of decertification [issued under subsection (2) of this section] shall include any other information prescribed by the [department] city or county.

[(4)] (c) The [department] city or county shall send copies of [a] the notice of decertification [issued under subsection (2) of this section] to the property owner and the county assessor of the county in which the property is located.

SECTION 8. ORS 307.864 is amended to read:

307.864. (1) For the first tax year in which, as of the assessment date, a vertical housing development project is occupied or ready for occupancy following certification under ORS 307.857, and for the next nine consecutive tax years:

(a) The property of the vertical housing development project, except for the land of the project, shall be partially exempt from ad valorem property taxes imposed by local taxing districts, other than the districts that elected not to participate in the vertical housing development zone [as described in] **pursuant to ORS 307.844 (4)**, according to the following

schedule and as identified in the certification issued [by the department] under ORS 307.857 [(7)] (8):

(A) If the project consists of the equivalent of one equalized floor allocated to residential housing, the project shall be 20 percent exempt.

(B) If the project consists of the equivalent of two equalized floors allocated to residential housing, the project shall be 40 percent exempt.

(C) If the project consists of the equivalent of three equalized floors allocated to residential housing, the project shall be 60 percent exempt.

(D) If the project consists of the equivalent of four or more equalized floors allocated to residential housing, the project shall be 80 percent exempt.

(b) The land of the vertical housing development project shall be partially exempt from ad valorem property taxes imposed by local taxing districts, other than the districts that elected not to participate in the vertical housing development zone [as described in] **pursuant to ORS 307.844 (4)**, in the same percentages determined under paragraph (a) of this subsection, for each equalized floor allocated to low income residential housing, as identified in the certification issued [by the department] under ORS 307.857 [(7)] (8).

(2) In order for the property of a vertical housing development project to receive the partial property tax exemption described in subsection (1) of this section, the vertical housing development project property owner, project applicant or other person responsible for the payment of property taxes on the project must notify the [*Housing and Community Services Department*] **city or county** that the project is occupied or ready for occupancy, and the [*department*] **city or county** must notify the assessor of the county in which the project is located, in the manner set forth in ORS 307.512, that the project is occupied or ready for occupancy and has been certified [by the department] under ORS 307.857.

SECTION 9. ORS 307.866 is amended to read:

307.866. (1)(a) During the period in which property of a vertical housing development project would otherwise be partially exempt under ORS 307.864 (1)(a), if all or a portion of the project has been decertified [by the *Housing and Community Services Department*] under ORS 307.861, the property is disqualified from exemption in proportion to the equivalent of each equalized floor that has ceased qualifying as residential housing, as set forth in the notice of decertification.

(b) During the period in which the land of a vertical housing development project would otherwise be partially exempt under ORS 307.864 (1)(b), if all or a portion of the project has been decertified [by the *Housing and Community Services Department*] under ORS 307.861, the land is disqualified from exemption in proportion to the equivalent number of equalized floors that have ceased qualifying as low income residential housing, as set forth in the notice of decertification.

(2) Notwithstanding ORS 307.864, there shall be added to the general property tax roll for the tax

year next following decertification described in subsection (1) of this section, to be collected and distributed in the same manner as other real property tax, an amount equal to the difference between the taxes assessed against the property and land granted exemption under ORS 307.864 and the taxes that would have been assessed against the property and land but for the exemption for each of the years, not to exceed the last 10 years, during which the property and land were exempt from taxation under ORS 307.864.

(3) Notwithstanding ORS 307.864, if, after a period of exemption under ORS 307.864 has terminated, the [Housing and Community Services Department] city or county that designated the zone in which the project is located discovers that the property or land of a vertical housing development project was granted exemption to which the project was not entitled, additional taxes may be collected as provided in subsection (2) of this section, except that the number of years for which the additional taxes may be collected shall be reduced by one year for each year that has elapsed since the year the property or land was last granted exemption, beginning with the [oldest] earliest year for which additional taxes are due.

(4) The assessment and tax rolls shall show potential additional tax liability for all property and land granted exemption under ORS 307.864.

(5) Additional taxes collected under this section shall be deemed to have been imposed in the year to which the additional taxes relate.

SECTION 10. ORS 307.867 is amended to read:

307.867. (1) *[Following vertical housing development zone designation under ORS 307.847, if the Housing and Community Services Department receives a request to terminate a vertical housing development zone from the applicant for zone designation under ORS 307.844, the department shall terminate the zone.] A city or county that designates a vertical housing development zone under ORS 307.844 may terminate the zone at any time.*

(2) The termination of a zone under this section does not affect the exemption [of any property] from tax under ORS 307.864 *[if an application for the exemption was approved] of any property of a vertical housing development project that was certified under ORS 307.857 prior to the [zone] termination of the zone and that continues to qualify for the exemption at the time of the termination of the zone.*

SECTION 11. ORS 307.847 and 307.851 are repealed.

SECTION 12. (1) The amendments to ORS 307.841 by section 1 of this 2017 Act apply to property tax years beginning on or after July 1, 2017.

(2) Section 5 of this 2017 Act, the amendments to ORS 307.841, 307.844, 307.854, 307.857, 307.861, 307.864, 307.866 and 307.867 by sections 1 to 3 and 6 to 10 of this 2017 Act and the repeal of ORS 307.847 and 307.851 by section 11 of this 2017 Act become operative on January 1, 2018.

SECTION 13. (1) Property that was constructed pursuant to a certification for a partial property tax exemption under ORS 307.857 prior to the effective date of this 2017 Act shall continue to receive the exemption according to the same schedule and subject to the disqualification provisions of ORS 307.841 to 307.867 that were in effect and applied at the time the vertical housing development project was certified for partial property tax exemption.

(2) If an application for certification was filed with the Housing and Community Services Department prior to the effective date of this 2017 Act but not acted upon as of the effective date of this 2017 Act, the Housing and Community Services Department shall forward the application to the city or county, as applicable.

SECTION 14. Section 13, chapter 119, Oregon Laws 2005, as amended by section 4, chapter 507, Oregon Laws 2015, is amended to read:

Sec. 13. (1) The Housing and Community Services Department may not issue a certification under ORS 307.841 to 307.867 on or after January 1, [2026] 2018.

(2) A city or county may not issue a certification under ORS 307.841 to 307.867 on or after January 1, 2026.

SECTION 15. This 2017 Act takes effect on the 91st day after the date on which the 2017 regular session of the Seventy-ninth Legislative Assembly adjourns sine die.

Approved by the Governor June 14, 2017

Filed in the office of Secretary of State June 14, 2017

Effective date October 6, 2017

Attachment 4: Displacement Analysis

Memorandum

Date March 27, 2020
To Keith Leonard
City of Newberg
From Sam Brookham, Brian Vanneman
Leland Consulting Group
Subject City of Newberg Displacement Analysis

Introduction

The City of Newberg plans to adopt a Vertical Housing Development Zone (VHDZ) for a portion of the City's downtown, shown in Figure 1. VHDZs encourage mixed-use residential development by allowing a partial property tax exemption in designated areas within a city. In order to implement VHDZs, cities are required by state statute (ORS 307.844)¹ to "consider the potential for displacement (or involuntary relocation due to rising rents no longer being affordable) of households within a proposed vertical housing development zone before designating the zone."

Gentrification and displacement of communities are one of the most important issues to address in ensuring equity. Under-valued neighborhoods that become desirable are generally more susceptible to rising property values and changes to the demographic and economic conditions of the neighborhood. These changes include a greater proportion of higher-income households, and often there is a change in the racial and ethnic make-up of the neighborhood's residents and businesses.

For these reasons, the City of Newberg wishes to understand whether a VHDZ program in downtown Newberg is likely to contribute to displacement, although ORS 307.844 provides no guidance on what "considering" displacement means. Specifically, it states: "A city or county must consider the potential for displacement of households within a proposed vertical housing development zone before designating the zone."

In order to assess and quantify the potential for displacement as a result of the VHDZ, the City hired Leland Consulting group to conduct an assessment of the potential economic changes (rent) and physical changes (redevelopment) that might occur as a result of the tax abatement offered by VHDZ.

The proposed VHDZ boundary is shown in the following map, and generally matches the boundary of the City's Central Business District (C3) zone. The C3 zone generally allows a broad range of uses, including single-family (conditionally), multifamily, and mixed-use residential, office, retail, restaurants, and lodging.

¹ The 2017 State Legislature gave administration of Vertical Housing Development Zones (VHDZs) to cities and counties with the passage of Senate Bill 310. Jurisdictions are no longer required to apply to Oregon Housing and Community Services before designating a VHDZ. With that said, the bill lays out more standards to address equity and prescribe a broad implementation outline for cities and counties.

Figure 1. Proposed VHDZ Boundary



Contents

This report is organized as follows:

Background	3
Defining Gentrification and Displacement	3
How VHDZs Work	4
How VHDZs Could Lead to Displacement	4
Economic Vulnerability	5
Housing Inventory	7
Residential Market Dynamics	8
Development Opportunities	8
Market Trends	10
Displacement Risk Summary	14
Consideration of Other Policies and Programs	17
Gentrification and Displacement Research	18

Background

The foundation of this analysis is built on a comprehensive review of the best available displacement-related research from a variety of sources, from scientific journals and studies to blogs and media entries.

There is a vast array of research regarding displacement, yet much of it is presented within the context of gentrification. This research is often contradictory or conflicting and, therefore, must be filtered and assessed for its applicability to this analysis. Relevant research includes case studies of gentrifying smaller cities within commuting distance to larger metropolitan areas, research into the impacts of VHDZs in Oregon cities, and economic vulnerability assessments.

By summarizing the most applicable and best available research, we ensure our methodology is based on appropriate data and accurate assumptions.

Defining Gentrification and Displacement

Oregon Senate Bill 310 (SB310) defines displacement as: “a situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence and that:

- a) A reasonable person would consider to be beyond the household’s ability to prevent or control,
- b) Occur despite the household’s having met all previously imposed conditions of occupancy, and
- c) Make continued occupancy of the residence by the household unaffordable, hazardous or impossible.”

In a gentrification and displacement study by Dr. Lisa Bates for the City of Portland Bureau of Planning and Sustainability (BPS) in 2013, gentrification is defined as “housing market changes, economic status changes, and demographic changes in a neighborhood that alter its character.” Gentrification occurs when a neighborhood has attractive qualities—for example, location or historic architecture—but remains relatively low value. “Market and socioeconomic changes are problematic to vulnerable communities because they can cause displacement of households that have fewer resources to resist those changes.

This research also defines displacement as an event where “households or businesses involuntarily forced to move from a neighborhood because of increasing market values, rents, or changes in the neighborhood’s ability to meet basic needs in the case of households.” Displacement can be either physical or economic, both of which are defined in further detail below. Each type has distinct considerations for the purposes of a displacement risk analysis.

- **Direct/physical displacement:** Direct/physical displacement results from the redevelopment or rehabilitation of existing housing—usually older, lower value housing that is low-density—incited by VHDZ tax abatements, which directly forces people to relocate.
- **Indirect/economic displacement:** Indirect/economic displacement can occur if higher rents in new development incited by VHDZ tax abatements encourage owners of existing rental housing to raise their rents or renovate/reposition their properties, making it difficult or impossible for existing residents to remain.

How VHDZs Work

The Vertical Housing Program is a partial property tax exemption program for new mixed-use development. To qualify, a project must have improved, leasable, non-residential development on the ground floor, and residential development on the floors above. The exact method for calculating the property tax exemption is spelled out in the Statute but generally, for each full floor of residential use above the non-residential development, there is an up to 20 percent property tax exemption.

The partial property tax exemption applies only to the building value and not the land value. The property tax exemption may be for up to 10 years. The maximum property tax exemption is 80 percent of the building value.

If affordable low-income housing is included in the proposal, the land value may also be exempted from property tax. However, developers rarely opt to use the VHDZ credit for affordable projects because the partial property tax abatement enabled through VHDZ is typically insufficient to incentivize affordable housing development on its own.

To enable developers to apply for the tax exemption, a city must designate one or more specific geographies as a VHDZ. The amount and duration of the tax abatement are specified in state statute and does not vary across jurisdictions. Developers must apply to the city for the abatement, but the review process is focused on ensuring the project meets certain criteria and is not a highly discretionary decision.

How VHDZs Could Lead to Displacement

Understanding the potential for displacement resulting from a VHDZ requires understanding how the tax abatement impacts development feasibility. There are two ways that a VHDZ could result in displacement:

Direct/Physical Displacement: Developers consider a wide array of factors (such as achievable rents, construction costs, amenities, and access) when deciding whether to pursue a development or redevelopment project. In some cases, the VHDZ tax abatements could incentivize a developer to rehabilitate or replace older, less expensive housing (typically low-density) with newer, higher-priced units by improving the financial feasibility of projects. This could directly force the relocation of people who may not be able to afford the higher rents in the new development.

Indirect/Economic Displacement: Tax abatements offered through the VHDZ could also result in indirect/economic displacement if new development incented through the program rents or sells at price points that encourage owners of existing rental housing to raise their rents or renovate/reposition their properties, making it difficult for existing residents to remain and potentially causing displacement.

On the other hand, in markets where supply is tight, but demand is high—as is the case in Newberg, indirect or economic displacement can occur regardless of whether there is new construction. Pent-up demand may put market pressures on the existing housing stock and drive up rents. In this scenario, the VHDZ tax abatement could actually help to increase the supply of housing to meet market demand, thus offering more housing choices and reducing the risk of displacement. New housing construction, in theory, allows higher-income households to move into newer units and vacate older, often lower quality housing stock for households with lower incomes.

With this said, this analysis looks at the potential for both economic and physical displacement in Newberg's proposed VHDZ and does not analyze the potential positive impacts of the VHDZ.

Economic Vulnerability

Vulnerability to economic forces changes depending on socioeconomic status. Variables that determine this status include income, tenure, education, and race. Borrowing a methodology developed by Dr. Lisa Bates and the City of Portland Bureau of Planning and Sustainability (BPS) in 2013 as part of an effort to evaluate and better manage potential gentrification impacts of new policies and programs, we assessed vulnerability risk in Newberg and created maps to show differences across the City.

These “vulnerability risk” maps help to assess the vulnerability of different neighborhoods to increased gentrification pressure. Although gentrification *can* also have impacts on businesses or commercial space, Bates’ research focused on the risks for residential displacement, as we do here.

Economic vulnerability is measured across four variables: households that rent, people who identify with a community of color, people without four-year degrees, and low-income households.

These socioeconomic factors indicate a reduced ability to withstand housing market price increases caused by gentrification. This assumption, as previously documented in this memo, is based on a wealth of research and studies.

The vulnerability analysis involves assigning a “vulnerability score,” detailed by Bates’ (2013) gentrification and displacement study, that can range between 0 and 4 for each of the census tracts based on the four risk factors described above. One point is awarded for each condition that is true in the following table. Under the 2013 definition, a census tract is considered vulnerable if its vulnerability score is 3 or 4.

Risk Factor	Evaluation Criteria	Yamhill County Avg. 2010	Yamhill County Avg. 2017	Vulnerability Score: Yes (1)	Vulnerability Score: No (0)
Percent Renters	Is the proportion of renters in the census tract greater than the county average?	29.7%	32.1%	1	0
Percent Communities of Color	Is the proportion of Communities of Color in the census tract greater than the county average?	20.0%	22.4%	1	0
Percent of Population Age 25+ Without a Bachelor’s Degree	Is the proportion of the population aged 25 or older without a four-year degree in the census tract greater than the county average?	77.0%	74.7%	1	0
Percent of Households with Income at or less than 80 percent AMI	Is the proportion of low-income households (income at or below 80 percent area median income) in the census tract greater than the county average?	38.9%	39.5%	1	0

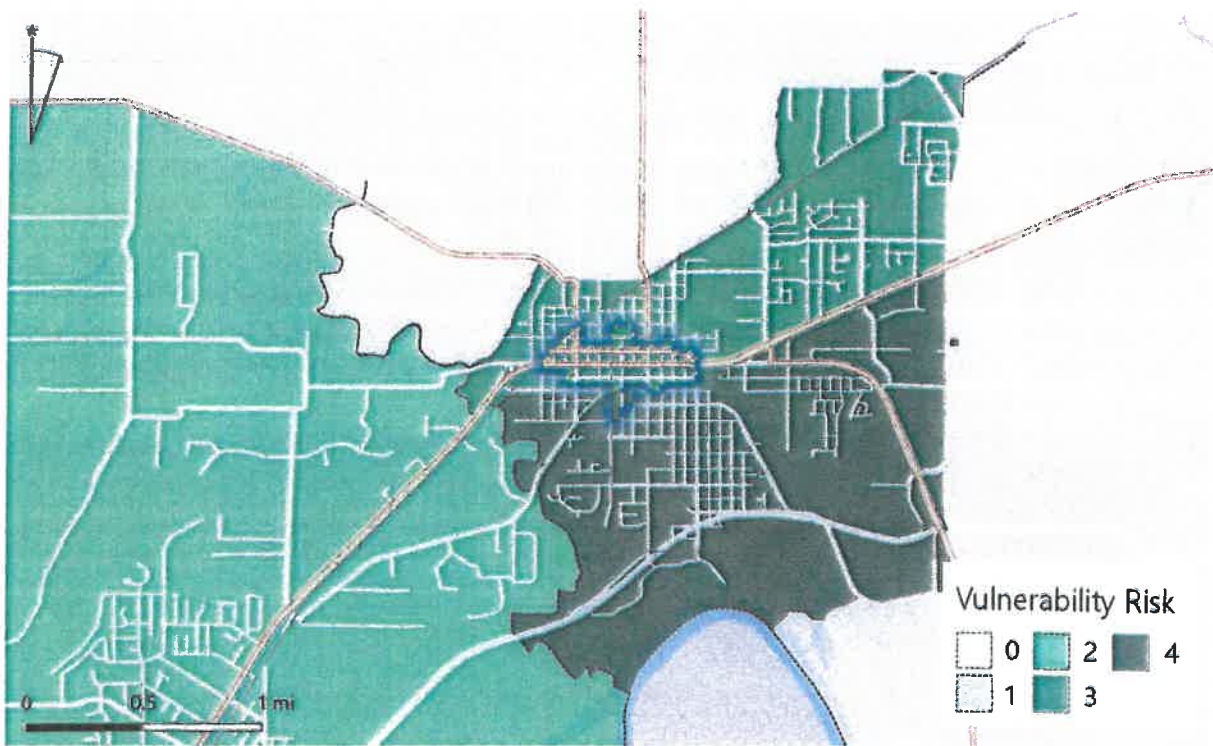
Source: 2013 BPS Gentrification and Displacement Study: <https://www.portlandoregon.gov/bps/62635>; American Community Survey (from US Census Bureau) 5-year Estimates (2012-2017)

City of Newberg Displacement Analysis

These data are available in their smallest form by census tract. The City of Newberg is comprised of four census tracts, three of which extend beyond the boundaries of the City (Tracts 41071030102, 41071030101, and 41071030202). The fourth tract (41071030201) includes downtown and generally covers the width of the City from Highway 99W to the train tracks.

As the following map shows, the Riverfront census tract, which includes a small portion of the proposed VHDZ boundary, is considered highly at risk, with a vulnerability score of 4. The downtown census tract, which encompasses most of the VHDZ, is considered at risk, with a vulnerability score of 3.

Figure 2. Vulnerability Risk, 2017



Source: Leland Consulting group, U.S. Census Bureau (ACS, Tiger)

While these data are for 2017 (the latest available), running the same analysis for 2010 shows increasing vulnerability, with a higher proportion of renters, communities of color, and low-income households, particularly for downtown Newberg. Education levels, generally, have improved. This follows the Yamhill County trend, although Newberg has experienced a greater degree of change, perhaps as a result of its proximity to the Portland metro versus other cities in the County.

Of course, assessing economic vulnerability at the census tract level cannot show potential site-specific impacts. In order to identify such impacts, it is necessary to identify site-specific development inventory and document an inventory of housing units and their inhabitants at the parcel level.

Housing Inventory

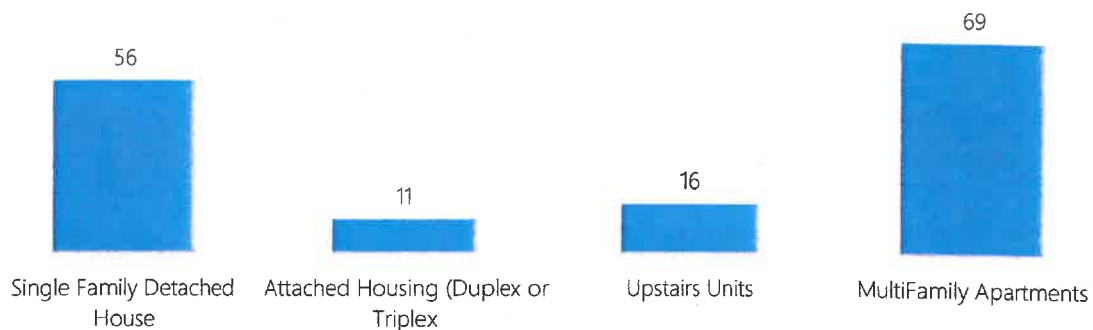
In order to analyze displacement risk, we must document the number of residents living in rental and owned housing in the proposed VHDZ. Given the research presented earlier in this report, our focus will be on rental units rather than detached single-family housing. It is worth noting that some single-family homes will be rental properties and the residents, therefore, will be more at risk of displacement than owner-occupied homes; however, short of conducting a door-to-door survey, it is difficult to be so specific.

A variety of sources were used to complete the inventory to a reasonable degree of accuracy. Specifically, we borrowed data from a prior inventory of downtown housing conducted in 2015, which categorized residential units by single-family detached, single-family attached (duplex, townhomes, etc.), multifamily apartments, and lofts (smaller units above ground-floor commercial). To check, update, and supplement this inventory, we utilized Costar² (a comprehensive real estate database for multifamily rental), Yamhill County taxlot information, and other information provided by City staff.

A summary of housing units in the VHDZ is provided in the figure below. This inventory includes a 20-unit multifamily project recently completed in February of this year. At an average household size of 2.43 (citywide), these 152 units theoretically house 369 residents within the VHDZ, approximately 233 of which are expected renters.

Generally, the greatest proportion of renters will be in multifamily apartments, followed by attached housing and upstairs units. These renters are at the greatest risk of economic displacement. As noted, residents living in detached single-family housing are more likely to be owner-occupied and, therefore, are less vulnerable to economic displacement. Residents with homes on underutilized or prized lots—such as low-value or smaller homes on large or well-located lots—may be more prone to direct displacement forces, but homeowners are able to make this choice and benefit financially rather than being forced out of their home.

Figure 3. VHDZ Housing Unit Inventory (January 2020)



Source: City of Newberg, Costar, Leland Consulting Group

² CoStar's comprehensive real estate database for multifamily (rental) data which provides information about rent history, unit availability, unit type and size, amenities, and other features. While CoStar is one of the most trusted and comprehensive databases available in the industry, it has limitations. Although Costar tracks properties as small as duplexes, some properties—particularly older developments with less than 10 units—are sometimes not captured in the database. Further, CoStar does not include single-family rentals and is often less complete in "secondary" markets, such as Newberg.

Residential Market Dynamics

This section briefly addresses recent market trends, development opportunities, and redevelopment potential in the proposed VHDZ area within the context of displacement risk.

Displacement risk is highest in communities with economies and real estate markets that are favorable to redevelopment. This is usually in larger cities where vacant land is limited—meaning new construction must redevelop existing properties—and rents support the higher cost of redevelopment. If there is plentiful vacant land on which to develop or redevelopment is not financially feasible, direct displacement is unlikely. Economic displacement may have more of an impact under this latter scenario given the rent increases that could potentially occur within the district as a result of new construction. As the following text outlines, however, the rate of construction is unlikely to increase to an extent that would have a significant impact on surrounding, older properties.

Development Opportunities

This section seeks to document development capacity in downtown Newberg. We do this by analyzing vacant and underutilized land to document whether there is the capacity for new development, or whether the redevelopment of existing buildings is necessary. In short, investment almost always flows to the simplest development sites, which is vacant/underutilized rather than actively rented units with cash flow.³

Vacant land, however, is only one of many characteristics that developers look for while prospecting for potential development sites. Above all else, the size, dimensions, and configuration (including access) of land is most important. For multifamily development, the land needs to total at least 0.25 acres in size and be a regularly shaped, developable lot. For mixed-use multifamily residential, 0.5 acres is optimum, especially in Newberg where most projects will be surface parked. Developer's considerations for other land characteristics, in descending order of importance, include:

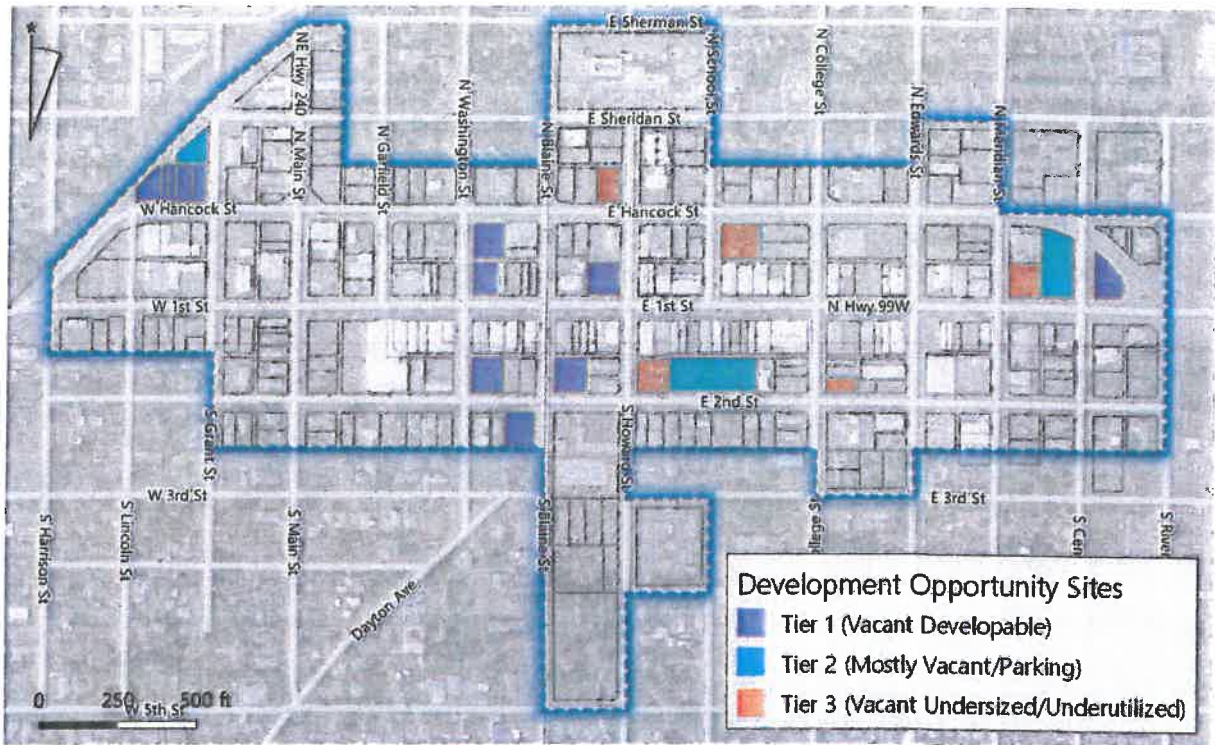
- Large parcels or multiple contiguous parcels with single ownership.
- Publicly-owned underutilized land.
- Low-value properties that are adjacent to high-value properties.
- Vacant land or underutilized land parcels with non-contiguous ownership

It is important, therefore, to identify development opportunity sites within the VHDZ, understand the rate of development, and quantify the absorption schedule relative to the rest of the City. Only after there are no more existing opportunity sites should we consider the potential for redevelopment and displacement potential.

The following map shows 13 potential development opportunity sites totaling 4.71 acres, selected using the criteria listed above.

³ In development economics, vacant and underutilized land will always attract more attention from prospective developers than lots with existing buildings. This is because developers will seek to maximize their return-on-investment, and the cost of acquiring then redeveloping a property with an existing building is more expensive than acquiring and developing vacant land.

Figure 4. Development Opportunity Sites



Source: Yamhill County Assessor, Leland Consulting Group

These sites are tiered based on the extent of the opportunity. The three tiers are:

- Tier 1: Vacant, developable land
- Tier 2: Most vacant/parking
- Tier 3: Underutilized/vacant and undersized

The following table shows specific details about these 20 parcels.

Table 1. Development Opportunity Site Details

Property	Number of Owners	Number of Parcels	Opportunity Status	Lot Square Feet	Notes
First and Howard	1	1	Tier 1	10,300	City-owned
First and Washington	1	1	Tier 1	8,240	
Hancock and Howard	1	1	Tier 3	8,450	
Hancock and School	1	1	Tier 2	13,332	
Hancock and Washington	1	1	Tier 1	10,990	
Hwy 99W and Center	1	1	Tier 1	9,973	
	1	1	Tier 2	20,918	
	1	1	Tier 3	11,000	
Railway and Hancock	1	5	Tier 1	24,670	
	1	1	Tier 2	7,830	
Second and Blaine (NE)	1	1	Tier 1	11,441	
Second and Blaine (SW)	1	1	Tier 1	10,396	
Second and College	1	1	Tier 3	5,000	
Second and Washington	1	1	Tier 2	11,300	
Second and Howard (E)	1	1	Tier 3	31,049	City-owned
Second and Howard (W)	1	1	Tier 1	10,440	
13	16	20		205,330	

Source: Yamhill County Assessor, Leland Consulting Group

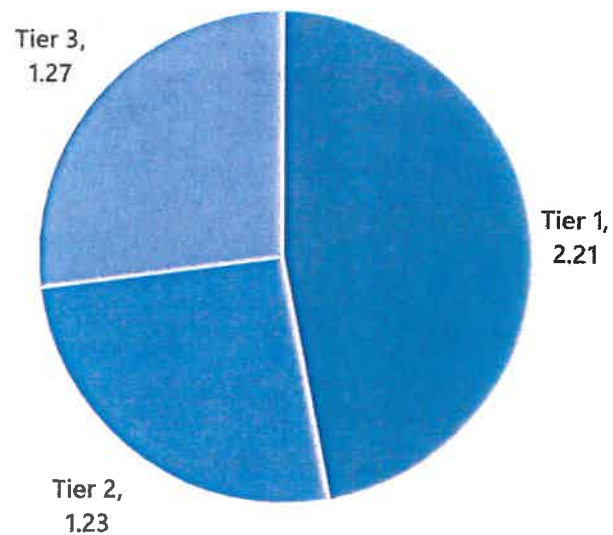
As the table above and chart at right show, approximately half of the development opportunity sites are truly vacant and developable, and cannot, therefore, contribute to direct displacement.

Just over one-quarter of the sites are being used for parking or are mostly vacant. The remaining sites (Tier 3) are highly underutilized or not suitable for development due to the characteristics of the site. These sites do not currently include any residential units, so redevelopment would not contribute to residential displacement. With that said, there are some small commercial enterprises operating on these sites, so direct business displacement could occur.

Market Trends

It is important to consider market trends to establish whether the type of development that would be eligible for the VHDZ program could be supported by the current or future Newberg market.

Opportunity Site Acreage by Tier



Multifamily Trends

Newberg is home to Yamhill County's most expensive communities, with rental rents averaging at least \$1,200 per month. Newberg is home to George Fox University and A-dec, both large regional employers, and Highway 99W runs through the city. Given Newberg's proximity to the City of Portland, it is well poised to capture Portland or metro area workers and telecommuters. As the Portland market heated up post-recession—and continued to grow—some spillover to Newberg is expected.

The following figure shows the current market metrics and trends over the past five years. Key takeaways are as follow:

- Despite an unprecedented rate of multifamily housing construction in recent years, the City of Newberg still has a vacancy rate of 4.1 percent, well below the equilibrium rate of 5.0 percent, indicating strong demand for additional housing.
- The City has experienced an unprecedented absorption rate, further demonstrating the demand for new housing. The market has absorbed new units as soon as they have been delivered to the market.
- Probably due to the delivery of a glut of new apartment units, the average rent per unit is trending higher than the historical average.
- Despite these statistics, average rent growth has closely followed the rate of inflation and has been declining each year since a high of 4.2 percent in 2017.
- Newberg's existing average rents are unlikely to support large-scale mixed-use, market-rate, multifamily projects. These projects typically require at least \$2.00 per square foot in average unit rents. Newberg's newest apartments⁴, Chehalem Pointe Apartments, achieve rents from \$1.43 to \$1.63 per square foot. Rents for another recent project, Springbrook Ridge Apartments, range from \$1.27 to \$1.49 per square foot. It should be noted that the VHDZ program may help developers bridge this gap.

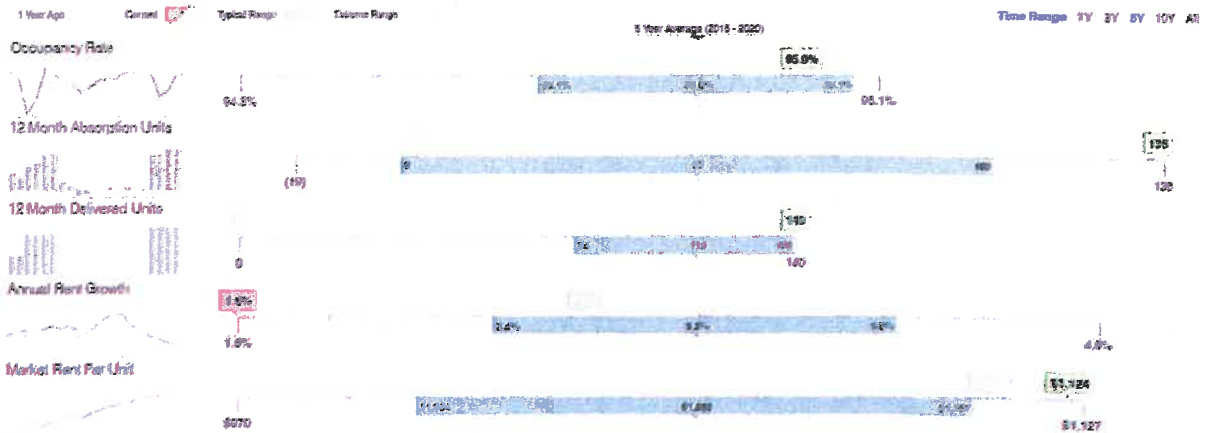
Expanding on the rent and feasibility discussion, building forms are likely to include detached single-family homes, townhouses, and garden apartments, generally ranging from 6 to 30 units per acre. "Urban garden apartments" (three to four stories, with tuck-under parking) require higher rents than are currently being achieved in Newberg but could be feasible in the medium-to-long-term.

The VHDZ could, conceivably, be the financial incentive that helps a developer to bridge a feasibility gap to build mixed-use. With that said, we expect the return-on-investment for a mixed-use building with the VHDZ tax abatement to be similar to that of a residential-only multifamily building of the same scale. In short, this is because the ground-floor commercial component of the mixed-use building is unlikely to generate the necessary rent to overcome the lost income of the residential units, nor is the VHDZ likely to make up the gap.

⁴ Not including the 20-unit project currently under construction, which will provide a good rent comparable for downtown Newberg.

City of Newberg Displacement Analysis

Figure 5. Key Performance Indicators, City of Newberg, 2015-2020



Source: Costar

As previously noted, multifamily housing construction starts have been limited over the past decade relative to the rate of growth, resulting in an increasingly tight market. As the population increases—especially with regard to seniors and young adults and incomes rise, Newberg is likely to see more real estate investment. Retirees and young adults drive a significant portion of demand for rental apartments and smaller single-family homes. Newberg has a prominent and growing senior population, as well as George Fox University (4,070 students) and Portland Community College, both of which cater to commuters and off-campus living.⁵

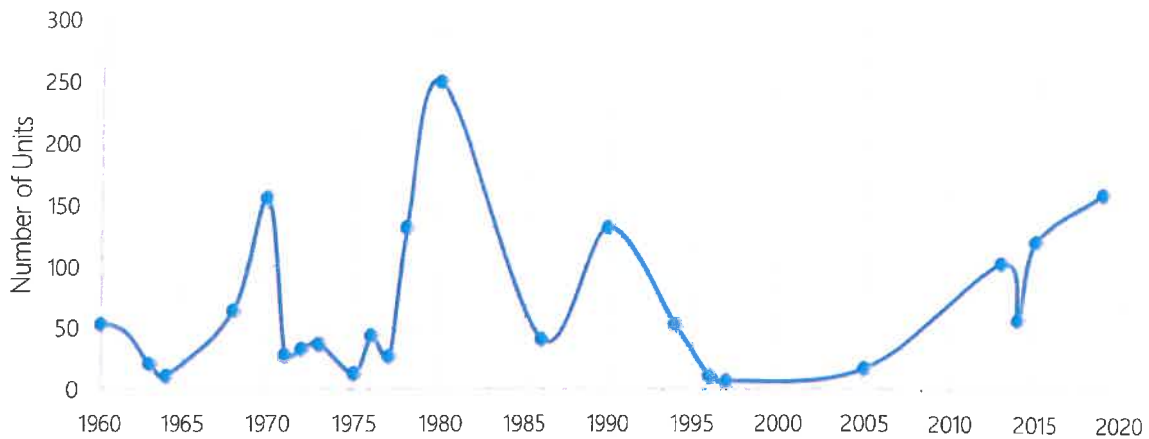
Several larger projects have been recently built. In fact, the size of the average multifamily project in the City has increased over time, as shown below.

- Pre-1980, multifamily projects averaged 22 units in size.
- Between 1980 and 2000, projects averaged 37 units.
- Since 2000, projects averaged 65 units.

This cluster of new construction follows an extended period of almost two decades where very few new units were built. Pent-up demand may, in part, be the cause, but, more likely, it is the result of strong growth and the spillover effects of the Portland market. If growth were to continue at this same rate—in combination with the added incentive to develop in downtown because of the VHDZ—we would expect development to occur on most of the existing vacant and underutilized parcels in the next decade.

⁵ At George Fox University, 46% of students live off-campus. PCC is a commuter campus where all enrolled students live off-campus.

Figure 6. Multifamily Construction, City of Newberg, 1960-2019



Source: Costar

Single-family Trends

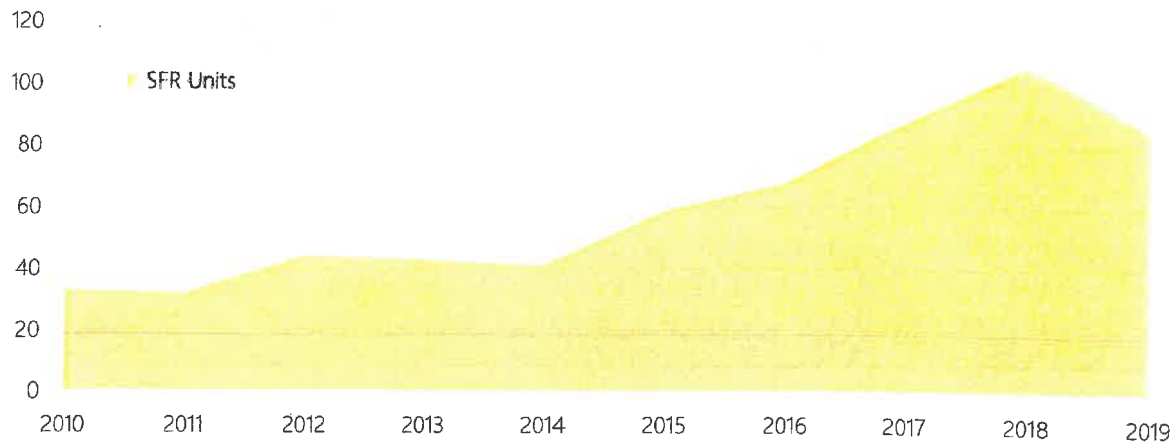
While single-family housing will not be eligible for incentives under the VHDZ program, documenting trends in the single-family market is an important consideration for retail prospects, specifically, and development prospects, generally.

The online real estate database, Redfin, considers the Newberg single-family housing market as "Somewhat Competitive" with a score of 43 out of 100, indicating that some homes get multiple offers, but typically take weeks to sell. Other real estate sources consider Newberg a relatively "balanced market" with just slightly higher demand pressures than the current supply.

The average sale price is \$362,000 and is usually about 1.2 percent under the list price, indicating a softer market. Homes are on the market for an average of 51 days. High-quality homes, however, can sell for more than the list price and are typically pending in around 16 days.

In keeping with the narrative above, annual single-family housing permit activity since 2010 has been increasing. However, permit activity has yet to reach pre-recession levels, which peaked in 2005 at more than 350 units.

Figure 7. Housing Unit Permit Activity, City of Newberg, 2010-2019



Source: SODCS

Absorption Schedule

Since 2013, approximately 442 multifamily units have been built in the City of Newberg on 14.12 acres, averaging 74 units and 2.35 acres per year. During that same time, no new multifamily housing has been constructed downtown, although 20 units are currently under construction on 0.26 acres of land.

Historically, downtown has attracted only a small fraction—less than five percent—of the City's total multifamily construction activity. If downtown were to account for 10 percent of the City's existing rate of development (2.35 acres per year), only in 2040 would there be no more vacant land on which to develop. At 20 percent, this threshold would be met in 2030. It is, therefore, safe to assume that existing developable vacant land in downtown Newberg will be developed within 10 to 20 years, depending on market forces.

As this development occurs, rents are expected to rise to levels that would support the redevelopment of properties with existing buildings.

Displacement Risk Summary

The approach to this analysis sought to balance the City's goal of revitalizing downtown Newberg encouraging new development while minimizing and mitigating displacement pressures. Downtown Newberg has approximately 152 housing units, 96 of which are expected rental units (63 percent).

Direct/Physical Displacement

A VHDZ could theoretically result in direct or physical displacement if the tax abatements make it feasible for a developer to replace existing housing developments with higher-density mixed-use development. If a person or multiple people are forced to move from the home in which they live to allow a developer to demolish the existing structure and build a mixed-use development, that person would be considered directly displaced. If this redevelopment would not have happened without the VHDZ, the displacement is considered VHDZ-induced.

City of Newberg Displacement Analysis

It is important to stress, however, that the VHDZ does not automatically make redevelopment feasible. There are several variables that all have to align for a project to be feasible. Specifically, redevelopment requires:

- Rents need to be high enough to cover the cost of redevelopment,
- Parcel size needs to be large enough or aggregated to develop a building that meets the size and parking requirements, and
- Zoning needs to be appropriate for the proposed use.

New vertical mixed-use development is likely to be challenging, largely due to current rents. Multifamily development, on the other hand, is unlikely to face the same feasibility challenges but would not qualify for the VHDZ tax abatement. In theory, if developers are faced with the decision of building an apartment project with or without a ground-floor commercial component, they are more likely to choose a residential-only project. VHDZ is unlikely to move the needle on feasibility enough to incentivize a high-density mixed-use project. The City may also choose to use Urban Renewal as another tool to incentivize higher-density or mixed-use development (for example, with direct payments for particular development types or reimbursements for capital improvements taken on by developers).

There are, however, many vacant or underutilized parcels that are primed for redevelopment and are likely to see new development before redevelopment will be required. To reiterate the findings from the previous section, it will likely be at least 10 years until these vacant downtown sites are developed. Direct displacement is therefore likely to be minimal in the near- and mid-term, although long-term strategic actions and other policies and programs to minimize and mitigate displacement pressures should be considered. Some of these actions are provided in the following section.

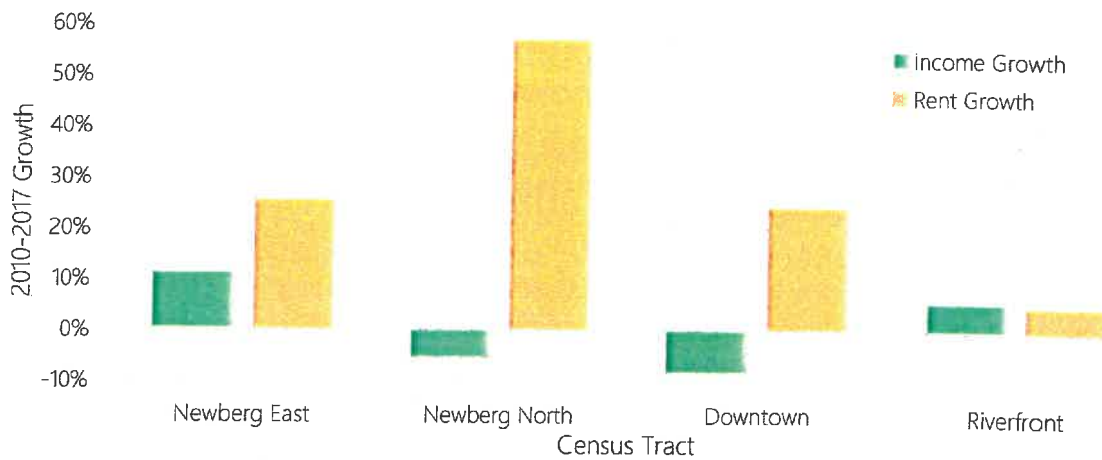
Indirect/Economic Displacement

Economic displacement has a greater impact on rental housing, rather than for-sale housing, because Oregon's property taxation system limits property tax increases and, for the most part, protects homeowners from the effects of rising home prices that result in displacement.

Renters do not have the same protections and are more vulnerable to sharp increases in rent, particularly if that rent growth is higher than income growth. The following chart shows income growth and rent growth between 2010 and 2017 for the City of Newberg census tracts. Average rent growth is significantly higher than rent growth across three of the four census tracts, and downtown and north Newberg experienced *declining* average incomes.

With that said, rent growth has been stagnant in the city for many years, while incomes have continued to increase city-wide to an estimated \$62,981 in 2019. It is, therefore, not unreasonable to see this difference.

Figure 8. Income and Rent Growth, 2010-2017

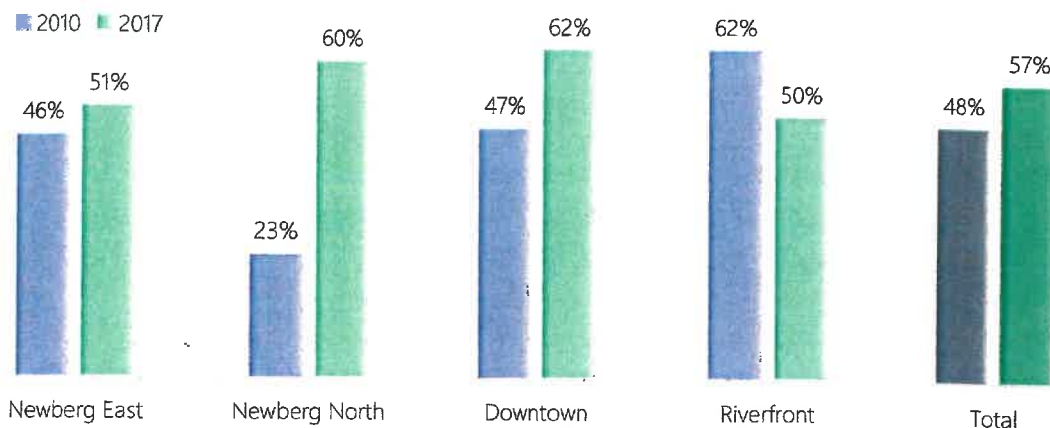


Source: American Community Survey 5-year Estimates (U.S. Census Bureau)

The number of renter-occupied households in Newberg spending more than 30 percent of their income on rent each month has increased from 48 percent in 2010 to 57 percent in 2017. Further, almost all Newberg's renter-occupied households earning less than \$35,000 annually are rent-burdened. As of 2017, Newberg's downtown census tract contains the highest proportion of rent-burdened households in the City, with 768 households spending more than 30 percent of their income on rent.

Given Newberg's tight rental market and the constrained supply—the last few years aside—the City's need for additional rental housing, especially affordable, is clear. Newberg's renters are already challenged and are highly vulnerable to further rent increases. A sensitive balance is required between market-rate rent growth that can support further housing development and support the needs of existing low-income residents.

Figure 9. Proportion of Rent-Burdened Households by Census Tract, 2010-2017



Source: American Community Survey 5-year Estimates (U.S. Census Bureau)

While new market-rate construction is unlikely to accommodate existing rent-burdened households, additional supply is likely to alleviate demand pressures and reduce year-on-year rent growth for existing properties. In fact, the construction of new apartments have been found to actually drive rents down by 5-7 percent

City of Newberg Displacement Analysis

compared to what they would have been, had new apartments not been built (see the Upjohn Institute research in the summary). Further, while VHDZ programs in other cities have proven successful in incentivizing an increased rate of multifamily construction, there is little evidence that it causes rent increases in nearby properties or, subsequently, economic-related displacement.

For example, a study into the impacts of VHDZ on displacement risk was recently conducted for the City of Beaverton. The study looked at numerous cities in Oregon that have implemented VHDZs and used longitudinal time-series data from Costar to identify what impact the VHDZ had, if any, on rents and construction in each city.

Key findings from this study are as follow:

- There is limited evidence that VHDZs have a significant impact on the rate of rent growth. Rent growth is due to a wide array of factors and cannot be attributed to VHDZs alone.
- Rent growth has been higher in VHDZs than in the region on average. Generally, however, cities have implemented VHDZs in areas where higher-density, urban-style development is desired—such as downtowns—and, thus, higher-renting properties are likely regardless of incentives. In fact, VHDZs are unlikely to be located on the periphery of the region, where one can usually find a greater proportion of suburban, lower-density properties that are inherently more affordable than those found in urban settings.
- VHDZs have seen a disproportionate share of new construction. Given that new construction typically achieves higher-than-average rents, it is unsurprising to see a higher rate of rent growth in VHDZs. Rents for existing properties, on the other hand, tend to grow at rates that are consistent with regional rates, despite higher average rates for new construction.
- Rent increases are generally the result of combined regional market forces, targeted public investment, incentives, and subsidies, as well as the VHDZ abatements. There is little evidence to suggest that new construction within VHDZs is causing existing properties to raise rents at a faster rate, which would otherwise, in turn, contribute to economic displacement pressures.

Consideration of Other Policies and Programs

Displacement is unlikely to be the result of a single policy or program, but rather a combination of market forces, development opportunities, and other factors (both internal and external). In order to support economic development while protecting vulnerable populations from displacement pressures, cities can consider a range of actions, policies, and programs, including:

- Provide renters with the opportunity and financing to purchase their units
- Preserve and expand public housing
- Protect elderly and long-term residents from property tax increases
- Enforce building codes and offer easy options for renters to report bad landlords
- Negotiate payment plans with homeowners who have fallen behind on their property taxes
- Establish community benefits agreements with investors in large projects to ensure that local residents benefit from the investment
- Offer developers higher levels of density in return for funding more affordable housing units in their projects
- Establish a loan fund to help small business owners buy their buildings.

City of Newberg Displacement Analysis

The City of Portland is one such city that has developed and implemented specific programs to achieve these outcomes. The Portland Housing Bureau (PHB) developed the Affordable Housing Preference Policy as a tool to prioritize households with generational ties to N/NE Portland for housing opportunities in specific areas that were subject to high levels of detrimental urban renewal-related actions.⁶

Since gentrification is exacerbated by a lack of affordable housing, cost burden, and low incomes, the City is exploring innovative applications of this policy that would expand it beyond affordable housing to include economic development opportunities. This is tied to the idea that efforts to mitigate gentrification should aim to improve the income of current residents so they can afford to stay in an area of rising rents.

These strategies include “community agreements” that specify employing residents when large capital investments are being made, offering loans and grants with good terms to current business owners and rental assistance that is set to market rental rate.

Another promising initiative is Right 2 Root, an economic community development tool designed with, for, and by community members impacted by gentrification as a less discriminatory alternative that meaningfully involves community members in the redevelopment of their neighborhoods, especially communities of color and others historically not invited to participate in development and decision making regarding their neighborhoods. Involvement in the initiative includes defining the issues and having a voice in the decision-making process.

Gentrification and Displacement Research

This last section summarizes the research collected for and informs this analysis and its methodology.

As noted previously, an abundance of research portrays gentrification and displacement as synonymous events, although new bodies of evidence show that new developments are not necessarily responsible for raising the rents of affordable (both regulated and naturally occurring) inventory (a sign of indirect displacement risk). Other research shows that “displacement” is no higher in gentrifying zones than in other areas. Essentially, there may be a *natural* rate of household movement at any given time because of factors not impacted by gentrification, such as employment and family-related reasons, and cannot simply be attributed to gentrification.

The common rhetoric surrounding new investment in existing neighborhoods is that it leads to gentrification and, in turn, displacement of existing residents. While many decisionmakers and other stakeholders often consider gentrification as synonymous with displacement, a growing body of evidence indicates the contrary. Specifically, studies from New York University⁷ and the Philadelphia Federal Reserve⁸ show essentially no difference in displacement rates (considered here as out-migration) between gentrifying and non-gentrifying neighborhoods.

⁶ From <https://hcr.org/gentrification-portland/>

⁷ <https://www.nber.org/papers/w25809>

⁸ <https://www.philadelphiafed.org/-/media/research-and-data/publications/working-papers/2019/wp19-30.pdf>

City of Newberg Displacement Analysis

- The NYU study found that “low-income children who remained in their gentrifying neighborhoods saw a 3.0 percent greater decline in neighborhood poverty than those in low-income neighborhoods that didn’t gentrify.”
- The Philadelphia Fed study also confirms that gentrification produces benefits for long-term residents who remain in the neighborhood.

While some may argue that these, and other similar studies analyze high-level trends using very large sample sizes, potentially concealing specific harms, it is almost impossible to analyze these impacts on a case-by-case basis. In fact, these studies largely address economic displacement risk. In order to quantify physical displacement, it is necessary to quantify market and development trends and identify site-specific redevelopment constraints and opportunities—as we do later in this report.

It is also important to understand the difference between mobility, migration, or movement and displacement. Movement or migration may be an indicator of displacement but isn’t necessarily the same thing. Careful studies of migration have shown that low-income renters move for lots of reasons: changes in family status (marriage, divorce or separation), change of jobs, etc. Most of these moves are self-reported as voluntary in surveys, and about one-quarter of moves by low-income renters are “involuntary.”⁹

Further, most renters (54 percent) of renter households will have moved to a different neighborhood within any given two-year period, and the average tenure is 1.7 years. Moving rates are lower (16 percent over two years) for homeowners, and average tenures are considerably longer (4.9 years, on average).

Other pertinent information regarding urban neighborhoods, gentrification, and mobility include:

- The population of urban neighborhoods is always changing because moving is so common, especially for renters,
- There’s little evidence that gentrification causes overall rates of moving to increase, either for homeowners or renters,
- Homeowners don’t seem to be affected at all, and there’s no evidence that higher property taxes (or property tax breaks) influence moving decisions, and
- While involuntary moves for renters increase slightly in gentrified neighborhoods, there’s no significant change in total moves.¹⁰

Additionally, the Upjohn Institute’s Evan Mast has authored a series of papers that outline the dynamics of apartment prices and household moves in fast-changing urban neighborhoods. His latest paper, with economists Brian Asquist and Devan Reed, looks at the impact of new construction on who moves into a neighborhood and how prices change.

- New market-rate housing tends to be occupied by households with higher incomes, but those new more expensive buildings are not associated with increases in rents at the existing buildings nearby. Studies show that the construction of new apartments drives down rents by 5-7 percent compared to what they would have been, had new apartments not been built.

⁹ <https://journals.sagepub.com/doi/full/10.1177/1078087416666959>

¹⁰ <https://journals.sagepub.com/doi/full/10.1177/1078087416666959>

- There is a widespread belief that new construction causes the displacement of low-income households. Studies into the net flow of migrants between areas with new apartment buildings and low-income neighborhoods show that the construction of new apartments tends to result in an increase in net migration from low-income neighborhoods to the areas where new housing is built. If the displacement theory was correct, there would be an increased movement of households (net) to low-income neighborhoods from areas with new apartments. In short, rather than new apartment buildings in low-income areas accelerating gentrification, they slow rent increases in nearby apartments and increase migration from other low-income neighborhoods.¹¹

Last, while there is disagreement about whether gentrification or new construction causes displacement, there is consensus among planners, economists, and other experts that households under certain socio-economic conditions are more vulnerable to displacement pressures. These households are renters, low-income residents, and communities of color.

Regional Considerations

Although gentrification is typically a big city (populations over 100,000) phenomenon¹², Newberg is linked heavily with the Portland metro region and, as such, is subject to similar market forces. In more rural areas, gentrification tends to impact smaller cities and towns with unique destinations, amenities, or other assets or anchors, such as universities. The intermountain west, in particular, has seen many towns grow due to their proximity to ski resorts, national parks, and other recreational assets. While this cohort of towns frequently features colleges or resorts that 'anchor' both jobs and demand for local services, it is the nascent small businesses, rather than large institutions or corporations, that foster economic vitality.

Smaller cities are generally more prone to housing supply issues than larger metropolises during periods of substantial growth due to economic constraints that make development challenging. Development economics are usually challenging in these cities for developers, particularly for higher-cost development types, such as mixed-use mid-rise apartment buildings (which would be the prototypical typology required to be eligible for the VHDZ). As demand pressures rise (often accentuated by strong second home markets) and supply stagnates, housing costs will naturally rise, potentially causing economic displacement without the benefits of a gentrifying neighborhood. Many of these characteristics are at play in Newberg.

Urban and rural gentrification have distinct differences, however. Though rural gentrification is not necessarily the result of local economic change, it often creates it, as newcomers are in many cases drawn by the business opportunities created by broader economic trends. Newer, smaller businesses can leverage a skilled local labor force, as well as underutilized 'Main Street' storefronts to open art galleries, B&Bs, coffee shops, vintage stores, and a host of other businesses that could be lumped into the categories of hospitality or cultural industries. This economic shift is oftentimes quite welcomed by locals, who may be recovering from the loss of larger, legacy businesses.

¹¹ From This Week Observed—January 17, 2020. Brian Asquith, Evan Mast, and Davin Reed, Supply Shock Versus Demand Shock: The Local Effects of New Housing in Low-Income Areas Upjohn Institute Working Paper 19-316, December 2019

¹² In fact, the majority of gentrification has been seen primarily in seven major cities around the United States.

City of Newberg Displacement Analysis

While Newberg is a moderately-sized independent city with its own market, it has strong ties to the Portland metropolitan area and is therefore impacted by both rural and urban forces. Wine-related tourism and a suburban or exurban extension of technology-led metropolitan decentralization have contributed to significant employment and household growth. In fact, cities in secondary markets, such as Newberg, may see a growing trend of gentrification as online retailing, and the virtual economy more generally, opens up nearly endless geographic possibilities. This is likely to expand the service-sector even further and necessitate a greater focus on workforce-oriented rental housing that supports existing and future residents and employees.

Attachment 5: Potential Development Opportunity Site

Attachment 6: Two, Three, Four and Five Story Model Spreadsheets

2-Story Model

VERTICAL HOUSING - PROPERTY TAX ESTIMATE - 2-STORY BUILDING

Project Name:	Union Blvd Model	Project Size:	0.5	Taxing Jurisdiction 2019-20 Levy Total	Monrath Tax Rate
Developer:	54 E-Flex Street	Total Square Footage:	0	Yonkers County (NY)	0.0025775
Project Address:	29	# of Housing Units:	0	YC Extension Service	0.00449
Tax Levy Code:	29	Number of Equated Floors (residential):	1	YC Sol & Lease	0.00394
Monrath Tax Rate	0.002582	Low-income Equated Floors:	0	Newberg School Dist.	0.0000354
Charged Property Ratio	0.694			Wilmette Regional ESJ	0.0054636
Effective Tax Rate	0.0008839			City of Newberg	0.0002967
% Property Abatement:	0.2			TYF&R	0.0025750
% Land Abatement:	0			TYF&R Local Option	0.006225
Effective Building Tax Rate:	0.0007087			Clarkston Park & Rac	0.0004500
Effective Land Tax Rate:	0.0008839			Piedmont Comm College	0.0008850
Est. Appreciation Rate:	0.03			Total	0.0050579

Pre-Construction	Building Improvement Value	Monrath Tax Estimate	Abated Tax Estimate	Tax Abatement %	Land Value	Monrath Tax Estimate	VM Tax Estimate	Estimated Tax Before Abatement	Estimated Tax with Abatement	Total Abatement	Effective Tax Abatement %
Year 1	\$ 1,681,817	\$ 1,480	\$ 1,382	20%	\$ 288,440	\$ 286	\$ 286	\$ 1,746	\$ 1,448	\$ 298	17%
Year 2	\$ 1,732,375	\$ 1,535	\$ 1,228	20%	\$ 291,185	\$ 283	\$ 283	\$ 1,789	\$ 1,491	\$ 307	17%
Year 3	\$ 1,794,246	\$ 1,591	\$ 1,258	20%	\$ 306,182	\$ 271	\$ 271	\$ 1,862	\$ 1,598	\$ 366	17%
Year 4	\$ 1,872,676	\$ 1,658	\$ 1,303	20%	\$ 316,286	\$ 279	\$ 279	\$ 1,908	\$ 1,632	\$ 376	17%
Year 5	\$ 1,969,002	\$ 1,727	\$ 1,342	20%	\$ 324,754	\$ 286	\$ 286	\$ 1,965	\$ 1,679	\$ 386	17%
Year 6	\$ 2,080,297	\$ 1,799	\$ 1,382	20%	\$ 334,697	\$ 285	\$ 285	\$ 2,024	\$ 1,729	\$ 395	17%
Year 7	\$ 2,209,546	\$ 1,853	\$ 1,423	20%	\$ 344,532	\$ 285	\$ 285	\$ 2,084	\$ 1,789	\$ 395	17%
Year 8	\$ 2,350,562	\$ 1,908	\$ 1,465	20%	\$ 354,658	\$ 284	\$ 284	\$ 2,147	\$ 1,854	\$ 393	17%
Year 9	\$ 2,504,020	\$ 1,944	\$ 1,505	20%	\$ 365,479	\$ 284	\$ 284	\$ 2,211	\$ 1,918	\$ 393	17%
Total:								\$ 20,812	\$ 18,556	\$ 2,256	11%
Year 10	\$ 2,580,566	\$ 2,002	\$ 1,582	20%	\$ 377,774	\$ 284	\$ 284	\$ 2,276	\$ 1,983	\$ 393	17%
Year 11	\$ 2,669,011	\$ 2,063	\$ 1,643	20%	\$ 389,407	\$ 284	\$ 284	\$ 2,345	\$ 2,052	\$ 393	17%
Year 12	\$ 2,760,566	\$ 2,124	\$ 1,704	20%	\$ 401,388	\$ 284	\$ 284	\$ 2,416	\$ 2,123	\$ 393	17%
Year 13	\$ 2,864,566	\$ 2,189	\$ 1,765	20%	\$ 413,731	\$ 284	\$ 284	\$ 2,489	\$ 2,196	\$ 393	17%
Year 14	\$ 2,981,566	\$ 2,254	\$ 1,826	20%	\$ 426,449	\$ 284	\$ 284	\$ 2,564	\$ 2,271	\$ 393	17%
Year 15	\$ 3,111,566	\$ 2,321	\$ 1,887	20%	\$ 440,535	\$ 284	\$ 284	\$ 2,640	\$ 2,347	\$ 393	17%
Year 16	\$ 3,254,566	\$ 2,391	\$ 1,948	20%	\$ 456,022	\$ 284	\$ 284	\$ 2,718	\$ 2,425	\$ 393	17%
Year 17	\$ 3,411,566	\$ 2,463	\$ 2,010	20%	\$ 472,932	\$ 284	\$ 284	\$ 2,800	\$ 2,507	\$ 393	17%
Year 18	\$ 3,583,566	\$ 2,537	\$ 2,071	20%	\$ 491,220	\$ 284	\$ 284	\$ 2,885	\$ 2,592	\$ 393	17%
Year 19	\$ 3,771,566	\$ 2,613	\$ 2,132	20%	\$ 511,097	\$ 284	\$ 284	\$ 2,972	\$ 2,679	\$ 393	17%
Year 20	\$ 3,976,566	\$ 2,693	\$ 2,193	20%	\$ 532,567	\$ 284	\$ 284	\$ 3,061	\$ 2,768	\$ 393	17%
Total:								\$ 28,898	\$ 25,542	\$ 3,356	12%

3-Story Model

VERTICAL HOUSING - PROPERTY TAX ESTIMATE - 3 STORY BUILDING							
Project Name:	Union Block Model	Project Size:	0.5	Testing Jurisdiction 2019-20			
Developer:	6M E First Street	Total Square Footage:	0	Year 1 Jurisdiction	Year 2 Jurisdiction	Year 3 Jurisdiction	Year 4 Jurisdiction
Project Address:	23	# of Housing Units:	0	VC Eads County (VC)	VC Eads County (VC)	VC Eads County (VC)	VC Eads County (VC)
Tax Map Code:	23	# Affordable Housing Units:	0	VC Eads & Main	VC Eads & Main	VC Eads & Main	VC Eads & Main
Normal Tax Rate	0.002592	Number of Equated Floors (first/last):	2	Nebraska School Dist	Nebraska School Dist	Nebraska School Dist	Nebraska School Dist
Changed Property Ratio	0.594	Low-income Equated Floors:	0	Wesleyan Regional (ESD)	Wesleyan Regional (ESD)	Wesleyan Regional (ESD)	Wesleyan Regional (ESD)
Effective Tax Rate	0.000899			City of Newberg	City of Newberg	City of Newberg	City of Newberg
% Property Abatement:	0.4			TVFGR	TVFGR	TVFGR	TVFGR
% Land Abatement:	0			TVFGR Local Option	TVFGR Local Option	TVFGR Local Option	TVFGR Local Option
Effective Building Tax Rate:	0.000336	Current Building Value:	\$ 278,158	Chesham Park & River	Chesham Park & River	Chesham Park & River	Chesham Park & River
Effective Land Tax Rate:	0.000999	Estimated Value After Construction:	\$ 282,276	Piedmont Community College	Piedmont Community College	Piedmont Community College	Piedmont Community College
Exc. Appreciation Rate:	0.03	Land Value After Construction:	\$ 282,276	Total	Total	Total	Total
				15.05%	15.05%	15.05%	15.05%

Year	Pre-Construction	Building Improvement Value	Manufactured Tax Estimate	Abated Tax Estimate	Land Value	Manufactured Tax Estimate	VA Abatement Tax Estimate	Estimated Tax Before Abatement	Estimated Tax with Abatement	Total Abatement	Effective Tax Rate
Year 1	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 2	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 3	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 4	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 5	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 6	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 7	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 8	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 9	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 10	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 11	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 12	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 13	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 14	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 15	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 16	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 17	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 18	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 19	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Year 20	\$ 2,532,276	\$ 2,532,276	\$ 2,235	\$ 1,341	\$ 298,538	\$ 268	\$ 268	\$ 2,491	\$ 1,927	\$ 564	56%
Total: \$ 28,373											

55

4-Story Model

VERTICAL HOUSING - PROPERTY TAX ESTIMATE - 4-STORY BUILDING

Project Name:	Union Block Model	Project Size:	0.5	Taxing Jurisdiction 2019-20	Lewy Total	Monthly Tax Rate
Developer:	64 E First Street	Total Square Footage:	0	Vanill County (NY)	2.575	0.002575
Project Address:	29	# of Housing Units:	0	NY Education Service	0.044	0.00044
Tax Levy Code:	29	# Affordable Housing Units:	0	NY Soil & Water	0.034	0.00034
Monthly Tax Rate	0.002582 Levy Code 29 - 12582	Number of Equated Floors (residential):	3	Newburg School/Dist.	5.4656	0.0054656
Changed Property Rate	0.000000	Low-income Equated Floors:	0	William Regional ESD	0.2387	0.002387
Effective Tax Rate	0.000000			City of Newburg	2.5750	0.0025750
% Property Abatement:	0			TYF&R	1.6225	0.0016225
% Land Abatement:	0			TYF&R Local Debit	0.4500	0.004500
Effective Building Tax Rate:	0.000000			Chatham Park & Reno	1.2382	0.012382
Effective Land Tax Rate:	0.000000			Purdum Comm College	0.0850	0.000850
Est. Appreciation Rate:	0.03			Total	15.0578	0.0150578

Year	Building - Improvement Value	Monobased Tax Estimate	Abated Tax Estimate	Tax Abatement %	Land Value	Monobased Tax Estimate	Abatement Tax Estimate	YH Abatement	Estimated Tax Before Abatement	Estimated Tax with Abatement	Total Abatement	Effective Tax
Year 1	\$ 3,383,036	\$ 2,360	\$ 1182	60%	\$ 280,135	\$ 285	\$ 285	\$ 0	\$ 3,238	\$ 1,440	\$ 1,798	50%
Year 2	\$ 3,464,700	\$ 3,063	\$ 1,259	60%	\$ 287,195	\$ 283	\$ 271	\$ 12	\$ 3,333	\$ 1,491	\$ 1,842	50%
Year 3	\$ 3,569,682	\$ 3,182	\$ 1,285	60%	\$ 306,182	\$ 271	\$ 271	\$ 0	\$ 3,433	\$ 1,535	\$ 1,897	50%
Year 4	\$ 3,673,793	\$ 3,258	\$ 1,301	60%	\$ 315,245	\$ 278	\$ 278	\$ 0	\$ 3,535	\$ 1,582	\$ 1,954	50%
Year 5	\$ 3,789,020	\$ 3,384	\$ 1,342	60%	\$ 324,754	\$ 288	\$ 288	\$ 0	\$ 3,642	\$ 1,629	\$ 2,012	50%
Year 6	\$ 3,899,506	\$ 3,465	\$ 1,382	60%	\$ 334,457	\$ 295	\$ 295	\$ 0	\$ 3,761	\$ 1,678	\$ 2,073	50%
Year 7	\$ 4,005,094	\$ 3,558	\$ 1,423	60%	\$ 344,532	\$ 305	\$ 305	\$ 0	\$ 3,884	\$ 1,729	\$ 2,155	50%
Year 8	\$ 4,127,082	\$ 3,655	\$ 1,465	60%	\$ 354,838	\$ 314	\$ 314	\$ 0	\$ 3,980	\$ 1,780	\$ 2,200	50%
Year 9	\$ 4,251,206	\$ 3,775	\$ 1,510	60%	\$ 365,394	\$ 324	\$ 324	\$ 0	\$ 4,089	\$ 1,834	\$ 2,255	50%
Year 10	\$ 4,380,041	\$ 3,898	\$ 1,555	60%	\$ 376,170	\$ 334	\$ 334	\$ 0	\$ 4,222	\$ 1,889	\$ 2,333	50%
Total:									\$ 37,294	\$ 16,585	\$ 20,709	
Year 11	\$ 4,520,712	\$ 4,005	\$ 1,602	60%	\$ 387,714	\$ 344	\$ 344	\$ 0	\$ 4,349	\$ 1,940	\$ 2,409	50%
Year 12	\$ 4,665,234	\$ 4,125	\$ 1,649	60%	\$ 399,407	\$ 354	\$ 354	\$ 0	\$ 4,473	\$ 1,991	\$ 2,482	50%
Year 13	\$ 4,799,004	\$ 4,249	\$ 1,696	60%	\$ 411,089	\$ 364	\$ 364	\$ 0	\$ 4,601	\$ 2,042	\$ 2,559	50%
Year 14	\$ 4,933,044	\$ 4,376	\$ 1,743	60%	\$ 423,731	\$ 375	\$ 375	\$ 0	\$ 4,732	\$ 2,093	\$ 2,639	50%
Year 15	\$ 5,069,002	\$ 4,508	\$ 1,790	60%	\$ 436,443	\$ 387	\$ 387	\$ 0	\$ 4,864	\$ 2,144	\$ 2,720	50%
Year 16	\$ 5,210,745	\$ 4,643	\$ 1,837	60%	\$ 449,835	\$ 398	\$ 398	\$ 0	\$ 5,001	\$ 2,195	\$ 2,806	50%
Year 17	\$ 5,357,267	\$ 4,782	\$ 1,884	60%	\$ 463,022	\$ 410	\$ 410	\$ 0	\$ 5,152	\$ 2,246	\$ 2,906	50%
Year 18	\$ 5,509,266	\$ 4,925	\$ 1,931	60%	\$ 476,963	\$ 423	\$ 423	\$ 0	\$ 5,349	\$ 2,297	\$ 3,052	50%
Year 19	\$ 5,725,703	\$ 5,073	\$ 1,978	60%	\$ 491,220	\$ 435	\$ 435	\$ 0	\$ 5,603	\$ 2,348	\$ 3,255	50%
Year 20	\$ 5,989,004	\$ 5,225	\$ 2,025	60%	\$ 505,987	\$ 448	\$ 448	\$ 0	\$ 5,674	\$ 2,399	\$ 3,275	50%
Total:									\$ 49,351	\$ 21,438	\$ 27,913	

256

5-Story Model

VERTICAL HOUSINGS - PROPERTY TAX ESTIMATE - 5-STORY BUILDING

Project Name:	UnionBlock Model	Project Size:	0.5	Taxing Jurisdiction 2015-20	Levy Total	Mineral Tax Rate
Developer:	64 E First Street	Total Square Footage:	0	Vanilla Curry (VC)	2.5775	0.0025775
Project Address:	23	# of Housing Units:	0	VC Extension Service	0.0449	0.0000449
Tax Levy Code:	0.0002582	# Affordable Housing Units:	0	VC Soil & Water	0.0294	0.0000294
Mineral Tax Rate	0.0002582	Number of Equated Floors (if available):	4	Newberg School Dist	5.4835	0.0054835
Charged Property Ratio	0.894	Low-income Equated Floors:	0	Willemette Regional ES0	0.2367	0.0002367
Effective Tax Rate	0.8	Current Building Value:	\$	City of Newberg	2.5750	0.0025750
% Property Abatement:	0	Estimated Land Value:	\$	TWRB	1.6225	0.0016225
Effective Building Tax Rate:	0.0001772	Estimated Value After Construction:	\$	TWRB Local Option	0.4600	0.0004600
Effective Land Tax Rate:	0.000869	Land Value After Construction:	\$	Chenbaum Park & River	1.2552	0.0012552
Est. Appreciation Rate:	0.03			Portland Comm College	0.6950	0.0006950
				Total	15.0578	0.0150578

Pre-Construction	Building Improvement Value	Unabated Tax Estimate	Abated Tax Estimate	Tax Abatement %	Land Value	Unabated Tax Estimate	Abatement Tax Estimate	VM	Estimated Tax Before Abatement	Estimated Tax with Abatement	Total Abatement	Effective Tax
Year 1:	\$ 4,204,794	\$ 3,728	\$ 749	80%	\$ 288,158	\$ 256	\$ -	-	\$ 3,984	\$ 3,984	\$ -	78%
Year 2:	\$ 4,204,597	\$ 3,837	\$ 757	80%	\$ 287,856	\$ 253	\$ -	-	\$ 4,000	\$ 4,000	\$ -	78%
Year 3:	\$ 4,480,885	\$ 3,982	\$ 790	80%	\$ 306,412	\$ 271	\$ -	-	\$ 4,222	\$ 4,222	\$ -	78%
Year 4:	\$ 4,694,651	\$ 4,071	\$ 814	80%	\$ 316,236	\$ 279	\$ -	-	\$ 4,350	\$ 4,350	\$ -	78%
Year 5:	\$ 4,732,532	\$ 4,353	\$ 839	80%	\$ 324,754	\$ 288	\$ -	-	\$ 4,640	\$ 4,640	\$ -	78%
Year 6:	\$ 4,874,608	\$ 4,318	\$ 864	80%	\$ 334,497	\$ 298	\$ -	-	\$ 4,616	\$ 4,616	\$ -	78%
Year 7:	\$ 5,020,743	\$ 4,449	\$ 890	80%	\$ 344,822	\$ 305	\$ -	-	\$ 4,753	\$ 4,753	\$ -	78%
Year 8:	\$ 5,171,385	\$ 4,581	\$ 916	80%	\$ 354,688	\$ 314	\$ -	-	\$ 4,898	\$ 4,898	\$ -	78%
Year 9:	\$ 5,326,987	\$ 4,719	\$ 944	80%	\$ 365,034	\$ 324	\$ -	-	\$ 5,043	\$ 5,043	\$ -	78%
Year 10:	\$ 5,488,302	\$ 4,868	\$ 972	80%	\$ 375,878	\$ 334	\$ -	-	\$ 5,194	\$ 5,194	\$ -	78%
								Total:	\$ 48,834	\$ 11,471	\$ 34,853	
Year 11:	\$ 5,650,051	\$ 5,008	\$ -	0%	\$ 387,774	\$ 344	\$ -	-	\$ 5,350	\$ 5,350	\$ -	
Year 12:	\$ 5,823,438	\$ 5,165	\$ -	0%	\$ 399,407	\$ 354	\$ -	-	\$ 5,510	\$ 5,510	\$ -	
Year 13:	\$ 5,998,020	\$ 5,331	\$ -	0%	\$ 411,268	\$ 364	\$ -	-	\$ 5,676	\$ 5,676	\$ -	
Year 14:	\$ 6,174,881	\$ 5,470	\$ -	0%	\$ 423,731	\$ 375	\$ -	-	\$ 5,846	\$ 5,846	\$ -	
Year 15:	\$ 6,363,227	\$ 5,628	\$ -	0%	\$ 436,443	\$ 387	\$ -	-	\$ 6,021	\$ 6,021	\$ -	
Year 16:	\$ 6,559,921	\$ 5,804	\$ -	0%	\$ 449,525	\$ 398	\$ -	-	\$ 6,202	\$ 6,202	\$ -	
Year 17:	\$ 6,747,469	\$ 5,978	\$ -	0%	\$ 463,022	\$ 410	\$ -	-	\$ 6,389	\$ 6,389	\$ -	
Year 18:	\$ 6,936,853	\$ 6,157	\$ -	0%	\$ 476,935	\$ 423	\$ -	-	\$ 6,580	\$ 6,580	\$ -	
Year 19:	\$ 7,164,279	\$ 6,342	\$ -	0%	\$ 491,220	\$ 435	\$ -	-	\$ 6,777	\$ 6,777	\$ -	
Year 20:	\$ 7,373,191	\$ 6,532	\$ -	0%	\$ 505,957	\$ 448	\$ -	-	\$ 6,980	\$ 6,980	\$ -	
								Total:	\$ 61,328	\$ 11,328	\$ 50,000	

Attachment 7: Draft of Chapter 350 Vertical Housing Development Zone

Chapter 3.50

VERTICAL HOUSING DEVELOPMENT ZONES

Sections:

3.50.010 Purpose

3.50.020 Definitions

3.50.030 Administration and Enforcement

3.50.040 Zone Designation

3.50.050 Notification of Local Taxing Districts

3.50.060 Notice to County Assessor

3.50.070 Zone Termination or Modification

3.50.080 Municipally Sponsored Development Projects

3.50.090 Project Certification Applications

3.50.100 Project Criteria

3.50.110 City Certification of Projects

3.50.120 Project Monitoring Fee—Modification or Transfer of Ownership

3.50.130 Partial Property Tax Exemptions for Certified Projects

3.50.140 Monitoring—Investigations—Remedies—Decertifications

3.50.150 Waiver

3.50.010 Purpose

The 2017 State Legislature gave administration of Vertical Housing Development Zones (VHDZs) to cities and counties with the passage of Senate Bill 310. The bill lays out more standards to address equity and prescribe a broad implementation outline for cities and counties. Ultimately, cities and counties have the authority to administer the program differently than the Oregon Department of Housing and Community Services, however the law is specific about certain aspects of zone creation and project approval. New zones may be created and administered by the City or county in which it lies.

3.50.020 Definitions

The following definitions apply unless inconsistent with the context:

"Area Median Income" means the area median income, accounting for family size, for the City of Newberg as defined by the United States Department of Housing and Urban Development as adjusted and published periodically.

"Certified Project or Project" means a multi-story development within a VHDZ that the City certifies as a vertical housing development project qualifying for a vertical housing partial property tax exemption

under this chapter based on a proposal and description from a project applicant that conforms to City requirements.

"Construction" means the development of land and the new construction of improvements to land as further described in this chapter.

"County Assessor" means the Yamhill County assessor.

"City" means the City of Newberg.

"Director" means the Community Development Director or someone within the City authorized to act on behalf of the director for purposes of the program.

"Displacement" means a situation in which a household is forced to move from its current residence due to conditions that affect the residence or the immediate surroundings of the residence and that:

1. A reasonable person would consider to be beyond the household's ability to prevent or control;
2. Occur despite the household's having met all previously imposed conditions of occupancy; and
3. Make continued occupancy of the residence by the household unaffordable, hazardous, or impossible.

"District" means a local taxing district.

"Equalized Floor" means the quotient that results from the division of the total square footage of a certified project, excluding the uses listed below, by the number of actual floors of the non-ancillary improvements of the project that are at least 500 square feet per floor unless the City, in its discretion, increases the minimum square footage or otherwise qualifies the actual floors of a project eligible to be used as a divisor in determining the equalized floor quotient. Factors that the City may consider in determining whether or not to increase the square footage minimum or to impose other conditions for a qualifying divisor floor include, but are not limited to, the following:

1. The proximity of the actual floor under consideration to other floors in the project;
2. The extent of construction or rehabilitation on the actual floor under consideration;
3. The use intended for the actual floor under consideration;
4. The availability of the actual floor under consideration for use by prospective project tenants;
5. Patios, porches, and parking will not be included by the City in the determination of equalized floors. The City may include any or all of such space in its determination of equalized floors if it concludes that such space is critical for the viability of the project.

Factors that the City may consider in reaching such a conclusion include, but are not limited to, the following:

- a. The effect of such spaces upon the economic viability of the project;
- b. The degree to which such spaces are integral to the habitability of residential housing in the project;
- c. The benefit of such spaces with respect to the revitalization of the community in which the project is located; and
- d. The degree to which inclusion of such spaces modifies the calculation of equalized floors.

"Low-Income Residential Housing" means housing that is restricted to occupancy by persons or families whose initial income at occupancy is no greater than 80 percent of City of Newberg's area median income.

"Non-Residential Areas" square footage within a certified project used other than primarily for residential use or as common areas available for residential use.

"Project Applicant" means an owner of property or their designee (e.g., a prospective developer) within a VHDZ, who applies in a manner consistent with this chapter, to have any or all such property approved by the City as a certified project.

"Rehabilitation" means repair or replacement of improvements, including fixtures, or land developments, the cost of which equals at least 20 percent of the real market value of the improvements or land developments being repaired or replaced. In determining whether or not a repair or replacement of improvements qualifies as a rehabilitation under this chapter, the City may consider factors including, but not limited to:

1. The quality and adequacy of design, materials, and workmanship;
2. The quantity of rehabilitation in proportion to the total cost of the project and between the area devoted to residential use and area devoted to non-residential use;
3. The distribution of rehabilitation throughout the project, including as it relates to the habitability of residential areas, and particularly low-income residential housing areas; and
4. The value of the improvements on a project. The value of the improvements must be at least 20 percent of the real market value of the entire project on the last certified assessment roll before the City, in consideration of other factors, will deem rehabilitation to be "substantial" in nature.

"Residential Use" means regular, sustained occupancy of a residential unit in the project by a person or family as the person's or family's primary residence, including residential units used primarily for transitional housing purposes, but not units and related areas used primarily as:

1. Lodging, transient, or temporary accommodations; or
2. Nursing homes, hospital-type in-patient facilities or other living arrangements, even of an enduring nature, where the character of the environment is predominately care-oriented rather than solely residential.

"Vertical Housing Development or Project" means the construction or rehabilitation of a multiple-story building, or a group of buildings, including at least one multiple-story building, so that a portion of the project is reserved for residential uses and a portion of the project is reserved for use as non-residential areas.

"Vertical Housing Development Zone or VHDZ or Zone" means an area that has been and remains designated by the City as a vertical housing development zone or an area that was officially designated by the state of Oregon as a vertical housing development zone and which remains so designated.

3.50.030 Administration and Enforcement

The director or designee is responsible for the implementation, administration, and enforcement of this chapter. The director may adopt such policies and procedures as are necessary to efficiently and effectively carry out that responsibility, consistent with the provisions of this chapter.

3.50.040 Zone Designation

A. The City may designate an area within the City as a VHDZ.

B. Before designating a VHDZ, the City must notify the local taxing districts that have territory in the proposed VHDZ of the City's intention to designate a VHDZ pursuant to the requirements of Section 3.50.050.

C. A local taxing district may elect not to participate in a VHDZ. A local taxing district that elects not to participate may continue to impose taxes on property otherwise exempt from ad valorem property tax under ORS 307.864.

D. The City must consider the potential for displacement of households within a proposed VHDZ before designating the zone.

E. The City may designate a VHDZ by resolution. The resolution may not be adopted sooner than 60 days after sending the notice required by subsection B above. The ordinance or resolution shall:

1. Contain a description of the area sought to be designated as a VHDZ, including proposed zone boundaries;

2. Contain a statement attesting that the notification described in subsection B was sent by regular mail to each local taxing district listed pursuant to Section 3.50.050(A)(1), below;

3. Contain a list of the local taxing districts that elected not to participate in the VHDZ.

F. Once designated, a VHDZ shall continue to exist indefinitely, except as provided otherwise in this chapter.

G. The City may approve multiple VHDZs within its jurisdiction.

H. The boundaries of VHDZs may not overlap. A property may only be in one VHDZ.

3.50.050 Notification of local taxing districts

A. Prior to adoption of a resolution designating a VHDZ the City shall:

1. Prepare a list of local taxing districts that have territory in the proposed VHDZ.

2. By regular mail, send a notice to the local taxing districts listed pursuant to subsection (A)(1) of this section that must:

a. Describe the proposed VHDZ;

b. Explain the exemption described in ORS 307.864 that would apply if the proposed zone is designated; and

c. Explain the process by which a local taxing district may elect not to participate in the VHDZ.

B. To elect not to participate in a VHDZ, a district shall, within 30 days after the date on which proper written notification is received by the district from the City:

1. Inform the City in writing of its decision to opt out of the VHDZ designation; and

2. Provide the City with a copy of a resolution or other appropriate official instrument duly adopted and issued by the governing body of the district affirming its decision to opt out of the VHDZ designation.

C. A district that fails to respond according to subsection B will be subject to the VHDZ designation and excluded from being listed as described in subsection C.

D. A district that forms after the approval of a VHDZ may opt out of participating in a VHDZ. To opt out, the district must provide:

1. Written notice post-marked to the county assessor and the City on or before July 1 of the first tax year in which it would impose a tax on the project; and

2. A copy of a resolution or other appropriate official instrument duly adopted and issued by the governing body of the district affirming its decision to opt out of the VHDZ designation.

E. The decision by a district to opt out of a VHDZ will be effective for the tax year that begins on the July 1, after notification to the county assessor by the City pursuant to Section 3.50.050(A), or by a new district pursuant to subsection D.

3.50.060 Notice to County Assessor

A. The City will send a copy of any designation of a VHDZ to the Department of Revenue and to the county assessor's office. The City will include with the notification to the county assessor:

B. Copies of materials delineating the area of the VHDZ; and

C. The name of any district that opted out of the VHDZ.

3.50.070 Zone Termination or Modification

A. The City may terminate all or part of the VHDZ at any time. Any such termination determination will not affect existing certified projects and is not subject to administrative or judicial review.

B. The City may approve a certified project after VHDZ termination if the application for certification of the project was pending with the City prior to the City terminating the VHDZ.

C. The City will send notice of its termination of a VHDZ to any pending applicant, the county assessor, and owners of certified projects, of whom the City is aware.

D. Subsequent VHDZs may include areas from a terminated VHDZ. A new VHDZ may be designated, or an existing VHDZ expanded or reduced, so that there is no discontinuance of a VHDZ designation for any areas where the VHDZ designation is intended to endure.

3.50.080 Municipally Sponsored Development Projects

A. The City may acquire or dispose of real property located in a VHDZ for the purpose of developing projects. Property acquired by the City within a VHDZ may be sold by the City at real market value or, if it will prudently encourage the development of a project, at a lesser value. This authority is in addition and without prejudice to any authority by the City that otherwise exists under the laws of this state or an act of this City to acquire or dispose of property.

B. Development of projects may be undertaken by the City, jointly or in partnership with a private person or entity.

C. Development of projects also may be undertaken by private persons or entities acting independently of the City ownership.

3.50.090 Project Certification Applications

A. A project applicant may file an application for certification of a project by completing the vertical housing project application form, as prescribed by and available from the City, and by delivering it during normal business hours or by mail to: City of Newberg, Community Development Department, 414 E. First Street, Newberg, OR 97132.

B. Projects must be described in terms of entire tax lots. Projects may not include partial tax lots.

C. To be for 'residential use' or for 'non-residential use' does not mean that a building floor is actually being occupied accordingly, but rather that it is constructed for such use and is not converted or occupied for a contrary use.

D. Low-income residential housing floors or units must be set-aside as such for the entire tax year and occupied only by people who are income eligible in order for the project to qualify for the low income vertical housing exemptions on land.

E. The non-residential use of a particular floor or floors may be satisfied even if the entire floor is not devoted to that use.

F. The City will review applications upon their appropriate delivery, subject to:

1. Applications being complete and consistent with City requirements; and
2. Delivery to the City of appropriate fees.

a. In determining fees for each project applicant, the City may consider factors including, but not limited to, known and expected costs in processing the application, effecting appropriate monitoring of the project and otherwise administering the program with respect to the project.

b. The fees authorized by this subsection may be established by resolution of the City council. Payment of fees may be made by check or money order payable to the City and must be submitted along with the project application or as otherwise required by the City.

G. For new construction projects to qualify for certification, the application must be delivered to the City before the relevant permitting authority has issued a permanent certificate of occupancy for the completed building(s).

H. For rehabilitation projects to qualify for certification, the application must be delivered to the City at any stage during rehabilitation. However, the City may provide a preliminary certification of the project pending completion of the rehabilitation of the project. Notification of the project's completion, together with appropriate documentation of the actual costs of the rehabilitation and the real market value of the pre-rehabilitated project must be forwarded by the project applicant to the City within 90 days of project completion. The City may certify all or part of a rehabilitated project or of a project where the rehabilitation is still in progress as a certified project.

I. For rehabilitation projects to qualify for certification, the application must be delivered to the City before the final building inspection.

J. Project applicants must provide the following information in a manner satisfactory to the City:

1. The address and boundaries of the proposed project including the tax lot numbers, a legible and scaled site plan of the proposed project, and a legal description of the land involved in the project for which a partial tax exemption is sought by the project applicant;

2. A description of the existing condition of the proposed project property;

3. A description of the proposed project construction or rehabilitation, including, but not limited to:

- a. The design of the project,
- b. The architectural plans that include verifiable square footage measurements,
- c. The detailed hard and soft costs, including associated documentation,
- d. The number of floors, by intended use as residential or non-residential, and
- e. The number of residential units to be constructed;

4. A description of all non-residential areas with related and total square footages, and identification of all non-residential uses;

5. A description of all residential areas with related and total square footages, number of units, and identification of all residential uses;

6. A description of the all low-income residential areas with related and total square footages, number of units, and identification of all low-income residential uses;

7. For purposes of this section, square footage does not include areas used for patios, porches, and parking, unless these areas are demonstrated to the satisfaction of the City to be economically necessary to the project or the City otherwise determines that it is appropriate to include the areas in the square footage;

8. A commitment from the project applicant, acceptable to the City, that the project will be maintained and operated in a manner consistent with the project application for the total duration of the partial property tax exemption;

9. A calculation quantifying the residential and non-residential uses of the project, including allocations to low-income residential housing uses; and

10. Such other information as the City, in its discretion, may require.

K. By filing an application, a project applicant irrevocably agrees to allow the City reasonable access to the project and to project-related documents, including the right to enter onto and inspect the project property and to copy any project-related documents during the period of application review and if approve, the entire duration of the partial property tax exemption.

L. Unless an exception is granted by the City, projects "in progress" at the time of application may include only costs incurred within six months of the application date. Factors that the City may consider in determining whether or not to grant an exception to the six-month limitation on costs include, but are not limited to, the following:

1. Delay due to terrorism or acts of God;
2. Delay occasioned by requirements of the City;
3. Resultant undue hardship to the project applicant;
4. The complexity of the project; and
5. The benefit of the project to the community.

M. For applications filed before project completion, the City may provide a conditional letter of prospective certification of the project pending its completion. To obtain a final certification of the project, the project applicant must provide timely notification to the City of the project's completion, together with a copy of the certificate of occupancy and other information as the City may require. A project applicant must provide the notice and required documentation to the City within 90 days of project completion which is typically the date of the certificate of occupancy unless the City determines that another date is more appropriate.

N. If an application is rejected for failure to meet City review requirements, then:

1. The City will notify the project applicant that the application has been rejected; and
2. The City, at its own discretion, may allow the resubmission of a rejected application for project certification ("as is" or with appropriate corrections or supplementations) or may reconsider a determination by it to reject an application. Factors that the City may consider in allowing a resubmission

of a rejected application or the reconsideration of a determination by it to reject an application include, but are not limited to, the following:

- a. Whether or not rejection results in undue hardship to the project applicant,
- b. The best interests of the community,
- c. The level of cooperation from the project applicant,
- d. The level and materiality of initial non-compliance by the project applicant, and
- e. Mitigation of any initial non-compliance by the project applicant;

3. If the City accepts for review a previously rejected application, it may do so, at its discretion, on a prospective basis or based upon the original date of filing. Factors that the City may consider in determining the date to apply to a previously rejected application include, but are not limited to, the following:

- a. Whether or not occupancy or readiness to occupy residential units in the project has occurred since the original application,
- b. Whether or not undue hardship would result to the project applicant,
- c. The best interests of the community, and
- d. The level and materiality of non-compliance in the initial application.

3.50.100 Project Criteria

A. The City will evaluate each accepted application to determine whether or not to certify the proposed project. A project, to qualify for City certification, must satisfy each of the following criteria:

1. The project must be entirely located within an approved VHDZ located within the City's jurisdiction;
2. The project must include one or more equalized floors, as calculated by the City's calculator;
3. Construction or rehabilitation must have been started on each building included in the project; and
4. A minimum of 50 percent of the project's ground floor that fronts on the primary public street must be constructed to building code standards for commercial use or planned for commercial use upon completion. If a project has access to only one public street, the square footage of driveways, loading docks, bike storage, garbage receptacles, and building entryways shall be excluded before applying the 50 percent test.

B. Certified projects with at least one equalized floor of low-income residential housing may qualify for a partial property tax exemption with respect to the land contained within the tax lot upon which the certified project stands for a period not less than 10 years, but will not qualify for a partial property tax exemption under the program for land not necessary for the low-income residential housing units to be built.

3.50.110 City Certification of Projects

A. The City will endeavor to process each accepted application and make a determination whether or not to approve such application, in whole or in part, within 60 days of when the accepted application is received by the City.

B. The determination of the City to certify or deny certification is a discretionary determination and is not subject to judicial or administrative review.

C. If the application is approved, the City will:

1. Issue a letter to the project applicant describing the certified project with an explanation of the partial property tax exemption effective for the certified project; and

2. Send a copy of the project information to the county assessor.

D. The owner of a certified project must execute and record a project use agreement, including restrictive covenants running with the land and equitable servitudes, satisfactory to the City in the Yamhill County records. Recordation of such instruments satisfactory to the City constitutes a condition precedent to the approval of the certified project taking legal effect. The City may void any certified project approval for failure to timely record and provide the City with a copy of any such instruments. The owner shall be responsible for the cost of recording and providing satisfactory evidence to the City that such instruments have been properly recorded.

E. If the application is denied, the City will send written notice of the denial to the project applicant. At its option, the City may allow reapplication by the project applicant consistent with Section 3.50.090(N).

F. Certification by the City of a project may be partial in scope. The City's letter of approval will identify what portions of the property and improvements included in the project application constitute the certified project.

1. No partial property tax exemption will be awarded for a partial equalized floor of residential housing and the maximum number of equalized floors in a project is four;

2. Accordingly, the City will determine the number of residential equalized floors in a project available for calculating a corresponding property tax exemption by capping potential equalized floors at four and by rounding down to the next complete equalized floor of residential housing. In other words, a certified project will contain exactly one, two, three or four residential equalized floors reflecting the number of complete equalized floors of residential housing in a project up to the maximum four equalized floors.

G. The letter of approval from the City also may include such information and instructions as the City deems appropriate.

3.50.120 Project Monitoring Fee—Modification or Transfer of Ownership

A. A monitoring fee shall be paid by the project applicant to the City at the time of project application, or as otherwise directed by the City, to cover the City's actual and anticipated costs of monitoring and otherwise addressing compliance by the certified project with program requirements, including, without limitation, ORS 307.841 to 307.861 and other applicable law. The City may consider factors including, but not limited to, the following in determining the amount of this monitoring fee:

1. The size of the project;
2. The number of residential housing units;
3. The amount of commercial space;
4. Project uses;
5. Project location;
6. The duration and complexity of compliance requirements;
7. The level and amount of staff or other services involved;
8. The use of supplies, equipment or fuel; and
9. The number of separate sites and/or buildings.

B. The City may condition its approval of a certified project upon payment by project applicant of the applicable fee described above in subsection A. The City may void or terminate the certification of all or a portion of a certified project if such fees, or any part thereof, are not timely paid.

C. Modifications to or transfers of ownership of a certified project must receive prior written approval from the City. The City will not unreasonably withhold its approval of such modifications to or transfers of ownership. The City may void or terminate the certification of all or a portion of a certified project if modifications to or transfers of ownership are made without its prior written approval except where such modifications or transfers occur by operation of law following death or divorce.

D. If there are proposed or actual modifications to or transfers of ownership of the certified project, the certified project owner shall notify both the county assessor and the City of the new owner's name, contact person, mailing address and phone number within 30 days of the change.

E. The City may require the certified project owner to pay an administrative fee to cover the City's actual and anticipated costs of reviewing and processing such modification or transfer including, without limitation, effecting the legal review, amendment, execution or recording of related documents.

F. The City may condition its approval of a modification to or transfer of ownership in a certified project upon payment by the certified project owner of the administrative fee described above in subsection E. The City may void or terminate the certification of all or a portion of a certified project if such an administrative fee, or any part thereof, is not timely paid.

3.50.130 Partial Property Tax Exemptions for Certified Projects

A. In order to receive a partial property tax exemption under this chapter, the certified project owner, the project applicant or other person responsible for the payment of property taxes on the certified project must notify the county assessor that the project has been approved by the City as a certified project and qualifies for a partial property tax exemption.

B. The notification described above in subsection A must be delivered to the county assessor in writing on or before April 1 preceding the first tax year for which the partial property tax exemption is sought.

C. Except as clarified by subsections D and E of this section, the exemption applies to the construction or rehabilitation of real property improvements associated with the certified project and land, if there is an inclusion of low-income housing on the certified project, in each of the tax years for which the exemption is available.

D. The property exemption rate equals 20 percent (0.2) multiplied by the number of fully equalized floors (among all associated buildings exempt in that year), up to but not exceeding four such equalized floors, that are:

1. For residential use;
2. Fully equalized, which means the residential allocation of equalized floors quotient is rounded down to the nearest whole number; and
3. Constructed or rehabilitated as part of the vertical housing development project.

E. The partial property tax exemption on a certified project is available for ten consecutive tax years beginning with the first tax year in which, as of the assessment date, the project is occupied or ready for occupancy following its approval by the City as a certified project.

F. If during the period of partial tax exemption, any part of a project dedicated for residential use is converted to or used as non-residential area, the county assessor and the City shall be notified by the project owner of such change within 90 days of submission of the proposed use change. Similarly, the

county assessor and the City shall be notified in writing by the project owner if any part of a project dedicated to low-income residential housing is converted to other purposes or otherwise used in a manner that does not comply with low-income residential housing requirements. Failure to comply with either of these notifications could result in decertification of a part or the whole certified project.

G. In order to receive partial property tax exemption with respect to a certified project, the certified project owner shall apply to the county assessor. Upon written application for partial exemption to the county assessor, the certified project owner will provide the county assessor:

1. A letter specifically requesting the partial tax exemption in accordance with the certified project approval certification;
2. A copy of the final project application for certification;
3. A copy of the certified project approval certificate issued by the City;
4. A copy of the certificate(s) of occupancy for the entire certified project; and
5. Such fee(s), if any, as the county assessor may require.

H. The certificate of occupancy or temporary certificate of occupancy must be dated prior to January 1 of the assessment year for which the exemption is requested.

I. The written application for exemption must be made to the county assessor on or before April 1 of the assessment year for which the exemption is sought and the exemption will be effective for the first year for which the partial property tax exemption is available and for the next nine consecutive tax years.

J. If all or a portion of a certified project is decertified by the City, that portion of the certified project shall be disqualified from partial property tax exemption as set forth in the notice of decertification.

3.50.140 Monitoring—Investigations—Remedies—Decertifications

A. The City may monitor and investigate certified projects for compliance with program requirements and other applicable law as it deems appropriate. Owners or operators of certified projects shall prepare an annual report to the City on the number of residential and low-income residential housing units and the amount of space being used for commercial use and for residential use.

B. The City may undertake any remedial action that it determines to be necessary or appropriate to enforce City interests or program requirements including, without limitation, commitments provided by project applicants in the final application and certification. Remedial actions may include, but are not limited to:

1. The requesting of project documentation including, but not limited to, current rents on an annual basis and lease agreements with redacted personal information;
2. The issuance of orders and directives with respect to the project or otherwise;
3. The initiation and prosecution of claims or causes of action, whether by administrative hearing, civil action or otherwise (including, without limitation, actions for specific performance, appointment of a receiver for the certified project, injunction, temporary restraining order, recovery of damages, collection of fees, etc.); and
4. The decertification of all or a portion of a certified project.

C. Prior to decertifying all or part of a certified project and directing the county assessor to disqualify all or part of the project for partial property tax exemption treatment, the City shall issue a decertification notice to the certified project owner identifying the following information:

1. The property decertified from the project;
2. The number of equalized floors that have ceased qualifying as residential or low-income residential housing for purposes of the program and a description of the remaining equalized floors and their specific use;
3. If the project no longer includes commercial space consistent with the intent of the program; and
4. Such other information as the City may determine to provide.

D. Prior to issuance of a notice of decertification, the City will provide the certified project owner with notice of an opportunity to correct noncompliance within a reasonable amount of time as determined by the City. In determining the amount of time to provide the certified project owner to correct noncompliance, the City may consider factors, including, but not limited to:

1. The severity of the non-compliance;
2. The impact of non-compliance upon project tenants and patrons;
3. The cost and time reasonably necessary to correct program non-compliance;
4. The past history of compliance and non-compliance by the project owner; and
5. Such other factors as the City, in its discretion, may deem relevant.

E. If the City determines that the certified project owner has failed to correct any noticed program non-compliance within the time allowed by the City in its notice, the City may issue the notice of decertification and direct the county assessor to disqualify all or a portion of the project from property tax exemption under the program.

F. The City also may issue a notice of decertification and direct the county assessor to disqualify all or a portion of a project from property tax exemption under the program with respect to program non-compliance for which it determines not to provide prior notice and an opportunity for non-compliance correction.

G. The effective date of a decertification is the effective date of same provided in the notice of decertification identified above in subsection C. The effective date of a decertification may be retroactive from the date of the actual notice of decertification only to the commencement of the non-compliance for which the decertification is issued as determined by the City. In determining whether or not to make the decertification retroactive, the City may consider factors including, but not limited to, those identified above in subsection D, the intentional nature of the non-compliance, and when the owner or its agents became aware or reasonably should have become aware of the non-compliance.

3.50.150 Waiver

The City may waive or modify any requirements of this chapter unless such waiver or modification would violate applicable federal or state statutes or regulations.

Subject: October board meeting item

Date: Sunday, October 18, 2020 at 1:21:27 PM Pacific Daylight Time

From: christinedarnell@hotmail.com

To: Kat Ricker

Hello, we will be attending the board meeting and will need time to thoroughly address an ongoing issue. We apologise for the short notice, we were hopeful this issue would have been addressed by now but have still not received action or response to our latest email.

Also, do you have a computer and overhead screen available for ease in showing photographs off of a thumb drive? The cost of providing full size color copies to everyone is prohibitive

Thank you.

Subject: Re: October board meeting item
Date: Monday, October 19, 2020 at 1:40:29 PM Pacific Daylight Time
From: christinedarnell@hotmail.com
To: Kat Ricker

Hi Kat, wow, thank you for such a quick response.

I'm not positive about the number of attendees yet. It appears those that will want to speak are: myself (Christie Darnell), Allen Mills, and Elinor Sexton.

I'm not sure what you are looking for with affiliations, we are not with an organization. Unless you are asking how we are related to the topic? If so, we are adversely impacted by the issue.

The topic for discussion is park maintenance and the associated storm drainage systems. —*Jacquith Park*

Our phone number is unlisted.

Thank you for helping.
Christine

On Oct 19, 2020 8:15 AM, Kat Ricker <kricker@cprdnewberg.org> wrote:

Hello Christine,

I can help you with this. What is your topic for discussion? What is your phone number? What are the names, titles, and affiliations of all who will be attending?

Let's begin the discussion, and we can address your presentation technical needs.

Thank you, and feel free to call me as well.

--

Kat Ricker

Public Information Director

*Chehalem Park & Recreation District
125 S. Elliott Road
Newberg, OR 97132*

971.832.4222 cprdnewberg.org | [Instagram](#) | [Facebook](#)

"Our parks and trails are experiencing unprecedented use during the pandemic, and we must invest in the staff and resources to maintain these spaces for the well-being of the public through these challenging times."

– In a release from Senators Merkley and Wyden and Representatives Blumenauer and Bonamici

From: "christinedarnell@hotmail.com" <christinedarnell@hotmail.com>

Date: Sunday, October 18, 2020 at 1:21 PM

To: "Kricker@cprdnewberg.org" <kricker@cprdnewberg.org>

Subject: October board meeting item

Hello, we will be attending the board meeting and will need time to thoroughly address an ongoing issue. We apologise for the short notice, we were hopeful this issue would have been addressed by now but have still not received action or response to our latest email.

Also, do you have a computer and overhead screen available for ease in showing photographs off of a thumb drive? The cost of providing full size color copies to everyone is prohibitive

Thank you.

Parks Activity Report, August / September 2020

Wind Storm and Fire Damage

We have still not heard back from the insurance on the Scout house. I'm receiving proposals to repair the damage and repair gutters on the large shelter at Jaquith. Park staff have repaired most of the fences in the District but, there are still some chain link fences to repair in Jaquith Park. Josh and Aaron have repaired the net in the outfield at the ballfields for now. Invoices from the tree service totaled over \$12,000. All damages found will be turned into insurance.

Aquatic and Fitness Center

Enviser received all necessary materials to repair the Aermec units at the Aquatic Center and began that process Tuesday October 13 and should complete by Thursday the 15th. We will be able to commission the HVAC system at the Aquatic Center approximately 2 weeks after repair completion.

Cultural Center

Cultural Center has been open to the public 5/19/20 by appointment and or class activities (Tuesday through Saturday 9-5). New public restrooms closed, main restrooms open. All mechanical systems currently working as needed.

Friends Park

The parks crew has been working on the install of the Playground at Friends Park. Playground equipment has been assembled and will pour concrete footings and have the engineered chips (surfacing) delivered the week of 10/19-23. We were delayed by wind damage and fire.

Edwards School Playground

Russ has prepared the site for installation. We will begin installation in October with the Newberg school district. We have been working with the School district, City and the Edwards Playground Committee to accomplish this. Delayed by wind damage and fire.

Development

I have completed writing a grant for a bridge at Ewing Young for access to our property on the other side of Chehalem Creek, which will tie in to residential development and add additional holes to the Disc Golf Course. I have a PowerPoint presentation to give to the RTP Grant committee on October 27th at 10 am. We have received the Deed for the Riverrun subdivision property Tract A and C. Campground feasibility study has been completed. We have signed a proposal from Greenworks (Paul Agrimus) for Schematic Design of the Heritage Trails Campground on the 219 property and the project will be starting the end of this month. The Sander development team has met (Zoom) with the City of Dundee and SEA for a formal pre-application conference to get a better understanding of City requirements for land use approval. Plans have been updated to reflect the requirements and have been submitted to the City of Dundee for their review at the City Council meeting October 20th.

Chehalem Glenn

Don and I placed Mike Cosby as Director of Maintenance. Mike has been at the golf course 5 years, has a passion, learned the operation and I believe he deserves the opportunity. Golf Course is doing well. Play is steady day to day even with reduced tee times available and ongoing aeration. Aeration started September 15 with Tees, Fairways, Greens and Putting Course completed September 30th. Fairway aeration to be completed October 19.

Parks Summary

Month of: September/October 2020

Park Name	Hours worked
Armory	18.00
Billick/Dundee	42.00
CAFC	111.00
Cultural Center	30.50
Chehalem Valley M.S	16.00
College	12.00
Community Center	9.50
Crabtree	4.00
Crater Ballfields	63.50
Dundee Park	4.50
Dundee River Park	0.00
Elliott Road	23.00
Ewing Young	51.00
Falcon Crest Park	12.00
Fortune Park	4.50
Friends Park	174.00
Tom Gail Park	6.00
Gladys Park	10.00
Chehalem Glenn G.C.	24.00
Herbert Hoover Park	22.00
Jaquith Park	21.00
Jaquith Ball Fields	30.00
Memorial/Scout House	41.00
Mountainview	0.00
Oak Knoll Park	4.00
Oaks Park	6.00
Other District Land	8.00
Pre-School	20.00
Pride Gas	6.00
Renne Fields	21.00
Riley Park	48.00
Rotary Park	20.00
Sander Park	2.00
Schaad Park	4.00
Scott Leavitt Park	8.00
Senior Center	12.00
Spring Meadow	6.00
Waste Mngt	4.00
vacation/holiday/sick/comp	84.00
Wilsonville Property	16.00
Youth Building	8.00
<u>Total</u>	1006.50

Activity Financial Report - Sept 2020		Department - Aquatics 451					
COVID-19							
EXPENDITURES	Sept '19/20	Sept '20/21	Yr to Date '19/20	Yr to Date '20/21	Year End 18/19	Year End 19/20	Est June 20/21
Aquatics - 451:							
Personnel Services							
Aquatic Supervisor	\$1,502.60	\$1,470.98	\$4,473.56	\$4,535.98	\$17,209.44	\$18,161.41	\$19,166.00
Admin Coordinator 451.110032		\$2,115.75		2115.75		\$503.70	
Secretary I	\$1,890.01		\$5,260.33	\$1,445.66	\$18,760.83	\$27,906.97	
Secretary II	\$2,541.85		\$7,677.53		\$30,126.77	\$21,614.91	
Aquatic Coordinator	\$3,601.14	\$1,104.18	\$10,628.36	\$8,627.15	\$42,098.37	\$44,146.56	\$47,066.00
Aquatics Specialist	\$3,031.73	\$2,704.51	\$8,879.28	\$8,885.84	\$34,510.41	\$35,985.33	\$38,722.00
Guards	\$18,893.01	\$19,018.81	\$59,834.28	\$43,731.70	\$181,090.90	\$146,903.66	\$178,471.00
Cashiers	\$6,946.96		\$20,138.48	\$2,679.74	\$57,179.60	\$62,866.10	
Instructors	\$3,490.28	\$5,333.01	\$20,992.50	\$9,385.07	\$58,787.83	\$45,056.24	\$67,429.00
Coaches			\$61.88		\$1,143.07	\$725.34	\$1,710.00
Group Fitness Instructors	\$1,025.23	\$962.51	\$2,265.91	\$3,750.76	\$503.63	\$10,725.12	\$18,638.00
Personal Trainer	\$25.00	\$323.54	\$75.00	\$476.54		\$866.75	\$2,750.00
FC Monitor		\$8,515.63	\$18.30	\$16,324.24		\$5,211.29	\$12,012.00
Lead Guard		\$2,068.38		\$2,930.57			\$36,039.00
Total Personnel Services	\$42,947.81	\$43,617.30	\$140,305.51	\$104,889.00	\$441,410.85	\$420,673.38	\$422,003.00
Materials & Services:							
Office Supplies	\$87.69	\$63.50	\$956.35	\$319.07	\$4,229.19	\$4,524.37	\$5,510.00
Postage Supplies	\$7.70	\$7.70	\$26.40	\$23.10	\$278.84	\$273.40	\$4,450.00
Program Supplies	\$164.92	\$1,429.69	\$1,374.73	\$4,539.82	\$11,688.40	\$12,627.25	\$15,000.00
Chemical & Agricultural Supplies	\$2,726.74	\$1,417.74	\$7,227.11	\$5,354.72	\$28,883.48	\$26,447.01	\$29,900.00
Store Supplies	\$1,068.98		\$1,424.66	\$1,188.23	\$6,572.47	\$3,099.92	\$7,500.00
Gas & Oil Supplies							
Classifieds	\$19.09		\$38.17			\$57.25	\$625.00
Brochure					\$386.09		\$1,450.00
Flyers	\$80.02	\$59.35	\$242.02	\$178.05	\$1,241.25	\$1,318.30	\$4,850.00
Professional Dues	\$124.65	\$171.65	\$1,109.71	\$610.95	\$4,289.68	\$3,487.28	\$3,810.00
Conference/Workshops	\$145.00		\$540.00		\$1,178.67	\$902.50	\$1,200.00
Staff Mileage					\$176.75	\$270.28	\$350.00
Staff Expenses			\$22.65	\$86.82	\$1,114.86	\$673.69	\$1,000.00
Utilities:							
Electricity	\$21,264.06	\$20,379.54	\$42,693.58	\$56,461.39	\$245,129.42	\$232,937.77	\$257,816.00
Natural Gas		\$1,790.70		\$5,615.47	\$33,649.02	\$12,494.45	\$24,516.00
Water/Sewer		\$6,342.14	\$5,962.24	\$12,141.38	\$37,750.63	\$48,717.38	\$54,783.00
Telephone	\$326.48	\$330.76	\$970.45	\$992.26	\$4,156.44	\$4,089.38	\$3,780.00
Fees (activenet/bank/cc)	\$2,708.14	\$4,330.45	\$13,936.95	\$9,283.77	\$48,912.30	\$50,894.60	\$37,910.00
Internet & Communication						\$393.94	\$712.00
Data Storage & Backup							\$38.00
Video & Online Photography		\$19.08		\$57.24		\$133.57	\$237.00
Online Advertising						\$82.91	\$262.00
Ground Maint/Repairs					\$2,574.40		
Program Contracts 451.390.003		\$252.00	\$1,561.50	\$588.00	\$7,623.76	\$13,531.53	\$22,000.00
Insurance Services	\$2,629.85		\$2,629.85	\$380.36	\$48,439.49	\$37,819.66	\$33,766.00
Refunds		\$117.00		\$153.00	\$131.00	\$6,200.76	\$450.00
Total Materials & Services	\$31,353.32	\$36,711.30	\$80,716.37	\$97,973.63	\$488,406.14	\$460,977.20	\$511,915.00
TOTAL AQUATIC EXPENDITURES	\$74,301.13	\$60,328.60	\$221,021.88	\$202,862.63	\$929,816.99	\$881,650.58	\$933,918.00

Activity Financial Report - Sept 2020		Department - Aquatics 451					
COVID-19							
REVENUE	Sept '19/20	Sept '20/21	Yr to Date '19/20	Yr to Date '20/21	Year End 18/19	Year End 19/20	Est June 20/21
Aquatics - 451:							
451.003 Youth Fitness							
451.004 Gray & Golden							
451.006 Group Fitness (Studio)	\$132.00	\$52.00	\$540.00	\$108.00	\$124.00	\$1,379.00	\$2,050.00
451.007/291 Water Exercise				\$56.00		\$430.00	
451.008 Weight Training	\$664.00	\$175.00	\$1,960.50	\$441.00	\$7,766.50	\$3,624.00	\$5,750.00
451.011 Private Swim Lessons	\$2,427.00	\$55.00	\$4,807.00	\$1,615.00	\$13,641.00	\$22,848.50	\$32,500.00
451.012 Optum Fitness Advantage*	\$2,139.00	\$565.00	\$15,573.00	\$3,246.00	\$61,166.69	\$35,393.00	\$54,000.00
451.013 Water Safety	\$1,484.00	\$540.00	\$3,960.00	\$1,628.00	\$5,585.00	\$15,892.00	\$19,900.00
451.014 SilverSneakers - Tivily*	\$406.00	\$318.00	\$1,043.35	\$50.00	\$2,789.82	\$5,375.35	\$4,425.00
451.015 Silver&Fit - ASH*	\$5,127.00	\$2,481.00	\$1,137.50	\$394.28	\$1,842.50	\$4,291.00	\$5,150.00
451.016 Water Polo	\$3,148.00		\$14,747.00	\$6,469.50	\$22,578.00	\$59,067.02	\$72,500.00
451.017 GFU			\$10,527.50	\$1,760.00	\$21,433.46	\$16,357.20	\$18,650.00
451.018 Newberg High School			\$56.25		\$39,484.00	\$39,072.25	\$35,600.00
451.019 School Districts					\$81.00		
451.020 Locker Income					\$4,301.00		
451.021 Locker Rental						\$812.00	
451.023 Pool Rental	\$2,953.50	\$3,722.50	\$4,233.50	\$37,270.00	\$33.00	\$19,431.00	\$22,500.00
451.024 Classroom Rental	\$1,387.50		\$1,525.01	\$150.00	\$20,347.70	\$7,501.01	\$12,550.00
451.025 Sauna/Spa	\$399.00		\$1,308.00		\$6,412.90	\$4,757.10	\$7,850.00
451.026 Special Events					\$80.00	\$100.00	
451.027 Repasses					\$150.00		
451.061 Vending					\$1,140.48		\$2,150.00
451.200 Aquatics Misc					\$200.00	\$25.00	
451.280 Sales	\$1,047.75	\$348.99	\$3,240.50	\$835.49	\$7,065.00	\$6,024.49	\$9,830.00
451.281 CST/CVA				\$11,707.25	\$15,430.00	\$10,855.95	\$21,300.00
451.282 Swim Lessons	\$12,172.00	\$3,692.00	\$38,495.19	\$11,904.00	\$151,807.90	\$102,088.91	\$148,325.00
451.283 Lap Swim	\$1,626.00	\$4,271.00	\$5,411.25	\$16,760.00	\$16,778.42	\$15,525.25	\$16,775.00
451.284 Public Swim	\$6,270.00	\$4,474.50	\$45,820.50	\$13,935.00	\$151,618.64	\$85,411.00	\$128,875.00
451.285 Equipment Rental							
451.286 Membership Sales	\$30,861.36	\$14,763.80	\$78,488.07	\$33,378.17	\$231,824.64	\$284,774.00	\$250,125.00
451.287 Weight Room	\$1,133.50	\$1,134.50	\$3,662.00	\$2,840.59	\$7,481.00	\$14,545.50	\$18,320.00
451.289 Punch Cards - General	\$2,873.00	\$2,035.00	\$7,915.00	\$5,613.00	\$29,174.90	\$32,136.51	\$38,125.00
451.290 Gift Certificates							
451.292 Preschool Swim Lessons							
451.294 SUP Yoga/Fencing	\$705.00		\$1,395.00			\$13,512.20	\$2,250.00
451.296 Patio Rental	\$140.00		\$648.75			\$3,999.75	\$7,025.00
451.293/425 Basketball Court	\$957.25	\$376.50	\$2,423.75	\$778.00	\$640.00	\$11,663.75	\$14,875.00
451.285/426 Pickleball Court	\$39.00		\$153.50		\$3,868.30	\$485.50	\$1,540.00
451.021/427 Volleyball Court	\$59.00		\$116.00		\$214.00	\$403.00	\$350.00
451.428 SkyTrack			\$6.50		\$14.00	\$6.50	\$50.00
451.429 Fencing				\$120.00		\$890.30	\$2,250.00
451.666 CC Fees						\$555.31	
TOTAL AQUATIC REVENUE	\$78,150.86	\$39,024.79	\$249,194.62	\$150,719.28	\$837,860.35	\$819,066.28	\$955,590.00



Adult Sports

October 2020 Activity Report, Department 452

Department 452 Participation Tracking		September 2020	
Activity		Participants	Participant Hours
Total			
Department 452 Financial Tracking		September 2020	
Supervisory Staff Expense		300	
Administrative Staff Expense		750	
Part Time Staff Expense		00	
Material Expense		105	
Total Expense		1155	
Program Revenue		00	
Net		(1155)	
Cost Per Participant		00	
Cost Per Participant Hour		00	

Department 452 – Adult Sports

There were no adult sports activities scheduled during the month of September

Hopefully we will be able to offer Adult City leagued basketball over the winter.



Youth Sports

October 2020 Activity Report, Department 453

Department 453 Participation Tracking	September 2020	
Activity	Participants	Participant Hours
Youth Soccer	400	1200
Little big Kicks	50	150
Flag Football	400	400
Totals	850	1750

Department 453 Financial Tracking	September 2020	
Supervisory Staff Expense	4500	
Administrative Staff Expense	3180	
Part Time Staff Expense	00	
Program/Materials Expense	8675	
Total Expense	16355	
Program Revenue	59590	
Net	43235	
Cost Per Participant	50.95	
Cost Per Participant Hour	24.70	

Department 453 – Youth Sports

Our youth soccer and flag football programs each began playing games in September. We have over 800 participants out on the fields each Saturday. The NAFA softball tournaments will continue through the end of October. Our middle school sports programs have been postponed until late February.

Sept 2020 Activity Report Department
454 Recreation,
456 Senior Center,
457 Community School

454 Recreation	Sept-20	Fiscal year
Supervisory Staff Expense	613.15	1886.11
Recreation Coordinator	0	3790.56
Part Time Staff Expense	398.81	1568.04
Fringe	349.92	4153.48
program Expense	497.04	940.33
Utilities Expense		332.14
Total Expense	1858.92	12670.66
Program Revenue	310	922
Rental Revenue	0	0
Net	1,549.92	11749.66
456 Senior Center	Sept-20	Fiscal year
Recreation Coordinator	306.22	2738.18
Senior Center Specialist	1753.5	6603.54
Part Time Staff Expense		0
Fringe	1,121.47	5276.03
program Expense		791.79
Utilities Expense	2801.07	5854.82
Total Expense	5982.26	21264.36
Program Revenue	3070	9710
Rental Revenue		640
Net	2,912.26	11554.36
457 Community School	Sept-20	Fiscal year
Supervisory Staff Expense	797.01	2352.85
Admin Staff Expense	0	0
Part Time Staff Expense	0	0
Fringe	399.81	1177.22
program Expense		357.61
Utilities Expense	0	0
Total Expense	1196.82	3887.68
Program Revenue	0	0
Rental Revenue	0	0
Net	1196.82	3887.68

Notes:

Facility reservations have remained at a standstill. We have had to process a number of refunds for groups that were larger than the state sanctioned group sizes. Presently we are accepting reservations for groups of 50 or less inside of our facilities. Requests for these spaces are starting to pick up but are still very low.

Senior Center:

All senior center programing has been put on hold/canceled since Mid March with exception of Meals on Wheels and some of our service clinics. Polly's volunteer crew has been wonderfully consistent during this time. The center is open to the public in limited capacity. Everyone is required to wear a mask.

The Newberg Wednesday Market concluded on Sept 30th. Air quality due to wildfires in the region forced us to close the Wednesday market on Sept 9th and 16th. Overall the Wednesday Market was a great success this season. Total income for the season reached just over \$24,000 in vendor fees. Materials expenses reached just under 6,000. After all expenses were deducted from revenues, CPRD and the NDC evenly split the remaining revenue of 19764.23.

Respectfully submitted by Matthew Compton

The following classes/camps were offered but were canceled due to low enrollment or instructor complications. Children's Ukulele, Safety Town, Learn to skate, and CPR.

CPRD hosted Jordan Kent's "Just kids skills camp" in August. This outdoor sports sampler camp had 50 students participate. CPRD received a \$1,667.50 donation from or organizers of this camp in September. That total was placed in the Foundation and does not appear as revenues in department 454. We look forward to helping facilitate other such camps in the future.

Respectfully submitted by Matt Compton.
Recreation and Care Coordinator

Sept 2020 Activity Report

455 Care	Sept 2020	Fiscal Year To Date
Supervisory Staff	613.14	1886.1
Recreation Coordinator	4964.72	6830.92
Care Director	2023.76	6267.12
Care Technician	614.37	1038.73
Part Time Staff Expense	17280.98	72329.2
Fringe	7,544.31	19578.36
program Expense	6157.94	11864.35
Utilities Expense	0	0
Total Expense	39199.22	119803.78
Program Revenue	36288.27	69177.57
Rental Revenue		1886.1
Net	2,910.95	6830.92

474 Pre School	Sept 2020	Fiscal Year To Date
Supervisory Staff	0	0
Admin Staff Expense	0	0
Pre School Instructor	2121.68	5940.68
Fringe	1,143.94	3206.07
program Expense		861.42
Utilities Expense	977.59	1648.28
Total Expense	4243.21	11656.45
Program Revenue	3565.96	8438.46
Rental Revenue	0	0
Net	677.25	3217.99

Care

Total enrollment at our Mable Rush Elementary Care Site stands at 49 registered participants and we average 30 students a day in attendance.

Total enrollment in Pre-K Care site stands at 10 registered participants and we average 9 participants in attendance a day.

Bonne Benedict Preschool

Total enrollment in our 3 year old preschool class stands at 7 students.

Total enrollment in our 4 year old preschool class stands at 12 students.

We have started a wait list on both classes. We will re-evaluate the community need in December and decide if we need to add staff or add classes in January to accommodate our wait list.

School Year Care 2020-2021

As of today we have 4 spaces to operate child care at Mable Rush. 2 classrooms, and the gym.

Originally we were hosting a group in the Cafeteria as well. But that location became difficult to manage. The school district was nice enough to let us move one of our three groups to the preschool site at the high school. That location is working very well for our group. Capacity is a concern for the grade school care site. We still can fit another 10 students in the program. I am hopeful that additional space will become available for child care as the year progresses.

Staffing our child care program continues to be challenging. We have added child care workers in our pool of employees. We are certainly adequately staffed for the program. The challenge is maintaining a staff pool that will allow us the flexibility to place staff in quarantine as the need arises. Fortunately, that has not happened often.

Respectfully submitted by Matt Compton
Recreation and Care Coordinator

September													
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	20 v 19	% Diff
Dry Days	19	22	28	11	25	23	22						
Starts by Category													
Resident	548	402	577	579	455	631	835	589	643	658	667	9	1.4%
Non Resident	2447	1679	2936	1652	1695	1778	1659	1616	745	620	773	153	24.7%
Group	825	865	536	334	368	412	369	252	125	485	43	-442	-91.1%
League	53	56	63	31	48	30	53	16	32	12	0	-12	-100.0%
Complimentary	307	327	324	367	316	330	202	170	213	169	526	357	211.2%
Misc/Promotional	262	1273	499	266	850	823	783	637	1375	1090	1567	477	43.8%
Total Starts	4442	4602	4935	3229	3732	4004	3921	3280	3133	3034	3576	542	17.9%
Revenue													
Green Fees	\$103,763.00	\$125,750.00	\$113,607.00	\$ 67,666.00	\$ 73,579.00	\$ 84,545.00	\$ 74,926.00	\$ 69,034.00	\$ 64,839.00	\$ 67,521.00	\$ 80,108.00	\$12,587.00	18.6%
Driving Range	\$ 8,948.00	\$ 7,274.00	\$ 9,918.00	\$ 5,342.00	\$ 5,825.00	\$ 6,777.00	\$ 6,393.00	\$ 5,758.00	\$ 7,201.00	\$ 5,616.00	\$ 8,517.00	\$ 2,901.00	51.7%
Rentals	\$ 37,516.00	\$ 30,997.00	\$ 37,765.00	\$ 22,650.00	\$ 23,412.00	\$ 29,024.00	\$ 29,879.00	\$ 25,118.00	\$ 20,796.00	\$ 18,813.00	\$ 28,814.00	\$10,001.00	53.2%
Golf Shop	\$ 7,967.00	\$ 9,397.00	\$ 9,674.00	\$ 8,220.00	\$ 13,475.00	\$ 7,103.00	\$ 5,439.00	\$ 5,943.00	\$ 8,985.00	\$ 5,122.00	\$ 8,377.00	\$ 3,255.00	63.5%
Snack Bar	\$ 24,235.00	\$ 27,584.00	\$ 24,262.00	\$ 13,262.00	\$ 15,552.00	\$ 23,431.00	\$ 21,489.00	\$ 20,713.00	\$ 16,510.00	\$ 12,908.00	\$ 14,538.00	\$ 1,630.00	12.6%
Instruction	\$ 1,170.00	\$ -	\$ 165.00	\$ 675.00	\$ 250.00	\$ 140.00	\$ -	\$ -	\$ -	\$ 270.00	\$ 550.00	\$ 280.00	103.7%
Miscellaneous	\$ 625.00	\$ 7,100.00	\$ 1,166.00	\$ (6,603.00)	\$ (15,932.00)	\$ (5,380.00)	\$ 8,015.00		\$ 1,626.00	\$ 960.00	\$ 4,221.00	\$ 3,261.00	339.7%
Total Revenue	\$184,244.00	\$208,102.00	\$196,557.00	\$111,232.00	\$116,161.00	\$145,640.00	\$146,141.00	\$128,008.00	\$119,957.00	\$111,210.00	\$145,125.00	\$33,915.00	28.3%
\$ per Start													
Green Fees \$ per Start	\$ 23.36	\$ 27.33	\$ 23.02	\$ 20.96	\$ 19.72	\$ 21.12	\$ 19.11	\$ 21.05	\$ 20.70	\$ 22.25	\$ 22.40	\$ 0.15	0.7%
Driving Range \$ per Start	\$ 2.01	\$ 1.58	\$ 2.01	\$ 1.65	\$ 1.56	\$ 1.69	\$ 1.63	\$ 1.76	\$ 2.30	\$ 1.85	\$ 2.38	\$ 0.53	28.7%
Rentals \$ per Start	\$ 8.45	\$ 6.74	\$ 7.65	\$ 7.01	\$ 6.27	\$ 7.25	\$ 7.62	\$ 7.66	\$ 6.64	\$ 6.20	\$ 8.06	\$ 1.86	29.9%
Golf Revenue \$ per Start	\$ 33.82	\$ 35.64	\$ 32.68	\$ 29.63	\$ 27.55	\$ 30.06	\$ 28.36	\$ 30.46	\$ 29.63	\$ 30.31	\$ 32.84	\$ 2.53	8.4%
Golf Shop	\$ 1.79	\$ 2.04	\$ 1.96	\$ 2.55	\$ 3.61	\$ 1.77	\$ 1.39	\$ 1.81	\$ 2.87	\$ 1.69	\$ 2.34	\$ 0.65	38.8%
Snack Bar	\$ 5.46	\$ 5.99	\$ 4.92	\$ 4.11	\$ 4.17	\$ 5.85	\$ 5.48	\$ 6.31	\$ 5.27	\$ 4.25	\$ 4.07	\$ (0.19)	-4.4%
Concession Revenue	\$ 7.25	\$ 8.04	\$ 6.88	\$ 6.65	\$ 7.78	\$ 7.63	\$ 6.87	\$ 8.13	\$ 8.14	\$ 5.94	\$ 6.41	\$ 0.47	7.8%
GolfNow Barter Rounds	29	64	63	106	121	155	198	129	135	138	153	15	10.9%

September 2020 was a good overall month when you take into consideration we had 10+ days of unhealthy to hazardous air quality due to smoke from wildfires. All things considered, it was a good month and revenue per round was as high as it's been since 2011.

FYTD20 - September

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY20v FY19	% Diff
Starts by Category												
Resident	2283	1622	1806	2251	1664	2440	6616	3051	3497	2979	-518	-14.8%
Non Resident	10015	6829	8664	7374	6052	6942	10290	3204	3085	3104	19	0.6%
Group	2342	2659	2115	1563	1591	1530	1432	1130	1232	342	-890	-72.2%
League	314	214	274	226	207	268	3660	41	13	0	-13	-100.0%
Complimentary	871	962	942	1026	856	941	1745	615	722	2338	1616	223.8%
Misc/Promotional	1372	4395	1641	1399	3847	3326	6018	5595	4875	6775	1900	39.0%
Total Starts	17197	15825	12286	13801	12440	15437	29761	13636	13424	15538	2114	15.7%
Revenue												
Green Fees	\$ 391,052.00	\$ 406,344.00	\$ 372,523.00	\$ 309,831.00	\$ 294,539.00	\$ 308,726.00	\$ 620,873.00	\$ 278,182.00	\$ 283,180.00	\$ 349,001.00	\$ 65,821.00	23.2%
Driving Range	\$ 36,403.00	\$ 31,304.00	\$ 31,722.00	\$ 26,570.00	\$ 24,838.00	\$ 27,106.00	\$ 60,276.00	\$ 28,930.00	\$ 26,629.00	\$ 37,926.00	\$ 11,297.00	42.4%
Rentals	\$ 139,972.00	\$ 117,620.00	\$ 116,301.00	\$ 96,925.00	\$ 93,429.00	\$ 109,777.00	\$ 191,552.00	\$ 84,457.00	\$ 78,821.00	\$ 123,132.00	\$ 44,311.00	56.2%
Golf Shop	\$ 35,631.00	\$ 33,875.00	\$ 35,042.00	\$ 32,105.00	\$ 37,526.00	\$ 23,972.00	\$ 54,019.00	\$ 30,660.00	\$ 29,428.00	\$ 37,347.00	\$ 7,919.00	26.9%
Snack Bar	\$ 99,658.00	\$ 110,001.00	\$ 80,030.00	\$ 63,919.00	\$ 62,167.00	\$ 85,398.00	\$ 126,244.00	\$ 70,918.00	\$ 65,202.00	\$ 68,631.00	\$ 3,429.00	5.3%
Instruction	\$ 5,599.00	\$ -	\$ 4,498.00	\$ 6,328.00	\$ 1,838.00	\$ 1,144.00	\$ 10,315.00	\$ 5,573.00	\$ 2,445.00	\$ 7,975.00	\$ 5,530.00	226.2%
Miscellaneous	\$ 4,204.00	\$ 22,449.00	\$ 8,795.00	\$ (2,892.00)	\$ (16,700.00)	\$ (6,474.00)	\$ 17,960.00	\$ 6,331.00	\$ 4,201.00	\$ 16,892.00	\$ 12,691.00	302.1%
Total Revenue	\$ 717,999.00	\$ 735,524.00	\$ 656,620.00	\$ 526,792.00	\$ 498,430.00	\$ 533,231.00	\$ 981,239.00	\$ 505,051.00	\$ 489,906.00	\$ 640,904.00	\$ 150,998.00	30.8%
\$ per Start												
Green Fees \$ per Start	\$ 22.74	\$ 25.68	\$ 30.32	\$ 22.45	\$ 23.68	\$ 20.00	\$ 17.50	\$ 20.40	\$ 21.10	\$ 22.46	\$ 1.37	6.5%
Driving Range \$ per Start	\$ 2.12	\$ 1.98	\$ 2.58	\$ 1.93	\$ 2.00	\$ 1.76	\$ 2.03	\$ 2.12	\$ 1.98	\$ 2.44	\$ 0.46	23.0%
Rentals \$ per Start	\$ 8.14	\$ 7.43	\$ 9.47	\$ 7.02	\$ 7.51	\$ 7.11	\$ 6.44	\$ 6.19	\$ 5.87	\$ 7.92	\$ 2.05	35.0%
Golf Revenue \$ per Start	\$ 33.00	\$ 35.09	\$ 42.37	\$ 31.40	\$ 33.18	\$ 28.87	\$ 25.96	\$ 28.72	\$ 28.95	\$ 32.83	\$ 3.88	13.4%
Golf Shop	\$ 2.07	\$ 2.14	\$ 2.85	\$ 2.33	\$ 3.02	\$ 1.55	\$ 1.82	\$ 2.25	\$ 2.19	\$ 2.40	\$ 0.21	9.6%
Snack Bar	\$ 5.80	\$ 6.95	\$ 6.51	\$ 4.63	\$ 5.00	\$ 5.53	\$ 4.24	\$ 5.20	\$ 4.86	\$ 4.42	\$ (0.44)	-9.1%
Concession Revenue	\$ 7.87	\$ 9.09	\$ 9.37	\$ 6.96	\$ 8.01	\$ 7.08	\$ 6.06	\$ 7.45	\$ 7.05	\$ 6.82	\$ (0.23)	-3.2%
GolfNow Barter Rounds	78	148	185	314	411	572	1137	198	518	588	70	13.5%

Even with a smoky 10+ days in September, we are tracking very well year to date.



Tigard, Oregon 97223

12655 SW North Dakota Street

VIEW OUR WEBSITE: BeavertonHomes.com

brian@murrayhillhomes.com

Office: 503.590.1500

Cell: 503.706.0554

Beaverton's Top-Selling Realtor

Principal Broker

Brian Bellairs, PC



thank you



Punch Studio

Punch Studio, Oliver City, CA 90231

All Rights Reserved Made in China

70139

Dear Board Members,
Thank you for meeting with us to
discuss our vision & desire to work
with you. We feel strongly that
together we can develop the areas
Premier Pickleball facility / community.

We look forward to meeting
you @ our place as we can
better visualize & think through the
opportunity.

Thank you again...
Brian & Kristy Bellairs

To: Don Clements

From: Brian and Kathy Bellairs

Re: Status Update on Corral Creek Pickleball Courts

Don, this provides an update regarding the Pickleball Courts project on our property. Since we met with the CPRD Board we were able to meet with Pete Renwick to walk the property. We have a similar vision as Pete. We would like to consider donating land that would be used for an amazing Pickleball Complex. We think that the land (4 acres or so) immediately adjacent to Schaad Park could be used for a complex of up to 8 courts (ideally two enclosed/covered) with a terraced viewing area and parking with connections to our fishing pond. If we were able to do this, it would not only be great for the citizens of Newberg, it would be able to be used as a significant tournament venue by CPRD which would also greatly benefit Newberg businesses and tourism. In addition, we feel it would enhance property values for homeowners in The Greens.

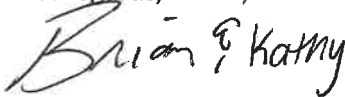
Kathy and I would are very excited about this vision and would be willing to donate the land once brought into the UGB. We are filing a request with the City this Fall/Winter for inclusion into the URA. We have also just completed two Pickleball Courts on our property and will commit to aiding in fundraising to make this a first rate project.

Next Steps: Kathy and I will be out of town from 10/13-10/19, but would welcome the opportunity to have you and any Board Members walk the property with us and Pete. Would you please let us know if you'd like to meet at our place to do this?

In addition we request that the Board to support the inclusion of our land into the URA and UGB so that we make this vision a reality. I have attached a document that we would like to use as we approach the City of Newberg with our request for inclusion.

At your convenience would you please let us know your thoughts and what you'd propose for next steps. It is best to email me at brian@bellairs-gorman.com or call or text Kathy at 503 704-9872.

Best regards,



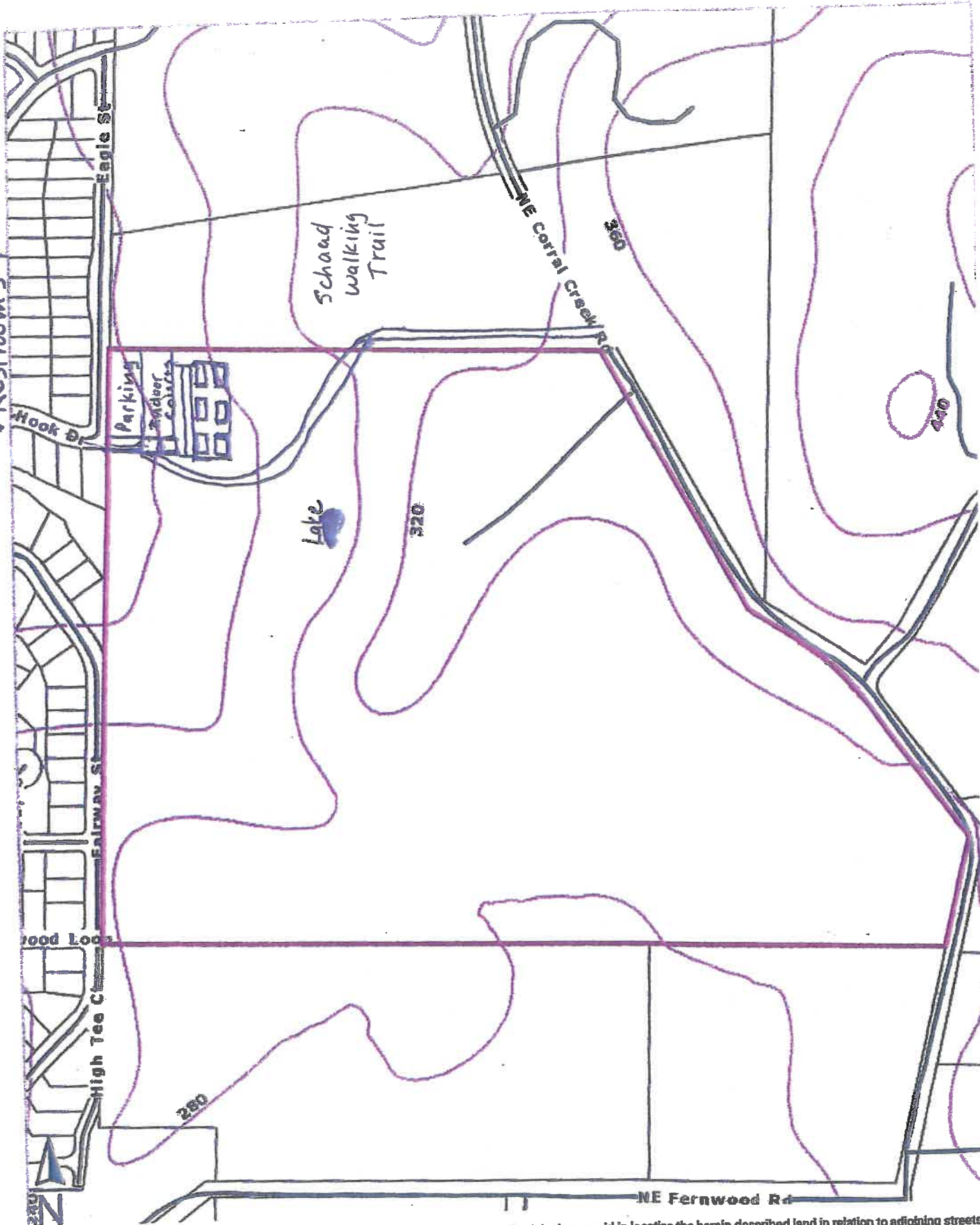
Brian and Kathy Bellairs

Attachments:

- 1) Document for CPRD to sign supporting inclusion into the URA/UGB
- 2) Rough schematic of location of Pickleball Complex

Schaad Pickleball Park (4 acres)

- 8 Courts
- 2 Indoor Courts
- 6 Outdoor Courts
- Restrooms



Fidelity National Title
PORTLAND

This map/plot is being furnished as an aid in locating the herein described land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

31544 NE Corral Creek Rd. Newberg, Oregon

The Chehalem Parks and Recreation Departments supports the inclusion of this property into the Urban Reserve Area and ultimately into the Urban Growth Boundary. It is immediately adjacent to Schaad Park and we would like to expand the recreation opportunities in this area in conjunction with the current property owners. We share a common objective to develop a Pickleball Complex on this property which, we feel, will be a great benefit to the citizens and the City of Newberg.

_____/_____
Name Date

Need for a sign posted re: dog waste

Lori Little <lorilittle6@gmail.com>

Mon 9/28/2020 10:03 PM

To: Front Desk <DistrictOffice@cprdnewberg.org>

Hello,

I am a dog owner who follows the law by picking up my dog's waste. Unfortunately, not all dog owners do that and one in particular (who must have a large breed) is leaving their dog's waste along the sidewalk on Chehalem by CVMS. This has created an odor for all who walk along that sidewalk, in addition to having to view the waste build up there. I would like to request a Dog Waste sign to be posted at the corner of Chehalem and Foothills for dog-walkers to see—something like the one that is on Jones St. at the end of the walkway cut-through from Antonia Crater Elementary? Thank you.

Lori Little



Begin forwarded message:

From: Lacey Dykgraaf <Lacey.Dykgraaf@newbergoregon.gov>

Subject: RE: Form submission from: Contact Us

Date: September 21, 2020 at 9:39:25 AM PDT

To: "'lorilittle6@gmail.com'" <lorilittle6@gmail.com>

Hello Lori,

Thank you for contacting the City of Newberg and for your concern in enhancing the livability of our area. Crater Park is operated by the Chehalis Parks and Recreation

District. To have a sign posted along Chehalem Dr at Crater Park, you would need to contact the Chehalem Parks and Recreation District (a separate entity from the City) at districtoffice@cprdnewberg.org or by calling 503.554.0283. To get the sign posted closer to Chehalem Valley Middle School, I would recommend contacting the school district offices as the sign would need to be placed on their property.

Best,

Lacey

Lacey Dykgraaf
Community Engagement Specialist
City of Newberg
Direct: 503-554-7718
Pronouns: She, her, hers

-----Original Message-----

From: Newberg Oregon [<mailto:webmaster@newbergoregon.gov>]
Sent: Sunday, September 20, 2020 5:01 PM
To: Newberg Webmaster <webmaster@newbergoregon.gov>
Subject: Form submission from: Contact Us

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

Submitted on Sunday, September 20, 2020 - 5:00pm Submitted by anonymous user: 50.53.254.19 Submitted values are:

First Name: Lori

Last Name: Little

Email: lorilittle6@gmail.com

Phone Number (optional): 5,039,578,945

Question/Comment: I am a dog owner who follows the law by picking up my dog's waste. Unfortunately, not all dog owners do that and one in particular (who must have a large breed) is leaving their dog's waste along the sidewalk on Chehalem by CVMS. This has created an odor for all who walk along that sidewalk, in addition to having to view the waste build up there. How do I request a Dog Waste sign to be posted at the corner of Chehalem and Foothills for dog-walkers to see--like the one that is on Jones St. at the end of the walkway cut-through from Antonia Crater Elementary? Thank you.

Subject: Billick Park Improvements, Ideas and Maintenance.
Date: Wednesday, September 30, 2020 at 3:02:17 AM Pacific Daylight Time
From: Alex Chiper
To: Kat Ricker
CC: Julie Petersen, seramerika@gmail.com
Attachments: images (2).jpg, images (1).jpg, images (3).jpg, images.jpg

Hello Kat, Julie, and the rest of the CPRD Team,

I've been planning to write to you for some time now, and finally got some days off and can share my thoughts, ideas, and concerns about the future of our Park.

I would start with some minor issues that will need to be addressed, and I will list some solutions for it as well:

1. It's been more than 4 weeks since the grass was mowed, it's getting pretty high in some places.
2. Can we do something about the gopher's problem, holes, and mountains of dirt are getting out of control?
3. Dog/pet waste clean up and have owners responsible for it.
4. Playground upgrades and at least better flooring/padding that doesn't get washed out after each rain.
5. A better maintenance at the Anderson Estates, at least for right now before you guys finalize the plans. (we can't wait what you will come up with)

Next, will be ideas and improvements:

1. Add extra trash bins throughout the park: ex. one by the tennis courts entrance, one by each park entrance.
2. Emphasize more regarding the pet waste responsibilities and install some waste bins with signs and bags(see picture)
3. I would highly recommend installing some solar light posts or at least some tall post around the parking lot, and more common areas with fake cameras and "Surveillance Monitoring" signs, it can be temporary, to give the understanding for teenagers or other wrongdoing individuals that someone is watching.
4. We need to add more sitting benches around the track, some around the baseball field, and definitely around the playground. (This way all the picnic tables will not be dragged around the park.
5. Let's plant more trees here and there or at least give some of us(neighbors) permission to do so.
6. I suggest installing a Little Free Library Box (see pic)
7. I like the little shelf/cage we now have by the tennis courts to store the loose or lost balls. Let's create a place to hang or drop the Lost&Found items.
8. The parking lot on 3rd street needs to be properly finished and marked so we don't have to deal with some uneducated humans doing race car doughnuts.
9. Please consider this in your future developments:
 - we are overdue for a new and safer playground (during quarantine and park closure for several months, was the perfect opportunity to work on that, too bad, you guys failed to do so)
 - a volleyball field will be nice to have.
 - a pair of soccer goalies, since the school field was/is closed and we can't use theirs anymore.

- at least an outdoor ping/pong table.

We don't know what the plan looks like for the Anderson Estate Park but I do have some recommendations and concerns for you:

- we are concern regarding parking, and we hope it will not be the 5th street, on-street parking.
- consider adding some speed bumps
- in-ground cables/wires or other services.
- Things to do NOW! bring a tractor and plow the dirt as deep as possible and then rake it to even the ground out. Dig and clean the water drain gutter by the road, so it is ready for the upcoming rain season. Plant some nice lawn grass. It will help to rot the orchard leftovers, scare the ground rodents, and esthetically look nice.
- In your plans, I would suggest keeping and even expanding the garden behind the house as a community garden (vegies, plants, berries, fruits) and projects for school activities.
- For the park itself, it will be nice to have like an outdoor gym, with young adults, disabilities, and senior-friendly equipment.
- Think about a landmark or something unique, statue, fountain, trellis, gazebo, bridge, etc. specific to our city and area, with great landscaping to attract photographers and other special occasions to take unforgettable pictures in this park. Think weddings, Family pictures, tourists, and others. A must to, place, or background.

Ideally, I would make a deal with the local city and Dundee Elementary School for a more perfect plan, but I know it is kind of late, and some organizations are a little greedy. That's just a side note.

If you have any questions or would like me to explain more, in deeper detail every point I brought up above, please feel free to reach out anytime.

I attached some pictures for better content.

Thanks for your time.

IMG_20200731_124943.jpg

IMG_20200731_125008.jpg

IMG_20200731_125030.jpg

IMG_20200731_125337.jpg

IMG_20200731_125406.jpg

IMG_20200801_110201.jpg

--

Alex Chiper

C: 907-227-0924

agentalexhomes@gmail.com

"If you imagine it, you can achieve it.

If you dream it, you can become it."

Don Clements

From: Julie Petersen
Sent: Friday, September 25, 2020 8:41 AM
To: Kat Ricker; Don Clements; Casey Creighton
Subject: FW: Complaint from this morning
Attachments: SKM_368e20092412260.pdf

From: Tara Franks <tfranks@cprdnewberg.org>
Sent: Thursday, September 24, 2020 5:44 PM
To: Gary Van Der Veen <vanderveeng@co.yamhill.or.us>
Subject: RE: Complaint from this morning

Gary,

Thank you for the note (see attached) you left on my desk this morning outlining concerns you received with regards to aquatic center, social distancing, and appropriate mask use.

Public Swim:

We are currently hosting eight, 75-minute public swim/family swim session throughout the course of the week. These sessions are by reservation only with a cap of approximately 45 individuals. The pool holds upwards of 200-225 persons so there is in essence plenty of space for 45 people. These sessions are predominately attended by family units, with parent in the water, as children under the age of 10 cannot be dropped off. Each family unit receives their own easily identifiable wrist band that signals our staff that these people are not required to social distance from each other. We ask the parents to assist the lifeguards in not only monitoring their children's safety but to monitor their social distancing as well (as stated on our website and written literature). Are there children over the age of 10 who are unaccompanied by parents? Yes, and they are children and who left to their own accord will not social distance. Our lifeguards (as mandated by OHA) are not social distancing monitors, they are there to conduct surveillance and keep our visitor water safe. We are required to have a dedicated social distancing monitor in the building (not dedicated to each specific activity) and they rove throughout the facility reminding patrons (among other things) to be socially distant and to keep their mask appropriately in place over both mouth and nose. Could our monitors be more assertive probably ... they are young adults who are not naturally given to making contact with the public (in this fashion) due in part to the possibility of being confronted with a negative response. I will be sure to address this concern with not only our monitors but with the reception staff, and lifeguards as well.

Water Polo:

Our water polo team has just recently returned to the facility for fall programming under a new coaching team. This is a new coaching team to our facility and each other. They are not only having to adapt to working with each other but to operating during this time of COVID as well. The coaches have had a steep learning curve to overcome with regards to the social distancing issues. I have been popping into practices for about 10 days now with suggestions to make their practices more COVID, socially distance safe. The coaches have been very receptive to all suggestions and have made changes on the spot to clear up what ever issue I'm witnessing.

There has been improvement as the coaches this past week are now easily identifiable as they are in uniform complete with team shirt, face mask, and whistle. This has helped from a facility management point of view.

Practices are now consisting of conditioning (lap swimming), ball handling and passing drills. These drills are to be conducted in such a fashion that athletes are "cohorted" together in the groups of 4-8 individuals for the duration of the season as recommended by OHA with regards to other team sports. They are to be in these same groups for each and every practice to limit the number of people with whom they are exposed. The athletes are not entering into any kind of scrimmaging or match play at this time. The athletes do engage in "deck drills" as well and keep their distance.

I will continue to pop into practice until the routines of best COVID practices become second nature to coaches and athletes alike. We have to educate the athletes as well as the coaches. I am also going to recommend to the club to place and adult social distancing monitor on deck to observe each practice session and let coaches know when they are falling short of the social distancing bar.

Masks:

All patrons, guests, and athletes must wear masks while entering and exiting the natatorium areas. Once in those areas the masks are removed as they cannot be worn in the water. Our aquatic center patrons are usually pretty good with regards to the mask policy. Mask use for children under the age of 5 years is of course optional. I may however have to reinforce this issue with the water polo coaches and athletes.

Thanks again Gary. If you need further clarification don't hesitate to reach out to me.

Tara Franks, Coordinator
tfranks@cprdnewberg.org

Chehalem Aquatic & Fitness Center
Physical address: 1802 Haworth Avenue, Newberg
Mailing address: 125 S Elliott Road, Newberg 97132
503-538-4813
www.cprdnewberg.org

From: Gary Van Der Veen <vanderveeng@co.yamhill.or.us>
Sent: Thursday, September 24, 2020 4:36 PM
To: Tara Franks <tfranks@cprdnewberg.org>
Subject: Complaint from this morning

Could you please send me an e-mail when you get a chance outlining what we discussed from the complaint this morning?

Thank you;

Gary Van Der Veen, REHS
Yamhill County Public Health
Phone: (503) 434-7439
Cell: (971) 241-7785
vanderveeng@co.yamhill.or.us

I am concerned about the lack of covid precautions occurring at the CPRD Aquatics Facility. There is minimal social distancing happening. Open swim has virtually no social distancing being enforced. Additionally, the water polo team has no measures being taken in regards to covid. No social distancing, very few masks, and from my understanding, water polo games are not allowed due to high contact. Thanks for looking into the safety of our community.



GARY VAN DERVEEN, REHS
Registered Environmental Health Specia

Health & Human Services Department
Yamhill County Public Health
412 NE Ford Street
McMinnville, OR 97128
Phone: 503-434-7525

Phone: 503-434-7439
Cell: 971-241-7785
Fax: 503-472-9731
vanderveeng@co.yamhill.oi



Bern Coleman
Hagan-Hamilton Insurance
503-472-2165

CHEHALEM PARK & RECREATION DIST
125 S ELLIOTT RD
NEWBERG, OR 97132-2295

SAIF Policy	269304
Check No.	013187797
Amount	\$4,539.00
Issue Date	10/06/2020

When Oregon businesses and nonprofits work together to prevent on-the-job injuries and illnesses—particularly during these challenging times—everyone benefits. Thanks, in part, to your efforts, and in consideration of SAIF's capital levels, we are proud to declare a \$100 million dividend for our policyholders.

The attached check reflects the full amount of your dividend, which is **18.71 percent of standard premium** for your policy whose annual term ended in 2019.

Please see the enclosed letter for more information. If you have questions, log in to your account on **saif.com**, or contact your agent or SAIF representative.


FYI

It is unlawful in Oregon for an insurer to promise to pay policyholder dividends for any unexpired portion of the policy term or to misrepresent the conditions for dividend payment. Dividends will be due and payable only for a policy period that has expired, and only if declared by and under conditions prescribed by the Board of Directors of the insurer. Furthermore, it is an unlawful rebate and a violation of the Oregon Insurance Code for an insured or a representative of an insured knowingly to accept a dividend pursuant to a promise to pay policyholder dividends if the promise is made before the policy is issued or if the promise is made for any unexpired portion of a policy period.

Payment_Policy_Dividend_sCheck

Please keep the upper portion for your own records

FOLD ON PERFORATION LINE BELOW  BEFORE DETACHING.

saif Work. Life. Oregon.	400 High St SE Salem, OR 97312 503.373.8000	Dividend	To The State Treasurer Salem, Oregon 96-10 1232	Check No. 013187797 Date 10/06/2020
Pay FOUR THOUSAND FIVE HUNDRED THIRTY NINE AND 00/100 DOLLARS			Amount \$ **4,539.00	
Pay To The Order Of CHEHALEM PARK & RECREATION DIST			(Void After 2 Years From Date Of Issue)  Authorized Signature	
PAYABLE THROUGH US BANK				

013187797 123200101 4350211

Subject: Fwd: Construction Excise Tax

Date: Saturday, August 29, 2020 at 2:33:30 PM Pacific Daylight Time

From: Doug Rux

To: Don Clements

CC: Kaaren Hofmann, Kat Ricker

Don

NEWBERG is evaluating implementing a construction excise tax to support affordable housing. As part of the discussion the Home Builders Association of Portland has intervened and is looking for some concessions on when City System Development Charges (SDCs) are paid. Through the discussions we have landed on SDCs to be paid at the time of a scheduled insulation inspection. This is about half way through a new home construction.

The intent on delaying the timing is related to developer carrying costs with the intent that it will reduce home costs. I have no absolute guarantee that home price reduction will occur.

At this time the CPRD SDC is required to be paid at the time of issuance of a building permit. My question is would the CPRD have any issues or concerns if your SDC was delayed to the time an insulation inspection was scheduled to align with the City SDC payment? This would only apply to single family homes and duplexes. The delay of payment would be roughly 3 months later than when it is currently collected.

We are scheduled to take our City CET and adjustment on timing for City SDC payment to City Council on October 5. I will be out of the office Sept 4 through 23 so I have copied Kaaren Hofmann on this email. Please reply to both of us with your feedback.

Thanks

Doug Rux

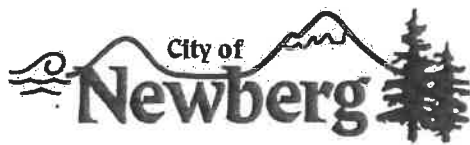
Community Development Director

doug.rux@newbergoregon.gov

O: 503.537.1212

C: 503.550.4517

Sent from my iPhone



Community Development Department

P.O. Box 970 • 414 E First Street • Newberg, Oregon 97132
503-537-1240. Fax 503-537-1272 www.newbergoregon.gov

NOTICE OF PUBLIC HEARING

This is to notify you that the City of Newberg has proposed a land use regulation that may affect the permissible uses of your property and other properties.

On November 2, 2020, at 7:00 PM, via Zoom <https://zoom.us/j/99993712086>, the City Council for the City of Newberg will hold a legislative public hearing regarding the adoption of Ordinance No. 2020-2868.

ORDINANCE NO.: 2020-2868

APPLICANT: City of Newberg

REQUEST: A legislative action to implement the Riverfront Master Plan by amending the Comprehensive Plan, Comprehensive Plan Map, Development Code, and Zoning Map.

LOCATION: Riverfront Master Plan Area (see map).

TAX LOT: Various tax lots within the Riverfront Master Plan area (see map).

FILE NO: CPMA20-0002/CPTA20-0001/ZMA20-0002/DCA20-0001

CRITERIA: Newberg Comprehensive Plan; Newberg Development Code, Sections 15.100.060, 15.100.150, 15.302.010, 15.302.020, 15.302.030B, 15.302.032, 15.302.040, 15.302.060, 15.302.070, 15.303, 15.305, 15.352, 15.05.110, Appendix A: Figures, Appendix B: Maps

ORS 227.186 requires the City to print the following sentence: "The City of Newberg has determined that adoption of this ordinance may affect the permissible uses of your property, and other properties in the affected zones, and may change the value of your property." Actually, no determination has been or is expected to be made as to the effect of the proposal on the value of your property.

The ordinance is available for inspection at the Newberg Community Development Department office located at 414 E First Street, Newberg, OR. A copy of the ordinance also is available for purchase at a cost of \$0.25 per page. For additional information concerning this ordinance, you may call the City of Newberg Community Development Department at (503) 537-1240.

Mailed: September 30, 2020

By: Doug Rux, Community Development Director

Figure 1. Proposed Comprehensive Plan Map Amendments

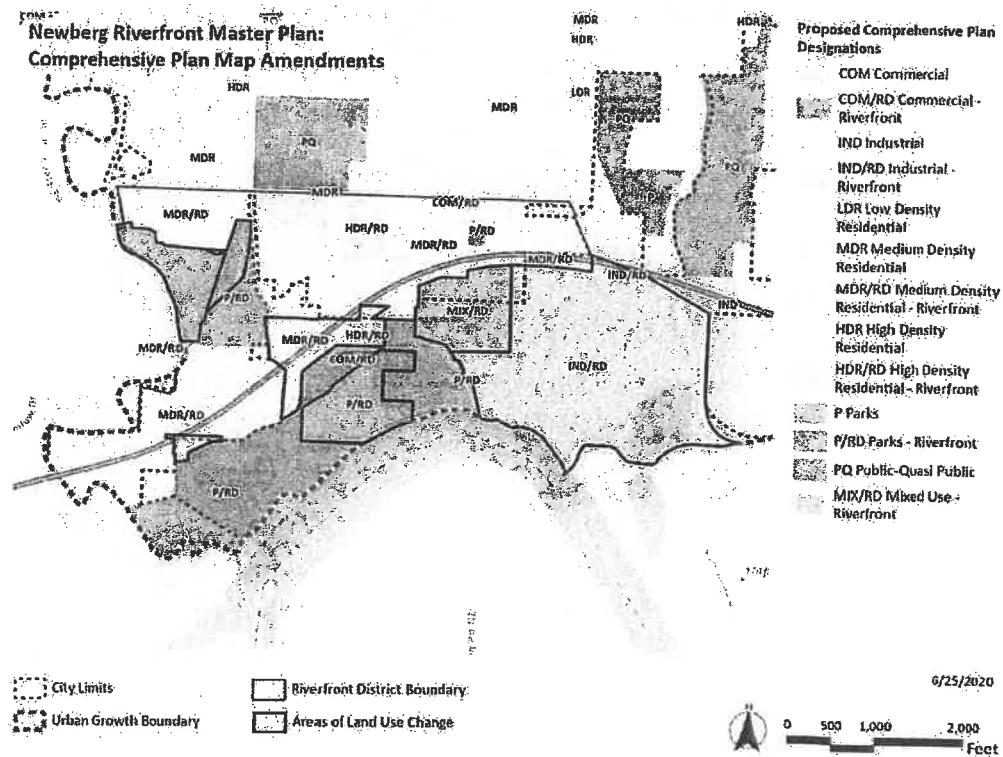
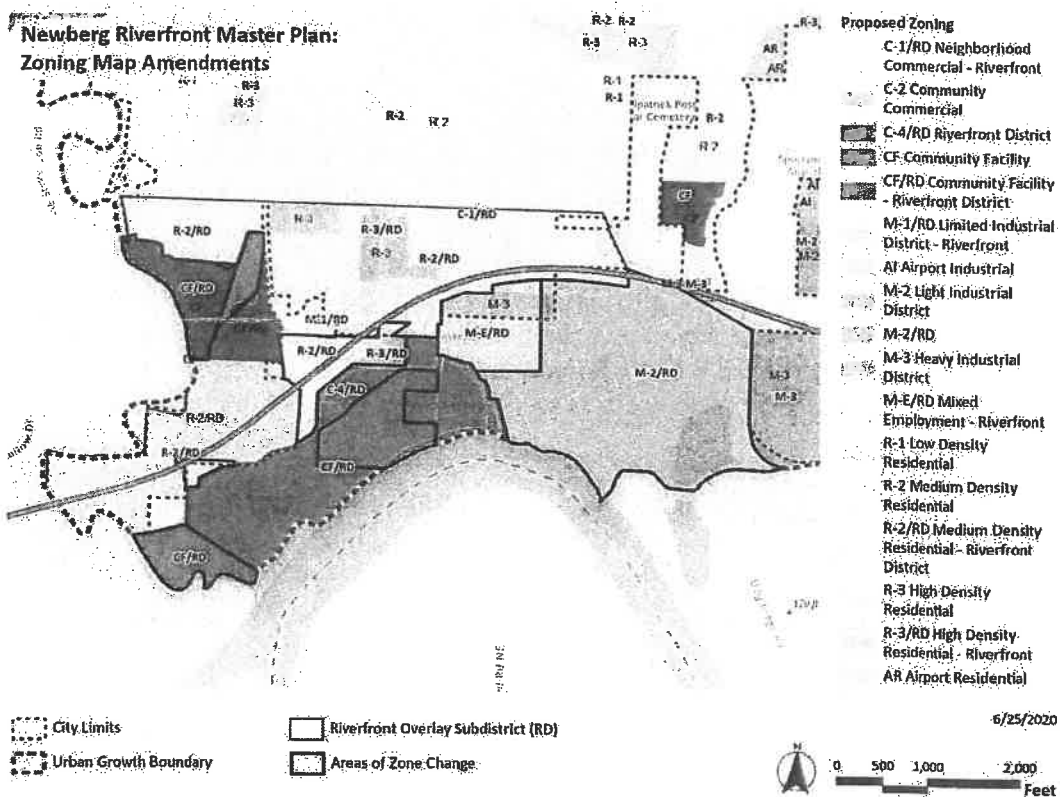


Figure 2. Proposed Zoning Map



Shy Montoya

From: Danny Brakebush <DannyB@rascpas.com>
Sent: Thursday, October 1, 2020 3:31 PM
To: Shy Montoya
Subject: RE: Card

Hi Shy,

Of course, glad we were able to wrap up the 18-19 audit. Appreciate all your hard work and as always, enjoyed working with you.

I apologize I have not had a chance to look at the schedule moving forward as I am in the midst of other fieldwork week so have had to do a lot of driving (almost 3 hours each day) and have been swamped this week. We will send 19-20 prep stuff over the next week and then we can discuss the plan of attack moving forward.

Hope that works!

Thanks!
Danny

From: Shy Montoya <smontoya@cprdnewberg.org>
Sent: Thursday, October 1, 2020 3:25 PM
To: Danny Brakebush <DannyB@rascpas.com>
Subject: Card

Thanks for the card, classy!

I appreciate all your help. Have you had a chance to look at the schedule for 2020?

Respectfully,

Shy Montoya

Shy Montoya
Chehalem Park and Recreation District
125 S. Elliott Road
Newberg, OR 97132
503-554-0283
503-537-2909 Ext 2001
503-538-9669 fax
smontoya@cprdnewberg.org