

CITY OF NEWPORT

ORDINANCE NO. 2083

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO, AND APPROVING THE NEWPORT NORTHSIDE URBAN RENEWAL PLAN

Summary of Findings:

1. Pursuant to Ordinance No. 1910, the Newport City Council (the "Council") declared that blighted areas exist in the City of Newport ("City") and elected to have the powers of an urban renewal agency exercised by the Council.
2. Pursuant to the Ordinance, the Council declared that the name of the urban renewal agency will be the Newport Urban Renewal Agency (the "Agency").
3. The Agency, as the City's duly authorized and acting urban renewal agency, is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457.
4. The Agency, pursuant to the requirements of ORS Chapter 457, has caused the preparation of that certain Urban Renewal Plan attached hereto as Exhibit A (the "Plan"). The Plan authorizes certain urban renewal activities within the Newport Northside Urban Renewal Area (the "Area").
5. The Agency has caused the preparation of a certain Urban Renewal Report dated September 21, 2015 attached hereto as Exhibit B (the "Report") to accompany the Plan as required under ORS 457.085(3).
6. The Agency forwarded the Plan and Report to the City's Planning Commission (the "Commission") for review and recommendation. The Commission considered the Plan and Report on September 14, 2015 and adopted a finding that the Plan conformed with the Newport Comprehensive Plan.
7. The Plan and the Report were forwarded on August 26, 2015 to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with each taxing district during the feasibility study phase and by including taxing districts in the advisory committee and by sending a formal notice of the Plan; no taxing jurisdiction has sent a written response to the Plan.
8. On September 2, 2015, the City met with representatives of Lincoln County to review the Plan, including proposed maximum indebtedness for the Plan.
9. On August 31, 2015, the City caused notice of the hearing to be held before the Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to utility customers; and
10. On September 21, 2015 the Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Planning Commission, and the public testimony received on or before that date.
11. On October 5, 2015 the Council deliberated on this Ordinance and, after such deliberation, elected to adopt the Ordinance and approve the Plan and Report.

12. Technical corrections to the legal description of the Plan boundary included as Appendix A to the Plan may be made after the adoption of the Ordinance without further Council action provided the changes are limited to ensuring that the description aligns with the graphic depiction of the boundary included as Figure 1 of the Plan.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. Findings. The above-stated findings are hereby adopted.

Section 2. Short Title. This Ordinance No. 2083 (this “Ordinance”) may be referred to and cited as the “Urban Renewal Plan Ordinance.”

Section 3. Compliance with Requirements. The Council hereby determines and finds that the Plan complies with all requirements of ORS Chapter 457 and the specific criteria of ORS 457.095(1)-(7). To this end, based on the information provided in the Report, the recommendation of the Commission, and public testimony before the Council, the Council hereby determines and finds as follows:

(a) The area designated in the Plan as the Area is blighted, as defined by ORS 457.010(1), and is eligible for inclusion within the Plan because of conditions described in Section II of the Report, including inadequate streets and other rights-of-way, inadequate utilities, and a prevalence of depreciated values resulting from underdevelopment and underutilization of property within the Area; and

(b) The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency is necessary to protect the public health, safety, and welfare of the City because absent the completion of the urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the Newport comprehensive plan; and

(c) The Plan conforms to the Newport comprehensive plan as a whole and provides an outline for accomplishing the projects described in the Plan, as more fully described in Chapter XI of the Plan and the minutes of the Planning Commission attached hereto as Exhibit C; and

(d) In connection with any residential displacement occurring as a result of the acquisition and disposition of land in the Plan, provision has been made for displaced persons in the Relocation Section of the Report as required under applicable state and federal law; and

(e) The acquisition of real property provided in the Plan is necessary for the development of infrastructure improvements, in the Area and for the development of public spaces; because the Agency does not own all the real property interests (e.g., rights-of-way, easements, fee ownership, etc.) that will be required to undertake and complete these projects as described in Chapter IV of the Plan and Section V of the Report; and

(f) Adoption and carrying out the Plan is economically sound and feasible in that funds are available to complete the Plan projects using urban renewal tax increment revenues derived from a division of taxes pursuant to Section 1c, Article IX of the Oregon Constitution and ORS 457.440, and other available funding as shown in the following Report sections: (VI) Estimated Total Cost of Each Project and Sources of Moneys to Pay Such Costs; (VIII) Estimated Amount of Tax Increment Revenues Required and Anticipated Year in Which Indebtedness Will be Retired; and (IX) Financial Analysis of the Plan; and

(g) The City will assume and complete any activities prescribed it by the Plan.

Section 4. Approval of Plan. The Plan is hereby approved based upon review and consideration by the Council of the Plan, the Report, the recommendations of the Commission, and the public testimony in the record.

Section 5. City Recorder. The City's City Recorder will forward to the Agency a copy of this Ordinance once the legal description is finalized. The Agency will thereafter cause a copy of the Plan to be recorded in the Lincoln County Official Records. The City Recorder, in accordance with ORS 457.115, will publish notice of the adoption of this Ordinance, including the provisions of ORS 457.135, in the Newport News-Times no later than four days following adoption of this Ordinance.

Section 6. Severability; Corrections. If any section, subsection, sentence, clause, and/or portion of this Ordinance is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (a) yield to a construction permitting enforcement to the maximum extent permitted by applicable law, and (b) not affect the validity, enforceability, and/or constitutionality of the remaining portion of this Ordinance. This Ordinance may be corrected by order of the City Council to cure editorial and/or clerical errors.

Section 7. Effective Date. This ordinance shall take effect 30 days after passage.

Date adopted on initial vote and read by title only: October 5, 2015

Date adopted on final roll call vote: October 5, 2015

Signed by the Mayor on October 6, 2015.


Sandra N. Roumagoux, Mayor

ATTEST:


Margaret M. Hawker, City Recorder

Approved as to form:


Steven Rich, City Attorney

Exhibit A

Ordinance No. 2083

Newport Northside

Urban Renewal Plan

Newport Northside Urban Renewal Plan

Adopted by the City of Newport

October 5, 2015

Ordinance No. 2083

Elaine Howard Consulting, LLC

ECONorthwest

Jeannette Launer

List of Participants

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Planning Commission: Jim Patrick, Chair
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Community Development Director: Derrick Tokos
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Urban Renewal Advisory Committee:

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Rod Croteau, Planning Commission and Agate Beach resident
Caroline Bauman, Yaquina Bay Economic Foundation
Wayne Belmont, Lincoln County
Ken Brown, Port of Newport
Chris Chandler, Central Lincoln Public Utility District
Lorna Davis, Greater Newport Chamber of Commerce
Frank Geltner, City Center Newport Association
Don Huster, Newport Budget Committee
Tim Kaufman, Lincoln County School District
Don Mann, Lincoln County
Robert McAfee, Citizen at large
Bill Posner, Citizen at large
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Ralph Breitenstein, Pacific Communities Hospital Health District
Jon Conner (alternate), Pacific Communities Hospital Health District
Chuck Forinash (alternate,) Newport Budget Committee

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I. DEFINITIONS

“Advisory Committee” means the committee composed of public officials and consultants to provide input on the McLean Point Urban Renewal Plan. Those members are identified on the acknowledgement page of the urban renewal plan.

“Agency” means the Newport Urban Renewal Agency. This Agency is responsible for administration of the urban renewal plan. In Newport, the Agency is the Newport City Council.

“Annual report” means annual report on impacts to taxing jurisdictions and former year and following year budgets as required in ORS 457.460.

“Area” means the properties and rights of way located with the McLean Point urban renewal boundary.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

“City” means the city of Newport, Oregon.

“City Council” or “Council” means the City Council of the City of Newport.

“Commercial Core Areas” means the commercial areas that provide services within the Area. These will be further defined in the commercial core areas revitalization plan.

“Comprehensive Plan” means the city of Newport comprehensive land use plan and its implementing ordinances, policies and standards.

“County” means Lincoln County.

“Fiscal year” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Legislative process” is a public process where the planning commission or city council is acting as a legislator, making new law. Chapter 14.52 of the Newport Municipal Code (Zoning Ordinance) provides procedures for legislative processes.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“Newport Transportation Systems Plan (TSP)” means the transportation system plan adopted by the Newport City Council.

“ORS” means the Oregon revised statutes and specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the Newport Planning Commission.

“Revenue Sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Under-levy” means taking less than the available tax increment in any year as defined in ORS 457.455.

“Urban renewal agency” or “Agency” means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for administration of the urban renewal plan.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

II. INTRODUCTION

The Newport Northside Urban Renewal Plan (Plan) has been developed for the Newport City Council (City Council) with the cooperative input of an Urban Renewal Advisory Committee (Advisory Committee) and community input from two urban renewal public meetings.

The Advisory Committee met six times to review components of the Plan and Report accompanying the Plan (Report), specifically the goals and objectives, projects, amendment procedures, duration of the Plan, under-levy provisions, socio-economic data, funding, and financial tables in the Report. The Advisory Committee also reviewed the input from the public meetings. The Advisory Committee voted unanimously of those present to forward the Plan and Report to the Newport Urban Renewal Agency for their consideration. There were representatives of the community at the majority of the Advisory Committee meetings.

The first public meeting was held on July 27, 2015 at which approximately 47 citizens participated. Staff and the consultant provided background information on urban renewal, the proposed plan and on the process for adoption of an urban renewal plan. Comment forms were available for attendees to complete. The comments received were compiled and placed on the city of Newport website. In addition, where appropriate, responses to the comments were drafted and also posted to the website and distributed at the second open house and to the Newport Urban Renewal Agency as part of the staff report on the process of preparing the urban renewal plan.

The second public meeting was an urban renewal open house on August 31, 2015 at which 75 people signed in and others attended, but chose not to sign in. Staff provided general urban renewal information, background information on why to consider urban renewal at this time, an overview of the potential projects, and answered questions. Attendees were provided opportunities to provide input at 5 different stations in the room. The majority of the comments received were in response to the potential of traffic solutions in the commercial core. All but one of those comments were against any couplet as a solution to traffic problems. It was noted by staff that the issue of traffic in the commercial core will be addressed in the Commercial Core Refinement Plan which is anticipated to be a two to three-year process, including substantial community input. The Commercial Core Refinement Plan will be one of the two first projects completed within the Plan, and will identify specific projects under the general categories allowed within the urban renewal plan. The Commercial Core Refinement Plan will be based on substantial data gathered about traffic problems in the area with different alternative solutions identified and studied. Whether or not a couplet will be one of the

recommended solutions is unknown at this time. However, staff consistently stated their desire for transparency that all options will be discussed and vetted in the refinement plan process. The second area of concern was surrounding the proposed projects in Agate Beach. There was concern about whether they were getting a fair share of funding and about the specifics of what improvements would be completed. Staff reiterated that those decisions would be made in the Agate Beach Refinement Plan, one of the first projects to be funded in the urban renewal plan.

There was also opportunity for public input at the Advisory Committee meetings, the Newport Urban Renewal Agency (Agency) meeting, the Newport Planning Commission (Planning Commission) meeting, and the City Council meeting.

In addition, the consultant and city staff briefed the Newport Port Commission on both urban renewal plans on August 17, 2015. Staff briefed the Lincoln County Commission on September 2, 2015.

The Plan contains goals, objectives, and projects for the development of the Newport Northside Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area has infrastructure needs, including street and utility upgrades, lacks adequate streetscape and parking, and would benefit from a program for assistance to business owners. Those needs are specifically cited in the Report accompanying the Newport Northside Urban Renewal Plan and specifically cited in the ordinance for adoption of the urban renewal plan.

Urban renewal allows for the use of tax increment financing (TIF), a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects.

In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Newport, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban

renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 545.9 total acres: 396.3 acres of land in parcels and 149.6 acres of public right-of-way.

The Plan will be administered by the Newport Urban Renewal Agency (Agency), which was established by the Newport City Council as the City's Urban Renewal Agency. Substantial changes to the Plan must be approved by the City Council, as outlined in the Amendments Section, Section IX of this Plan.

The Plan is accompanied by an Urban Renewal Report (Report) that contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

It is anticipated that the Plan will take 23 years to implement. The duration of the Plan is set at 25 years to allow for changes in the economy and opportunities for a potential under-levy at some point in the life of the Plan. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$39,920,000.

Future amendments will be listed numerically in this section of the Plan and then incorporated into the Plan document and noted by footnote as to amendment number, type of amendment (substantial, major or minor) and date adopted.

III. GOALS AND OBJECTIVES

The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XII, and were developed with input from the Newport Urban Renewal Plan Advisory Committee. The goals and objectives will be pursued as economically as is feasible and at the discretion of the Agency. The goals and objectives are not ranked by priority.

Goal 1: *PUBLIC INVOLVEMENT*

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal implementation process.

Objectives:

1. Provide opportunities for public input throughout the implementation process.
2. Establish the Planning Commission as the ongoing Citizens' Advisory Committee to assist the Urban Renewal Agency in decisions regarding plan implementation and to provide input on Substantial and Major Amendments as identified in the Amendments section of the Plan. The Planning Commission may recruit members of the public in an ad-hoc capacity to assist it with its advisory responsibilities.
3. Utilize ad hoc advisory committees to review Major Amendments that include changes in the Plan as identified in the Amendments section of the Plan.

Goal 2: *ECONOMY*

Create conditions that are attractive to the growth of existing business and attract new businesses to Newport to create new jobs. Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities.

Objectives:

1. US 101/US 20 Streetscape
 - a. Assist in the financing and provision of transportation improvements for improving traffic flow and traffic patterns, reconfiguring

- intersections, installing or upgrading traffic signals, improving pedestrian and bicycle connections, right of way acquisition and parking improvements.
 - b. Improve overall aesthetics, for example: landscaping, utility undergrounding, wayfinding, and billboard removal.
 - c. Work with property owners to promote development and redevelopment of properties within the Area including but not limited to site prep for re-use, property consolidation, business assistance programs including façade improvement program and strategic site acquisition for economic development. Implement loan and grant programs.
- 2. Commercial Core Areas
 - a. Complete a Refinement Plan for the commercial core areas, including identifying a boundary.
 - b. Assist in the financing and provision of transportation improvements to ease congestion, spread out traffic, enhance pedestrian experience, and facilitate redevelopment.
 - c. Help create and enhance a district identity through the provision of amenities including but not limited to benches, public art, public spaces, street and landscape island enhancements, wayfinding, utility undergrounding, and billboard removal.
 - d. Work with property owners to promote mixed use development and redevelopment of properties within the Area including but not limited to site prep for re-use, business assistance programs including façade improvement program and strategic site acquisition for economic development. Implement loan and grant programs.
- 3. Hospital Area
 - a. Assist in the financing and provision of transportation improvements including access and parking.
 - b. Assist in financing and provision of utility infrastructure.
 - c. Provide improvements to help establish a gateway to the city.
- 4. Tourism/Fairgrounds Area
 - a. Develop tourism related amenities and facilities including fairgrounds redevelopment.
 - b. Identify and make infrastructure investments on opportunity sites.
 - c. Assist in the improvement of the transportation system to support existing development and allow for future development.

- d. Facilitate redevelopment through assistance in parcel reconfiguration and potential public/private partnerships.
- e. Improve the visual appearance of the Highway 20 corridor through redevelopment, transportation improvements and streetscape improvements.

Goal 3: *HOUSING*

Support existing and potential new residential neighborhoods through upgrading utility and transportation infrastructure. Provide for the housing needs of the citizens of Newport in adequate numbers, price ranges, and rent levels which are commensurate with the financial capabilities of Newport households.

Objectives:

- 1. Complete a Refinement Plan for the Agate Beach area.
- 2. Upgrade infrastructure in existing residential neighborhoods to improve the quality of services needed for the units to be viable and desirable over the long term.
- 3. Assist with the extension of infrastructure to undeveloped residential properties to facilitate the construction of residential units, increasing the supply of housing.
- 4. Assist in the improvement of the transportation system to support existing development and allow for future housing development.
- 5. Explore public and private partnerships to encourage development of affordable and workforce housing in Agate Beach and commercial core areas.

Goal 4: *INFRASTRUCTURE*

To assure adequate planning for public facilities to meet the changing needs of the City of Newport urbanizable area. To provide a storm water drainage system, water system, wastewater collection and treatment system with sufficient capacity to meet the present and future needs of the Newport urbanizable area. To provide a safe and efficient multi-modal transportation system consistent with the Transportation System Plan.

Objectives:

- 1. Complete a Refinement Plan for the Agate Beach area.
- 2. Complete a Refinement Plan for the commercial core areas.
- 3. Build utility infrastructure to accommodate growth in the Area.
- 4. Identify and make infrastructure investments on opportunity sites.

5. Coordinate with the Oregon Department of Transportation on transportation improvements, including street, sidewalk and bridge improvements, in the Area.
6. Assist in the improvement of the transportation system to support existing development and allow for future development.
7. Assist in the financing and provision of transportation improvements for US 101 and US 20 for improving traffic flow and traffic patterns, reconfiguring intersections, installing or upgrading traffic signals, improving pedestrian and bicycle connections, right of way acquisition and parking improvements.
8. Assist in the financing and provision of transportation improvements in the commercial core areas to ease congestion, spread out traffic, enhance pedestrian experience, and facilitate redevelopment.
9. Assist in the provision of telecommunications infrastructure.

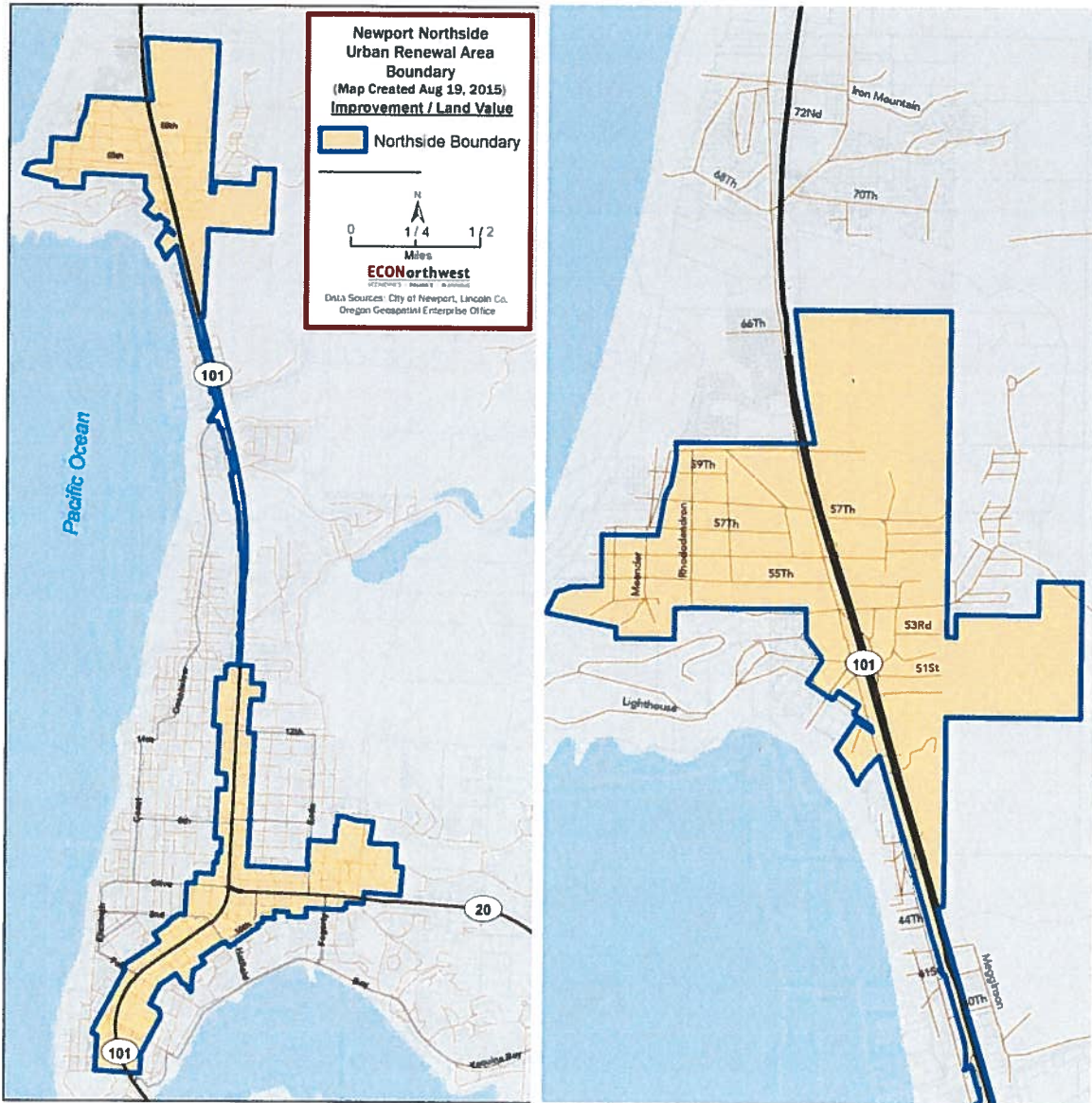
Goal 5: *FISCAL STEWARDSHIP*

Work with taxing jurisdictions to both inform them of the annual project and financial activities of the urban renewal area and to evaluate opportunities to share tax increment revenues.

Objectives:

1. Send a copy of the annual project and financial report to all taxing jurisdictions, informing them of the activities of the urban renewal area.
2. Notify taxing jurisdictions of revenue sharing responsibilities and the timing of those responsibilities.
3. Identify process for evaluating an under-levy request.
4. Reimburse city for annual costs in administering the urban renewal area.

Figure 1 – Urban Renewal Area Boundary



IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The projects within the Area include:

- *Refinement Plans*
- *Public Buildings*
- *Transportation and Utility Enhancements*
- *Economic Development*
- *Planning and development assistance programs*
- *Debt service and plan administration*
- *Property acquisition*

V. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Public improvements authorized under the Plan include upgrading of infrastructure including streets and utilities to encourage development, and economic assistance to developers. These projects are consistent with the Newport Transportation Systems Plan (TSP), The Newport Economic Development Strategy and the Newport Public Infrastructure System Development Charges methodology, all adopted by the Newport City Council. The projects are in conformance with the Newport Comprehensive Plan as detailed in Section XII of this Plan.

As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs. At this time, these project categories are general in nature. They will be further defined as a result of the two refinement plans that are initial projects in the Area. Once these projects are further defined, the Plan will be amended to include specifics on the projects. Each specific project will be itemized under the project category listed below. Projects authorized by the Plan are:

A. Refinement Plans

a) Commercial Core Areas Revitalization Plan

The Commercial Core Areas Revitalization Plan (CCARP) will analyze key transportation and infrastructure issues within the commercial core areas in the Plan. The CCARP boundary for the study will be defined at the point that the plan is undertaken. It will study key transportation issues including traffic flow, safety, and parking issues within the study area. The CCARP will help define the transportation system enhancements and the priority of implementation of those

enhancements that are undertaken as projects in this Plan. The CCARP will be completed using a legislative process as defined in Chapter 14.52 of the Newport Municipal Code (Zoning Ordinance).

b) Agate Beach Neighborhood Plan

The Agate Beach Neighborhood Plan (ABNP) will analyze key transportation and infrastructure issues within the Agate Beach neighborhood. The ABNP will help define the transportation system enhancements and the priority of implementation of those enhancements that are undertaken as projects in this Plan. The CCARP will be completed using a legislative process as defined in Chapter 14.52 of the Newport Municipal Code (Zoning Ordinance).

B. *Public Buildings*

Lincoln County is developing plans to redevelop the fairgrounds property, including the potential addition of multipurpose building. Redevelopment of the fairgrounds in a manner that provides for the property to be more heavily used year round could be a catalyst for redevelopment of adjoining underdeveloped public and commercially zoned lands between the fairgrounds site and US 20. This project would provide funding for support infrastructure and strategic site acquisition to assist with reconfiguration of the fairgrounds to facilitate redevelopment and to ensure that water, sewer, street, parking and related services are adequate to serve the new uses. The project will be further defined as the County moves through the process of planning for that area.

C. *Transportation and Utility Enhancements*

Transportation system enhancements include enhancements to the commercial core areas as well as to US 101 and US 20. These enhancements could include street upgrades, transportation improvements as defined in the CCARP, widening, intersection realignments, local street right-of-way improvements, parking improvements right-of-way acquisition, signal installation or adjustment, storm drainage improvements, and water, sewer and other utility line relocation and capacity upgrades, including fiber optics lines. The exact location and further definition of these transportation enhancements will come as a result of the CCARP in addition to the Transportation System Plan and the city utility master plans.

D. Economic Development

Economic development projects include but are not limited to site preparation for reuse including demolition and lot aggregation, storefront façade loans and grants, strategic site acquisition for economic development, street tree and landscape island enhancements, benches, public art, public spaces, wayfinding improvements, utility undergrounding, including fiber optics, and billboard removal. Priority projects may be identified in the Agate Beach and Commercial Core Area refinement plans.

E. Debt Service and Plan Administration

This project will allow for the repayment of costs associated with the implementation of the Newport Northside Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long and short term debt, relocation costs and other administrative costs.

The way the projects relate to the goals and objectives is shown in Table 1.

Table 1 – Projects and Relationship to Goals and Objectives

Project Name	Goals and Objectives Number
Newport Northside Urban Renewal Plan	
Infrastructure Refinement Plans	
Commercial Core Area Revitalization Plan	Goal 1, Obj. 1, Goal 2, Obj. 2, Goal 4, Obj. 2
Agate Beach Neighborhood Plan	Goal 1, Obj. 1, Goal 3, Obj. 1, Goal 4, Obj. 1
Public Buildings	
Multi-purpose building (includes supporting infrastructure)	Goal 2, Obj. 4
Transportation System Enhancements	
Commercial core area highway/street upgrades	Goal 2, Obj. 1,2,3, Goal 4, Obj. 5,6,7,8,9
Intersection realignment	Goal 2, Obj. 1,2
Local street right-of-way improvements	Goal 3, Obj. 3
Parking improvements	Goal 2, Obj. 1
Right-of-way acquisition	Goal 2, Obj. 1
Signal installation or adjustment	Goal 2, Obj. 1
Storm drainage improvements	Goal 4, Obj. 3, Goal 3, Obj. 2
Water,sewer, utility line relocation and capacity upgrades	Goal 2, Obj. 3, Goal 4, Obj. 3, Goal 3, Obj. 2, Goal 4, Obj. 3,4
Economic Development	
Benches, public art, gateway	Goal 2, Obj. 2, Goal 2, Obj. 3
Billboard removal	Goal 2, Obj. 1,2
Site prep for reuse	Goal 2, Obj. 1,2
Storefront façade loans/grants	Goal 2, Obj. 1,2
Strategic site acquisition for economic development, Redevelopment	Goal 2, Obj. 1, 2, Goal 3, Obj. 4
Street tree and landscape island enhancements	Goal 2, Obj. 1,2
Wayfinding improvements	Goal 2, Obj. 1, 2
Utility undergrounding	Goal 2, Obj. 1,2
Administration	Goal 5, Objectives 1,2,3,4
Total	

VI. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use.

A. Property acquisition for public improvements

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. Property acquisition – from willing sellers

The Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary to support private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Area.

C. Land disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

VII. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance.

VIII. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. General description of the proposed financing methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from the federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax increment financing and maximum indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440.

Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$39,920,000 (thirty nine million nine hundred and twenty thousand dollars and no cents). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

IX. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Newport, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Major Amendments

Major amendments require adoption of a resolution by the Agency. Major amendments will be reviewed by the Newport Planning Commission and by an ad hoc advisory committee appointed by the City Council, both of whom will send an advisory recommendation to the Agency. The ad hoc committee will include a representative from at least one of the affected taxing entities, a property or business owner from the Agate Beach area, a property or business owner from the commercial core area, a citizen(s) at-large from within the community, and representation by any other group or organization that the Council feels should be involved. Agency will provide opportunities for public involvement in all stages of the development of major amendments.

Major amendments are amendments that:

1. Increase the duration of the timeframe for the urban renewal area. Any increase in the duration of the timeframe of the urban renewal area will also require consultation with affected taxing districts.
2. Deletion of land that totals more than 1% of the existing area of the urban renewal area.

3. Add any new project where the project cost is in excess of \$500,000 as indexed annually by the inflation rate used in the Report accompanying the adoption of the Newport Northside Urban Renewal Plan or any subsequent Report for a Substantial Amendment, whichever is most current. A new project is a project that is not already designated in the Plan or does not fall within one of the general categories of projects designated in the Plan.

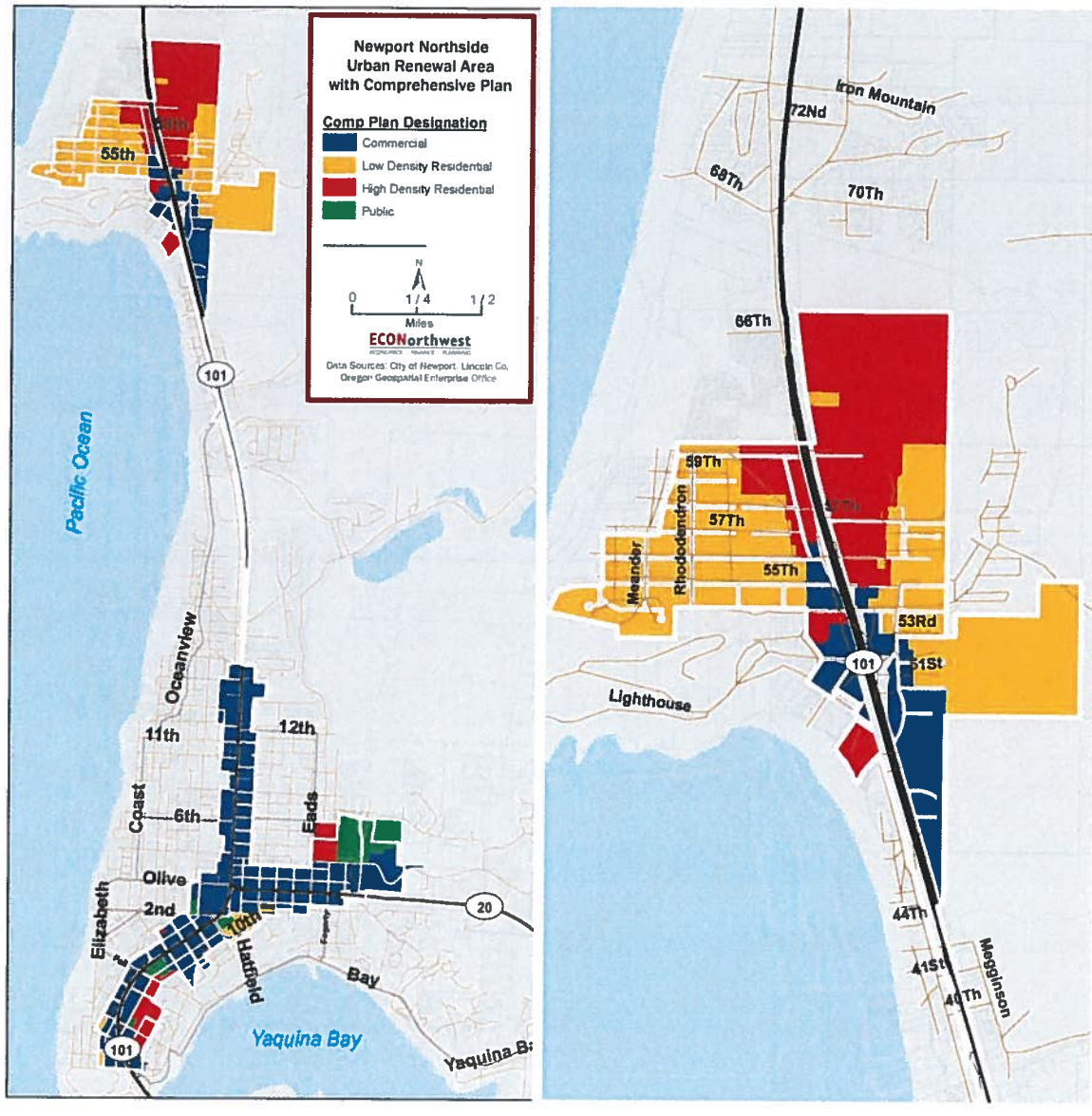
C. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457 and are not Major Amendments as defined in this Plan. They require approval by the Agency by resolution. The level of complexity of minor amendments will vary, and the Agency will evaluate each such amendment to determine the level of public engagement that is needed and whether or not an advisory recommendation should be secured from the Planning Commission or an ad hoc committee before the Agency takes action on a resolution.

D. Amendments to the Newport Comprehensive Plan and/or Newport Zoning Ordinance

Amendments to the Newport Comprehensive Plan and/or Newport Zoning Ordinance that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Agency or the City Council.

Figure 2 – Comprehensive Plan Designations



X. DURATION OF THE PLAN

This Plan will not exceed 25 years from the date of adoption. The financial analysis projects a 23 year plan. The duration of the Plan was extended to allow for a potential under-levy at some point in the Plan and for slight variations in assessed value projections. Since overall maximum indebtedness remains the same, the impacts on taxing jurisdictions would vary only slightly if the district were extended beyond twenty three years. This variance would be increased costs of interest on debt. Since debt issuance is not guaranteed, nor is an under-levy, the impacts on taxing jurisdictions is predicated on the financial analysis of a 23 year plan.

XI. FISCAL STEWARDSHIP

A. Annual Report

The Agency will prepare an annual report as required by ORS 457.460. In addition to the requirements stated therein, the Agency will send a copy of the annual project and financial report to all taxing jurisdictions. The annual report will include a statement of the remaining maximum indebtedness of the Plan.

B. Revenue Sharing

The Agency will notify the taxing jurisdictions of revenue sharing responsibilities of the Plan as defined in ORS 457.470 and as analyzed in the Report accompanying the Plan and any Substantial Amendment. If ORS 457.470 is amended, this section is amended accordingly. The analysis will include the projected timing of revenue sharing. Revenue sharing commences by statute as detailed in ORS 457.470, but generally described as when the annual tax increment equals 10% of the initial maximum indebtedness of the Plan. When the annual tax increment equals 12.5% of the initial maximum indebtedness, the increment to the Agency is capped at this amount and any excess is shared by the impacted taxing jurisdictions on a pro rata share equal to their tax rate.

C. Under-levy

Under-levy provisions are allowed under ORS 457.455. If ORS 457.455 is amended, this section is amended accordingly. An under-levy is when the Agency asks for less urban renewal tax increment than the total amount for which the Area qualifies. To cause an under-levy, the Agency notifies the county assessor on Form UR-50 by July 15 of the year when the under-levy is desired (ORS 457.440). The amount of increment that is under-levied is returned to the impacted taxing jurisdictions on a pro rata share equal to their tax rate. The Agency must consult and confer with the taxing jurisdictions as there might be

unexpected consequences of an under-levy, especially to local option taxes for education. The specific steps in evaluating an under-levy request are:

1. The taxing jurisdiction will send a formal under-levy request to the Agency. The taxing jurisdiction sending the request will be responsible for any costs associated with the evaluation of the under-levy.
2. The Agency will, within 30 days of the under-levy request, determine whether or not to review the under-levy request. The initial review will be based on whether there is sufficient revenue to under-levy given either current debt requirements or the requirements for the anticipated imminent issuance of debt. If the Agency determines to proceed with review of the under-levy, the Agency will determine the cost to review an under-levy request and notify the requesting taxing jurisdiction of the cost. The cost will include a financial evaluation. It will also include staff time to
 - a) Review bond documents for any bond covenants that may impact an under-levy.
 - b) Consult and confer with all taxing jurisdictions as required by ORS 457.455.
 - c) Participate in meetings required to evaluate the proposal.

D. Administration

The Agency is the body designated with implementation of the Plan. The Agency has no paid employees. Actual implementation of the Plan is done by City of Newport (City) employees. In order to ensure sufficient resources are available to efficiently administer the Plan, the cost of administration will be an eligible project of the Plan through reimbursement by the Agency of costs incurred by the City. The costs of administration allocated to the Plan will be evaluated and established in the annual budgeting process. After the annual budget is complete, an Order will be adopted by the Agency to memorialize the agreement between the Agency and the City as to the administrative costs to be incurred that year.

XII. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan relates to local planning and development objectives contained within the City of Newport's Comprehensive Plan, Newport Municipal Code (Section 17: Zoning Ordinance), and the Transportation System Plan. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that *has* been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2. The maximum densities and building requirements are contained in the Newport Zoning Ordinance. The proposed land uses conform to Figure 2.

This is not a comprehensive list of all parts of the Newport Comprehensive Plan that are supported by this Plan. This list includes the major Goals and Policies from the Comprehensive Plan that are supported, however, there may be other Goals and Policies that are not listed, but are still supported by this Plan.

A. City of Newport Comprehensive Plan

Goal: Energy Conservation

To conserve energy.

Policy 3: The city will encourage the use of forms of transportation (e.g. bicycles and mass transit) that are more energy efficient.

Policy 4: The city will encourage neighborhood commercial areas in order to conserve energy.

Policy 5: The city shall encourage the location of high density residential areas near high-capacity transportation corridors in order to achieve greater energy efficiency.

The Plan conforms to the Energy Conservation goal as it contains projects that will complete refinement plans for both the Agate Beach neighborhood and the Commercial Core Areas that will help define projects and project priorities to improve the transportation infrastructure in the Area. The Plan also contains projects that will assist in upgrading of neighborhood commercial areas including streetscape improvements and loans and grants to businesses to upgrade storefront façades, and development and redevelopment assistance programs. The development and redevelopment assistance programs could include high density residential components.

Goal: Housing Goals, Policies, and Implementation Measures

To provide for the housing needs of the citizens of Newport in adequate numbers, price ranges, and rent levels which are commensurate with the financial capabilities of Newport households.

To provide adequate housing that is affordable to Newport workers at all wage levels.

Policy 2. The city shall cooperate with private developers, nonprofits, and federal, state, and local government agencies in the provision and improvement of government assisted and workforce housing.

Policy 3. The city shall encourage diversity and innovation in residential design, development and redevelopment that is consistent with community goals.

Policy 5. The City of Newport shall coordinate planning for housing with provision of infrastructure. The Community Development Department shall coordinate with other city departments and state agencies to ensure the provision of adequate and cost-effective infrastructure to support housing development.

The Plan conforms to the Housing Goals, Policies, and Implementation Measures as it contains projects that will assist in the development of new housing in the Agate Beach residential area as well as programs that will be available for the development and redevelopment of property that could include residential uses. In addition, infrastructure improvements will help increase the livability in the Agate Beach neighborhood. The Plan also provides projects that will provide infrastructure improvements throughout the Area, which will support future residential development.

Goal: Economy

Create conditions that are attractive to the growth of existing business and attract new businesses to Newport to create new jobs.

Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities over the planning period.

Policy 2. The city shall encourage growth of tourism-related employment.

Policy 6. The city shall encourage better use of underutilized and/or blighted commercial sites.

Action 6.1 Evaluate creation of urban renewal district north of Yaquina Bay

Policy 7. The city shall insure an adequate supply of commercial and industrial sites

The Plan conforms to the Economy goal as it contains projects that will complete refinement plans for both the Agate Beach neighborhood and the Commercial Core Areas that will help define projects and project priorities to improve the transportation infrastructure in the Area. The Plan contains projects to upgrade the utility

infrastructure, to support existing business and allow for development of new businesses to create jobs, including potential redevelopment of the fairgrounds site. The Plan provides for site aggregation and demolition to facilitate new development. The Plan provides for assistance to property owners in the form of storefront grants or loans. The Plan provides for streetscape improvements and utility undergrounding, both of which help support existing business and attract new businesses in the Area.

In addition, the ability to provide new housing in the Area will help support businesses within the Area by both bringing in new residents and providing potential affordable housing for the workforce.

Goal: Infrastructure and Public Facilities

Make investments in infrastructure and public facilities to support the target industries.

Policy 8. Identify and make infrastructure investments on opportunity sites.

The Plan conforms to the Infrastructure and Public Facilities goal as it contains projects that will complete refinement plans for both the Agate Beach neighborhood and the Commercial Core Areas that will help define projects and project priorities to improve the transportation and utility infrastructure in the Area. The Plan also has a project to assist in the redevelopment of the fairgrounds area, a public facility.

B. Newport Peninsula Urban Design Plan

Policies:

- 3. Improve the vehicular and pedestrian networks in order to improve safety, efficiency, continuity, and relationships connecting the peninsula neighborhoods.*
- 4. Coordinate with the Oregon Department of Transportation (ODOT) highway projects which are compatible with and responsive to these policy objectives and design districts implementing said policies.*
- 6. Preserve and strengthen the ability of peninsula institutions to continue as centers of employment.*
- 7. Improve the built environment in order to strengthen the visual appearance and attractiveness of developed areas.*
- 8. Strengthen the peninsula's economic vitality by improving its desirability through improved appearance, function, and efficiency.*
- 9. Preserve and enhance existing housing supply. Encourage the increase of affordable housing in Newport.*

The Plan conforms to the Newport Peninsula Urban Design Plan as it has projects that will help implement policies within the Newport Peninsula Urban Design Plan. These projects include transportation improvements, utility upgrades, programs to assist

existing and new businesses, programs to help promote new commercial and residential development, streetscape and utility undergrounding projects, and billboard removal.

C. Newport Economic Opportunity Analysis

The Newport Economic Opportunity Analysis is incorporated under the Economy section of the Newport Comprehensive Plan, identified above.

XIII. APPENDIX A: LEGAL DESCRIPTION

Beginning at the southwest corner of Lot 1, Block 98, Bayley and Case's 3rd Addition to the City of Newport, thence South 30 feet to a point on the south line of SW Government Street, said point also being on the north line of the SW1/4, SW1/4, Section 8, T11S, R11W, W.M.; thence continuing easterly along said north line, to the southwest corner Lot 1, Block 99, Bayley and Case's 3rd Addition to the City of Newport; thence northerly along the west line of said Lot 1 to the northwest corner of Lot 1 and continuing to the northwest corner of Lot 6, Block 92, Bayley and Case's 3rd Addition to the City of Newport, said point also being on the north line of SW Bayley Street; thence northwesterly along the south line of SW Bayley Street to the southeast corner of the intersection with SW Elizabeth Street; thence northerly along the east line of SW Elizabeth Street to the northeasterly corner intersection with SW 7th Street; thence easterly along the northerly line of SW 7th Street to the southwest corner of the intersection with SW Fall Street; thence northerly to the intersection with the north line of SW Fall Street and the westerly line of SW 7th Street; thence along the westerly line of SW 7th Street to the northeast corner of the intersection with SW Alder Street; thence northerly along the east line of SW Alder Street to the intersection with the easterly line of SW 6th Street; thence northerly along the east line of SW 6th Street to the southeast corner of the intersection with SW Hurbert Street; thence northwesterly to the northeast corner of the intersection with SW Hurbert Street and SW 6th Street; thence northeasterly along the north line of SW 6th Street to the southwest corner of Lot 1, Nevada Block of the East Half of Block 2 in Nye and Thompson's Addition to the City of Newport, said point also being on the north line of SW 2nd Street; thence along the north line of SW 2nd Street to the west line of SW Lee Street; thence along the west line of SW Lee Street to the south line of W. Olive Street; thence continuing to the north line of W. Olive Street; thence easterly along the north line of W. Olive Street to the west line of NW Nye Street; thence northerly along NW Nye Street to a point west of NW 1st Avenue; thence east to the northeast corner of the intersection with NW 1st Avenue and NW Nye Street; thence easterly along the north line of NW 1st Street to a point on the west line of Lot 1, Block 8 of the Nob Hill Addition to the City of Newport; thence northerly along the west line of Said Lot 1, Block 8, to the northwesterly corner thereof, said point also being the southwest corner of that property described in Doc. 2003-21648; thence northerly to the northwest corner of that property described in Doc. 2003-21648; thence easterly along the north line of that property described in Doc. 2003-21648 to a point on the southwest corner of that property described in MF385-1637; thence northerly along the west line of that property described in MF385-1637 to a point on the south line of NW 3rd Street; thence continuing northerly to a point on the north line of NW 3rd Street; thence east along the north line of NW 3rd Street to a point at the southeast corner of that property described in DV 235-0556; thence northerly along the east line of that property described in DV 235-0556; thence westerly along the north line of that property described in DV 235-0556 to the northwest corner thereof; thence northerly to a point on the south line of SW 6th Street; thence north to the southeast corner with the intersection of NW Grove Street; thence northerly along the east line of NW Grove Street to the north end of the NW Grove Street; thence northerly to a point on the southwest corner described of that property described in MF410-1927; thence northerly along the west line of that property described in MF410-1927 to the northwest corner thereof, said point also being on the south line of NW 8th Street; thence north to the north line of NW 8th Street; thence easterly along the north

line of NW 8th Street to the southwest corner of that property described in MF385- 1275; thence northerly along the west line of that property described in MF385-1275 to the southwesterly corner of that property described in MF339-1894; thence northerly along the west line of that property described in MF339-1894 to the northwest corner thereof, said point also being on the south line of NW 9th Street; thence westerly along the south line of NW 9th Street, to the end of the street; thence northerly to the north line of NW 9th Street, said point also being the southeasterly corner of Lot 10, Block 14, Oceanview Subdivision; thence westerly along the south line of said Lot 10, to the southwest corner thereof; thence continuing westerly to the southeast corner of Block 13, Oceanview Subdivision; thence northerly along the east line of said Block 13, to the northeast corner of Lot 1 Block 30, Oceanview Subdivision; thence westerly along the south line of said Lot 1, Block 30, to a point on the east line of the alley of said Block 30; thence northerly, in a straight line, to the northwesterly corner of that property described in MF72-0827, said point also being on the south line of NW15th Street; thence continuing northerly to the north line of NW 15th Street; thence easterly along the north line of NW 15th Street to the southeast corner of the intersection with NW Grove Street; thence northerly along the east line of NW Grove Street to the south line of NW 16th Street; thence easterly along the south line of NW 16th Street to a point on the west line of the Oregon Coast Highway; thence northwesterly along the west line of the Oregon Coast Highway to the northwest corner of the intersection with NW Lucky Gap Road; thence southwesterly along the north line of NW Lucky Gap Road to a point on the Bluff Line; thence northerly along the Bluff Line to a point on the easterly line of NW Circle Way; thence northerly along easterly line of NW Circle Way to the southerly intersection with NW Gilbert Way; thence southeasterly along the south line of NW Gilbert Way to the west line of Oregon Coast Highway; thence northwesterly to the northwest corner of the intersection with NW Gilbert Way; thence northwesterly along the north line of NW Gilbert Way to the southeasterly corner of the intersection with NW Rocky Way; thence northwesterly along the east line of NW Rocky Way, to the northwesterly corner of Block 37, Agate Beach No. 2 Subdivision; thence northerly to the southwesterly corner of Lot 13, Block 134, Agate Beach No. 2 Subdivision; thence westerly in a straight line to the northeast corner of the property described in MF209-0956; thence southerly along the east line of that property described in MF209-0956 to the southeast corner thereof; thence westerly in a straight line to the southwest corner of Lot 2, Block 1, Lighthouse Addition to the City of Newport; thence northerly to the southwest corner of Lot 12, Block 1, Lighthouse Addition to the City of Newport; thence northwesterly along the north line of said Block 1 to the intersection with the east line of Pinery Avenue; thence northerly along the east line of Pinery Avenue to the southeasterly corner of the intersection with NW 57th Street; thence easterly along the south line of NW 57th Street to the northeast corner of Lot 7, Block 122, Agate Beach No. 1 Subdivision; thence northerly to the northeast corner of the intersection with NW Sylva Street; thence northerly along the east line of NW Sylva Street to the intersection with the south line of NW 60th Street; thence northerly to the north line of NW 60th Street; thence northerly to the section corner common to section 19/20/29/30, township 10 south, range 11 west, W.M.; thence east along the north line of said Section 29, to the easterly line of the Oregon Coast Highway; thence northerly along the east line of the Oregon Coast Highway, to the intersection with the north line of the SW1/4, SW1/4, Section 20, township 10, range 11 west, W.M.; thence easterly along the said northerly line to the southwest corner of the SE1/4, SW1/4, said Section 20; thence easterly along the said south line to the center quarter section of said section 20; thence southerly along the quarter section line to the south quarter corner of said Section 20, thence southerly to the southwesterly corner of that property described in MF192-2086; thence easterly along the

south line of that property described in MF192-2086; thence northerly along the easterly line of that property described in MF192-2086, to the northwest corner of that property described in Doc. 2007-09957; thence easterly, northerly, southerly and westerly along the north, east and south lines of that property described in Doc. 2007-09957, to the southwest corner thereof; thence in a straight line to the south corner of that property described in Doc. 2003-18535, said point also being on the east line of the Oregon Coast Highway; thence southerly along said east line of the Oregon Coast Highway to the northeast corner of the intersection with NE San-Bay-O Circle; thence easterly along the north line of NW San-Bay-O Circle 200 feet; thence southerly to the northeast corner of Lot 2, Block A, San-Bay-O Subdivision; thence southerly along the east line of said Lot 2, Block A to the southwest corner of Lot 4, Block A, San-Bay-O subdivision; thence easterly along the south line of said Lot 4, Block A, to the northeast corner of that property described in Doc. 2009-10312; thence southerly along the east line of that property described in Doc. 2009-10312, to the southeast corner thereof; thence westerly along the south line of that property described in Doc. 2009-10312, to the southeast interior corner thereof; thence southerly along the east line of that property described in Doc. 2009-10312 to the southeast corner thereof; thence westerly along the south line of Doc. 2009-10312 to the northeast corner of that property described Doc. 2007-10459; thence in a straight line to the southeast corner of that property described in MF426-2171, said point also being on the north line of NE 12th Street; thence southerly to a point on the south line of NE 12th Street; thence easterly along the south line of SE 12th Street to the southwesterly corner of the intersection with NE Avery Street; thence southerly along the west line of NE Avery Street to the northwest corner of the intersection of NE 3rd Street; thence southerly to the south line of NE 3rd Street; thence westerly along the south line of NE 3rd Street to the northeast corner of the intersection with NE Avery Street; thence south along the east line of NE Avery Street to the northeast corner of the intersection with NE 2nd Street; thence east along the north line of NE 2nd Street to the northwesterly corner of the intersection with NE Eads Street; thence northerly along the west line of NE Eads Street, to the northeast corner of Lot 7, Block 5, Phelps Addition to the City of Newport; thence easterly 460 feet more or less, to a point on the east line of that property described in DV131-289; thence northerly along the east line of that property described in DV131-289 to the northeast corner thereof; thence easterly to the southwesterly corner of Lot 3, Block 20, Bakers 2nd Addition to the City of Newport, said point also being on the east line of NE Grant Street; thence northerly along the east line of NE Grant Street to the southeast corner of the intersection with NE 7th Street; thence along the south line of NE 7th Street to the southwest corner of the intersection with NE Harney Street; thence easterly 350 feet, more or less, along the south line of NE Harney Street to the northeast corner; thence southwesterly to the northwesterly corner of that property described in DV223-0346; thence easterly along the northerly line of that property described in DV223-0346 to the northeast corner of that property described in MF93-0394, thence southerly along the east line of that property described in MF93-0394 to the southeast corner thereof, said point also being on the north line of that property described in DV58-0463; thence easterly along the north line of that property described in DV58-0463 to the northeast corner thereof; thence southerly along the east line to the southeast corner thereof; thence southeasterly to the northeast corner of the property described in MF109-0717; thence southerly along the east line of that property described in MF109-0717; thence westerly in a straight line to the south west corner of that property described in MF41-0909, said point also being in the east line of NE Harney Street; thence southerly along the east line of NE Harney Street to the southeast corner of the intersection with Corvallis-Newport Highway; thence westerly along the south line of Corvallis-Newport Highway to the

northeast corner Lot 5, Block 21, Fredricksburg Subdivision; thence westerly along the north line of said Block 21 to the northwest corner of Lot 2, said Block 21; thence southerly to the southwest corner of Lot 2, said Block 21; thence southwesterly to the northwest corner of Lot 7, Block 7, Fredricksburg Subdivision, said point also being on the south line of SE 1st Avenue; thence westerly along the south line of SE 1st Street to the southwesterly corner of the intersection with SE Eads Street; thence southerly along the west line of SE Eads Street to the southwesterly corner of the intersection with SE 2nd Street; thence westerly along the south line of SE 2nd Street to the southwesterly corner of the intersection with SE Douglas Street; thence northerly along the west line of SE Douglas Street to the northeast corner of Lot 6, Block 10, Fredricksburg Subdivision; thence westerly to the northwest corner of Lot 1, said Block 10, said point also being on the east line of SE Coos Street; thence southerly along the east line of SE Coos Street to the southeast corner of the intersection with SE 2nd Street; thence southerly to the northeast corner of Lot 8, Block 41, Bayley and Case's Second Addition to the City of Newport, said point also being on the south line of SE 10th Street; thence southwesterly along the south line of SE 10th Street to the southeast corner of the intersection with SW Angle Street; thence northwesterly to the northwest corner of the intersection with SW 10th Street and SW Angle Street; thence westerly along the north line of SW 10th Street to the southeast corner of Lot 3, Block 45, Bayley and Case's Second Addition to the City of Newport; thence southeasterly in a straight line to the southeast corner of Lot 3, Block 35, Bayley and Case's Second Addition to the City of Newport, thence southwesterly in a straight line to a point on the south line of Lot 4, Block 37, Bayley and Case's Second Addition to the City of Newport, said point also being on the westerly line of SW Canyon Way; thence southerly along the west line of SW Canyon Way to the northeasterly corner of the intersection with SW Alder Street; thence northerly along the east line of SW Alder Street to the southeasterly corner of the intersection with SW 11th Street; thence westerly to the northwesterly corner of the intersection with SW 11th Street and SW Alder Street; thence northerly along the west line of SW Alder Street to the northwesterly corner of the intersection with SW 10th Street; thence westerly along the north line of SW 10th Street, to the southwest corner of the intersection with SW Abbey Street; thence southerly along the west line of SW Abbey Street to the southeasterly corner of the intersection with SW 11th Street; thence southerly along the east line of SW 11th Street to the northeast corner of the intersection with SW Bayley Street; thence southerly along the east line of SW 11th Street to a point on the north line of that property described in MF357-0600; thence westerly in a straight line to the point of beginning.

Exhibit B

Ordinance No. 2083
Report Accompanying
Newport Northside
Urban Renewal Plan

REPORT ACCOMPANYING NEWPORT NORTHSIDE
URBAN RENEWAL PLAN

Adopted by the City of Newport

October 5, 2015

Ordinance No. 2083

Newport Northside Urban Renewal Area

Elaine Howard Consulting, LLC

Elaine Howard

ECONorthwest

Nick Popunek

Rob Wyman

Ali Danko

Jeannette Launer, Legal Counsel

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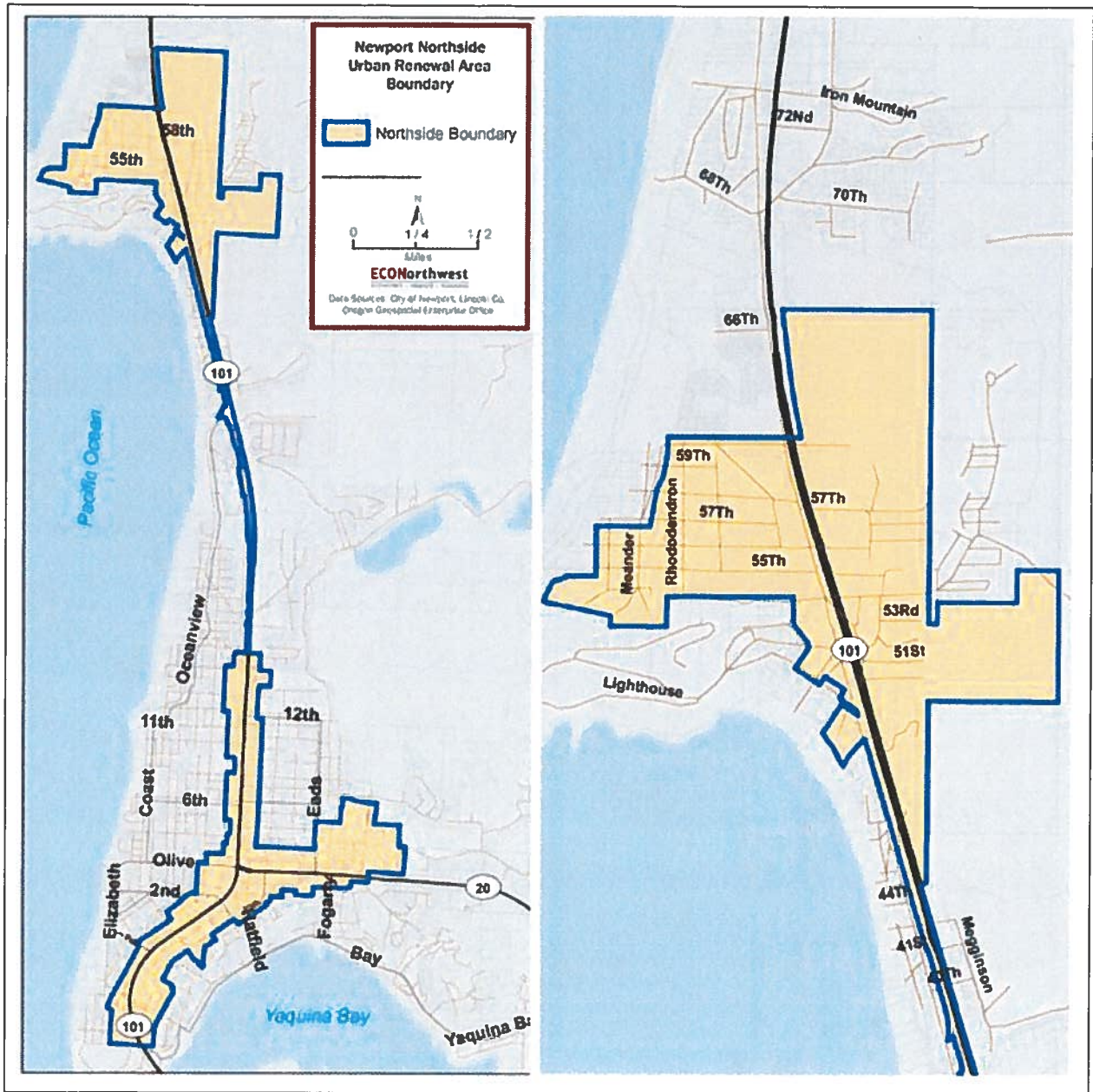
II. INTRODUCTION

The Report on the Newport Northside Urban Renewal Plan (Report) contains background information and project details that pertain to the Newport Northside Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also documents the existing conditions in the Newport Northside Urban Renewal Area (Area).

However, the Report provides only guidance on how reviews revenues and potential projects each year, they have the authority to make adjustments to the assumptions in this Report. They may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other changes, as allowed in the amendments section of the Plan.

Figure 1 – Newport Northside Urban Renewal Plan Area Boundary



III. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Newport Northside Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

According to data obtained from the City of Newport and Lincoln County Assessor’s office, the Area, shown in Figure 1 above, contains 1,243 parcels and consists of 396.3 acres in parcels and 149.6 acres of public right-of-way, for a total size of 545.9 acres.

An analysis of property classification data from the City of Newport and Lincoln County Assessment and Taxation database was used to determine the land use designation of parcels in the Area. Within the Area, the largest use of land by acreage is Commercial (28% of total acreage). The second largest use by acreage is Single-family Residential (26%).

Table 1 – Existing Land Use of Area

Land Use	Acres		Parcels	
	Number	Percent	Number	Percent
Condominium	0.5	0.10%	10	0.80%
Single-family residential	101.8	25.70%	524	42.20%
Multi-family residential	9.6	2.40%	17	1.40%
Commercial	111.2	28.10%	398	32.00%
Industrial	8.8	2.20%	24	1.90%
Rural / Ag / Farm	33.2	8.40%	2	0.20%
Public / Exempt	55.7	14.10%	81	6.50%
Vacant	74.8	18.90%	187	15.00%
Other	0.7	0.20%	0	0.00%
Total	396.3	100%	1,243	100%

Source: Lincoln County Assessor Data

2. Zoning and Comprehensive Plan Designations

The zoning code establishes districts to control land use throughout the city and regulates development standards within these established use districts. Medium Density Single-family Residential zoning accounts for 38% of the acreage in the Area. Retail and Service Commercial accounts for 23% of the acreage in the Area.

Table 2a – Existing Zoning Plan Designations of Area

Zone Designation	Acres		Parcels	
	Number	Percent	Number	Percent
Medium Density Single -family Residential	150.6	38.00%	423	34.00%
Retail and Service Commercial	92.5	23.30%	397	31.90%
Heavy Commercial	69.6	17.60%	250	20.10%
Exempt/Institutional	41.4	10.50%	41	3.30%
High Density Multi- family Residential	35.3	8.90%	121	9.70%
Single Family/Multi-family	2.6	0.70%	2	0.20%
Commercial/Multi- family	1.8	0.40%	2	0.20%
Commercial/Single- family	1.5	0.40%	2	0.20%
Low Density Single -family	0.9	0.20%	3	0.20%
Medium Density Multi-family	0.1	0.00%	2	0.20%
Total	396.3	100%	1,243	100%

Source: Lincoln County Assessor Data

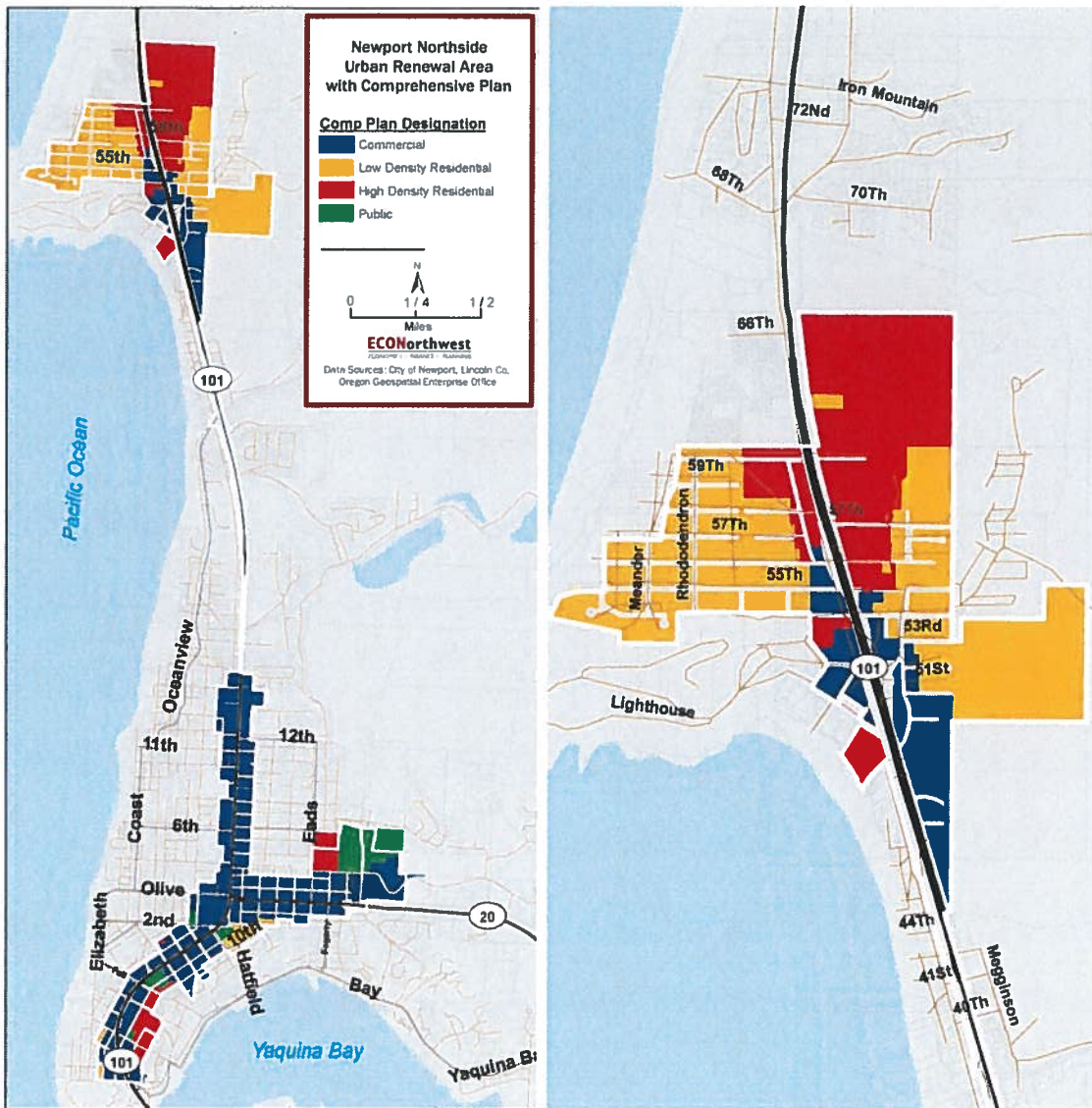
As illustrated in Table 2b, 44% of the acreage is designated as commercial in the comprehensive plan. Low Density Residential accounts for 25% of the acreage by comprehensive plan designation.

Table 2b – Existing Comprehensive Plan Designations of Area

Comprehensive Plan Designation	Acres		Parcels	
	Number	Percent	Number	Percent
Commercial	175.1	44.20%	669	53.80%
Low Density Residential	111.3	28.10%	405	32.60%
High Density Residential	88.2	22.30%	149	12.00%
Public	21.8	5.50%	20	1.60%
Total	396.3	100%	1,243	100%

Source: Lincoln County Assessor Data

Figure 2 – Area Comprehensive Plan Designations



B. Infrastructure: Existing Conditions

Existing conditions are examined within an urban renewal area to help identify blighting conditions in the urban renewal area. **This does not mean that a project has been identified in the urban renewal plan to address each deficiency, this is solely to identify conditions that are deficient within the Area, as required by statute.**

1. Infrastructure

This section of the study identifies the existing deficiencies in the infrastructure in the Area. The street conditions information is from the Newport Transportation Systems Plan (TSP), the Newport Comprehensive Plan and the Newport Public Infrastructure System Development Charge Methodology.

a) Streets

The following improvements are identified in the TSP.

Widen US 101 to five lanes (NE 31st Street to North City Limits)

Widen US 20 to five lanes (John Moore Road to US 101)

Improve to 3-Lane urban standard NE 1st Street from US 101 US 20 to provide westbound two northbound bypass of US 101 and US 20 intersection

b) Transportation Management System Improvements

US 101 revisions (between OR 20 and Yaquina Bay Bridge)

NE 52nd Street area improvements - improve Northeast Lucky Gap between NE. 52nd Street in North E. 54th Street; provide access from Longview Hills to North E. 52nd Street

NW 56th Street improvement area – Eliminate Old Highway Loop between NW 55th Street and NW 58th Street, extend NW 56th Street to US 101, improve NW Gladys Street between NW 56th Street and NW 60th Street as a frontage road.

Surface parking lots for US 101 business

NE 57th - eliminate US 101 access; cul-de-sac NE. 57th Street on its western terminus; connect NE Hazel Court to NE 60th Street

US 101/US 20 - signal revisions/improvements; realign E Olive Street

US 101 at NW 11th Street - realign intersection to eliminate slight offset. Consider need for additional east/west turning lanes and/or signalization improvements.

US 101 at NW 6th Street - realign intersection to eliminate offset. Consider need for added east/west turning lanes and/or improved signal to address congestion problem.

US 101, US 20 North to NW 12th Street - evaluate opportunities for driveway and/or minor street closures or consolidation.

US 101 at US 20 - add second southbound left turn lane. Widen eastbound US 22 received two lanes of traffic, transition to one lane east of US 101.

US 20 at NE Coos Street - add signal and improve intersection to encourage North/S. Local St. alternative to US 101. Signal could help relieve congestion at NE Eads Street.

c) Traffic Signals

US 101 at Northeast 36th Street

d) Pedestrian and Bicycle Facility Improvements

US 101 crossings:

NW 68th Undercrossing - an undercrossing at US 101 at Northwest 68th Street midblock between 16th and 17th streets - add median, raised stop bars, appropriate signage, and striped continental crosswalk

e) Sidewalks

There are numerous sidewalk deficiencies throughout the Area.

Avery Street - US 101 to end of street

NE 3rd Street – NE Eads to NE Harney

NE 2nd Street – US 01 to NE Eads Street

f) Sidewalks and Bike Lanes

NE Harney Street - US 20 to NE 3rd Street

US 20 NE Harney Street/SE Moore Drive to US 101 intersection

g) Bicycle System Improvements

NE Eads Street – NE 12th Street to NE 3rd Street – provide a bike route

NE 3rd Street – Eads Street to Harney Road – provide a bike route

h) Shared roadways/bicycle boulevards

NE Eads Street – US 20 to NE 12th Street

i) Water

The City of Newport Water Master Plan, prepared in October 2008, identifies the following projects in the Capital Improvement Project summary.

Agate Beach lower storage tank

Agate Beach upper storage tank

Highway 101 Northeast 36 to North East 40th water line

Highway 101 N. East 40th to circle way water line

j) Storm Water

The city of Newport is currently developing a Storm Water Master plan.

Agate Way Storm Drainage Improvements. The project is to include approximately 500-lf of 18-inch storm drainage piping. The project is needed to correct existing deficiencies but components should be doubled in size to provide additional capacity for potential future development.

k) Sanitary Sewer

48th Street Lift Station Upgrade. The 48th Street pump station is located near 48th Street and Highway 101. The 1996 Facilities Plan recommends that the station be upgraded to a firm pumping capacity of around 3 MGD (2,100 gpm). The station will require significant upgrades with only minor station components being adequate to be reused as part of the upgrade. The project includes approximately 1,500 lf of 12-inch diameter force main that is to be installed through a pipe bursting technique.

l) Parks

West Agate Beach Park Development Located in the northern portion of the City, this existing park is only partially developed and capable of limited service to park users. Under this project, the existing park would be improved to provide a higher level of service and increase the ability of the park to accommodate additional users.

C. Social Conditions

An analysis of the social conditions of the area was compiled using data from the U.S. Census Bureau, 2013 update and Social Explorer. The data was retrieved from block group summaries that roughly correspond to the Agate Beach residential area and then block group summaries that correspond to the city of Newport as a whole in order to also include the other residential neighborhood surrounding US 20 that is also within the urban renewal area. The charts include the Agate Beach information and the information for the city of Newport as a whole.

2. Age

The age distribution of the Area is shown in Table 3. The majority of the population in the Area is between the ages of 25 and 74.

Table 3 – Age Distribution of Area

Age	Total Agate Beach Areas		Total Newport	
	Number	Percent	Number	Percent
0 to 4 Years	412	6%	622	6%
5 to 9 Years	282	4%	570	5%
10 to 14 Years	313	5%	566	5%
15 to 17 Years	162	2%	364	3%
18 to 24 Years	425	7%	695	7%
25 to 34 Years	811	12%	1,306	12%
35 to 44 Years	773	12%	1,225	11%
45 to 54 Years	838	13%	1,399	13%
55 to 64 Years	1,115	17%	1,846	17%
65 to 74 Years	776	12%	1,187	11%
75 to 84 Years	388	6%	585	5%
85 Years and over	198	3%	310	3%
Total	6,493	100%	10,675	100%

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

3. Race

The racial characteristics of the Area are shown in Table 4. The majority of people (88%) identify themselves as white and the second largest group (4% in the Agate beach area and 3% in Newport as a whole) that people identify with is “some other race.” The U.S. Census does not provide a breakout on race that includes Hispanic in their definitions, Hispanic are those people who classify themselves in one of the specific Spanish, Hispanic, or Latino categories listed in the U.S. Census questionnaire. Hispanic or Latino of any race in Newport is 15.3% of the population.

Table 4 – Racial Characteristics of the Area

Race	Total Agate Beach Areas		Total Newport	
	Number	Percent	Number	Percent
White Alone	5,724	88%	9,346	88%
Black or African American Alone	39	1%	59	1%
American Indian and Alaska Native Alone	124	2%	186	2%
Asian Alone	31	0%	117	1%
Native Hawaiian and Other Pacific Islander Alone	120	2%	161	2%
Some Other Race Alone	249	4%	319	3%
Two or More races	206	3%	487	5%
Total	6,493	100%	10,675	100%

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

4. Educational Attainment

Thirty five percent of the residents in the Agate Beach area and 37% of Newport as a whole have some college. An additional 17% of Agate Beach area and 19% of Newport as a whole have a Bachelor’s degree, 7% of both areas have a Master’s degree.

Table 5 – Educational Attainment of the Area

Educational Attainment	Total Agate Beach Areas		Total Newport	
	Number	Percent	Number	Percent
Less Than High School	550	11%	737	9%
High School Graduate (includes equivalency)	1,313	27%	1,978	25%
Some college	1,718	35%	2,878	37%
Bachelor's degree	839	17%	1,468	19%
Master's degree	358	7%	589	7%
Professional school degree	28	1%	55	1%
Doctorate degree	93	2%	153	2%
Total	4,899	100%	7,858	100%

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

5. Travel time to work

Forty-one percent of the residents of the Agate Beach area and 43% of Newport as a whole travel less than 10 minutes to work. Another 29% of the Agate Beach area and 28% of Newport as a whole travel less than 20 minutes.

Table 6 – Travel Time to Work in the Area

Travel Time to Work	Total Agate Beach Areas		Total Newport	
	Number	Percent	Number	Percent
Less than 10 minutes	1,105	41%	1,990	43%
10 to 19 minutes	785	29%	1,301	28%
20 to 29 minutes	223	8%	347	8%
30 to 39 minutes	318	12%	510	11%
40 to 59 minutes	107	4%	139	3%
60 to 89 minutes	14	1%	50	1%
90 or More minutes	64	2%	76	2%
Worked at home	55	2%	200	4%
Total	2,671	100%	4,613	100%

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

6. Means of Transportation to Work

Seventy-three percent of the residents of Agate Beach and 74% of Newport as a whole drove alone to work. Fifteen percent of the residents of Agate Beach and 14% of Newport as a whole carpooled.

Table 7 – Means of Transportation to Work in the Area

Means of Transportation to Work	Total Agate Beach Areas		Total Newport	
	Number	Percent	Number	Percent
Drove Alone	1,957	73%	3,427	74%
Carpooled	392	15%	628	14%
Public transportation (Includes Taxicab)	98	4%	115	2%
Motorcycle	-	0%	0	0%
Bicycle	4	0%	9	0%
Walked	131	5%	200	4%
Other means	34	1%	34	1%
Worked at home	55	2%	200	4%
Total	2,671	100%	4,613	100%

Source: U.S. Census Bureau, ACS 2009-2013; Social Explorer

7. Population

In the last few years, Newport has remained stable in population. There are annual projections performed by the Portland State University Population and Research Center after reviewing the 2010 Census data. The overall population of Newport in the 2014 adjustment by Portland State University was 10,095 people, and the 2010 data indicates Newport had 10,030 people.

D. Economic Conditions

1. Taxable Value of Property Within the Area

The estimated 2014/2015 total assessed value of the real property in the Area is \$210,510,678. The total estimated assessed value, including all real, personal, and utility properties, is \$237,000,136. This data is summarized in Table 8.

Table 8 – Total Estimated Assessed Value

Property Type	Urban Renewal Area
Real	\$210,510,678
Personal	15,386,790
Manufactured	1,004,350
Utility	10,098,308
Total	\$237,000,136

Source: Lincoln County Assessor's data

If an urban renewal plan is adopted, the Lincoln County Assessor will calculate the frozen base using tax accounts for all of the real, personal, manufactured, and utility properties in the Area. The total assessed value of the City of Newport is \$1,243,361,351.¹

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L may be

¹ Data from Lincoln County Assessor's 20114/15 tax roll summary

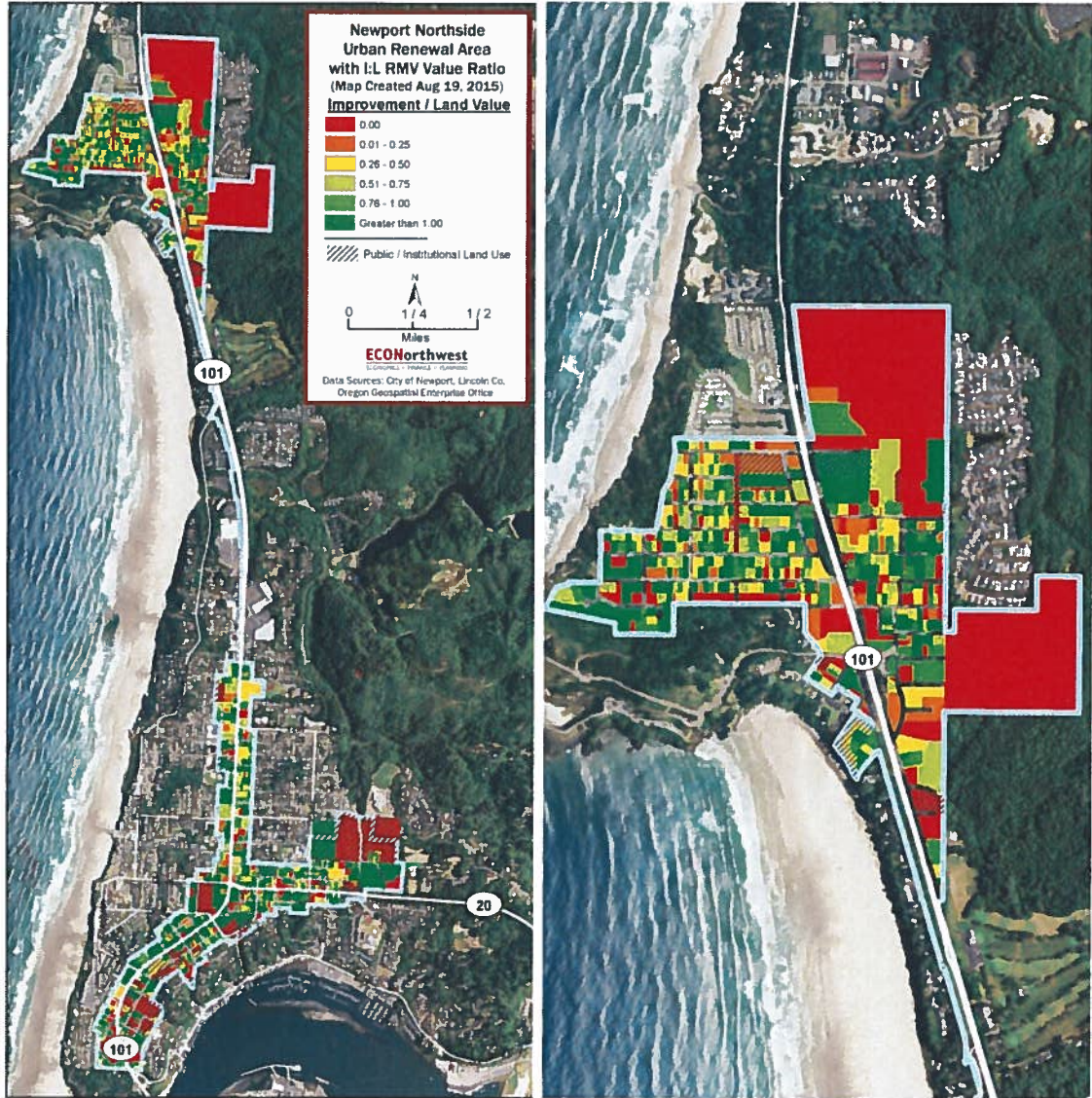
used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the Area would be 2:1 or more, for both residential and commercial properties. Non-taxable parcels account for 17% of the total acreage. Properties with no improvements account for 27% of the total acreage. An additional 49% of the acreage is below the 2:1 threshold. Many of the properties in the Area are under-utilized and or underdeveloped.

Table 9 – I:L Ratio of Parcels in the Area

I:L Ratio	Parcels	Acreage	% of Total Acreage
Not Taxable	115	69.91	17.34%
No Improvements	194	110.14	27.31%
No land value	61	4.25	1.05%
0.01 - 0.50	197	48.64	12.06%
0.51 - 1.00	311	75.03	18.60%
1.01 - 1.50	171	40.02	9.92%
1.51 - 2.00	98	23.45	5.81%
2.01 – 2.51	43	11.79	2.92%
2.51 – 3.00	22	10.05	2.49%
>3.01	31	10.01	2.48%
Total	1,243	403.29	100.00%

Source: Lincoln County Assessor Real Market Value data The acreage total number is different from the total acreage number due to some double counts on parcels in the GIS system. This double count is very minor and does not impact the analysis of the data.

Figure 3 – Improvement to Land Ratios



E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in the Section on Impact of Tax Increment Financing of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are primarily district identity/transportation, business improvement/development, and public facilities projects. The use of urban renewal funding for these projects allows the City to match other funding sources to actually construct the improvements. It also allows the City to tap a different funding source besides the City of Newport's general funds and system development charges funds to make these improvements.

It is anticipated that these improvements will catalyze development on the adjacent undeveloped and underdeveloped parcels. This development will require city services. However, since the property is within the city limits, the city has anticipated the need to provide infrastructure to the Area. As the development will be new construction or redevelopment, it will be up to current building code and will aid in any fire protection needs.

These impacts will be countered by providing transportation funding for vital connections to Newport and major parcels of undeveloped and underdeveloped land. This land will provide future jobs to the Newport area and future increased tax base for all taxing jurisdictions.

IV. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the Area is to provide the ability to fund improvements necessary to cure blight within the Area.

V. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area. The projects are listed in no particular order.

1. *Refinement Plans*

a) Commercial Core Areas Revitalization Plan

The Commercial Core Areas Revitalization Plan (CCARP) will analyze key transportation infrastructure issues within the commercial core areas in the Plan. The CCARP boundary for the study will be defined at the point that the plan is undertaken. It will study key transportation issues including traffic flow, safety, and parking issues within the study area. The CCARP will help define the transportation system enhancements and the priority of implementation of those enhancements that are undertaken as projects in this Plan.

Existing Conditions:

There is no revitalization plan for the commercial core areas. The Oregon Department of Transportation has indicated a desire to study transportation issues in the Area, but requires a match for part of the funding. There is a need to identify solutions to traffic flow, safety and parking issues within the area.

b) Agate Beach Neighborhood Plan

The Agate Beach Neighborhood Plan (ABNP) will analyze key transportation infrastructure issues within the Agate Beach neighborhood. The ABNP will help define the transportation system enhancements and infrastructure needs and the priority of implementation of those enhancements and needs that are undertaken as projects in this Plan.

Existing Conditions:

There is no revitalization plan for the Agate Beach area. There is a need to identify and prioritize the needed transportation and infrastructure system enhancements in Agate Beach.

2. Public Buildings

The fairgrounds property has future renovation potential as a multipurpose building. This project would incorporate supporting infrastructure to the site and potential funding for the structure. The project will be further defined as the county moves through the process of planning for that area.

Existing Conditions:

The existing fairgrounds area is underutilized and underdeveloped. The area has capacity to attract new uses for both existing residents and tourists to the area, expanding the economy through the provision of business and recreational activities in Newport.

3. Transportation and Utility Enhancements

Transportation system enhancements include enhancements to the commercial core areas as well as to US 101 and US 20. These enhancements could include street upgrades, potential couplet if defined in the CCARP, widening, intersection realignments, local street right-of-way improvements, parking improvements right-of-way acquisition, signal installation or adjustment, storm drainage improvements, and water, sewer and other utility line relocation and capacity upgrades, including fiber-optics. The exact location and further definition of these transportation enhancements will come as a result of the CCAARP in addition to the Transportation System Plan and the other city utility master plans.

Existing Conditions:

There is a need to identify solutions to traffic flow, safety and parking issues within the area. In addition to those transportation needs, there are storm drainage and water line capacity deficiencies in the area.

4. Economic Development

Economic development projects include but are not limited to site preparation for reuse including demolition and lot aggregation, storefront façade loans and grants, strategic site acquisition for economic development, including potential mixed use development, street tree and landscape island enhancements, benches, public art, public spaces, wayfinding improvements, utility undergrounding including fiber-optics and billboard removal.

Existing Conditions:

There are properties within the area that are underdeveloped and underutilized. There are properties that are in need of façade improvements. The streetscape within

the area is deficient and can be enhanced through the provision of street tree and landscape island enhancements, benches, public art, public spaces wayfinding improvements, utility undergrounding and billboard removal.

5. Debt service and project administration

This project will allow for the repayment of costs associated with the implementation of the Newport Northside Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long and short term debt, relocation costs and other administrative costs.

Existing Conditions:

As there is currently no urban renewal program for this area, these activities do not exist.

VI. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The costs of the projects are shown in Table 8. The sources of funds are tax increment revenues. There will be other funding sources sought to leverage urban renewal funds. These sources include system development charge funds (SDC) grant funds, general funds, state funding, or other sources of funding the City may identify, including private developer contributions.

These figures are in **total dollars to be spent on the projects through the life of the urban renewal area**. The Agency will be able to review the allocations on an annual basis when they prepare their budgets.

Table 10 – Projects to be Completed Using Urban Renewal Area Funds

Project Name	Urban Renewal Share	Total Cost
Newport Northside Urban Renewal Plan		
Infrastructure Refinement Plans		
Commercial Core Area Revitalization Plan	\$100,000	\$100,000
Agate Beach Neighborhood Plan	\$100,000	\$100,000
Public Buildings		
Multi-purpose building (includes supporting infrastructure)	\$3,000,000	\$9,000,000
Transportation System Enhancements		
Commercial core area highway/street upgrades	\$12,500,000	\$25,000,000
Intersection realignment	\$2,000,000	\$4,500,000
Local street right-of-way improvements	\$2,000,000	\$3,000,000
Parking improvements	\$800,000	\$1,500,000
Right-of-way acquisition	\$600,000	\$1,200,000
Signal installation or adjustment	\$500,000	\$1,000,000
Storm drainage improvements	\$1,500,000	\$2,000,000
Water,sewer, utility line relocation and capacity upgrades	\$600,000	\$1,200,000
Economic Development		
Benches, public art	\$250,000	\$250,000
Billboard removal	\$450,000	\$500,000
Site prep for reuse	\$2,500,000	\$2,500,000
Storefront façade loans/grants	\$1,500,000	\$1,000,000
Strategic site acquisition for economic development	\$5,000,000	\$5,000,000
Street tree and landscape island enhancements	\$250,000	\$250,000
Wayfinding improvements	\$200,000	\$200,000
Utility undergrounding	\$4,000,000	\$8,000,000
Total	\$37,850,000	\$66,300,000

Source: City of Newport with ECONorthwest

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The projects will be scheduled as shown in the financing plan in Table 11. The projects will be ongoing and will be completed as directed by the Urban Renewal Agency (Agency). The projects are set up in five phases. The first phase is using “pay as you go” from the annual increment. The next four phases are predicated on bond placements and additional “pay as you go” tax increment proceeds.. They are allocated in four year intervals. The table shows the earliest that the bond issue could be placed, but the Agency will determine actual placement depending on financial and project considerations at the time. The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the urban renewal plan.

The inflation rate for project costs is not a factor in this Plan as the project costs were set at a “not to exceed” amount in the direction from the city council for a not to exceed maximum indebtedness of \$39,920,000 for this Plan. For the purposes of calculating the maximum indebtedness in the future, an inflation percentage of 3% should be used. Administration is allocated at approximately 4% of the total project/programs costs.

Table 11 – Projects and Costs in Year of Expenditure Dollars

	Phase 0 2017 to 2018	Phase 1 2019 to 2022	Phase 2 2023 to 2026	Phase 3 2027 to 2030	Phase 4 2031 to 2034*	Total
Revenues						
Total TIF Revenue	\$ 799,857	\$ 3,779,305	\$ 7,148,287	\$ 11,165,859	\$ 33,487,555	\$ 56,380,863
Debt Service	\$ -	-\$ 1,765,336	-\$ 3,851,644	-\$ 6,339,164	-\$ 32,578,496	-\$ 44,534,640
Pay as you go	\$ 799,857	\$ 2,013,969	\$ 3,296,643	\$ 4,826,695	\$ 1,179,836	\$ 12,117,000
Bond/Loan proceeds	\$ -	\$ 5,500,000	\$ 6,500,000	\$ 7,750,000	\$ 8,000,000	\$ 27,750,000
Interest earnings	\$ 500	\$ 3,400	\$ 7,900	\$ 11,100	\$ 30,100	\$ 53,000
Total Revenue for Projects	\$ 800,357	\$ 7,517,369	\$ 9,804,543	\$ 12,587,795	\$ 9,209,936	\$ 39,920,000
Expenditures						
Finance Fees	\$ -	\$ 110,000	\$ 130,000	\$ 155,000	\$ 160,000	\$ 555,000
Admin Costs	\$ 50,000	\$ 312,000	\$ 347,000	\$ 394,000	\$ 412,000	\$ 1,515,000
Amount available for projects	\$ 750,357	\$ 7,095,369	\$ 9,327,543	\$ 12,038,795	\$ 8,637,936	\$ 37,850,000
Total Expenditures	\$ 800,357	\$ 7,517,369	\$ 9,804,543	\$ 12,587,795	\$ 9,209,936	\$ 39,920,000
Project Detail						
Downtown Revitalization Plan	\$ 100,000					\$ 100,000
Agate Beach Neighborhood Plan	\$ 100,000					\$ 100,000
Multi-purpose building (and infrastructure)		\$ 3,000,000				\$ 3,000,000
Downtown highway/street upgrades			\$ 2,000,000	\$ 4,500,000	\$ 6,000,000	\$ 12,500,000
Intersection realignment		\$ 250,000	\$ 250,000	\$ 500,000	\$ 1,000,000	\$ 2,000,000
Local street ROW improvements	\$ 300,000	\$ 1,000,000	\$ 500,000	\$ 200,000		\$ 2,000,000
Parking improvements			\$ 500,000	\$ 300,000		\$ 800,000
ROW acquisition	\$ 100,000	\$ 100,000	\$ 200,000	\$ 200,000		\$ 600,000
Signal installation or adjustment		\$ 250,000	\$ 250,000			\$ 500,000
Storm drainage improvements		\$ 1,000,000	\$ 500,000			\$ 1,500,000
Water line capacity upgrades		\$ 600,000				\$ 600,000
Benches, public art			\$ 100,000	\$ 150,000		\$ 250,000
Billboard removal			\$ 100,000	\$ 150,000	\$ 200,000	\$ 450,000
Site prep for reuse			\$ 1,500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
Storefront façade loans/grants			\$ 1,000,000	\$ 500,000		\$ 1,500,000
Strategic site acquisition for ec dev		\$ 500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 5,000,000
Street tree and landscape island enhancement				\$ 100,000	\$ 150,000	\$ 250,000
Wayfinding improvements			\$ 100,000	\$ 100,000		\$ 200,000
Utility undergrounding		\$ 500,000	\$ 500,000	\$ 1,000,000	\$ 2,000,000	\$ 4,000,000
Total	\$ 600,000	\$ 7,200,000	\$ 9,000,000	\$ 9,700,000	\$ 11,350,000	\$ 37,850,000
Ending Balance	\$ 150,357	\$ 45,726	\$ 373,269	\$ 2,712,064	\$ -	\$ -

Source: City of Newport with ECONorthwest

VIII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 12 shows the tax increment revenues and their allocation to loan repayments, reimbursements, debt service, and debt service reserve funds. The Area reaches the point where revenue sharing is required to begin, as implemented by the State in ORS 457.470, and this is further described in the section of this report on Impacts to Taxing Jurisdictions.

It is anticipated that all debt will be retired by FY2038/39 (any outstanding bonds will be defeased). The maximum indebtedness is \$39,920,000 (thirty nine million nine hundred twenty thousand dollars and no cents).

The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$39,920,000 is \$56,380,863.

The interest rate for the bonds is estimated at 5% and the terms of the bonds are varied, depending on time of issuance. The Agency may decide to issue bonds on a different schedule, and that will alter the financing assumptions. These assumptions show one scenario for financing and this scenario is financially feasible.

Table 12a – Tax Increment Revenues and Allocations to Debt Service

	Total	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
DEBT SERVICE FUND								
Resources								
Beginning Fund Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$56,380,863	\$315,650	\$484,207	\$660,348	\$844,416	\$1,036,767	\$1,237,774	\$1,447,826
Total Resources	\$56,380,863	\$315,650	\$484,207	\$660,348	\$844,416	\$1,036,767	\$1,237,774	\$1,447,826
Expenditures								
Debt Service								
New Loan 2019	-\$8,826,680			-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334
New Loan 2023	-\$10,431,540							-\$521,577
New Loan 2027	-\$12,437,600							
New Loan 2031	-\$12,838,820							
Total Debt Service	-\$44,534,640	\$0	\$0	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$962,911
Coverage Ratio		0.00	0.00	1.50	1.91	2.35	2.80	1.50
<i>Transfer to D/S Reserve Fund</i>	-\$68,624,964	-\$315,650	-\$484,207	-\$219,014	-\$403,082	-\$595,433	-\$796,440	-\$484,915
Total Expenditures	-\$113,159,604	-\$315,650	-\$484,207	-\$660,348	-\$844,416	-\$1,036,767	-\$1,237,774	-\$1,447,826
Ending Fund Balance	\$	- \$	- \$	- \$	- \$	- \$	- \$	- \$

Source: ECONorthwest

Table 12a – Tax Increment Revenues and Allocations to Debt Service, continued

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
DEBT SERVICE FUND								
Resources								
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for URA	\$1,667,331	\$1,896,713	\$2,136,417	\$2,386,908	\$2,648,671	\$2,922,214	\$3,208,066	\$3,506,781
Total Resources	\$1,667,331	\$1,896,713	\$2,136,417	\$2,386,908	\$2,648,671	\$2,922,214	\$3,208,066	\$3,506,781
Expenditures								
Debt Service								
New Loan 2019	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334
New Loan 2023	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577
New Loan 2027				-\$621,880	-\$621,880	-\$621,880	-\$621,880	-\$621,880
New Loan 2031								-\$641,941
Total Debt Service	-\$962,911	-\$962,911	-\$962,911	-\$1,584,791	-\$1,584,791	-\$1,584,791	-\$1,584,791	-\$2,226,732
Coverage Ratio	1.73	1.97	2.22	1.51	1.67	1.84	2.0	1.6
<i>Transfer to D/S Reserve Fund</i>	-\$704,420	-\$933,802	-\$1,173,506	-\$802,117	-\$1,063,880	-\$1,337,423	-\$1,623,275	-\$1,280,049
Total Expenditures	-\$1,667,331	-\$1,896,713	-\$2,136,417	-\$2,386,908	-\$2,648,671	-\$2,922,214	-\$3,208,066	-\$3,506,781
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: ECONorthwest

Table 12a – Tax Increment Revenues and Allocations to Debt Service, continued

	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
DEBT SERVICE FUND								
Resources								
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TIF for UKA	\$3,818,938	\$4,145,143	\$4,115,507	\$4,204,563	\$4,297,626	\$4,394,877	\$4,496,505	\$507,616
Total Resources	\$3,818,938	\$4,145,143	\$4,115,507	\$4,204,563	\$4,297,626	\$4,394,877	\$4,496,505	\$507,616
Expenditures								
Debt Service								
New Loan 2019	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334	-\$441,334
New Loan 2023	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577	-\$521,577
New Loan 2027	-\$621,880	-\$621,880	-\$621,880	-\$621,880	-\$621,880	-\$621,880	-\$621,880	-\$621,880
New Loan 2031	-\$641,941	-\$641,941	-\$641,941	-\$641,941	-\$641,941	-\$641,941	-\$641,941	-\$641,941
Total Debt Service	-\$2,226,732	-\$2,226,732	-\$2,226,732	-\$2,226,732	-\$2,226,732	-\$2,226,732	-\$2,226,732	-\$1,785,398
Coverage Ratio	1.7	1.9	1.8	1.9	1.9	2.0	2.0	0.3
<i>Transfer to D/S Reserve Fund</i>	-\$1,592,206	-\$1,918,411	-\$1,888,775	-\$1,977,831	-\$2,070,894	-\$2,168,145	-\$2,269,773	\$1,277,782
Total Expenditures	-\$3,818,938	-\$4,145,143	-\$4,115,507	-\$4,204,563	-\$4,297,626	-\$4,394,877	-\$4,496,505	-\$507,616

Source: ECONorthwest

Note: The debt service ratio in FY 2038/39 is .3. This is because the financial assumptions show that not all tax increment revenues will be necessary in this year and the debt will be defeased.

Table 12b – Projected Annual Debt Service Schedule

FYE	Debt Service				Total D/S	Total TIF	Debt Service Coverage	Remaining after D/S
	2019	2023	2027	2031				
2016	\$0	\$0	\$0	\$0	\$0	\$0	0.00	\$0
2017	\$0	\$0	\$0	\$0	\$0	\$315,650	0.00	\$315,650
2018	\$0	\$0	\$0	\$0	\$0	\$484,207	0.00	\$484,207
2019	-\$441,334	\$0	\$0	\$0	-\$441,334	\$660,348	-1.50	\$219,014
2020	-\$441,334	\$0	\$0	\$0	-\$441,334	\$844,416	-1.91	\$403,082
2021	-\$441,334	\$0	\$0	\$0	-\$441,334	\$1,036,767	-2.35	\$595,433
2022	-\$441,334	\$0	\$0	\$0	-\$441,334	\$1,237,774	-2.80	\$796,440
2023	-\$441,334	-\$521,577	\$0	\$0	-\$962,911	\$1,447,826	-1.50	\$484,915
2024	-\$441,334	-\$521,577	\$0	\$0	-\$962,911	\$1,667,331	-1.73	\$704,420
2025	-\$441,334	-\$521,577	\$0	\$0	-\$962,911	\$1,896,713	-1.97	\$933,802
2026	-\$441,334	-\$521,577	\$0	\$0	-\$962,911	\$2,136,417	-2.22	\$1,173,506
2027	-\$441,334	-\$521,577	-\$621,880	\$0	-\$1,584,791	\$2,386,908	-1.51	\$802,117
2028	-\$441,334	-\$521,577	-\$621,880	\$0	-\$1,584,791	\$2,648,671	-1.67	\$1,063,880
2029	-\$441,334	-\$521,577	-\$621,880	\$0	-\$1,584,791	\$2,922,214	-1.84	\$1,337,423
2030	-\$441,334	-\$521,577	-\$621,880	\$0	-\$1,584,791	\$3,208,066	-2.02	\$1,623,275
2031	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$3,506,781	-1.57	\$1,280,049
2032	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$3,818,938	-1.72	\$1,592,206
2033	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$4,145,143	-1.86	\$1,918,411
2034	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$4,115,507	-1.85	\$1,888,775
2035	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$4,204,563	-1.89	\$1,977,831
2036	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$4,297,626	-1.93	\$2,070,894
2037	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$4,394,877	-1.97	\$2,168,145
2038	-\$441,334	-\$521,577	-\$621,880	-\$641,941	-\$2,226,732	\$4,496,505	-2.02	\$2,269,773
2039	\$0	-\$521,577	-\$621,880	-\$641,941	-\$1,785,398	\$507,616	-0.28	-\$1,277,782

Source: ECONorthwest

IX. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FY 2038/39, as shown above, are based on projections of the assessed value of development within the Area and the total tax rate that will apply in the Area. The assumptions include assessed value growth rates at 4.5%. There is substantial acreage in the Area that is undeveloped where the full future development value will add to the incremental assessed value of the Area.

Table 13 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Tables 11 and 12. Revenue sharing is projected to be a feature of this urban renewal plan in FY 2033/34. However, if growth occurs at a faster pace, the Area will commence revenue sharing at the time required by the stature, the year after the tax increment proceeds equal 10% of the initial maximum indebtedness. At the point that tax increment revenues equal 12.5% of the initial maximum indebtedness, the annual increment is capped at that number and the remaining increment is divided among the taxing jurisdictions. This is not anticipated as shown in the following table.

Note the revenues to the urban renewal area is FYE 3039 are lower than the prior year, anticipating an under-levy in that year as all of the available tax revenues would not be needed to pay off the remaining debt.

Table 13a – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2015	\$236,886,829	\$236,886,829	\$0	14.4797	\$0
2016	\$247,546,737	\$236,886,829	\$0	14.4797	\$0
2017	\$258,686,341	\$236,886,829	\$21,799,512	14.4797	\$315,650
2018	\$270,327,226	\$236,886,829	\$33,440,397	14.4797	\$484,207
2019	\$282,491,952	\$236,886,829	\$45,605,123	14.4797	\$660,348
2020	\$295,204,091	\$236,886,829	\$58,317,262	14.4797	\$844,416
2021	\$308,488,275	\$236,886,829	\$71,601,446	14.4797	\$1,036,767
2022	\$322,370,247	\$236,886,829	\$85,483,418	14.4797	\$1,237,774
2023	\$336,876,907	\$236,886,829	\$99,990,078	14.4797	\$1,447,826
2024	\$352,036,368	\$236,886,829	\$115,149,539	14.4797	\$1,667,331
2025	\$367,878,005	\$236,886,829	\$130,991,176	14.4797	\$1,896,713
2026	\$384,432,516	\$236,886,829	\$147,545,687	14.4797	\$2,136,417
2027	\$401,731,979	\$236,886,829	\$164,845,150	14.4797	\$2,386,908
2028	\$419,809,918	\$236,886,829	\$182,923,089	14.4797	\$2,648,671
2029	\$438,701,364	\$236,886,829	\$201,814,535	14.4797	\$2,922,214
2030	\$458,442,926	\$236,886,829	\$221,556,097	14.4797	\$3,208,066
2031	\$479,072,858	\$236,886,829	\$242,186,029	14.4797	\$3,506,781
2032	\$500,631,136	\$236,886,829	\$263,744,307	14.4797	\$3,818,938
2033	\$523,159,538	\$236,886,829	\$286,272,709	14.4797	\$4,145,143
2034	\$546,701,717	\$236,886,829	\$309,814,888	14.4797	\$4,486,027
2035	\$571,303,294	\$236,886,829	\$334,416,465	14.4797	\$4,842,250
2036	\$597,011,942	\$236,886,829	\$360,125,113	14.4797	\$5,214,504
2037	\$623,877,479	\$236,886,829	\$386,990,650	14.4797	\$5,603,509
2038	\$651,951,966	\$236,886,829	\$415,065,137	14.4797	\$6,010,019
2039	\$681,289,804	\$236,886,829	\$444,402,975	14.4797	\$6,434,822
Total					\$66,955,301

Source: ECONorthwest

Table 13b – Projected Revenue Sharing

FYE	TIF		
	Total	for URA	Shared
2015	\$0	\$0	\$0
2016	\$0	\$0	\$0
2017	\$315,650	\$315,650	\$0
2018	\$484,207	\$484,207	\$0
2019	\$660,348	\$660,348	\$0
2020	\$844,416	\$844,416	\$0
2021	\$1,036,767	\$1,036,767	\$0
2022	\$1,237,774	\$1,237,774	\$0
2023	\$1,447,826	\$1,447,826	\$0
2024	\$1,667,331	\$1,667,331	\$0
2025	\$1,896,713	\$1,896,713	\$0
2026	\$2,136,417	\$2,136,417	\$0
2027	\$2,386,908	\$2,386,908	\$0
2028	\$2,648,671	\$2,648,671	\$0
2029	\$2,922,214	\$2,922,214	\$0
2030	\$3,208,066	\$3,208,066	\$0
2031	\$3,506,781	\$3,506,781	\$0
2032	\$3,818,938	\$3,818,938	\$0
2033	\$4,145,143	\$4,145,143	\$0
2034	\$4,486,027	\$4,115,507	\$370,520
2035	\$4,842,250	\$4,204,563	\$637,688
2036	\$5,214,504	\$4,297,626	\$916,878
2037	\$5,603,509	\$4,394,877	\$1,208,632
2038	\$6,010,019	\$4,496,505	\$1,513,514
2039	\$6,434,822	\$507,616	\$5,927,206
Total	\$66,955,301	\$56,380,863	\$10,574,438

Source: ECONorthwest

X. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FY 2038/39, and are shown in Tables 14a and 14b.

Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. The share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The second threshold is set at 12.5% of the maximum indebtedness, however the projections do not estimate this threshold is met. Revenue sharing is projected to commence during the final year of the 25-year life of tax increment proceeds of the Plan. Note that the total impact to taxing jurisdictions equals the total amount to the Agency in Table 12b above, \$56,380,863.

The Newport School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the State level.

Dedicating efforts to maintaining a healthy downtown is one variable in a livable city. These efforts will produce spin-off economic benefits in terms of increased economic development in the area, increased jobs, and expected increases in overall populations, including the student populations in the schools. These increases in the schools' populations will bring in more funding to the schools through the per pupil funding formula.

Tables 14a and 14b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. The table is based on fiscal year end (FYE) impacts. It assumes the growth as projected in the other tables in this Report, a 4.5% average annual growth rate in assessed value. Table 14a shows the general government levies and Table 14b shows the education levies.

Table 14a – Projected Impact on Taxing District Permanent Rate Levies General Government

FYE	LINCOLN COUNTY GENERAL	LINCOLN COUNTY ANIMAL SVC	LINCOLN COUNTY EXTENSION	LINCOLN COUNTY TRANSPORT	PORT OF NEWPORT	CITY OF NEWPORT	PACIFIC COMMUNITIE S HEALTH	SUBTOTAL
2015	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2017	(\$61,479)	(\$2,398)	(\$983)	(\$2,123)	(\$1,328)	(\$121,942)	(\$7,902)	(\$198,155)
2018	(\$94,309)	(\$3,678)	(\$1,508)	(\$3,257)	(\$2,037)	(\$187,059)	(\$12,122)	(\$303,970)
2019	(\$128,615)	(\$5,017)	(\$2,057)	(\$4,442)	(\$2,777)	(\$255,106)	(\$16,532)	(\$414,546)
2020	(\$164,466)	(\$6,415)	(\$2,630)	(\$5,680)	(\$3,552)	(\$326,215)	(\$21,140)	(\$530,098)
2021	(\$201,930)	(\$7,876)	(\$3,229)	(\$6,974)	(\$4,361)	(\$400,524)	(\$25,956)	(\$650,850)
2022	(\$241,080)	(\$9,403)	(\$3,855)	(\$8,326)	(\$5,206)	(\$478,177)	(\$30,988)	(\$777,036)
2023	(\$281,992)	(\$10,999)	(\$4,510)	(\$9,739)	(\$6,089)	(\$559,324)	(\$36,246)	(\$908,900)
2024	(\$324,745)	(\$12,666)	(\$5,193)	(\$11,216)	(\$7,013)	(\$644,124)	(\$41,742)	(\$1,046,698)
2025	(\$369,421)	(\$14,409)	(\$5,908)	(\$12,759)	(\$7,977)	(\$732,738)	(\$47,484)	(\$1,190,697)
2026	(\$416,108)	(\$16,230)	(\$6,654)	(\$14,371)	(\$8,986)	(\$825,341)	(\$53,485)	(\$1,341,175)
2027	(\$464,896)	(\$18,133)	(\$7,435)	(\$16,056)	(\$10,039)	(\$922,111)	(\$59,756)	(\$1,498,426)
2028	(\$515,880)	(\$20,122)	(\$8,250)	(\$17,817)	(\$11,140)	(\$1,023,235)	(\$66,310)	(\$1,662,752)
2029	(\$569,157)	(\$22,200)	(\$9,102)	(\$19,657)	(\$12,291)	(\$1,128,910)	(\$73,158)	(\$1,834,474)
2030	(\$624,833)	(\$24,371)	(\$9,992)	(\$21,580)	(\$13,493)	(\$1,239,341)	(\$80,314)	(\$2,013,923)
2031	(\$683,013)	(\$26,640)	(\$10,923)	(\$23,589)	(\$14,749)	(\$1,354,740)	(\$87,792)	(\$2,201,447)
2032	(\$743,812)	(\$29,012)	(\$11,895)	(\$25,689)	(\$16,062)	(\$1,475,333)	(\$95,607)	(\$2,397,409)
2033	(\$807,346)	(\$31,490)	(\$12,911)	(\$27,883)	(\$17,434)	(\$1,601,352)	(\$103,774)	(\$2,602,190)
2034	(\$801,574)	(\$31,265)	(\$12,819)	(\$27,684)	(\$17,309)	(\$1,589,903)	(\$103,032)	(\$2,583,586)
2035	(\$818,919)	(\$31,941)	(\$13,096)	(\$28,283)	(\$17,684)	(\$1,624,307)	(\$105,261)	(\$2,639,492)
2036	(\$837,045)	(\$32,648)	(\$13,386)	(\$28,909)	(\$18,075)	(\$1,660,260)	(\$107,591)	(\$2,697,914)
2037	(\$855,987)	(\$33,387)	(\$13,689)	(\$29,563)	(\$18,484)	(\$1,697,830)	(\$110,026)	(\$2,758,966)
2038	(\$875,781)	(\$34,159)	(\$14,005)	(\$30,246)	(\$18,912)	(\$1,737,090)	(\$112,570)	(\$2,822,764)
2039	(\$98,868)	(\$3,856)	(\$1,581)	(\$3,415)	(\$2,135)	(\$196,102)	(\$12,708)	(\$318,665)
Total	(\$10,981,256)	(\$428,315)	(\$175,611)	(\$379,258)	(\$237,133)	(\$21,781,064)	(\$1,411,496)	(\$35,394,133)

Table 14b – Projected Impact on Taxing District Permanent Rate Levies Education

FYE	LINCOLN COUNTY SCHOOL	OR COAST COM COLLEGE	LINN-BENTON ESD	SUBTOTAL	TOTAL
2015	\$0	\$0	\$0	\$0	\$0
2016	\$0	\$0	\$0	\$0	\$0
2017	(\$107,018)	(\$3,830)	(\$6,647)	(\$117,495)	(\$315,650)
2018	(\$164,166)	(\$5,875)	(\$10,196)	(\$180,237)	(\$484,207)
2019	(\$223,885)	(\$8,013)	(\$13,905)	(\$245,802)	(\$660,348)
2020	(\$286,291)	(\$10,246)	(\$17,781)	(\$314,318)	(\$844,416)
2021	(\$351,506)	(\$12,580)	(\$21,831)	(\$385,917)	(\$1,036,767)
2022	(\$419,655)	(\$15,019)	(\$26,064)	(\$460,738)	(\$1,237,774)
2023	(\$490,871)	(\$17,568)	(\$30,487)	(\$538,926)	(\$1,447,826)
2024	(\$565,292)	(\$20,232)	(\$35,109)	(\$620,633)	(\$1,667,331)
2025	(\$643,062)	(\$23,015)	(\$39,939)	(\$706,016)	(\$1,896,713)
2026	(\$724,331)	(\$25,924)	(\$44,987)	(\$795,242)	(\$2,136,417)
2027	(\$809,258)	(\$28,963)	(\$50,261)	(\$888,482)	(\$2,386,908)
2028	(\$898,006)	(\$32,140)	(\$55,773)	(\$985,919)	(\$2,648,671)
2029	(\$990,748)	(\$35,459)	(\$61,533)	(\$1,087,740)	(\$2,922,214)
2030	(\$1,087,663)	(\$38,927)	(\$67,552)	(\$1,194,143)	(\$3,208,066)
2031	(\$1,188,940)	(\$42,552)	(\$73,843)	(\$1,305,334)	(\$3,506,781)
2032	(\$1,294,773)	(\$46,340)	(\$80,416)	(\$1,421,529)	(\$3,818,938)
2033	(\$1,405,370)	(\$50,298)	(\$87,285)	(\$1,542,953)	(\$4,145,143)
2034	(\$1,395,322)	(\$49,939)	(\$86,660)	(\$1,531,921)	(\$4,115,507)
2035	(\$1,425,516)	(\$51,019)	(\$88,536)	(\$1,565,070)	(\$4,204,562)
2036	(\$1,457,068)	(\$52,148)	(\$90,495)	(\$1,599,712)	(\$4,297,626)
2037	(\$1,490,040)	(\$53,328)	(\$92,543)	(\$1,635,912)	(\$4,394,878)
2038	(\$1,524,496)	(\$54,562)	(\$94,683)	(\$1,673,741)	(\$4,496,505)
2039	(\$172,102)	(\$6,160)	(\$10,689)	(\$188,951)	(\$507,616)
Total	(\$19,115,379)	(\$684,137)	(\$1,187,215)	(\$20,986,731)	(\$56,380,863)

Source: ECONorthwest Please refer to the explanation of the schools funding in the preceding section

Table 15 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2040.

Table 15 – Projected Revenue to Taxing Jurisdictions after Termination of Urban Renewal

Tax District Name	Tax Rate	Tax Revenue in FYE 2040 (year after expiration)		
		From Frozen	From Excess	Total
		Base	Value	
General Government				
Lincoln County	\$2.8202	\$668,068	\$1,339,767	\$2,007,835
Lincoln County - Animal Service	\$0.1100	\$26,058	\$52,257	\$78,315
Lincoln County Extension	\$0.0451	\$10,684	\$21,425	\$32,109
Lincoln County Transportation	\$0.0974	\$23,073	\$46,271	\$69,344
Port of Newport	\$0.0609	\$14,426	\$28,931	\$43,357
City of Newport	\$5.5938	\$1,325,098	\$2,657,396	\$3,982,494
H-PAC Community Health	\$0.3625	\$85,871	\$172,210	\$258,081
Total General Government	\$9.0899	\$2,153,278	\$4,318,257	\$6,471,535
Education				
Lincoln County School	\$4.9092	\$1,162,925	\$2,332,170	\$3,495,095
Oregon Coast Community College	\$0.1757	\$41,621	\$83,468	\$125,089
ESD	\$0.3049	\$72,227	\$144,846	\$217,073
Total Education	\$5.3898	\$1,276,773	\$2,560,484	\$3,837,257
Total	\$14.4797	\$3,430,051	\$6,878,741	\$10,308,792

Source: ECONorthwest

XI. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, personal manufactured, and utility properties in the Area, is projected to be \$236,886,829. The total assessed value of the City of Newport is \$1,243,361,351. The excess value of the South Beach Urban Renewal Area is \$136,869,617. Excess value is the growth of assessed value over the frozen base in an urban renewal area. The total urban renewal assessed value is 23.4% of the total assessed value of the city, minus excess value, below the 25% maximum. The Urban Renewal Area has 545.9 acres, including right-of-way, and the City of Newport has 7,166.53 acres. Given the acreages of the exiting South Beach Plan and the McLean Point Plan, 24.96% of the City's acreage is in an urban renewal area, below the 25% state limit.

Table 16 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits

Urban Renewal Area	Assessed Value	Acres
South Beach Urban Renewal Area	\$18,548,383	1,168.84
McLean Point Urban Renewal Area	\$3,514,349	73.79
Newport Northside Urban Renewal Area	\$236,886,829	545.9
Total in Urban Renewal	\$258,949,561	1,788.53
City of Newport	\$1,243,361,351	7,166.53
Excess AV in South Beach	\$136,869,617	
Percent of Newport Assessed Value in Urban Renewal	23.40%	
Percent of Newport Acreage in Urban Renewal		24.96%

Source: City of Newport, Lincoln County Assessor

XII. RELOCATION REPORT

There is no relocation report required for the Plan. No relocation activities are anticipated.

Draft MINUTES
City of Newport Planning Commission
Regular Session
Newport City Hall Council Chambers
Monday, September 14, 2015

Commissioners Present: Jim Patrick, Rod Croteau, Lee Hardy, Bob Berman, and Mike Franklin.

Commissioners Absent: Gary East and Bill Branigan (*excused*).

City Staff Present: Community Development Director (CDD) Derrick Tokos and Executive Assistant Wanda Haney.

A. **Roll Call:** Chair Patrick called the meeting to order in the City Hall Council Chambers at 7:00 p.m. On roll call, Hardy, Berman, Croteau, Patrick, and Franklin were present; Branigan was absent but excused, and East was absent.

B. **Approval of Minutes.**

1. Approval of the Planning Commission regular session meeting minutes of August 10, 2015, and the work session minutes of August 24, 2015.

MOTION was made by Commissioner Berman seconded by Commissioner Hardy, to approve the Planning Commission meeting minutes as presented. The motion carried unanimously in a voice vote.

C. **Citizen/Public Comment.** No public comment.

D. **Consent Calendar.** Nothing on the Consent Calendar.

E. **Action Items.** No items requiring action to be taken.

F. **Public Hearings.** Patrick opened the public hearing portion of the meeting at 7:01 p.m. by reading the statement of rights and relevance. He asked the Commissioners for declarations of conflicts of interest, ex parte contacts, bias, or site visits; with nothing being declared. Patrick called for objections to any member of the Planning Commission or the Commission as a whole hearing this matter; and none were heard.

1. **Consideration of the proposed Newport Northside and the McLean Point Urban Renewal Plans.** The Planning Commission will review the proposed Urban Renewal Plans, including the relationship to the City's Comprehensive Plan, and make a recommendation to the Newport City Council. The Commission will take public testimony and consider such testimony before providing a recommendation.

At 7:02 p.m. Patrick read the summary of the file from the agenda and called for the staff report. Tokos noted that the Planning Commission had an opportunity to discuss what they needed to do at tonight's meeting at their work session on August 24th. At that time, they had an opportunity to look at the Plans. There are two Urban Renewal Plans. The Newport Northside picks up portions of Highways 20 and 101 and the Agate Beach area. The McLean Point is primarily undeveloped industrial land around the Port's International Terminal. Tokos explained that this hearing and the City Council hearing on the 21st were noticed according to Statute. When considering the adoption of an Urban Renewal District, one form of notice is to include the notice in the utility billing. So, some 4400 notices were sent out citywide with the utility billing on August 31st. As with the open houses, we also sent out an additional 860 notices to those who own property within the proposed boundaries. We could have doubled up on some; but we wanted to make sure we were picking up everybody. There were press releases as well. Tokos noted that there were two open houses; July 27th and August 31st. An Urban Renewal Advisory Committee was formed to assist in the preparation of the Plans. Following the open houses, the Advisory Committee asked the consultant to make some changes; and the Commission had a copy of her memo outlining those. The Committee met seven times and participated in the open houses. Tokos said, as the Commission is aware, this planning work towards creating new Urban Renewal Districts was initiated in 2012 after a group of stakeholders in the community assisted in reworking the goals and assisted in

moving ahead with economic activities. The feasibility study was done in 2014. The Planning Commission had a key role in creating that. The taxing entities participated; and each one had a representative on the advisory committee. The City had meetings with each of the entities and held some public briefings with them; the Port on August 18th, and the Board of Commissioners on September 2nd. He said the reason they were engaged is that, if these districts are formed, it doesn't create a new tax; it takes a portion of the tax that otherwise would be paid to them and moving forward would redirect it for the type of projects that are listed in the Plan. The taxing entities including the City will receive less money. Tokos said as these are long-lasting plans, over a 25-year period for the Northside and 20 years for McLean Point, the nature of the projects is somewhat general at this point and will be further defined as we move forward. Much of them are infrastructure-related. In the core area, the projects are designed to help traffic circulation and assist business owners in redevelopment. In Agate Beach, the projects are providing needed funding to do infrastructure improvements; assisting developed areas lacking things like sidewalks and storm drainage, and to provide access to a couple of large vacant residential areas so they can develop and help increase our housing supply. The McLean Point Area is much smaller than the Northside. It contains targeted improvements allowing those properties to develop by extending sewer, water, utilities, and doing street and stormwater improvements. That allows those properties to develop in a manner that will complement the International Terminal, which has been renovated over the last couple of years. He said that to sync that up just makes sense.

Tokos said under Statute, the Planning Commission has a role to play; the key one being to review the Plans to confirm that the projects and objectives outlined are consistent with the Comprehensive Plan and will make a recommendation to the City Council who will hold a hearing on September 21st. He said the Commission is not limited to that issue, but that is the key issue. Those findings have to be made by the City Council; and they rely on the Planning Commission as their advisory body on these plans, which are part of the Comprehensive Plan. At the end of the day, the City Council will make findings that one, there are conditions that warrant the formation of these Urban Renewal Districts; by Statute that's considered blight, which means they are in need of redevelopment, and projects of this nature will help to revitalize them. Secondly, a finding is needed that the projects identified conform to the Comprehensive Plan; and third, that the Plans are financially viable. He said those are the key findings.

Tokos said throughout the public engagement process, we talked about the potential projects that will be studied further; the couplet as an alternative, the widening of 101. There was discussion about different streets in Agate Beach that may need to be surfaced; such as 55th. This plan does not call out specific projects of that nature; it puts a funding structure in place to do these projects and puts in place priority planning projects that will happen in the first years of the Plan. Agate Beach will likely be a nine to twelve month timeframe; and he anticipates that will be something like 2017-2018. Through that planning process is where we would engage the public and figure out exactly what kind of infrastructure improvements are needed, the costs at least at the planning level, and their relative priority. That process would involve public hearings before both the Planning Commission and the City Council. The other planning is for the commercial core area, and that is looking hard at Highways 20 and 101. That will also include ODOT since those are state facilities. ODOT has reserved funding to initiate that work in the 2016-2017 timeframe. The Plan calls for Urban Renewal funds to be brought to bear in about the same amount. That is where decisions will be made about what are the appropriate solutions along 101 and 20. The state is putting together a model and have been conducting traffic data; so there will be actual data as part of that process. That conversation will also involve the future of the bridge and an alternative to its existing location. He anticipates that process will be a two-and-a-half to three year timeframe.

Tokos noted that the Comprehensive Plan provisions, which is one of the priority pieces, is covered in detail in each of the Plans. It's centered on the Economic policies; redevelopment and revitalization on the highway corridors and improve traffic flow. Those are captured in the Comprehensive Plan. Also, Housing. There was much discussion about the lack of affordable housing. Those policies are captured in the Plans. There are opportunities to address affordable housing through the projects in the Plans. For McLean Point, we heard from those that want it to stay natural habitat where they can walk their dogs. There is an Estuary goal in the Comprehensive Plan. It calls for that area to be for development to support the Port's infrastructure. There are other areas in the Bay that are natural areas or conservation areas. From the Terminal to the bridge on the north side of the Bay is considered development area. This is the type of development envisioned at this location. Should there be in-water work, other agencies step in to assure that it doesn't have an adverse impact on habitat. That's another package of Comprehensive Plan policies that are addressed in the Plan.

Tokos encouraged the Planning Commission to take testimony and ask any questions of him or those who come forward and then deliberate about how to move this matter forward.

Testimony: Darrell Clark, 439 SE 130th Drive, South Beach. Clark noted that the last meeting he attended was on September 8th where it was presented at the City Council, and there was a conversation that it was really important that an advisory committee be set forth because of closed plans that a lot of people have come and complained about. So, you're having to make amendments to closed plans.

Tokos explained that the chair of our Urban Renewal Agency, David Allen, at the September 8th meeting expressed very clearly a desire and that he was encouraged to see language in the Plans that includes an advisory committee, the Planning Commission in some cases, serving in an advisory capacity but also an ad hoc work group or advisory committee would need to be involved on any major changes to ensure that there is full public vetting. At least in his mind, a desire to make that as robust as possible and add additional people. In the Planning Commission's case, a desire to see that the Planning Commission Advisory Committee has a role along with the Planning Commission proper so that the Plans have full public vetting and views from a variety of perspective and informing them before the Urban Renewal Agency has to make decisions on future changes to the Plans.

Clark said his concern is if South Beach is still an open venue, the idea of an advisory committee not being set forth as such to go out and reach the public to understand what was going on. The people he talked to and several businesses like in Aquarium Village and others don't have a clue of what's going on. He said there was not an extensive reach to these people; and it just happened. He wondered if South Beach is still an open venue. Are there still amendments for that Plan? He has some definite concerns.

Tokos said the Plan itself is still alive. The Plan has a number of projects that are either under construction now, and there's one more phase coming in 2017-2020, and then the Plan closes. An ad hoc committee or an advisory committee was formed to create the 10-year plan that we've been working through. There was also the Coho/Brant Neighborhood Plan that was a public outreach plan that went through a hearings process, and the Planning Commission and City Council were involved with. Transportation System Plan updates also had public hearings and matters that went before both the Planning Commission and the City Council and were noticed to property owners. He said at some point you go through a planning process, and decisions are made, and you're financially committed. So, there are some projects that aren't really open for revisiting at this point because they're actually under binding intergovernmental agreements. There are other projects that are earlier on that certainly could be revisited; and there will probably be some actual additional work done before the final phase is initiated in the 2017-2020 timeframe when we define what that should look like. The stuff that's under construction now and under design now has gone through a public hearings process and is kind of past the point of no return at this point.

Clark said those are some things he doesn't understand; and he thinks some things are reversible if they don't make sense. He asked to read a letter that he had written; and Patrick told him to proceed. He read the points he doesn't understand regarding South Beach: Traveling an extra 680 feet and passing 32nd because we're removing the 32nd Street stoplights. Now going to 35th means tourists are by the shops and hotels, and human nature says they're not going back. Secondly, by removing the 32nd signal, you've stated that the traffic flow on and off 101 is improved; and he doesn't understand that. You have eliminated the left turn off, plus you could design a right turn off using the old drive-in theater road behind Toby Murry's. Now you've wanted to get access off Highway 101, but you've eliminated two ways off 101. Third, by moving the 32nd Street signal, the state has lifted limits on the amount of traffic it will accept on 101; and where will this increased traffic flow. Yaquina Bay Bridge stands in the way; no matter what you do north or south for traffic flow, there will always be the bridge. Why are you not taking on the bridge first? Fourth, the statement is made that when the 32nd Street signals are gone, there's good visibility on the affected businesses before reaching 35th. He said there's no way you can see Pirate's Plunder, Fish Tails, or the Aquarium Village, or even the marine fish building there, especially at an increased downhill speed. When people reach 35th, they will continue on. Human nature; passed it, move on. They're not coming back. Fifth, it has been stated no left turn signal at 32nd will have a chilling effect on the Rogue and Hatfield; and in what way is that? How about the concern of the chilling effects to the two hotels, the candy shop, Pirates Plunder, Fish Tails, and the Aquarium Village when no left turn is allowed and no one knows they are there. Once by them; gone. It seems to him that the only one that benefits from this is the property owner who receives \$1.5 million for their property. He thanked the Commissioners for listening to his opinion.

Robert Heida, 109 SE Coos Street, Newport. Heida's biggest concern is the lack of oversight. We're talking \$42 million, and to him it looks like they basically figured out the maximum amount of money they could get away with. He's sure everyone tried to figure out what would do the most good. But now the City Council and the Urban Renewal Committee, which are the same thing, are going to make decisions on what projects go ahead because like they've been told, these are intentionally vague descriptions so we can better decide in the future what projects are actually going to happen. So, it comes down to one group of people making these decisions; and it just doesn't seem like that's enough.

John Rairgh, South Beach. He has attended several meetings recently regarding the fairgrounds. He's heard at those meetings that the fairgrounds is going to be put into the Urban Renewal boundary; and he sees from this meeting that it has been. He strongly encouraged the Commission to challenge that. Don't put the fairgrounds in. Let the fairgrounds stand on its own two feet. Make it work. Don't be giving it billions and billions of Newport tax money as part of the Urban Renewal District. Make the fair be self-sustaining. Do not support it as an entity that is struggling. Make it work.

Ellen Bristow, 128 SE Coos Street, Newport. She became involved in watching the Urban Renewal program from July 14th, which is the first she knew about it. She was curious about who owns the fairgrounds; and is it contingent on it being a fair. If there is not a fair there, who does that property divert to? Patrick said she would have to ask the County that because it's the County's fairgrounds, not the City's. Bristow said \$3 million of Urban Renewal is going into that piece of property, so she thought we'd be interested in knowing a little bit about its history. She said, aside from that, she took a look at the fairground diagram. She went to the fair the last time it was there; and she said it was very sad. The new plans eliminate the horse barns. It eliminates animals generally, except maybe under a tented area at the end of a long building, which looks like it's designed very well for the Seafood and Wine Festival. She said like the gentleman had just said, make it work like a fair; and if the fair can't handle it on its own, let's find out who the property goes to.

Jane Heida, 109 SE Coos Street, Newport. She said that she understood the Urban Renewal Project; and it's a good idea. She said that Newport is a struggling, stagnant town. She understands that is why they came up with the Urban Renewal idea. But the fact that it is an open venue, we the people have no say about the real oversight of it such as the gentleman's concern about South Beach. If we are looking to make this town grow, why are we just taking one stop sign and moving it over here? Why not put a second stop sign in down further, which creates growth in that area; not tying our hands. Again, the oversight with the new Urban Renewal project. We're giving you \$42 million to make this town better; but whose idea of making this town better? Putting a couplet in? She said to look at downtown; it's concrete and metal. She asked if they've gone to any other town and really looked at how their towns look. Our infrastructure; how long has it been since we've done good plumbing and wiring throughout this town? She asked if that isn't a real need. She understands that we invested in a new school and a new hospital. We want to put fluoridation in water, which she doesn't agree with. Her concern is, did Newport win the lottery? Where is all this money coming from? We have a hospital, a school, fluoridation. You want to put a swimming pool in an area where we already have traffic and parking issues as well as construction issues with the facility that's there. You want to put a swimming pool and event center right smack dab in the middle of that, tying this town's hands where if you have two events, you don't have the facilities for two events to happen. She asked where the open mindedness of this Planning Commission is on how to make this town better and actually make it grow for the benefit of all and not just one or two of the property owners. She thanked the Commissioners for listening.

For clarification, Berman asked, this list of projects we have, and some people have talked about specific pieces of that, when these individual projects are decided on through the planning process, will each or in groups have a full public hearing before both the Planning Commission and the Urban Renewal Agency before they are approved. Tokos said there will be full public hearings on the large items. The Agate Beach stuff is going to require public hearings to identify what those specific projects will be before the Planning Commission and the City Council before they're put in there. There will be full public hearings on anything that happens in the 20 and 101 corridors. He expects that the City Council is going to look for any changes to infrastructure to support fairground redevelopment would involve full public hearings before the Planning Commission and the City Council. There may be through the life of the Plan some smaller stuff that doesn't involve full public hearings because it would be considered minor amendments in the context of the Plan.

Patrick wanted to address some of the comments that had been raised. He said as far as borrowing the maximum amount of money, we actually didn't. The City Council actually came to the Planning Commission and told us that they wanted to max it at \$42 million. They could have borrowed a lot more than that; they could have set that a lot higher. As they told us, it had to do with their budgetary needs; there's only so much they are willing to give up to Urban Renewal. It's all the same pot of money. All you're basically doing is taking a piece of it and setting it aside and reserving it for these projects. Regarding the South Beach stuff, Patrick set in on a lot of those hearings on the Transportation Plan and whatnot. That stuff was decided a long time ago. We're not the only player in that. ODOT has a really big say. As far as the bridge is concerned, we've been hammering ODOT for years and finally got them to at least tell us if they're going to fix the bridge, where's it going to be because there are some options about putting it someplace else. We don't want to do all this work and find out they're going to build the bridge inland someplace. One of the things the Urban Renewal funds are going to go to is to nail down what the plan is for the bridge. He said ODOT is not going to touch anything on that bridge for the next 50 years. They said that bridge is good for 50 years; they don't plan on rebuilding it or doing anything for a long time, and they don't have the money either. Regarding the fairgrounds, Patrick said we don't necessarily have to get the County to agree to this; but we want them to be on our side as far as Urban Renewal and taking their tax money away. He said one of the reasons the fairgrounds got tossed into that was because that was the piece that got the County to be happy about it. If they're not going to get anything out of it, they're not really enthused about doing this.

From the audience, Bristow asked if he was saying that compliance with the County for going to Urban Renewal is how we got the addition of the fairgrounds. Patrick said, no. They don't have a say if we're under the \$50 million. We prefer them to be happy about it. It's easier to get things done if you get all of the players to agree on something. Bristow said this is part of what caught her attention about this Urban Renewal; the phrase "Derrick went around shopping the idea." She's quick to jump to cynicism; but she was taken with that phrase. She hasn't actually asked. She assumed there were persuasions. The County could come back and say they're not interested in this. She agrees that it's nice to have them go along. Patrick said the fairgrounds is something they requested. We went along because it makes sense for us.

From the audience, Clark asked if he understood that no matter the venue and the policies of the City Council and the Planning Commission, whatever ODOT decides that is what we have to do no matter how much that affects us. Patrick said we fight really hard to get things done through ODOT. It took seven years to get them off our case in South Beach. They were going to lock South Beach down to where we couldn't do anything; you couldn't develop anything in South Beach; and they have the tools to be able to do that. Tokos explained that we got relief from a standard that the state has for the maximum amount of congestion they will allow on a highway. The way we did that was because we recognized and they recognized that nothing was going to happen for that bridge for a long period of time. That is in fact a choke point. We ended up going through a long very public process of trying to figure out what all could be done to improve mobility on that highway short of replacing the bridge. They did a lot of detailed traffic analysis on terms of how the existing system was working. One of the projects that was identified as a priority was getting that signal relocated so that vehicles could get up to speed a little bit easier as they approach that incline on the bridge; particularly big vehicles such as large RVs and truck traffic. That's one of a number of different projects that we were able to work through in a very public forum over a number of years and work it into an Urban Renewal Plan. That last amendment to South Beach happened in 2008 for a ten-year extension in South Beach so we could have some funding to do some of this work and match it up with state resources. He said you can debate whether or not it's the best thing in the world, but one thing for certain it has done is it got us an alternate mobility standard that allows a whole bunch of different properties in South Beach to develop to their full potential; not the least of which is Hatfield, OMSI, and Wilder for example was under a trip cap where they couldn't develop fully. There were a number of things that we did get out of that deal. Is it ideal for every property; no. Any change that's made to a major transportation system is going to have its pros and cons. But it was fully vetted through a very public process.

Tokos said, with respect to the fairgrounds, the fairgrounds process the County was going through happened about the same time that we were undertaking the feasibility study. The County is looking at redeveloping the fairgrounds, and there is an event venue that they've been looking at. He doesn't know if they're fully done with their planning work. He's not sure where they're at on that right now at all. It was clear that for that to be a successful redevelopment project and that it has potential of reshaping that US 20 entrance to the community, that there would need to be infrastructure changes made such as widening Harney between 20 and he believes 3rd where it's very narrow there by the asphalt batch plant. Those are things that Urban Renewal is good at. There may be other things as well. There was an opportunity for a partnership. Anytime you're engaging with taxing entities that are going to be impacted, if

there's a partnership that makes sense, you want to talk about it. That's what was done; and that's why in large part this found its way into the Plan. It's a potential redevelopment gamechanger on US 20 just like a number of these other projects can be gamechangers in Agate Beach or along 101. He said what ultimately happens down the road, as Planning Commission members or if you're familiar with the South Beach Plan or the original Newport Plan, what we put in here today may look very different in fifteen years because some projects through community support and resources by developers or others will make sense; and we'll be able to move those forward, and other projects won't because they won't make sense or there won't be that consensus and it's just not going to happen. So, this Plan will be reshaped; much like the South Beach Plan, which is now on its eleventh amendment. Those will come through. There will be public hearings processes, and there will be ample public involvement as we go through. He said our Urban Renewal Agency made a very good point. That's why work was done on these Plans to make sure that any major changes will have separate advisory committees providing feedback to the Council.

Again from the audience, Clark said that it doesn't make sense for him. He can't get a grip on getting vehicles up to speed to get over the bridge and then get bogged down on the bridge. It makes no sense to him at all. He said, yes, some business are going to succeed, and some are going to die. He said Pirates Plunder is going to die. Fish Tails is going to die. The whole Aquarium Village is going to die. People will not even know they're there. This is good for the South Beach community? He said he can't support this at all. He said it doesn't make sense.

Patrick said in looking forward to the Plans, the City and the Planning Commission both have done a lot of outreach. None of this is set in stone. Most of the beginnings of all of these plans is to go get the people's involvement and find out what we really want to do. He said there was an events center in the South Beach Plan. There was an events center in the original Newport Plan. City center was in the original northside district and got almost nothing out of all that. The money mostly went into the Bay Front and into Nye Beach. Both of those are a success. The City Center is still dying on the vine. This is our attempt to make sure we actually get something done with the City Center this time and do what we need to do in Agate Beach.

Berman said he would like to encourage anybody that is interested in this and interested in a role in influencing things going forward. A lot of things are already set in stone and can't be changed; but these two Urban Renewal Districts are wide open within the categories of projects we are proposing. There are lots of opportunities to get involved. The Planning Commission has an Advisory Committee with two openings on it. We are constantly looking for people to help us work through these things and ask some of these types of tough questions so that we can make sure that we have a general consensus about what's the best thing to do for the community. Franklin said he came on this committee because he didn't agree with certain things. That got him up here. It's your opinion that gets you up here, and then you can have a voice. He said your opinion matters. Hardy agreed that definitely opinions matter, and what she's hearing is that there might be some better hindsight than foresight in terms of some of the earlier discussion and maybe it just didn't make a dent that these decisions were being made. She said it's easy to go through day-by-day things and really not pay attention. She doesn't know if there's a better way to generate an information source. She can't believe that there was that much ignorance of what was being decided and what issues were being considered. Patrick said actually there was because we have been making a real effort lately to try to engage people more so. After our experience with the geologic hazards code update where everything went great up until our hearing, that is when he really started making a push for getting more public involvement ahead of time to get that stuff hashed out. He said we have had a lot of comments; and we have the comments tonight. He went to the open house at the health education center, and there were lots of different comments there too. So, we're doing our diligence to get the input.

Mr. Heida from the audience said just looking at everything you've targeted, good luck trying to figure out how to spend that \$42 million. There's an awful lot on your plate there. Patrick said a lot of that is leveraged. A lot of those transportation things, if they're on 101 or 20, we will use ODOT money. On other things we'll go looking for grants to do them. It may be a joint effort between the City and the County. Tokos added, or public/private partnerships. He noted for example that OMSI on Abalone contributed about a half million dollars; the rest of that was Urban Renewal. Patrick said if we get a development or something that brings in some money, we can use it there too. \$42 million doesn't cover the project costs. Some of it also gets financed too.

Ellen Bristow came back up and said that when she first started exploring Urban Renewal it was completely foreign to her. She said she probably stumbled from place to place for a long time before she got even a glimmer of what was going on. One of the things she wanted to point out is as the tax entities have no say, they don't vote; although they could publish reports in the final decision either positive or negative. She has run into a lot of people who assume

that this is put up to a public vote. She said it's not so much ignorance as once you start digging, you find yourself running to a lot of meetings that you've never done before, and you're trying to put these things together. She does applaud that there's more and more outreach. It's wonderful to get access to City documents by computer. It can be improved. She said this is an ongoing opportunity. She hopes to make it to more planning meetings because this seems to be the place it's going to happen. Even on the City website, it can be a little confusing to know what's going on at any given moment. She assumes that the website could be improved. One of the surprising things to her when she was looking at taxes and bonds and Urban Renewal is that without any say we extract money for Urban Renewal in Newport from all other taxing entities. She said if she was outside of the urban area county resident, she might wonder just what the County was thinking. She guesses it lays a huge morale responsibility on Newport to not only acquire the money but to use it extremely well because you're using other people's money. She said she does have a lot of faith; but it's big.

Berman thought it was important to point out that in terms of the money, we are temporarily using the other taxing entities' money. The result of which, if done right, will be a much greater tax base; and in the long run they will end up with much more money. In the short-term, less. Bristow said she likes cooperation and collaboration. But in other cases sometimes the situation becomes so cooperative that one financial weakness in one particular entity has the tendency to bring the whole game down. She wondered if the other entities checked each other out to see if they are sound; or does it weaken everybody? Tokos said we've met with each of the taxing entities. They've had a chance to look at the financial information in detail. It impacts each taxing district differently. Newport for example gets hit the most because it has the largest percentage of its land area in an Urban Renewal Area as opposed to the County, which has a much larger geographic area to draw taxes from. The analysis each taxing district does is going to be a little bit different. He thought the taxing entities appreciate the fact that the Legislature changed the Urban Renewal laws back in 2009 such that now they can ask for an under-levy. We put a process together in here that in any given year they can ask that Urban Renewal take less than the increment it otherwise would be entitled to. Our Council wanted a formal process that says this is something that's allowed by state law, we don't want to see it done in a willy-nilly manner; and if someone looks back on the books in years they can't figure out how the under-levy requests were handled or what projects were given up to do the under-levy, etc. So, a formal process has been put in here so that a taxing entity can make that under-levy request, there will be a formal deliberation during the budgetary process, and then there will be decisions made; and if the under-levy is done, if they have to forego doing certain projects, they will identify what that will be. If we're doing borrowing as part of Urban Renewal, we know not to allow the lender to lock us into having to pull our full increment every year just to provide them an extra cushion. He thought it was a worthwhile conversation. He knows the different representatives from the taxing districts appreciated that.

In the audience, Mrs. Heida said for Urban Renewal to be a success it needs to generate at least 4.5% growth in this town. We have to make sure we get industries and businesses here and not just education.

Croteau had a couple of minor changes to point out. He was looking at page 23 of the Northside Plan with the map (he noted that there were two page 23s). He said there are three different shades of red but only two in the color scheme. He thought that needs to be brought into consistency. It's just an issue with color coding. On page 25, looking at "to conserve energy" about 2/3 of the way down the page where it says "(e.g. bicycles in mass transit)"; that should say "and". He asked on page 27 what is the "Peninsula Neighborhoods." Tokos said in the Comprehensive Plan that is a phrase given to basically the downtown or city center area. It's a hold-over from that. That's how it's framed in the Comprehensive Plan. Croteau said on page 18 there is discussion about property acquisition from willing sellers rather than eminent domain; and he asked when the power of eminent domain is appropriate in the context of an Urban Renewal Plan. Tokos said it would only be appropriate in the context of right-of-way acquisition for things like road right-of-way or sewer line right-of-way or something of that nature. Croteau said, so it's carefully defined when it can be by eminent domain.

Berman said on the section that relates to the Comprehensive Plan goals, the verbiage on the goal of energy conservation is extremely weak. Berman said where it says, "The Plan conforms to the Energy Conservation goal as it contains . . ." There really is no meat there whatsoever. He wouldn't even pursue saying it meets any kind of energy conservation goal because there just isn't anything there in his opinion. He said in the McLean Point Plan on page 22 there's apparently an error in that first sentence. Tokos said it will be corrected.

Patrick closed the hearing at 8:00 p.m. for Commission deliberation. Hardy said as far as the Urban Renewal Plan supporting the goals, she doesn't have a problem with that. She thought the main problem right now is reinforcing

open and clear communication with respect to the public; and she's not sure how to make that better. She felt that should be a condition for going forward. Berman thought in general both Plans are well intentioned and well thought out. The project categories on the Northside Plan are pretty good except he doesn't really like the specifics that are in there. He thinks it's too specific. The real meat of the thing is going to come later on when we sit down and really analyze in that very first planning phase what the real projects are that will pop out as the ones that are most required. He thinks it will become obvious. He hopes there's a real opportunity for honest public outreach and feedback and modifications based on that feedback so we end up getting projects that there's consensus this is really going to achieve the goals of Urban Renewal. Croteau said a lot of issues were raised this evening. He hopes many of these will be dealt with in the planning phase of the Urban Renewal. He said there has been more public input on this issue and in Newport in general than he's experienced in two other jurisdictions that he's familiar with. He said the question is if the Plan is congruent and consistent with the Comprehensive Plan; and when you look at that, you have to say yes, the Plan is consistent, gives us a general plan forward, and at this point this is all we can hope for. The future is going to hold a lot of detailed planning; and we continue to hope that the public will have as much input as they can. Franklin said he would repeat what every Councilor has said. He agreed we need to move forward with both of these plans. They both look good to him. And we need public input throughout and anything we can do to improve that; more open ears. Patrick also believed the conditions warrant the Plans, the projects conform, and they are financially feasible. He's also looking forward to the initial studies in the Plans. He's also looking forward to us doing a better job of prioritizing than we have in the past. He's lived through two Urban Renewal Plans. The South Beach one didn't do too badly. The first Newport Plan wasn't too bad, but a lot of things got thrown on the wayside; and he thinks the City Center kind of suffered for it. He would like to see this time actually do something for the City Center. He said it will be interesting to see how that turns out and what kind of feedback we get on that.

Mr. Heida noted that at the last City Council meeting he thought Chair Allen had recommended not so much an ad hoc advisory committee but rather a permanent committee; something that would work along side the Urban Renewal Agency simply because they were such closely related entities. Patrick said we've discussed that several times already. Originally they were just talking about having the Planning Commission do it; but the Commission's position was that we need more bodies than just us. He thinks they've come around to that. Patrick wondered when he gets the motion, if he could get something in there about increased public engagement and an expanded advisory committee as part of the recommendation. Croteau thought another point to be made is that the Urban Renewal Plan goes on for a long period of time; and so it's going to require oversight and maybe changing oversight depending on priorities for at least twenty years. It's really a living plan. We need to be aware of that. What we see today must change with time.

Mrs. Heida asked if South Beach is a living document. Patrick said it shuts down in 2020. Tokos said that's the last year it's open for any projects. Patrick said most of what is going on right now was decided two years ago. Whatever else we're going to do has to be decided right now to finish up in 2020. We have one more short planning phase, and then that's it. It's not as much of a living document as this one here. South Beach got extended too. It wasn't doing anything for the first ten years. Berman just wanted to say that he agrees 100% with the problem with that signal light. He can't believe that ODOT didn't take into consideration the impact on the businesses. We've had testimony at a prior hearing on exactly that subject. He thinks it's probably too late to change that decision about moving that signal.

MOTION was made by Commissioner Croteau, seconded by Commissioner Berman, that based on the analysis in the Plan and Report presented this evening, the City of Newport Planning Commission finds that the McLean Point Urban Renewal Plan is in conformance with the Newport Comprehensive Plan. The Planning Commission also urges the City Council to increase public input to the extent permissible in planning and to expand to the extent necessary advisory committees to assist in planning going forward. The motion carried unanimously in a voice vote.

MOTION was made by Commissioner Croteau, seconded by Commissioner Hardy, that based on the analysis in the Plan and Report presented this evening, the City of Newport Planning Commission finds that the Newport Northside Urban Renewal Plan is in conformance with the Newport Comprehensive Plan. The Planning Commission also urges the City Council to increase public input to the extent permissible in planning and to expand to the extent necessary advisory committees to assist in planning going forward. The motion carried unanimously in a voice vote.

G. New Business. There was no new business to discuss.

H. Unfinished Business.

1. Tokos noted that the Nye Beach Design Review changes went to hearing before the City Council where they took public testimony. He didn't have a chance to get the ordinance prepared. So, hopefully we will be taking that to them at their meeting on the 21st. They only had one person provide testimony; and that was in favor of those changes.

2. Tokos said on the 21st the City Council will have a proposal from the work group working on community visioning. That proposal will be about how Newport could do a broad community visioning process and what the components might be and how to package that up for an RFP moving forward if the Council's inclined to do that. He anticipates the Planning Commission would have a significant role in that should that be something the City Council elects to make a priority because it needs to be funded.

3. Tokos said that the retail sales of marijuana was a matter that had been forwarded from the City Council down to the Planning Commission to take a look at that. He wanted to let the Commission know that he's not planning to bring materials to the Commission until we see draft rules from OLCC because it doesn't really make sense to do so since they may delve into a number of the issues you might want to look at. He thought the Commissioners would want that information at least in draft form before starting deliberation on any supplemental rules the City may or may not want to do. He understands that OLCC expects to have that draft out either in October or November. The Commission can then pick up the conversation in late November or early December. The City Council elected not to preclude recreational sales at medical dispensaries. So, that will move forward effective October 1st.

4. Regarding LIDs, Tokos noted that the second TAC meeting of the four that are planned was held today. He said that much of the conversation was about best management practices. The consultant put together a memo with key stakeholders that they had engaged. The best practice memo was about different things we need to think about as we move forward with rebuilding our LID codes. He thought the TAC had a pretty good discussion today on a number of different issues. This will inform the consultant as he puts together a draft model code for the TAC to take a look at the next meeting in early December. Hardy hopes that it will be clearer whether the consultant's focusing on new development and subdivisions versus older existing neighborhoods, which is what is more likely to occur more frequently in Newport. Tokos said that's a good point because we were bouncing between the two topics. Hardy said it lacked continuity, preparation, and critical thinking. Franklin said it's almost like we need to have two separate discussions. She thought a little bit better definition structure, a little bit better thought process could occur. Tokos said we covered a range of topics; probably fifteen to twenty different topic areas. It will get folded into a model code that the group will have a chance to sink their teeth in. Maybe in early December through the development season folks will have a chance to read through the materials and really start to put this into a place where we can actually use it because our existing code doesn't work really well. This is primarily funded by TGM. We had a very modest match. They recognize that LIDs aren't an end-all be-all funding source, but they are a meaningful funding source. It has its appropriate place. Smaller jurisdictions are given very little guidance in terms of how to put together a program that they can administer successfully over a long period of time. They saw it as an opportunity for both addressing our need and a number of smaller communities.

I. **Director Comments.** Tokos had nothing further to add at this point.

J. **Commissioner Comments.** Croteau assumed the City Council is going to look favorably upon the Urban Renewal Plans. If so, he would like to urge them to assist the Commission in getting our citizens advisory committee more on board with us for the upcoming period of time. Tokos noted that that advisory committee has never been a formal structured committee; it was more of an ad hoc thing the Planning Commission did when it was looking at the zoning code rewrite some time ago and was just a carry-over. He appreciates the comment about emphasizing public involvement. It's tough to put in an Urban Renewal Plan that an advisory committee has to exist that's not a formal committee. He appreciates that motion just emphasizing public involvement. His sense, and one of the positives about both of these plans, is if there's a major amendment coming down the pipe, they may want to tailor those ad hoc committees appropriate to the type of issues on hand. Depending on the issue, they may want to have different players to make sure they are getting a full range of perspectives. He thinks that approach gives them the flexibility to do that. Croteau thought what we need is sort of a rolling group as things develop. His comment was looking just specifically at the Planning Commission because we are down to dust, and it shows. It would be nice to have more folks.

K. **Adjournment.** Having no further business to discuss, the meeting adjourned at 8:20 p.m.

Respectfully submitted,

Wanda Haney
Executive Assistant