



AGENDA & Notice of City Council Work Session, Executive Session & Regular City Council Meeting

The City Council of the City of Newport will hold a work session and executive session on Monday, November 18, 2013, at 12:00 P.M., followed by regular meeting of the City Council at 6:00 P.M. The work session and executive session will be held in Conference Room A at City Hall, and the regular meeting will be held in the Council Chambers, City Hall, located at 169 S.W. Coast Highway, Newport, Oregon 97365. A copy of the agenda follows.

The meeting locations are accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Peggy Hawker, City Recorder 541.574.0613.

The City Council reserve the right to add or delete items as needed, change the order of the agenda, and discuss any other business deemed necessary at the time of the work session and/or meeting.

CITY COUNCILWORK SESSION AND EXECUTIVE SESSION **Monday, November 18, 2013 - 12:00 P.M.** **Conference Room A**

- I. Additional Work Session Items Not Listed on the Agenda (for this and future work sessions)
 - II. Update on Coastal Economic Summit with Rep. Gomberg & Sen. Roblan
 - III. Executive Session Pursuant to ORS 192.660(2)(f) to Discuss Exempt Public Records Regarding Confidential Attorney-Client Communication Concerning Legislative Process
 - IV. Financial Discussion (Gazewood)
 1. Room Tax
 2. Monthly Budget Report Format
 - V. Overview of the City's Real Property Assets - Part 2 - Developed Lands (Tokos)
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COUNCIL MEETING AGENDA
Monday, November 18, 2013 - 6:00 P.M.
Council Chamber

Anyone wishing to speak on an agenda item should complete a Public Comment Form and give it to the City Recorder. Public Comment Forms are located at the entrance to the City Council Chamber. Anyone commenting on a subject not on the agenda will be called upon during the Public Comment section of the agenda. Comments pertaining to specific agenda items will be taken at the time the matter is discussed by the City Council.

I. Pledge of Allegiance

II. Call to Order and Roll Call

III. Additions/Deletions and Approval of Agenda

IV. Public Comment

This is an opportunity for members of the audience to bring to the Council's attention any item not listed on the Agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to other.

V. Consent Calendar

The consent calendar consists of items of a repeating or routine nature considered under a single action. Any Councilor may have an item on the consent agenda removed and considered separately on request.

- A. Approval of City Council Minutes from the Work Session and Regular Meeting of November 4, 2013 (Hawker)

VI. Officer's Reports

- A. Mayor's Report
- B. City Manager's Report
 - 1. Monthly Department Reports
 - 2. Suggestion/Concern/Complaint Update
 - 3. Project Management Report

VII. Discussion Items and Presentations

Items that do not require immediate Council action, such as presentations, discussion of potential future action items.

- A. City Center Newport Association - Electronic Message Sign Presentation
- B. Thompson's Sanitary - Curbside Composting
- C. Video Presentation on Distracted Driving (Miranda)

VIII. Action Items

Citizens will be provided an opportunity to offer comments on action items after staff has given their report and if there is an applicant, after they have had the opportunity to speak. (Action items are expected to result in motions, resolutions, orders, or ordinances.)

- A. Re-Adoption of Ordinance No. 2060 for Annexing a South Beach Property Owned By Spy, LLC into the Corporate Limits of the City of Newport and Withdrawing the Property from the Newport Rural Fire Protection District and Lincoln County Library District (Tokos)
- B. IGA with Lincoln County Related to the Agate Beach Storage Tank Project (Tokos)
- C. Consideration of Resolution No.3650 Support for a Visual Arts Center in the City of Newport
- D. Consideration of Change to the Schedule for Payment of Employee's Health Deductible for Employees Participating in the HSA and VEBA Health Plans

IX. Council Reports and Comments

X. Public Comment (Additional time for public comment - 5 minutes per speaker)

XI. Adjournment



Date: November 14, 2013

To: Ted Smith, Interim City Manager
Mayor and City Council Members

From: Bob Gazewood, Interim Finance Director

Subject: Room Tax Fund Issues

Some issues regarding the Room Tax Fund that I feel needs to be discussed are as follows:

1. The FY 2012-13 room tax receipts were under estimated by \$119,698.
 - a. Based on this, the split to the General fund is shorted by approximately \$29,000 in FY 2012-13.
 - b. The Parks and Recreation Fund allocation is shorted.
2. The same level of \$2,300,000 budgeted in FY 2012-13 was budgeted in FY 2013-14. Actuals receipts in FY 2012-13 was posted at \$2,419,698. FY 2013-14 projected revenues are under budgeted at \$2,300,000.
3. If the FY 2013-14 room tax revenues are revised to reflect current receipting levels than the allocation to the General Fund would have to be increased, accordingly.
4. The matching share of the OCCA - PAC is not budgeted in FY 2013-14.
 - a. The sound system's bid approximates \$350,000 - the match is \$175,000.
5. The City grant to OCCA - PAC was for a maximum of \$250,000 and appears to call for a one dollar to one dollar match. About \$13,272 was spent through August 2013. I need to ascertain if this \$13,272 is subjected to the match if the language in in the agreement is interpreted correctly.
6. The Beginning Fund Balance (BFB) at July 1, 2013 is in the FY 2013-14 Budget estimated at \$610,000. The actual BFB came in at \$642,624.

Attachments include: Page 2 - Schedule of Revenues, Expenditures and Changes in Fund Balance

Page 3 - Nine-Year History of Room Tax Revenues allocated to the General Fund plus Three-Month Receipts for FY 2013-14.

CITY OF NEWPORT - ROOM TAX REVENUE (as posted to the General Ledger)

	2013-2014	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005
July	379,661.64	329,012.95	293,047.79	335,969.39	344,019.52	346,248.73	236,928.50	242,752.99	174,587.97	144,744.90
August	428,752.62	290,339.50	442,676.73	389,767.56	386,098.53	391,607.08	346,648.99	320,800.60	311,534.60	210,408.12
September	246,178.76	345,303.33	254,501.24	254,445.81	242,261.52	243,405.06	377,600.47	330,473.02	319,055.76	240,980.90
October		61,224.31	95,399.08	197,413.35	192,786.73	148,603.19	273,406.71	250,260.27	207,343.90	154,394.86
November		267,112.54	187,057.56	101,166.82	85,830.57	125,777.89	163,601.17	154,967.35	149,310.41	117,436.67
December		77,399.54	91,967.81	89,098.00	75,024.70	64,633.09	104,177.35	98,762.96	100,177.02	69,946.65
January		104,455.32	76,720.06	96,837.51	77,030.19	81,740.87	92,574.53	85,559.29	81,400.93	59,415.77
February		133,454.73	151,418.13	121,841.46	157,699.02	121,654.84	73,048.34	72,206.93	84,016.48	48,249.06
March		180,082.23	157,347.19	131,966.53	130,488.28	175,827.28	120,964.67	108,908.82	134,954.85	125,497.15
April		136,737.08	164,154.65	172,391.37	153,124.59	123,667.53	166,745.91	182,533.21	153,300.00	131,756.06
May		194,997.00	143,175.90	166,544.42	183,716.41	182,144.26	133,804.36	170,040.18	139,005.43	109,522.49
June		299,579.38	310,123.86	239,801.18	250,420.95	226,523.22	168,239.67	140,773.68	152,801.88	146,809.51
July		2,419,697.91	2,367,590.00	2,297,243.40	2,278,501.01	2,231,833.04	218,420.67	2,158,039.30	2,007,489.23	1,559,162.14

*Blanks for July reflects Accrual basis Acctg - back to 12 months

First Fiscal Year of Accrual Basis Acctg 13 months June Room Tax received in July accrued back to June's Budget

Cash Basis Accounting 12 months of Revenue - June Room Tax recorded when received in July

1. FY 2013-14 Budgeted Room Tax Estimated at \$2,300,000.

2. FY 2012-13 Budgeted Room Tax Estimated at \$2,300,000

3. Both of the above estimates were based (it appears) on FY 200-11 Actuals of \$2,297,243.40

4. Actuals for FY 2011-12 @ \$2,367,590 - an amount of \$67,590 above FY 2012-13 Budgeted Room Tax of \$2,300,000

5. Actuals for FY 2012-13 @ \$2,419,698 above Budgeted Room Tax of \$2,300,000 by \$119,698

6. FY 2013-14 Budgeted Room Tax under Budgeted by at least \$119,698.

PAGE 3

CITY OF NEWPORT OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET TO ACTUALS FOR FY 2013-14 AND FY 2012-13 ACTUALS
 For Fiscal Year 2013-14 at September 30, 2013

ROOM TAX FUND

	FY 2012-13 Actuals	FY 2013-14 Amended Budget	Actual to 9/30/2013	Variance to Amended Budget	%	Suggested Amended Budget
REVENUES						
Transient Room Tax	2,419,698	2,300,000	808,414	1,491,586	35.1	2,435,000
Visual Arts Center Revenue	9,252	10,000	3,899	6,101	39.0	10,000
OCCA - PAC Matching Funds for Sound System	-	-	-	-	-	175,000
Interest On Investments	3,810	4,500	-	4,500	-	4,000
Total Room Tax Fund Revenues	2,432,760	2,314,500	812,313	1,502,187	35.1	2,624,000
EXPENDITURES						
Materials & Services						
Street Light Expenses	41,969	50,000	7,154	42,846	14.3	50,000
Advertising & Marketing Expense	292,472	325,000	67,611	257,389	20.8	325,000
Services Provided by Other Gov. Agencies	7,500	172,500	43,125	129,375	25.0	172,500
OCCA -PAC	112,500	112,500	28,125	84,375	25.0	112,500
VAC Elevator	-	45,000	-	45,000	-	45,000
LEM	-	25,000	-	25,000	-	25,000
City Funded Grants	444,853	-	20,434	(20,434)	Over	20,000
Community Celebrations	34,342	50,000	23,218	26,782	46.4	50,000
Services Provided by General Fund	154,505	75,000	-	75,000	-	75,000
Other Materials & Services	380,320	44,900	5,218	39,682	11.6	44,900
Total Materials & Services	1,468,461	899,900	194,885	705,015	21.7	919,900
Capital Outlay - Other Capital Expenses						
City Grant - OCCA/PAC	-	236,728	-	236,728	-	411,728
City Grant - Sea Lion Dock	-	50,000	-	50,000	-	50,000
City Grant - OMSI	-	150,000	-	150,000	-	150,000
City Grant - Unallocated	-	44,272	-	44,272	-	44,272
Total Capital Outlay	-	481,000	-	481,000	-	656,000
Transfers						
Transfer to General Fund @ 54%	567,000	1,242,000	310,500.00	931,500	25.0	1,314,900
Transfer to General Fund - From the 46%	-	50,000	12,500.00	37,500	25.0	50,000
Transfer Airport Fund	339,460	29,000	7,250.00	21,750	25.0	29,000
Transfer to Capital Projects	53,757	-	-	-	-	-
Transfer to General Debt Service Fund	110,240	-	-	-	-	-
Transfer to Proprietary Debt Fund	126,500	-	-	-	-	-
Transfer to Parks & Recreation Fund	246,760	180,500	45,125.00	135,375	25.0	180,500
Total Transfers	1,443,717	1,501,500	375,375	1,126,125	25.0	1,574,400
Contingency	-	42,100	-	42,100	-	42,100
Total Expenditures	2,912,178	2,924,500	570,260	2,354,240	19.5	3,192,400
Excess of Revenues Over (Under) Expenditures and Transfers	(479,418)	(610,000)	242,053	(852,053)	(39.7)	(568,400)
BEGINNING FUND BALANCE AT JULY 1	1,122,042	610,000	642,624	642,624	105.3	642,624
ENDING FUND BALANCE	642,624	-	884,677	(209,429)	-	74,224

NOTE: Transfers have not been entered in the Financial Records as of September 30, 2013. For purposes of this Schedule presentation Transfers are shown for the three months ended September 30, 2013.

Memorandum

To: Newport City Council

From: Derrick Tokos, Community Development Director 

Date: November 15, 2013

Re: Overview of the City's Real Property Assets Part 2 – Developed Lands

Enclosed are PowerPoint slides for the more prominent, developed sites in the City's real property inventory. There are isolated pieces, such as the Siletz River Intake, that are not included. Also, this list does not pick up the numerous sewer lift stations or comparable structures that are on very small parcels, lease holdings or street rights-of-way throughout town. Most of the City's park sites are listed. You will note that there are a couple of properties where additional Council action will be needed to wrap up past partnerships between the City and Lincoln County. The County Assessor and County Counsel's Office are aware of the issues and are researching them to identify next steps.

Solid Waste Transfer Station



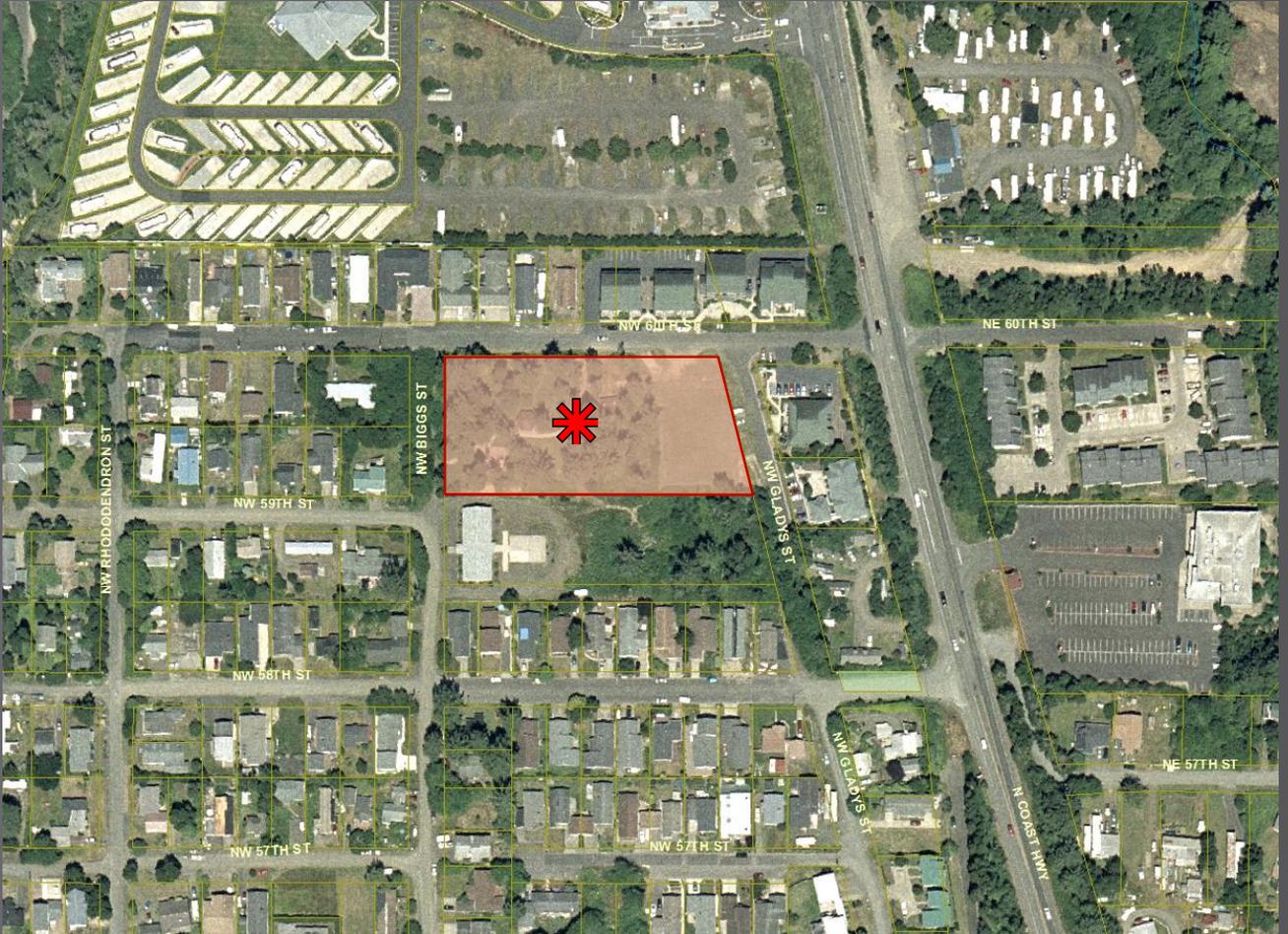
- Disposition: Developed industrial property with transfer station, scales, office and warehouse building
- Location: 8096 NE Avery St, 8098 NE Avery St
- Size: 2.59 acres
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$197,000 (2012)
- Tenants: Thompson Sanitary Service
- Income: \$1.00 per year
- Lease Term: 10 Years, effective 1/2/12
- Special Conditions: Lessee required to maintain transfer station use and is responsible for insurance, utilities, maintenance and repairs

North Fire Station



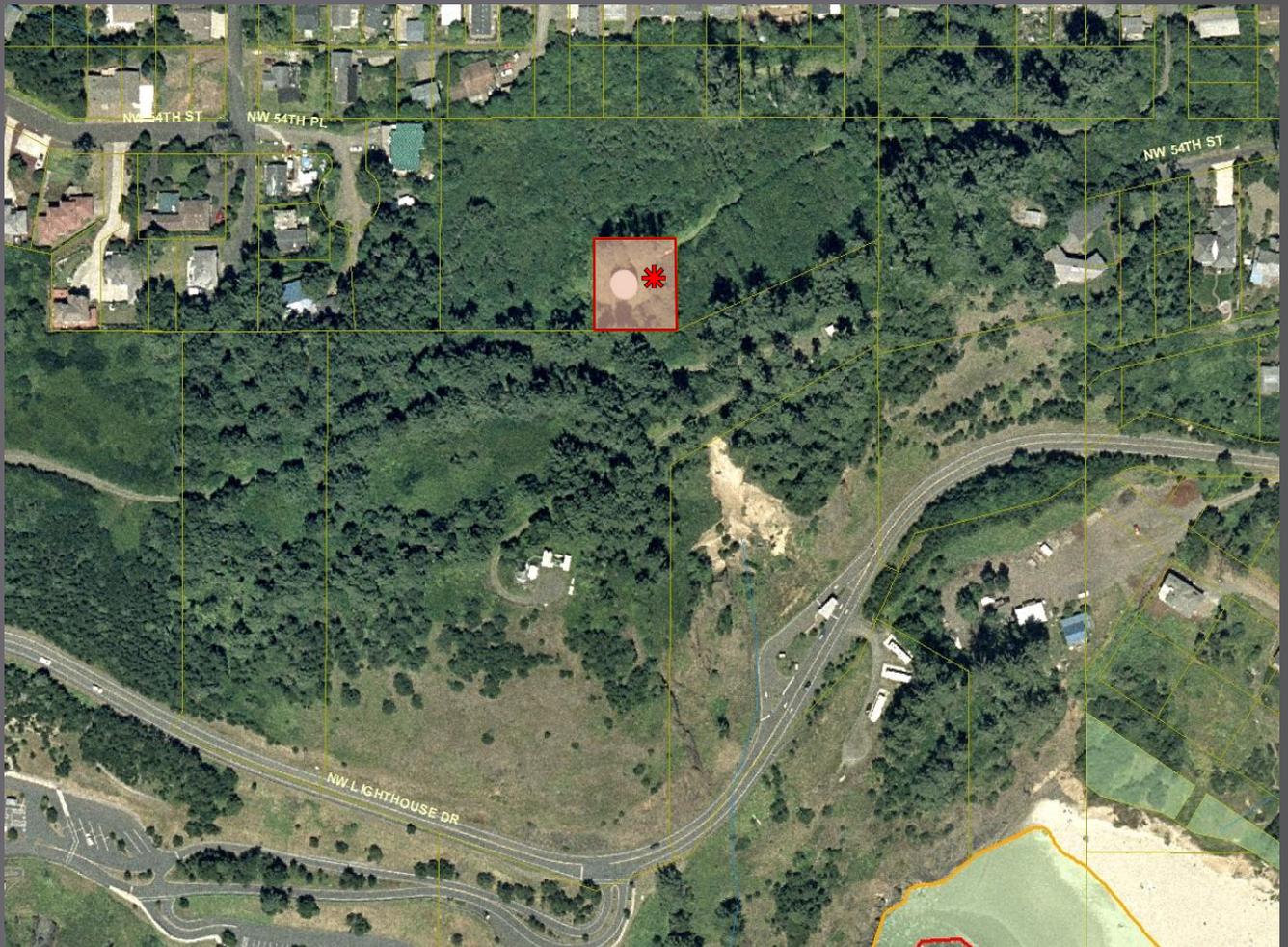
- Disposition: Developed industrial building converted for community service use
- Location: 225 NE 73rd Street
- Property Size: 11,761 sq. ft.
- Floor Area: 3,000 sq. ft.
- Year Built: 2003
- Zoning: I-1/ "Light Industrial"
- Market Value: \$275,000 (2012 Purchase Price)
- Special Conditions: Acquired by City for use as a Fire Station. Property is financed through seller with a balloon payment of \$202,097.56 due in fiscal year 2017/18. Payments are being made out of the General Fund

Agate Beach Park



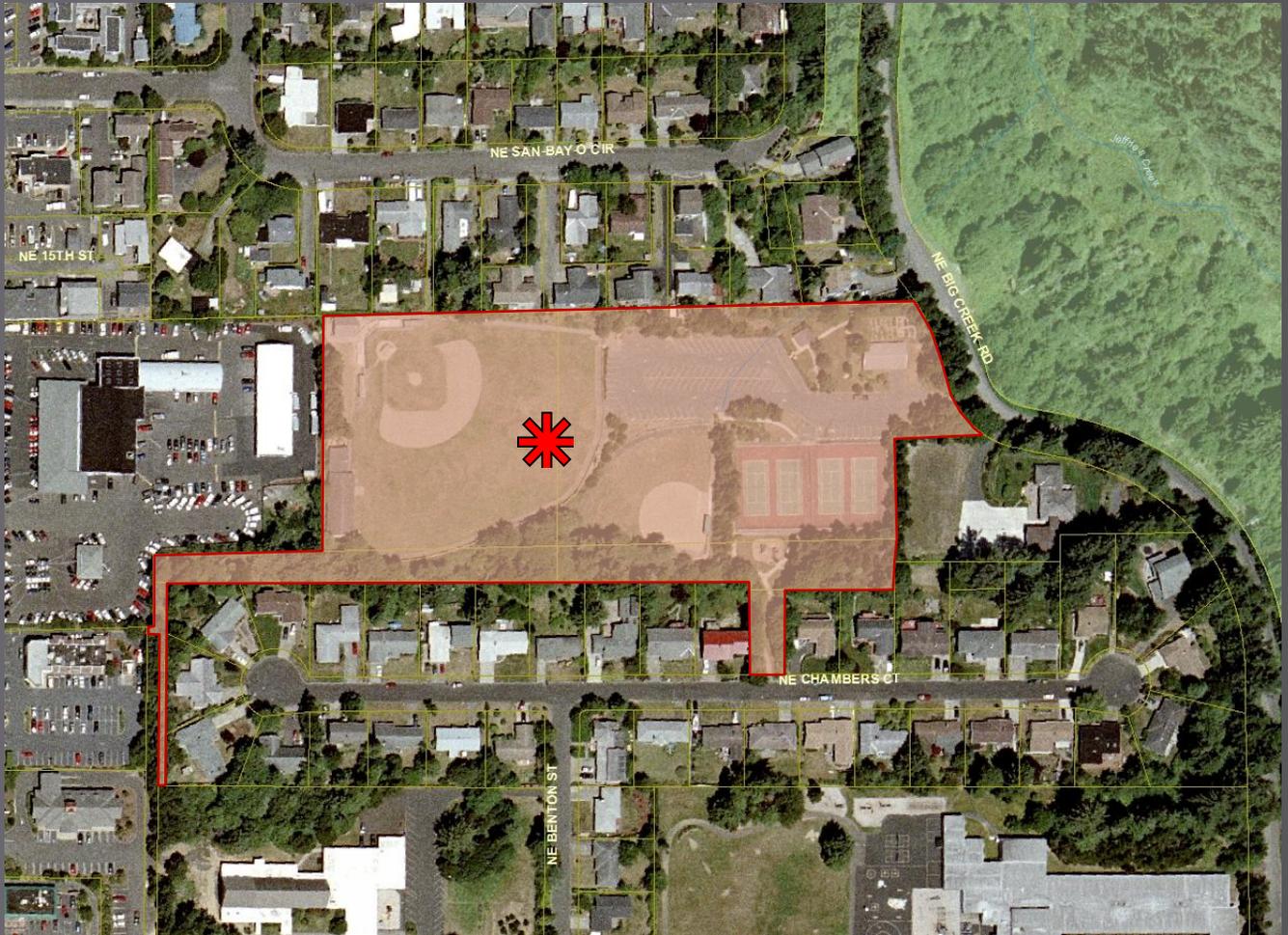
- Disposition: Developed playground and dog park
- Location: 185 NW 60th St
- Size: 1.89 acres
- Zoning: R-4/ "High Density Multi-Family Residential"
- Market Value: \$197,060 (2012)
- Year Built: 1998
- Special Conditions: None
- Acquisition: Purchased by city in 1985. Adjoining Gladys Street right-of-way vacated in 1993

Smith Storage Tank



- Disposition: Water storage tank and distribution system
- Location: NW 55th at Azalea
- Property Size: 15,682 sq. ft.
- Zoning: R-2/ "Medium Density Single Family Residential"
- Market Value: \$14,700 (2012). Land only. Assessor has not assigned a value to the improvements
- Special Conditions: None
- Acquisition: Purchased by city in 1981

Frank Wade Park



- Disposition: Developed ball fields, tennis courts, playground, community garden, and support buildings
- Location: 1445 NE Big Creek Rd
- Property Size: 8.44 acres (six tax lots)
- Zoning: P-1/ “Public Buildings and Structures” and C-3/ “Heavy Commercial”
- Market Value: \$1,605,090 (2012)
- Special Conditions: Property purchased for park purposes. Narrow strips of land subject to deed restrictions limiting use to park and buffer purposes. Baseball field no longer subject to park use deed restriction. Field used exclusively by school district. City may want to explore options for transitioning the property to the district
- Acquisition: Purchased by City in 1967, 1973, and 1977

Abbey Street Pier Building



- Disposition: Developed commercial property
- Location: 669 SW Bay Boulevard
- Size: 4,152 sq. ft.
- Zoning: W-2/ "Water-Related"
- Market Value: \$421,100 (2012)
- Tenants: Latta's Fused Glass, Bay Latte (lower floor), and Ozone Fine Arts (upper floor)
- Income: \$20,448 annually
- Lease Term: 10 Years for Latta's Fused Glass and Bay Latte, effective 5/14/10. Ozone Fine Arts at end of term
- Special Conditions: Subject to terms of DSL in-water lease
- Acquisition: Unclear, as there are ambiguities in the title that need to be cleared up. Building constructed by Urban Renewal Agency along with public pier in 1979.

Children's Advocacy Center



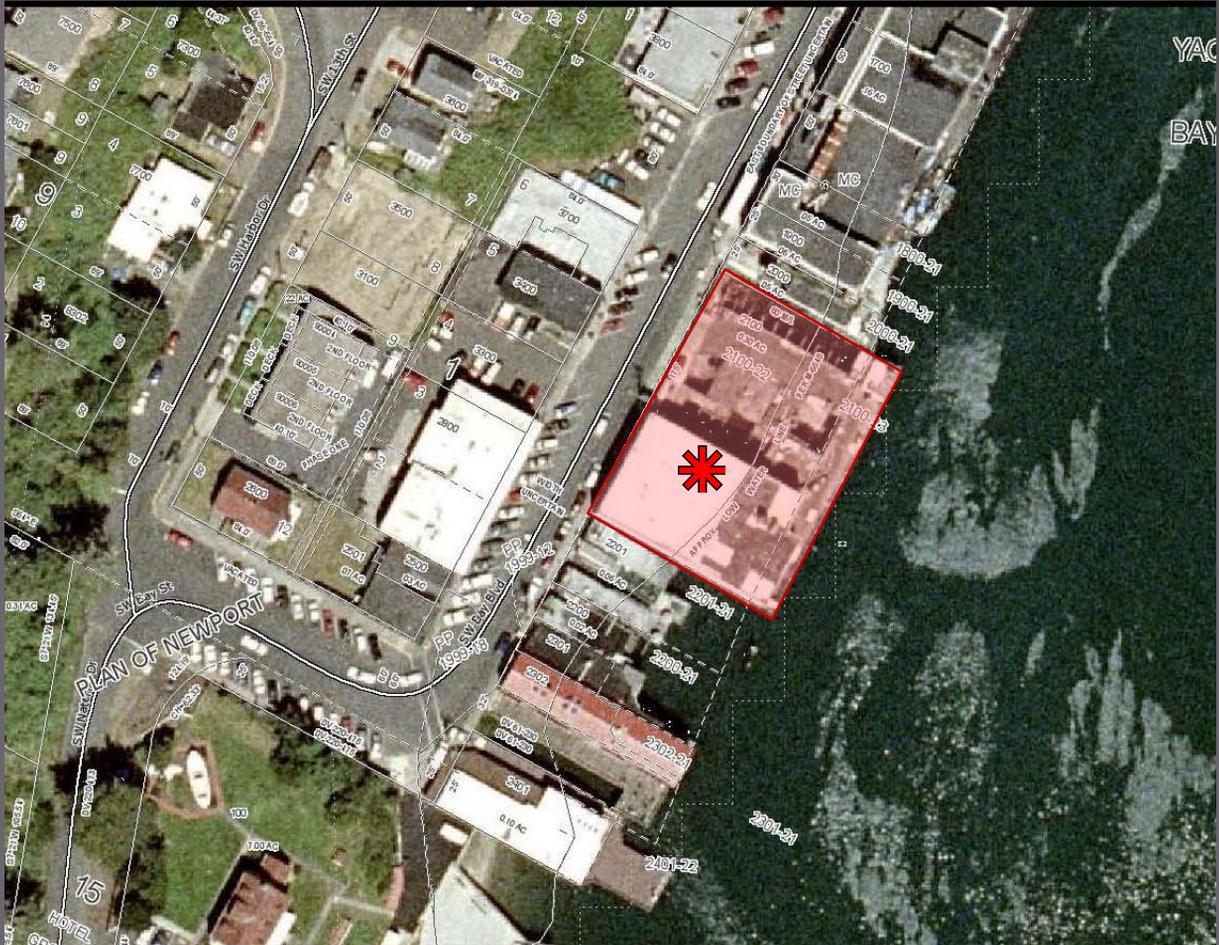
- Disposition: Developed with community service facility
- Location: 125 NE 47th Street
- Size: 1.03 acres
- Zoning: C-1/ "Retail and Service Commercial"
- Market Value: \$313,510 (2012)
- Lease Term: None. Building constructed by Lincoln County in 1996. Facility operated by the Children's Advocacy Center, a non-profit charitable organization
- Special Conditions: A 1994 Intergovernmental Agreement between the City and County envisioned that the property would be gifted to the County subject to the property reverting back to the City if no longer used for this purpose

Visual Arts Center Property



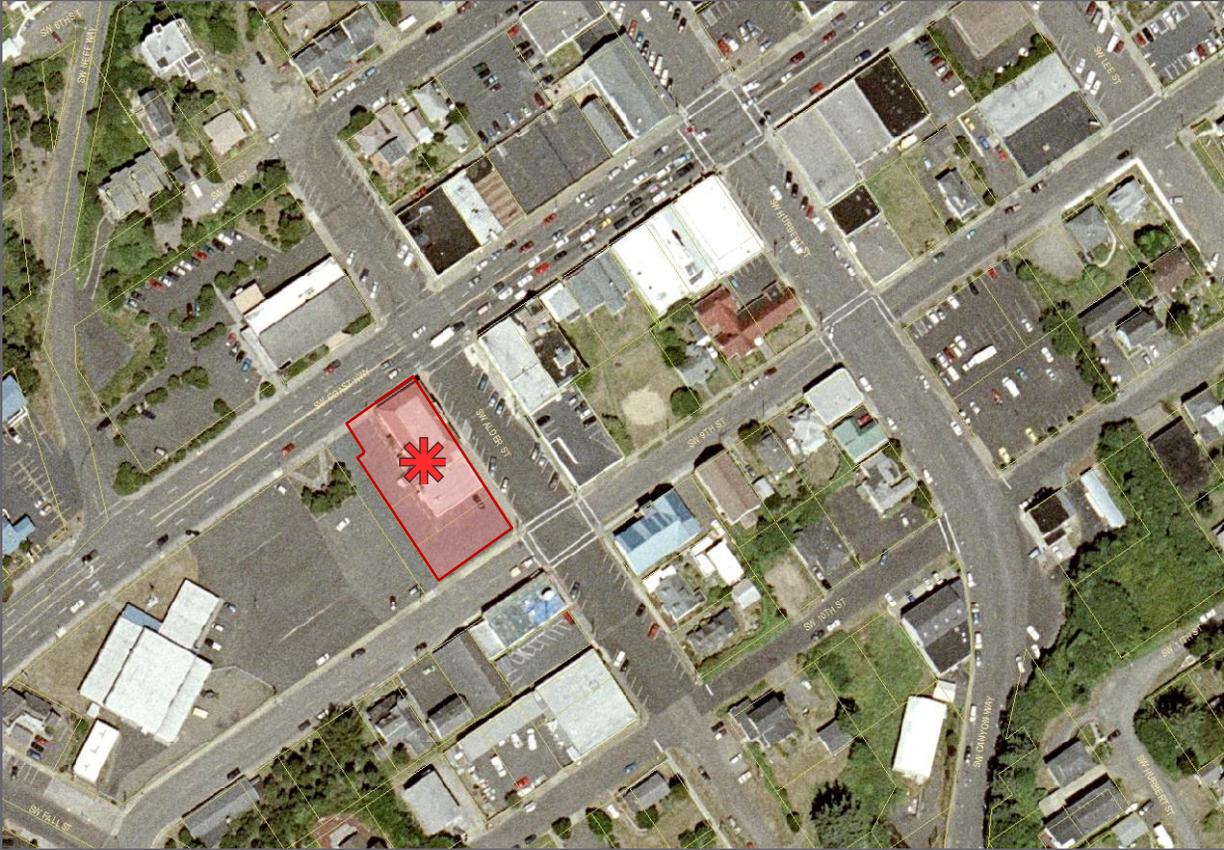
- Disposition: Developed as public art gallery/meeting space
- Location: 777 NW Beach Drive
- Size: 24,394 sq. ft. (three tax lots)
- Zoning: C-2/ "Tourist Commercial"
- Market Value: \$2,643,970 (2012). See special conditions
- Tenants: None
- Income: \$9,252 for fiscal year 2012/13
- Lease Term: None. Managed via agreement with OCCA
- Special Conditions: Property ownership includes land and improvements not associated with the Visual Arts Center. Land needs to be reconfigured.

Fish Processing Plant



- Disposition: Developed commercial property
- Location: 813 SW Bay Blvd
- Size: 13,068 sq. ft.
- Zoning: W-2/ "Water Related"
- Market Value: \$1,333,620 (2012)
- Tenants: Bornstein Seafoods, Inc.
- Income: \$57,553.80 annually
- Lease Term: Effective until 12/31/15
- Special Conditions: Must offer tenant option of first refusal to purchase. Subject to terms of DSL in-water lease. Tenant responsible for insurance, utilities, and maintenance

Pig n Pancake Property



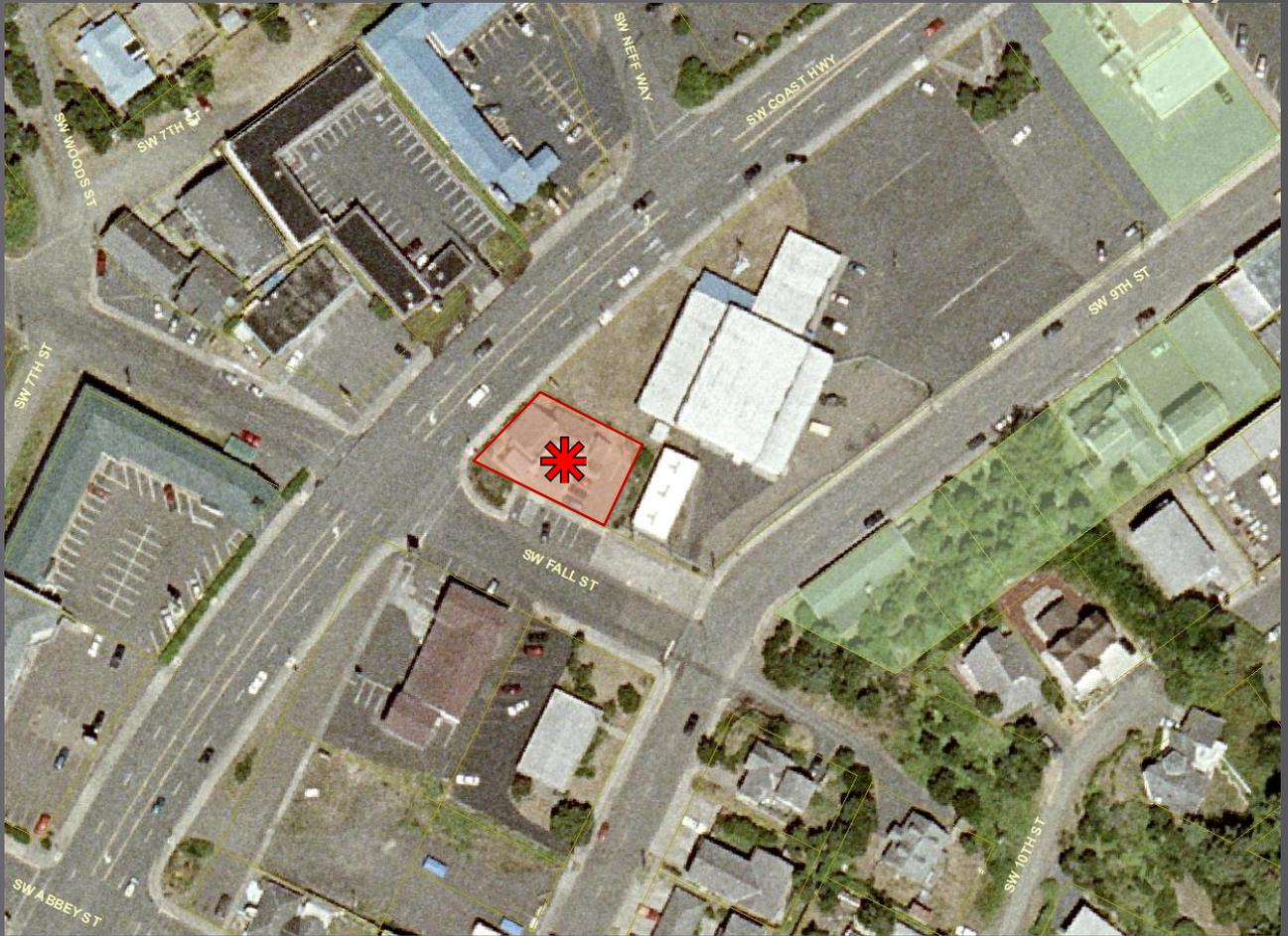
- Disposition: Developed commercial property
- Location: 810 SW Alder Street
- Size: 14,375 sq. ft. (three tax lots)
- Zoning: C-1/ “Commercial – Retail and Service”
- Market Value: \$1,758,490 (2012)
- Tenants: Pig n Pancake, ODFW (sublease), and DLCD (sublease)
- Income: \$9,641 annually
- Lease Term: 10 Years, effective 2/26/09
- Special Conditions: Must offer tenant first option to purchase at fair market value less the cost of tenant improvements (about \$1 million)
- Acquisition: City purchased 1893 and 1953. Original City Hall

Fire Hall & Betty Wheeler Park



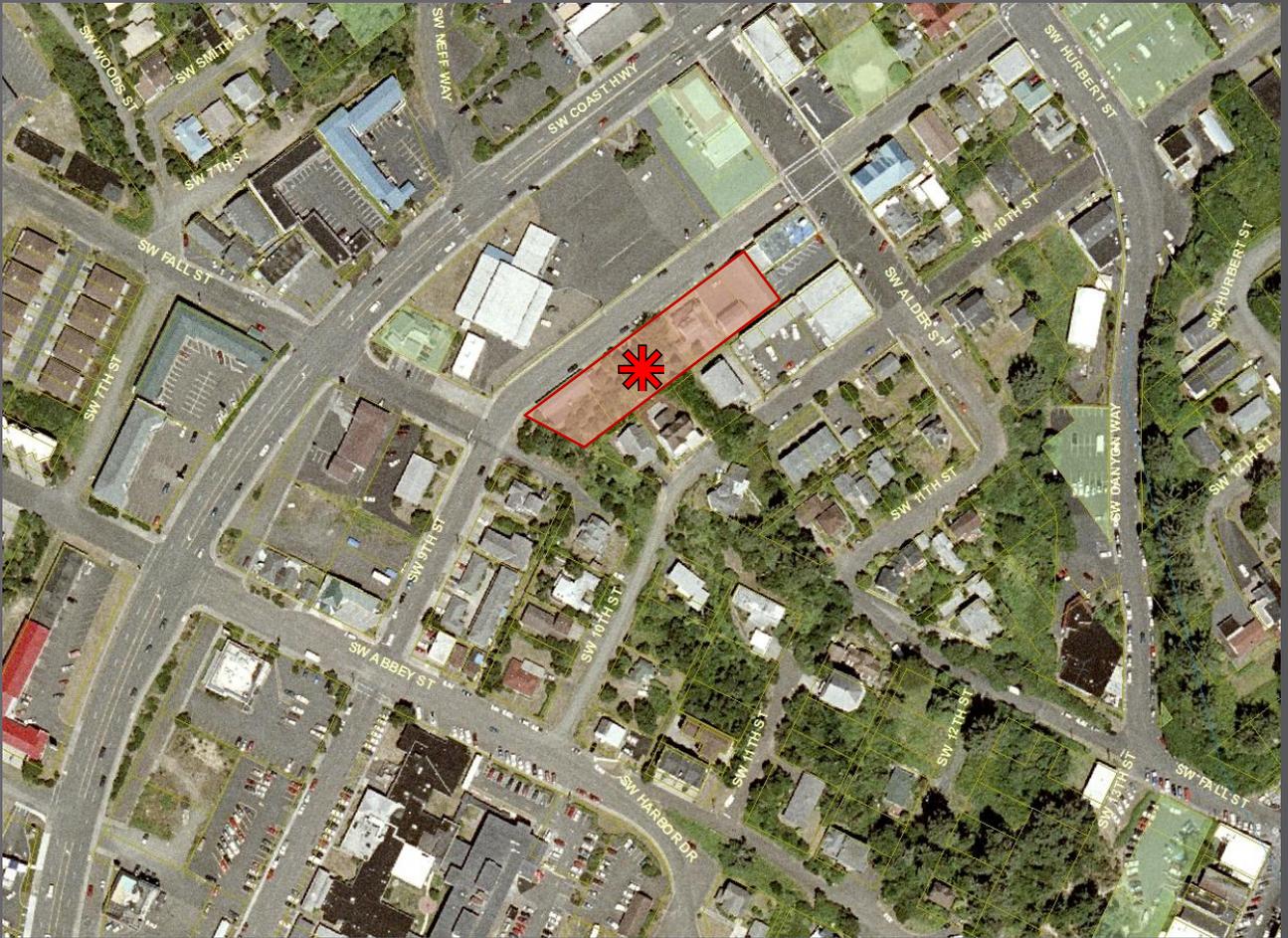
- Disposition: Main Fire Station, baseball fields, & park storage
- Location: 852 NW Nye Street & 245 NW 10th Street
- Property Size: 4.49 acres
- Year Built: 1981 (Fire Hall)
- Floor Area: 11,086 (Fire Hall)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$1,098,410 (2012)
- Special Conditions: Acquired by City in 1976. Parking is limited. City has informal agreement to use the southernmost Catholic Church parking lot provided it periodically maintains and stripes the lot. That agreement needs to be formalized

Chamber of Commerce Building



- Disposition: Developed commercial building
- Location: 555 SW Coast Highway
- Property Size: 6,098 sq. ft.
- Floor Area: 1,886 sq. ft.
- Year Built: 1988
- Tenants: Greater Newport Chamber of Commerce
- Income: \$1.00 per year
- Lease Term: 20 Years, effective through 6/1/2018
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$316,160 (2012)
- Special Conditions: Lessee responsible for insurance, utilities, maintenance and repairs
- Acquisition: Purchased by the City in 1964

Museum Properties



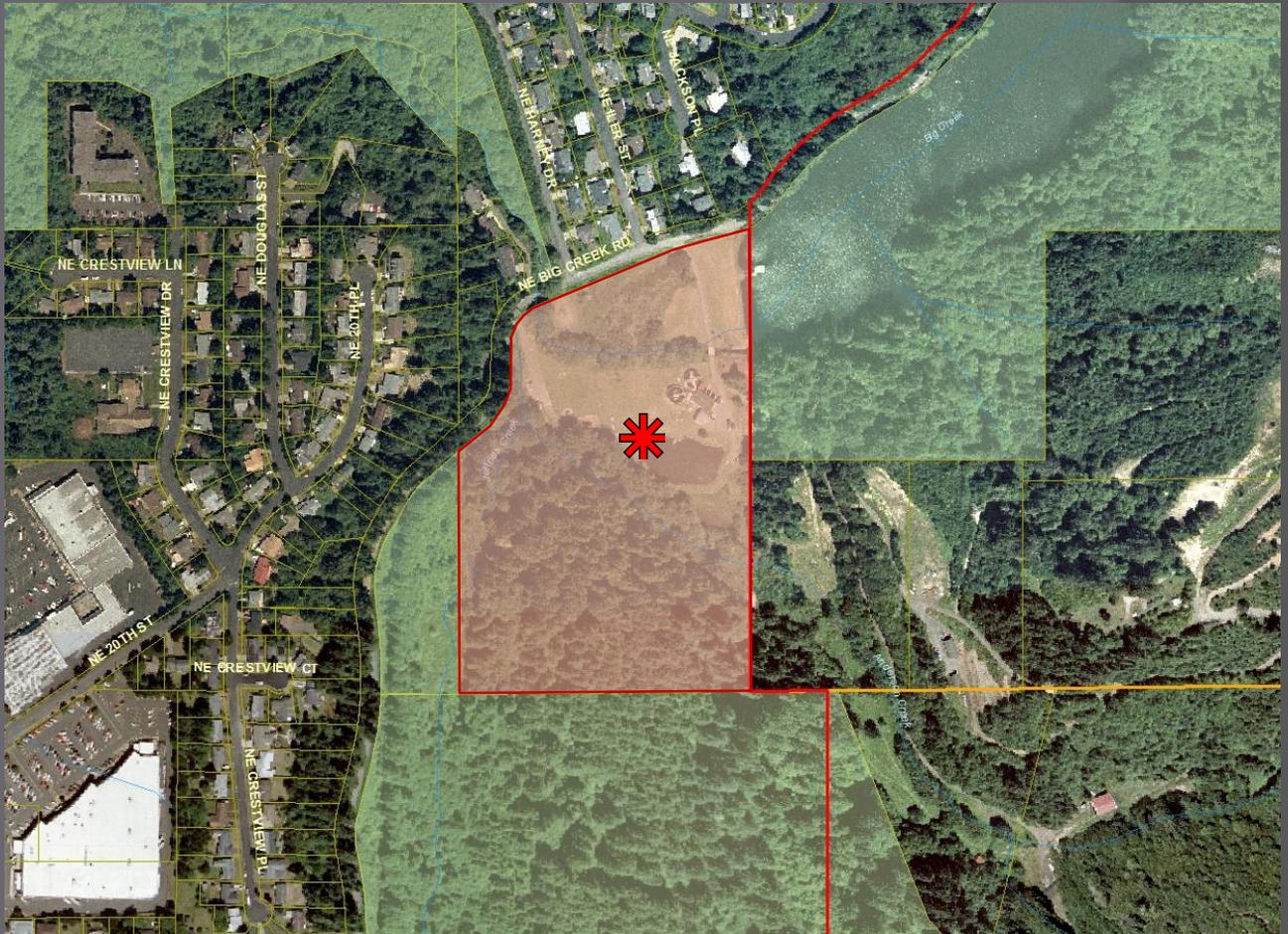
- Disposition: Developed with two museum's, Burrow's House and the Log Cabin Museum
- Location: 545 SW 9th St, 579 SW 9th St, 909 SW Fall St
- Property Size: 31,799 sq. ft. (seven tax lots)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$316,160 (2012)
- Special Conditions: Lessee required to maintain museum use and is responsible for insurance, utilities, maintenance and repairs
- Acquisition: Purchased by the City in 1957, 1960, & 1970

Public Works Buildings



- Disposition: Developed with warehouse buildings
- Location: 845 NE 3rd Street
- Property Size: 3.52 acres (two tax lots)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$968,750 (2012)
- Special Conditions: None
- Acquisition: Purchased by city in 1930 and 1978

Water Treatment Plant



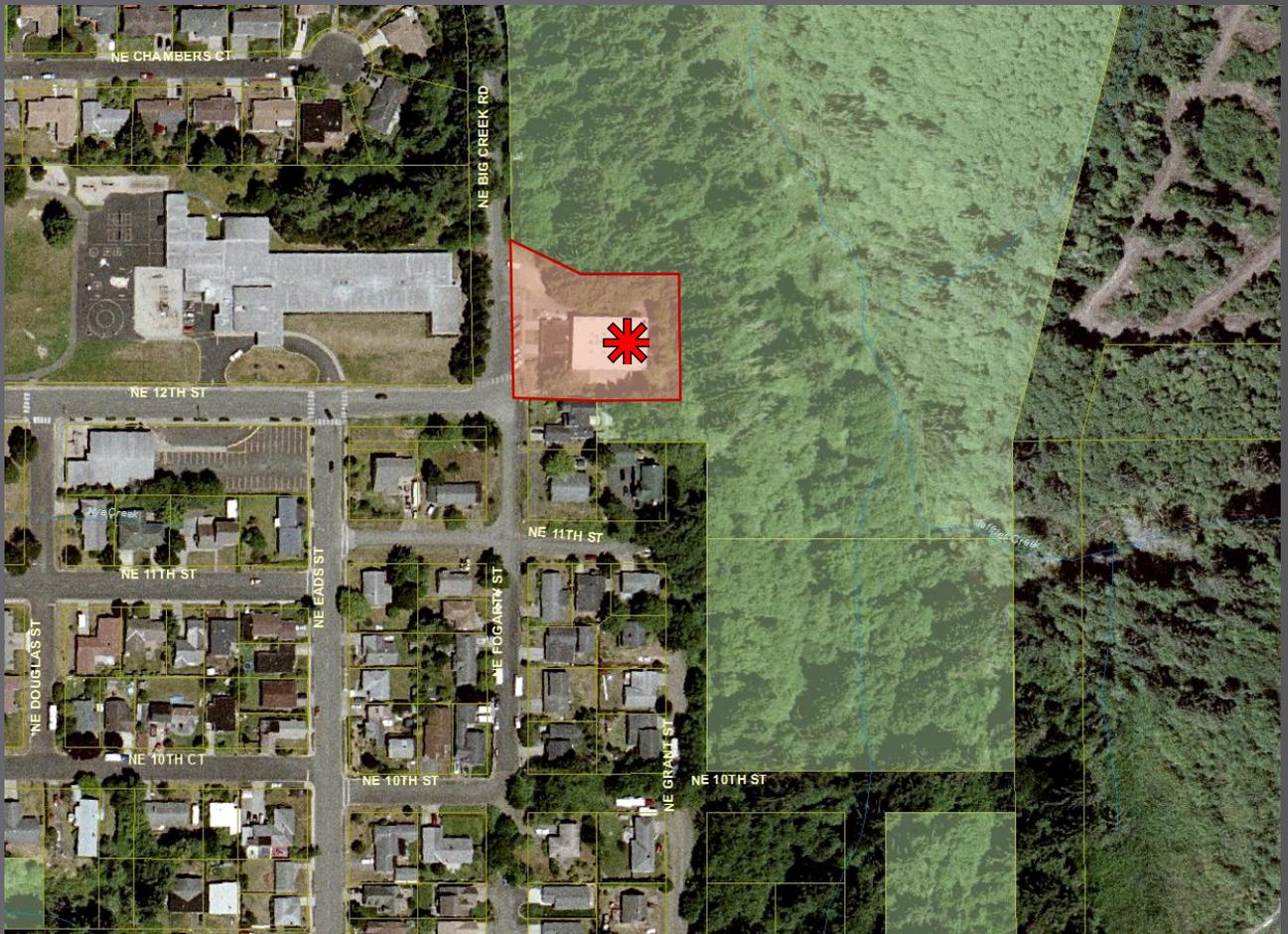
- Disposition: Developed with water treatment plant and appurtenant structures, also includes Big Creek Park with shelter and play equipment
- Location: 2510 NE Big Creek Rd; 2810 NE Big Creek Rd
- Property Size: 21.72 acres
- Year Built: 2012
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$15,530,020 (2012)
- Special Conditions: Outstanding debt of \$15,060,541 scheduled to be retired in 2029. Forested portion of property part of Forest Park
- Acquisition: Purchased by city in 1950 and 1960

Main Water Storage Tanks



- Disposition: Water storage tanks and distribution system
- Location: NW Big Creek Road (behind pool)
- Property Size: 1.00 acre (arbitrary designation by Assessor)
- Zoning: P-3/ "Public Open Space"
- Market Value: TBD. County Assessor has not established a value for these structures
- Special Conditions: Improvements are non-conforming to the P-3 zoning designation. Larger property has been designated by the city as a Forest Park
- Acquisition: Purchased by city in 1965, 1966, 1985 and 1986

Newport Municipal Pool



- Disposition: Developed with a municipal pool
- Location: 1212 NE Fogarty St
- Property Size: 1.00 acre (arbitrary designation by Assessor)
- Zoning: P-3/ "Public Open Space"
- Market Value: TBD. County Assessor has not established a value for this structure and city has not had the facility appraised
- Special Conditions: Improvements are non-conforming to the P-3 zoning designation and city may want to look into rezoning the property and dividing it from the larger Forest Park parcel
- Acquisition: Purchased by city in 1965, 1966, 1985 and 1986

Yaquina Heights Tank



- Disposition: Water storage tank and distribution system
- Location: 310 NE Newport Heights Dr
- Property Size: 23,958 sq. ft.
- Zoning: Unincorporated. P-F/ "Public Facilities"
- Market Value: \$30,190 (2012). Land only. Assessor has not assigned a value to the improvements
- Special Conditions: None
- Acquisition: Purchased by city in 1964

Fall Street Parking Lot and Dock



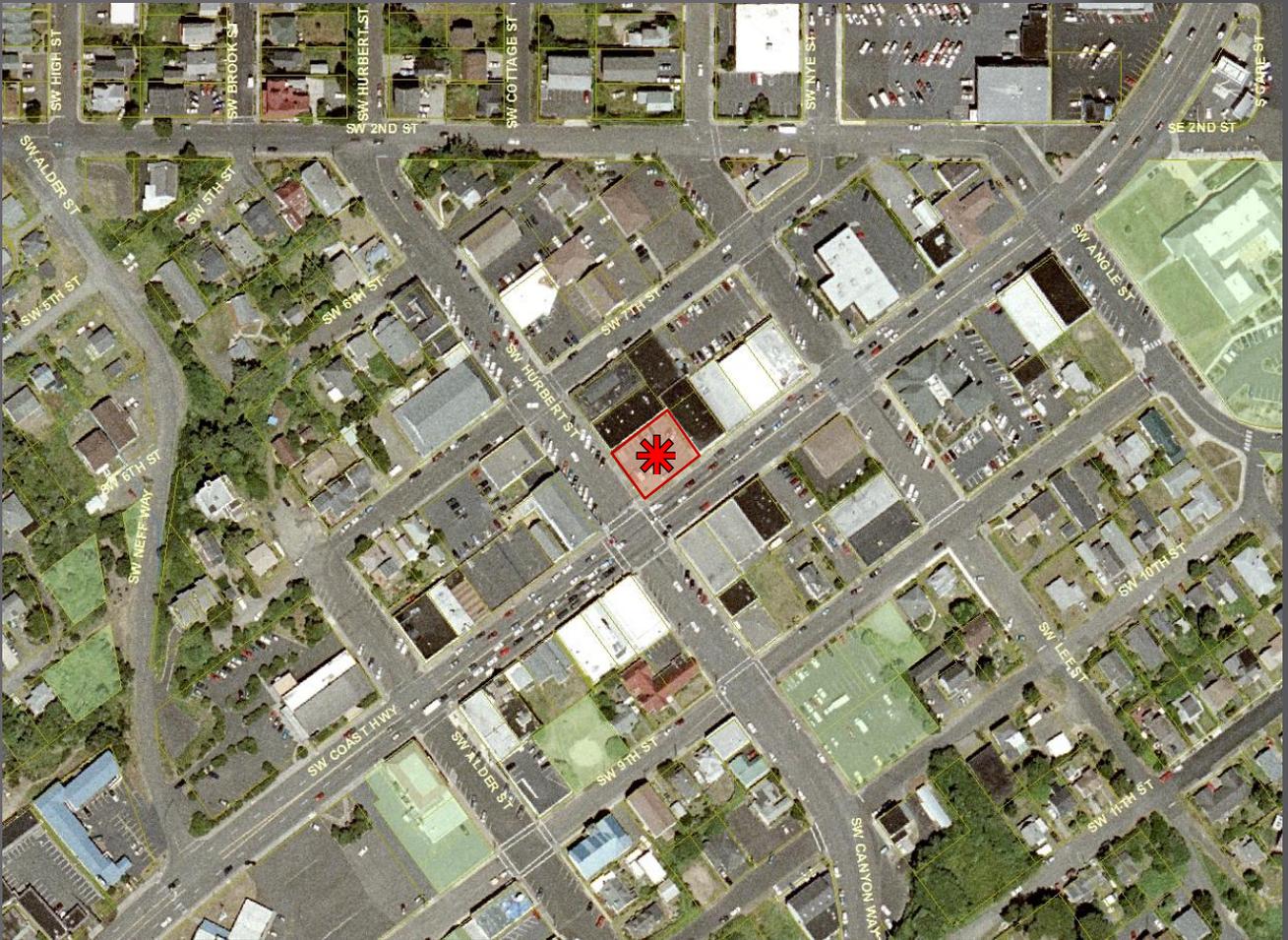
- Disposition: Paved public parking lot and commercial dock
- Location: 457 SW Bay Blvd, 459 SW Bay Blvd
- Size: 6,534 sq. ft. (includes in-water lease area)
- Zoning: W-2/ "Water Related"
- Market Value: \$87,420 (2012)
- Tenants: California Shellfish Co. (dba Hallmark Fisheries)
- Income: \$30,443 annually
- Lease Term: 3 Years, effective 7/1/13
- Special Conditions: Public lot includes SW Fall Street right-of-way which is not included in land area. Lessee of dock space responsible for insurance, utilities, maintenance, and repair of dock and loading areas. In-water area subject to terms of state lease (#ML-10493)
- Acquisition: City purchased property in 1948

Abby Street Parking Lot



- Disposition: Paved public parking lot
- Location: 704 SW Bay Blvd
- Size: 36,590 sq. ft. (four tax lots)
- Zoning: W-2/ "Water Related" and R-3/"Medium density Multi-Family Residential"
- Market Value: \$656,980 (2012)
- Special Conditions: None
- Acquisition: Newport Urban Renewal purchased property in 1984. Transferred to city in 2009

Hurbert and US 101 Parking Lot



- Disposition: Paved public parking lot
- Location: None
- Size: 7,841 sq. ft.
- Zoning: C-1/ "Retail and Service Commercial"
- Market Value: \$75,600 (2012)
- Special Conditions: None
- Acquisition: Newport Urban Renewal purchased property in 1979. Transferred to city in 2009

Canyon Way Parking Lot



- Disposition: Paved public parking lot
- Location: None
- Size: 10,454 sq. ft.
- Zoning: C-1/ "Retail and Service Commercial"
- Market Value: \$137,380 (2012)
- Special Conditions: Parking lot is partially within SW 11st St road right-of-way
- Acquisition: Newport Urban Renewal purchased property in 1980. Transferred to city in 2009

SW Fall and 13th Street Parking Lot



- Disposition: Paved public parking lot and vacant hillside
- Location: None
- Size: 26,136 sq. ft. (three tax lots)
- Zoning: R-3/ "Medium Density Multi-Family Residential"
- Market Value: \$347,070 (2012)
- Special Conditions: Goal 5 of the Bay Front Plan, which seeks to preserve the scenic quality of the hillside above the bay front
- Acquisition: City purchased property in 1944

9th and Hurbert Parking Lot



- Disposition: Paved public parking lot with restroom and car charging station. Gravel lot leased to La Maison Cafe
- Location: 925 SW Hurbert St
- Size: 31,799 sq. ft. (four tax lots)
- Zoning: C-1“Retail and Service Commercial”
- Market Value: \$361,460 (2012)
- Tenants: Katrina Brown (La Maison), AeroVironment
- Income: \$900 yr. (La Maison), 5% charging station revenue
- Lease Term: 5 years, effective 3/15/11 (La Maison), 5 years, effective 4/25/12 (AeroVironment)
- Special Conditions: Lessee responsible for insurance, utilities, maintenance and repairs
- Acquisition: Urban Renewal purchased 1979 and 1980. Transferred to city in 2009

Bay Front Boardwalks



- Disposition: Developed boardwalk and dock access
- Location: 163 SW Bay Blvd, 318 SE Bay Blvd, 452 SE Bay Blvd, 456 SE Bay Blvd
- Property Size: 4.27 acres (ten tax lots)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$3,166,000 (2012)
- Special Conditions: Subject to easements to the benefit of the Port of Newport for current Port Dock accesses and rights to construct additional accesses. Port also reserved rights to in-water lease areas. Pacific Shrimp Company leases Port's easement access over southernmost parcel
- Acquisition: Purchased by Newport Urban Renewal in 1990 and 1991. Conveyed to city in 2009

City Hall Campus



- Disposition: City Hall, Senior Center, and Recreation Center
- Location: 169 SW Coast Hwy, 225 SE Avery St, & 20 SE 2nd
- Property Size: 6.14 acres
- Floor Area: 62,265 (all buildings).
- Year Built: 2000 (Recreation Center), 2001 (City Hall)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$10,540,930 (2012)
- Special Conditions: None
- Acquisition: Purchased by Newport Urban Renewal in 1978. Title transferred to city in 1992

Library and Literacy Park



- Disposition: Public Library, amphitheater, and parking
- Location: 35 NW Nye St, 113 NW Nye St, 119 NW Nye St
- Property Size: 2.55 acres (five tax lots)
- Year Built: 1986 (Library)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$725,420 (2012)
- Special Conditions: None
- Acquisition: Purchased by Newport Urban Renewal in 1968, 1984 and 1994. Title transferred to the city in 2009

Performing Arts Center



- Disposition: Performing Arts Center, paved parking area
- Location: 777 W Olive St
- Property Size: 3.30 acres (fourteen tax lots)
- Year Built: 1987
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$7,568,730 (2012)
- Special Conditions: Acreage figure does not include internal rights-of-way. Managed via agreement with OCCA, who is responsible for insurance, general maintenance, and some of the utilities. Property needs to be replatted and internal rights-of-way eliminated if facility is to be expanded
- Acquisition: Purchased by Newport Urban Renewal in 1985. Title transferred to city in 2009

Don Davis Park



- Disposition: Vietnam Veterans Memorial, gazebo, cobblestone pathway with beach access, sitting area
- Location: 840 W. Olive St, 26 NW Dolphin St
- Property Size: 1.62 acres (fifteen tax lots)
- Zoning: C-2/ "Tourist Commercial"
- Market Value: \$5,473,150 (2012) Land only. Assessor provided no value for improvements
- Special Conditions: None
- Acquisition: Purchased by Newport Urban Renewal in 1981 and 1990. Title transferred to the city in 2009

Coast Park



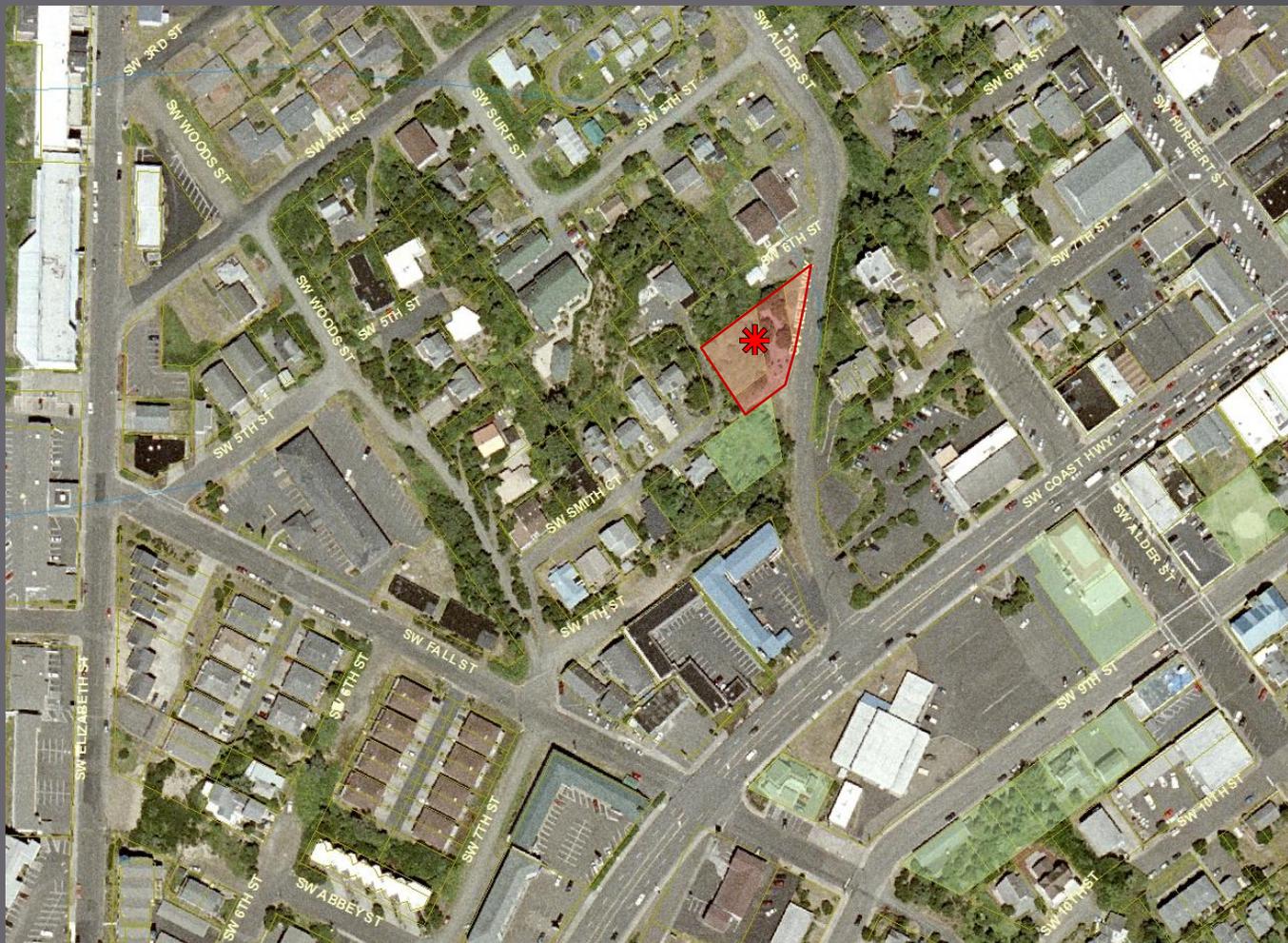
- Disposition: Play equipment, wetland garden, trails
- Location: 100 SW Coast Street
- Property Size: 38,768 sq. ft. (two tax lots)
- Year Built: 2011
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$1,429,340 (2012)
- Special Conditions: Property square footage does not account for internal rights-of-way
- Acquisition: Purchased by Newport Urban Renewal in 1985. Title transferred to the city in 2009

Nye Beach Turnaround



- Disposition: Paved parking, siting areas, beach access
- Location: 704 NW Beach Dr
- Property Size: 19,602 sq. ft.
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$810,000 (2012)
- Special Conditions: None
- Acquisition: Areas along the beach purchased by city in 1942. Newport Urban Renewal acquired the turnaround in 1978 and 1981. Title transferred to city in 2009

Mombetsu Sister City Park



- Disposition: Japanese garden
- Location: 620 SW Neff Way
- Property Size: 11,326 sq. ft. (excluding right-of-way)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$123,390 (2012). Land only. Assessor provided no value for improvements
- Special Conditions: None
- Acquisition: Purchased by city in 1975

Old Sewage Treatment Facility



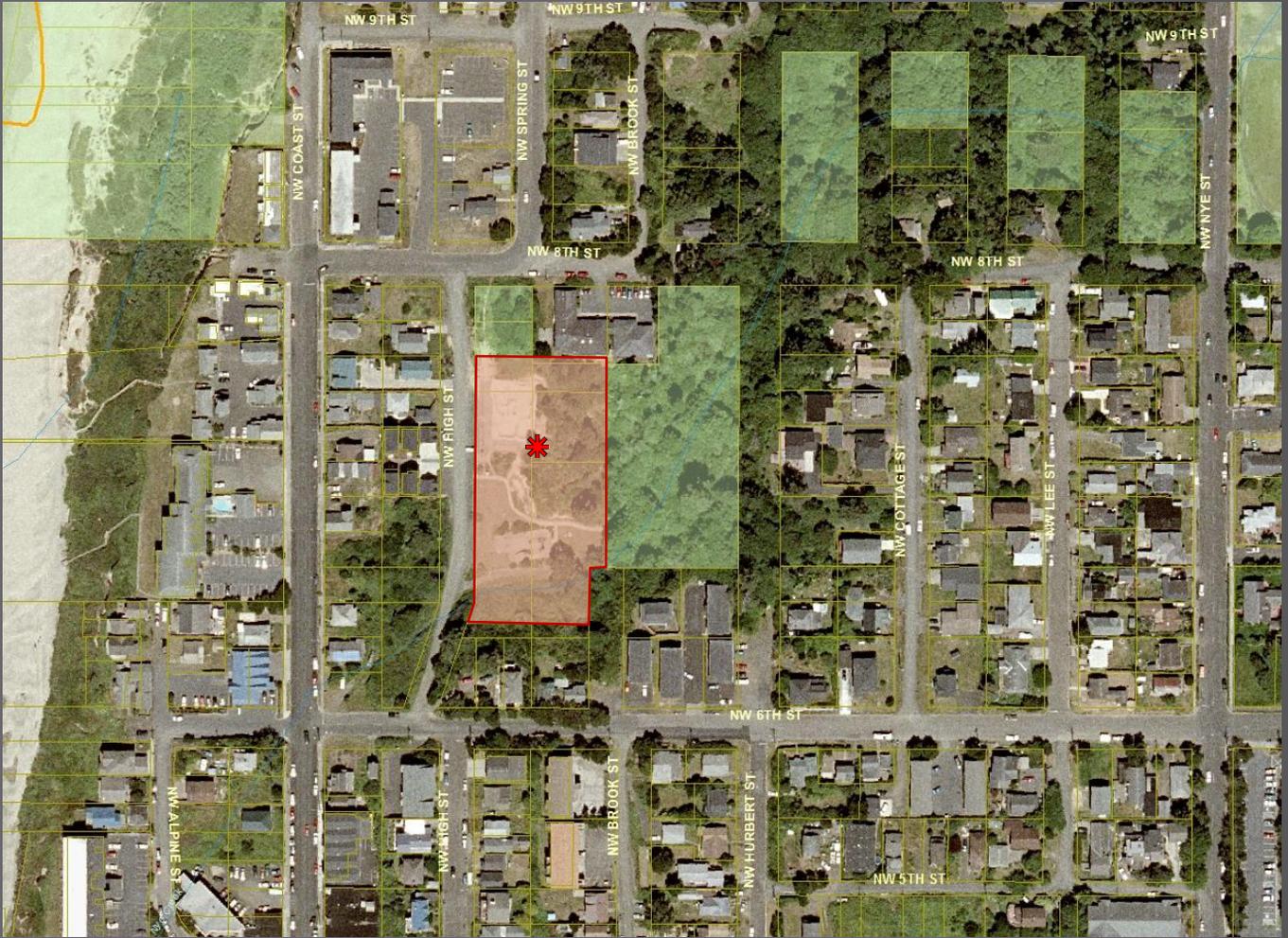
- Disposition: Developed sewage treatment plant, tanks and appurtenant structures. Fire Department training facility
- Location: 410 and 420 NW Nye St, 140 NW 3rd St
- Property Size: 2.64 acres (five tax lots)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$818,070 (2012). Land only. Assessor provided no value for improvements
- Special Conditions: Approximately ½ acre is subject to mineral rights reservation to the benefit of Lincoln County. Property is still an active part of the city's sewage distribution infrastructure
- Acquisition: Purchased by city in 1963, 1965, 1978, and 1979

County Juvenile Facility



- Disposition: Developed commercial building. Houses Lincoln County Juvenile Department
- Location: 753 NW Brook St
- Property Size: 8,276 sq. ft.
- Year Built: 1990 (originally 1978)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$561,840 (2012)
- Special Conditions: Subject to lease between Lincoln County and Oregon Youth Authority. Deed records though show property owned by the City. Lincoln County Counsel is researching the issue
- Acquisition: Purchased by city in 1972

Sam Moore Parkway Skate Park



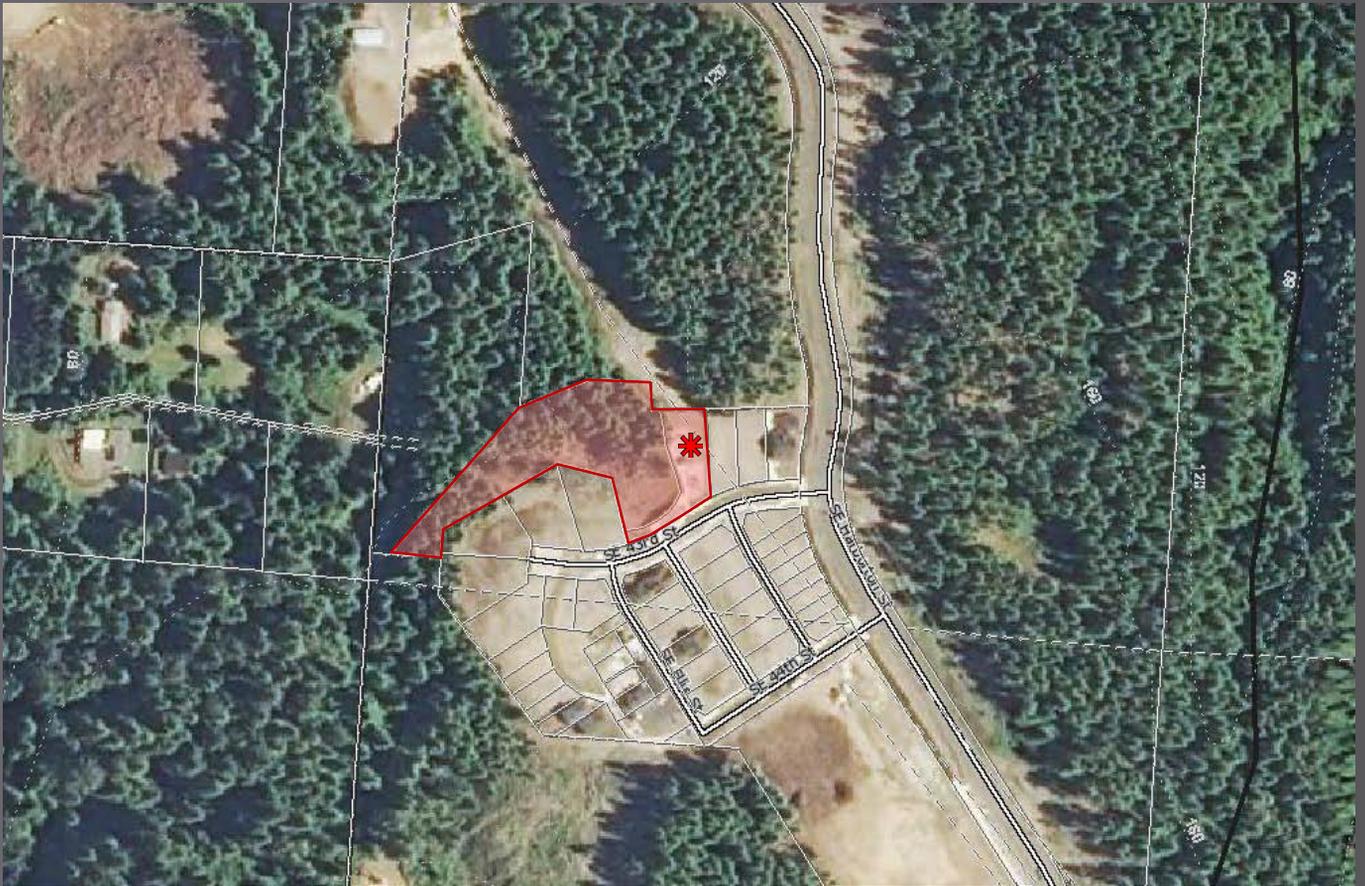
- Disposition: Skate park, playground equipment, seating areas, trails
- Location: 714, 726, and 734 NW High St
- Property Size: 1.59 acres (six tax lots)
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$1,032,360 (2012). Land only. Assessor provided no value for improvements
- Special Conditions: None
- Acquisition: Purchased by city in 1972 and 1976

Oregon Coast Aquarium



- Disposition: Developed with aquarium buildings, wildlife venues, parking, and associated support structures
- Location: 2820 SE Ferry Slip Rd
- Property Size: 5.93 acres (four tax lots)
- Zoning: C-2/ "Tourist Commercial," W-2/ "Water Related," and I-1/ "Light Industrial"
- Market Value: \$31,453,300 (2012)
- Tenants: Oregon Coast Aquarium
- Income: \$1.00 (one time payment)
- Lease Term: Effective 1/1/88. Terminates 6/30/87.
- Special Conditions: Potentially subject to reversionary clause in favor of the Port of Newport if aquarium use ceases. Also subject to various easements
- Acquisition: Purchased by Newport Urban Renewal in 1988. Title transferred to city in 2009

Wilder Twin Park



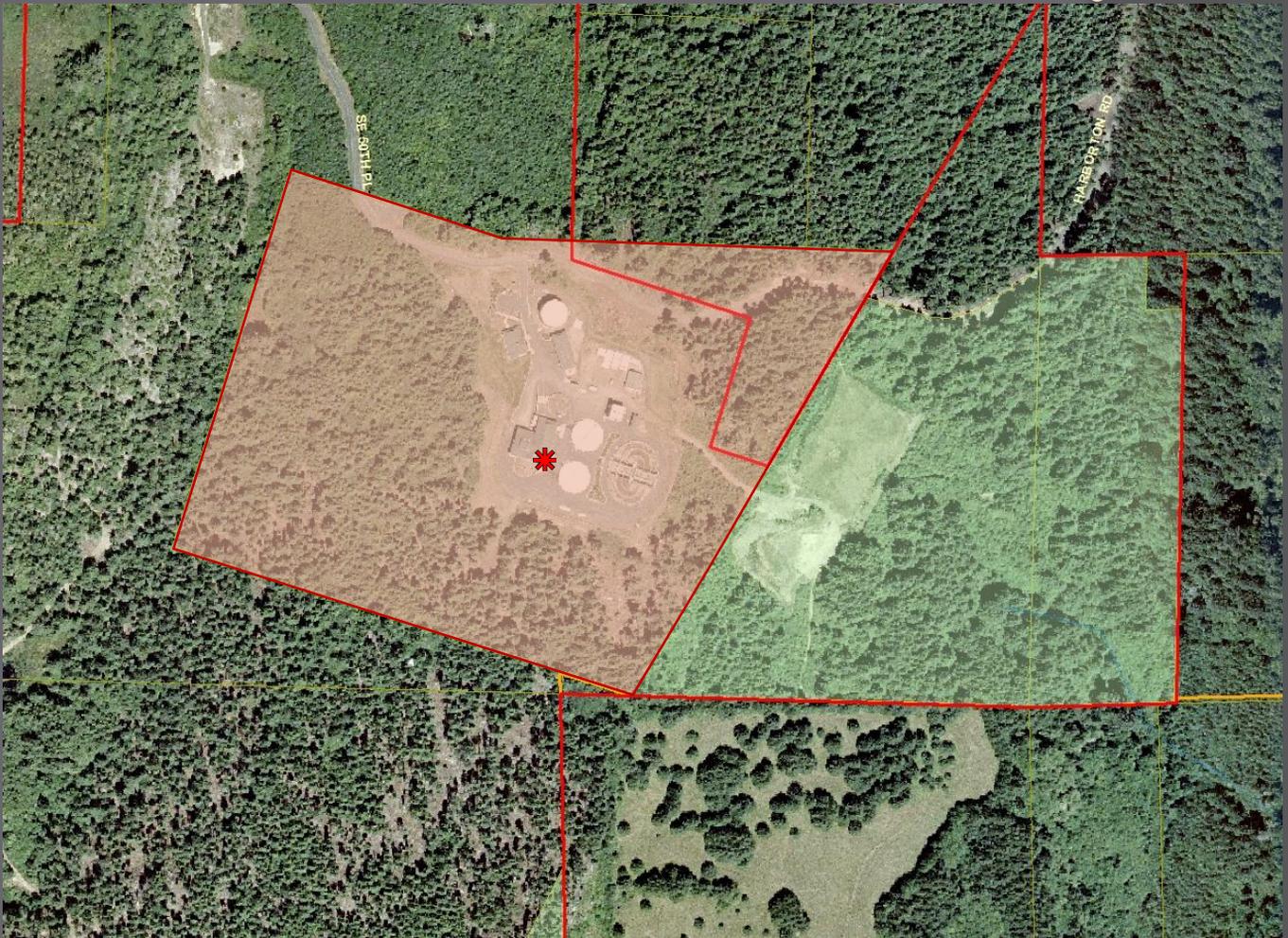
- Disposition: Playground and trails
- Location: 625 SE 43rd St
- Property Size: 1.66 acres (two tax lots)
- Year Built: 2010
- Zoning: R-2/ "Medium Density Single Family Residential"
- Market Value: \$302,270 (2012)
- Special Conditions: Subdivision plat limits potential uses to park related activities. Developer is receiving Parks System Development Charge credits for the donation and is currently discussing with the City options for relocating the park to other land within the Wilder planned development
- Acquisition: Dedicated to city in 2011

South Beach Sewer Pump Station



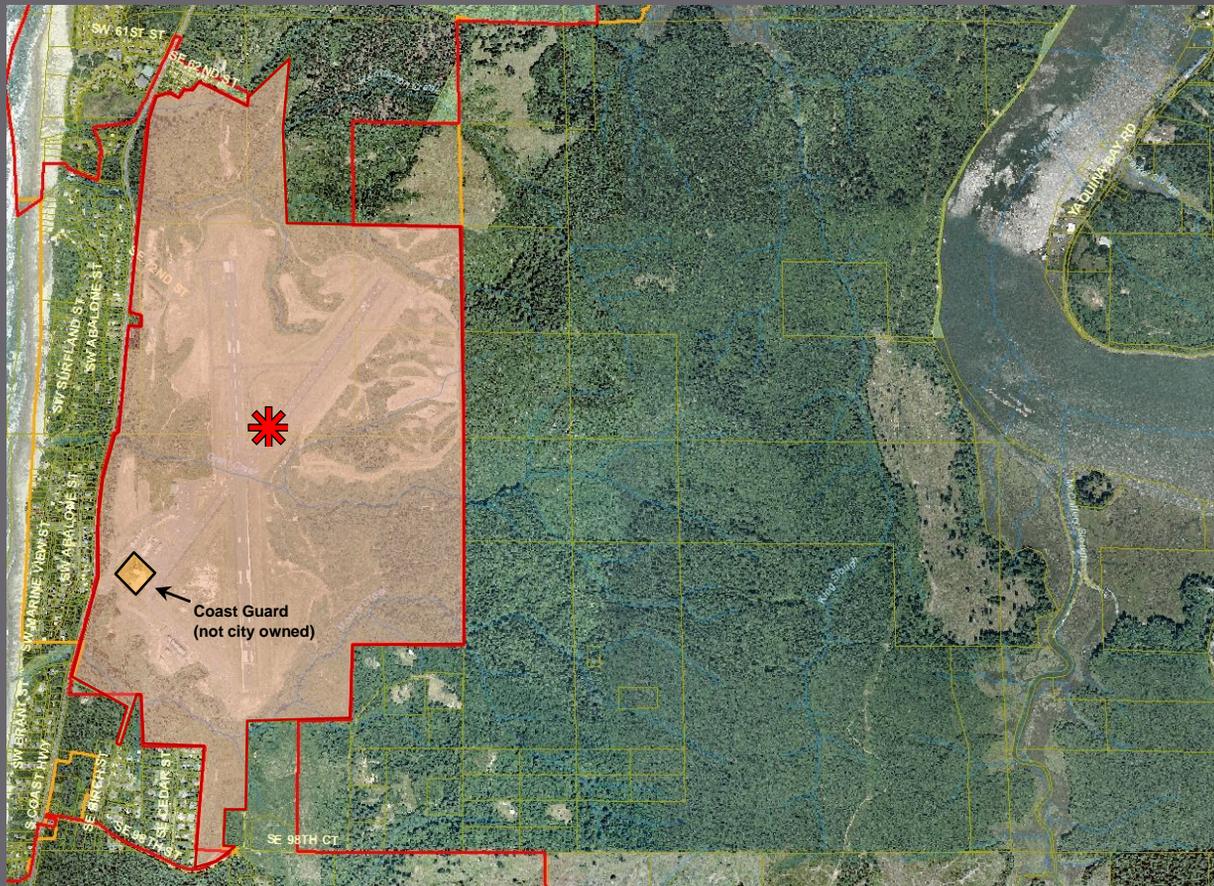
- Disposition: Wastewater pump station
- Location: 124 SE 50th St, 180 SE 50th St
- Property Size: 1.92 acres
- Year Built: 2003
- Zoning: Unincorporated. I-P/ "Planned Industrial"
- Market Value: \$495,390 (2012)
- Special Conditions: Portion within SE 50th St subject to access and utility easements
- Acquisition: Purchased by city in 2003

Wastewater Treatment Facility



- Disposition: Wastewater treatment facility and appurtenant structures
- Location: 5525 SE 50th PI
- Property Size: 43.10 acres
- Year Built: 2000
- Zoning: P-1/ "Public Buildings and Structures"
- Special Conditions: Outstanding debt of \$19,575,541 associated with construction of facility and distribution system, including the under bay lines. \$4,990,000 is scheduled to be retired in 2019. The balance will be retired in 2029
- Acquisition: Purchased by city in 1998. Acreage increased as a result of property line adjustment in 2011

Newport Municipal Airport



- Disposition: Paved runways, aprons, approach instrumentation, hangars, Fixed Base Operations building
- Location: 145 SE 72nd St, 135 SE 84th St
- Property Size: 675.85 acres (ten tax lots)
- Year Built: 1997, 1998, 2006
- Zoning: P-1/ "Public Buildings and Structures"
- Market Value: \$59,198,310 (2012)
- Tenants: 33 hangar leases, plus Fed-Ex
- Income: \$33,298.44 annually from hanger leases. \$16,231.68 a year from Fed-Ex lease
- Lease Term: T-Hangers are month-to-month. Box hangars range from 15 to 25 years. Fed-Ex lease expires 3/31/14
- Special Conditions: Remaining balance of \$58,051 on FBO purchase amortized as part of a larger LoCap loan through 2024. Subject terms of FAA grant agreements.
- Acquisition: Purchased by city from 1942 to 1991

November 4, 2013
Noon
Newport, Oregon

CITY COUNCIL WORK SESSION

Councilors present: Saelens, Beemer, Busby, Allen, Swanson, and Sawyer. Roumagoux was excused.

Staff present: Smith, Hawker, Tokos, Gross, and Rob Connell, General Legal Counsel.

Media present: Larry Coonrod from the Lincoln County Dispatch, Dave Morgan from News Lincoln County, and Wyatt Haupt from the Newport News-Times.

Others in attendance: Catherine Rickbone, Executive Director of the Oregon Coast Council for the Arts.

Sawyer called the meeting to order and roll was taken.

1. Sawyer asked whether there were other items, not on the agenda, that Council wished to discuss during this work session. Smith asked that Council discuss a health insurance matter.
2. Allen reviewed the negotiation process with Spencer Nebel. He distributed a copy of Nebel's e-mail and noted that there are two policy choices to be made. The first is in the third paragraph of the severance section, and it is whether 120 days is appropriate. He added that the more important issue is that of Nebel's desire to opt out of the city's retirement plan. It was reported that the best information from the actuary is that no one can opt out. Connell noted that the contract for City Manager is at-will and there is no reasonable expectation of employment, as this position serves at the pleasure of the City Council. Connell shared a similar retirement vesting issue that he experienced working for the Oregon Department of Justice. Allen noted that other managerial employees have left solid positions to work for the city. He added that the employee would get his/her own contribution back, if one was made. Connell noted that Council should avoid amending the contract to the point where it seems like a continued employment guarantee, as this involves buying into another process. Allen noted that Nebel had suggested a possible contribution into the deferred compensation program, and added that he hoped this was not a sticking point. Saelens stated that Council could have elected not to offer Nebel a starting salary at the top of the range. It was suggested that the retirement issue should have been on the table at the beginning of the negotiations which occurred informally on the day that Nebel was selected. Swanson stated that Council should hold the line on the retirement issue. Beemer agreed with Swanson. Busby suggested that Council could consider offering Nebel a separate severance. Beemer noted that the amount of additional annual compensation, that the city has offered, compared to Nebel's last job, over five years is \$90,000 and over ten years is \$180,000. Connell suggested waiting to hear the report from the actuary. Saelens stated that he is not excited to set up a special

situation regardless. Connell explained the severance section and how he ultimately arrived at 120 days. After a brief discussion, it was the consensus of Council to amend this section (third paragraph in Section 10) to read 180 days rather than 120 days. Connell reported on the initial contract drafts including an appeal to the municipal court. He noted that he had reviewed the statutes and City Charter and determined that the municipal court does not have jurisdiction over these issues. He added that the current language is solid in terms of enforceability. Allen stated that Connell had done a good job on the draft contract and that he had been helpful throughout the process. Connell noted that he could streamline this type of process.

2. Miranda distributed a handout and spoke regarding medical marijuana dispensaries. A discussion ensued regarding potential zoning restrictions for dispensaries. Busby asked whether Council should look at the bigger picture regarding marijuana being legalized in several states and the likelihood of that happening in Oregon in the next few years. Miranda asked whether Council is interested in limiting where dispensaries should be located. He reviewed the handout which contained information on the law, questions and answers, how the City of Medford is approaching the issue, and a photograph of the location where a dispensary is planned in Newport. Tokos recommended using care in zoning certain businesses out of zoning districts. He added that dispensaries will currently be handled as pharmacies. Tokos noted that Medford is refusing to issue the business licenses due to a violation of federal law. He added that Newport's ordinance states that it may not issue a business license if there is a violation of federal law.
3. A discussion ensued regarding the phone and internet service for the PAC and VAC. Smith reported that he meets with IT staff weekly, and that they are close to finishing the new phone systems for the city with the exception of the ARFF station and wastewater treatment plant. He stated that there is not sufficient money in this budget to install the new system at the PAC and VAC which is estimated to cost approximately \$20,000. He added that the cost to maintain the current Cisco system would be approximately \$90,000, and that there is no guarantee how long it will last. He stated that when the system fails, there will be no telephone or internet service to the PAC and VAC. He added that another option is to have the PAC/VAC shop for a phone system, but there would still be unresolved issues, i.e., who buys the equipment and pays the monthly bills. Busby asked whether the contract with the OCCA addresses which entity is responsible for phone and internet service. Allen noted that the past practice has been that the city pays for these services. Swanson noted that \$20,000 would be a good faith gesture. Smith noted that if \$20,000 cannot be found in this year's budget, the money could be budgeted next year. Rickbone reported that OCCA pays for its 800 line and a shared fax/credit card line. She added that the VAC has two simple phones, but that there are ten Cisco phones at the PAC. She stated that OCCA is responsible for the PAC utilities with the exception of the telephone, water, and sewer for which the city is responsible. Saelens asked whether the PAC needed that number of lines. Beemer suggested that staff obtain answers and have Dutton explain the need and costs. Rickbone noted that there might be other alternatives. Saelens added that there are presumably benefits to having all city-owned buildings on one system in the event of an emergency. Smith agreed to speak with Dutton regarding this matter.

4. Smith reported that in 2014 the Health Savings Account benefits will be distributed quarterly. He noted that if an employee begins the year with a serious medical issue, there will be a lot of out-of-pocket expenses for the employee if the benefit is paid quarterly. Gross stated that he had talked with Linda Brown who indicated that the city has the ability to pay the benefit entirely at the beginning of the year. A discussion ensued, and Smith agreed to bring to the next Council meeting a change to the benefit that would include a lump sum payment at the beginning of the year rather than quarterly payments.

Having no further business, the meeting adjourned at 12:08 P.M.

November 4, 2013
6:00 P.M.
Newport, Oregon

The City Council of the City of Newport met on the above date in the Council Chambers of the Newport City Hall. On roll call, Beemer, Allen, Busby, Swanson, Sawyer, and Saelens were present. Roumagoux was excused.

Staff present was Interim City Manager Smith, City Recorder Hawker, Community Development Director Tokos, Interim Finance Director Gazewood, Public Works Director Gross, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

Council and the audience participated in the Pledge of Allegiance.

Sawyer asked for a moment of silent to honor the Oregon City reserve police officer who was killed yesterday. He reported that a fund had been set up at the Clackamas Federal Credit Union.

ADDITIONS/DELETIONS AND APPROVAL OF AGENDA

Sawyer asked that action item c. be moved to action item a.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of October 21, 2013.

MOTION was made by Beemer, seconded by Busby, to approve the consent calendar with the changes to the minutes as noted by Allen. The motion carried unanimously in a voice vote.

OFFICER'S REPORTS

Mayor's Report. Sawyer reported that tomorrow is election day and that polling places will be open until 8 P.M. He added that turnout, to date, in the city is 44.32%, and 30.45% in the county.

City Manager's Report. Smith reported that he had conversation with the incoming City Manager about the schedule for hiring a Finance Director, and based on that discussion, the interviews will be scheduled during the week of December 16, after the City Manager is here. Allen asked whether this will push back Bob Gazewood's timeline

for leaving, and Smith reported that Gazewood is committed to stay until the city hires a new Finance Director. Allen asked whether this will require an adjustment to Gazewood's agreement. Smith reported that he and Mayor Roumagoux had met with Gazewood and it does not appear that an amendment to his contract will be required.

Smith reported that there is \$10,000 budgeted for non-profit grants, and asked whether this is something Council would like to do. Busby stated that he would like to hold off until he has a better look at the city's fiscal condition. Allen added that delaying the matter for a few months will not be an issue as long as it occurs in the current fiscal year. He stated that he would like further discussion if this is altered as it is a policy choice. Smith reported that budget updates should be available by the first of the year.

Smith reported that he met with a group of OCCA board and staff, Tokos, and Hawker to work on framing the discussion regarding re-envisioning the Visual Arts Center.

Smith reported that on October 31, he, Busby, and Swanson distributed candy at City Hall as a part of the Decoween celebration.

DISCUSSION ITEMS AND PRESENTATIONS

Initiating Feasibility Study on Forming a Northside Urban Renewal District. Tokos reported that the issue before Council is a discussion about a process for determining the feasibility of forming an urban renewal district north of the bay. He made a PowerPoint presentation. Tokos noted that the city has historically had two urban renewal districts, one on each side of the bay. He added that the city is no longer collecting an urban renewal tax increment for the northside district, and that district is scheduled to close soon. He stated that the South Beach district is open to new projects through 2020 and is scheduled to close in 2027.

Tokos reported that urban renewal is a program for improving poorly developed, or underdeveloped, areas within the city through investment in capital projects (streets, sewers, water lines, etc.), rehabilitation and/or demolition of buildings, and the acquisition and improvement of property. He noted that this is accomplished with tax increment financing. He added that it is not a new tax, but tax increment financing allows for reinvestment of a portion of existing tax revenue back into the community for the purpose of enhancing property values and the overall tax base. Allen asked about the relationship to general property increases, and Tokos noted that he would investigate whether this analysis has been done.

Tokos stated that the feasibility study concept is being brought forward at this time in order to take advantage of the newly released tax rolls. He added that if the results of the study lead the Council to conclude that a new district should be formed; a more in-depth public involvement process will be needed to develop the urban renewal plan and list of specific projects. He noted that it is possible that both steps could be completed before the tax rolls are updated again which would simplify the financial analysis.

Tokos reported that in 2012, an in-depth study and public engagement process was completed that centered on the question of how the city can best facilitate economic development within the community. He noted that this study (Economic Opportunity Analysis) contains specific recommendations and implementation measures, and that one of those recommendations is to explore the possibility of forming a new urban

renewal district that is focused on the Highway 101 and Highway 20 corridors, and if it is feasible to put such a district in place.

Tokos noted that the proposed feasibility study will (a.) explore up to three potential urban renewal area boundaries; (b.) include high/medium/low projections for assessed value growth; (c.) outline potential borrowing and debt service schedules, assuming bond issues every five years; and (d.) allocate bond proceeds to general “broad” categories of potential projects. He added that information will be summarized in a memo with an estimate of financial impacts to taxing districts. He noted that concepts will be vetted with the taxing districts so that their feedback can inform future Planning Commission and City Council deliberations on whether, and how, to proceed with forming a district. He stated that state law restricts the cumulative size of urban renewal districts to no more than 25% of the assessed value within the city’s limits and 25% of the total acreage within a city. He noted that maximum debt limits for new districts are also capped at \$50 million in 2010 dollars unless concurrence is received from the affected taxing districts. He stated that these factors will be considered as part of the feasibility study. He added that the consulting firm ECONorthwest will be retained to assist in preparing financial information and maps at a cost of up to \$10,000, and that he has budgeted monies for this work.

Tokos reported that the Planning Commission and its advisory committee evaluated the concept and concluded that this process for conducting a feasibility study is appropriate and should produce information needed to determine if the city should proceed with the formation of a new district. He added that the Planning Commission suggested that the options for establishing boundaries for a new district address the following scenarios: (a.) properties along the Highways 101 and 20 corridors where the Economic Opportunity Analysis showed the lowest improvement to land values exist; (b.) an expanded district along these same highway corridors that factors in additional acreage and assessed value allowances attributed to potential annexation of reservoir properties and unincorporated lands in South Beach; and (c.) a boundary that includes portions of Agate Beach where there is underdeveloped public infrastructure in addition to the highway corridors to the south.

Busby asked about the size of the possible district, and Tokos noted that the larger the district, the more impact it would have on the taxing agencies. Sawyer asked whether there is a way to cut property from another area and add it to the district, and Tokos reported that the boundary could be anything you want, and that the feasibility study process is where boundaries could be discussed. Tokos noted that there are areas in urban renewal districts that are not necessarily blighted, but that this does not mean that they are not benefiting from the improvement. Busby suggested moving forward as this is a good idea. Allen asked about the typical outreach timeline before the city gets to the creation of a district. Tokos reported that the feasibility study would take approximately three or four months after it is initiated, and there would be at least six months of outreach. He added that the total timeline would be 10 to 12 months with 18 months maximum. He noted that if the study begins at the first of December, it is possible to use the tax roll information from one year.

Report on the Visual Arts Center Re-Envisioning Process. Smith reported that OCCA staff and Board Members had met with city staff regarding the re-envisioning process for the VAC. He noted that the group outlined two different paths of action that the Council

can take to move the process forward. He stated that the first path is for the City Council to express its desire to keep the VAC at its present location. He added that this could be done in the form of a resolution which would state that the city does not intend to sell the VAC so the property could be put to a different use, and that it will work with the community to pursue a financially sustainable plan to continue operations at the VAC. He reported that if this approach is selected, the OCCA Board Members agreed to take the lead in developing a plan of action by the first Council meeting in March of 2014. He noted that this plan would look strategically at the VAC's business model, its operations, maintenance, and ownership, and may result in a recommendation that the property be sold to a non-profit or similar entity if such a sale would put the VAC on more solid financial footing.

Smith noted that the other path is for the City Council to engage the community and seek its input regarding the city's role in supporting the visual arts and whether the VAC fulfills a "public interest." He added that if this direction is chosen, the OCCA Board has requested that the city take the lead and hire a third party consultant to structure the outreach process and collect information. He noted that the OCCA and its members would participate in the process as stakeholders. He stated that engaging a qualified consultant would lend credibility to the process and the resulting recommendations would inform the Council as to the next steps it should take regarding the future of the VAC. He noted that if this path is pursued, any further discussion relative to the sale of the VAC would be tabled until the process is concluded, and that it is unlikely that the process would be completed by March.

Smith reported that OCCA Board Members also expressed concern that the idea of selling the VAC may "scare off" potential donors to the fundraising campaign that is currently underway to upgrade and enhance the PAC. He added that OCCA Board Members did acknowledge that there is no evidence that this has occurred to date. He noted that staff suggested that if OCCA has this concern about the city's intentions regarding the PAC, that it should seek an agreement with the City Council that speaks directly to the city's and OCCA's long-term commitment to that facility, and that an agreement of this nature might be helpful with future fundraising efforts.

Smith added that staff explained that the partitioning of the VAC property must be done to clean up lot lines that run through the building. He noted that OCCA members expressed some distrust with the partitioning process, believing that it is a prelude to selling the VAC, and that the public process they are being asked to work through is a show or a sham. He reported that staff explained that partitioning the land would make it easier for the VAC to be sold in the future if that is something that the City Council elects to do, but that it is also needed to avoid building code complications should major repairs or renovations be necessary.

Allen noted that the first option is consistent with what he said at the end of the October 7 City Council meeting.

Busby noted that he is not against option one, but that it is a one-way street. Smith stated that in option one, the OCCA board will commit to finding a way for the VAC to be funded. Busby stated that the city should not plan not to sell the building until a plan is available. Beemer and Swanson agreed with Busby. Allen noted that he preferred to commit to keeping the VAC as a publicly-owned facility contingent on funding. He asked why the OCCA board would commit to putting a funding plan into place if the city does not give a conditional commitment. Allen stated that the condition is to have an

appropriate plan. He noted that a path has to be chosen so that people feel comfortable in putting time and energy into the process. Busby asked whether the current location of the VAC is the optimal venue, and suggested that maybe it should be joined to the PAC. He added that, as written, if the VAC is that specific yellow building, it ties the OCCA's hands. Allen noted that he was persuaded, at the October 7 meeting, to move forward with the path described in option one. Saelens agreed with Allen, noting that it is important to send a message of trust. He added that having said that, he hopes that the message will disengage the other agenda item. Saelens reported that the City Council is looking at all city properties and working on an inventory of all properties. He added that he would support a conditional agreement based on what he has heard. Swanson stated that she is not in favor of that building. She added that her commitment would be to a visual arts center somewhere, but not necessarily at Nye Beach. Sawyer noted that he likes option one, but agrees with Swanson that all options should be on the table. Smith reported that to make these types of commitments, and get people behind the commitments with dollars, it is important for OCCA to know that the city is not going to sell the building in six months. Busby stated that he would like to see OCCA's commitment in numbers. Allen noted that the commitment is to keep the current building as the VAC conditioned on appropriate funding mechanisms being brought back to Council. He added that, if after further review, the group returns and says cannot keep the building, it would be time to look at other buildings. Allen stated that is the commitment he is willing to make at this point so that OCCA can have some certainty when they are looking for funding. Busby asked how to put a timeline on the results and making a decision. Smith noted that OCCA will attend the first City Council meeting in March with a plan of action. He added that it is clear that if they do not have a plan by March, all bets are off. Beemer stated that he supports this. Smith stated that the commitment from the city is to give the arts groups time to find the money and resources to do this. He added that perhaps the arts groups will come to the March meeting and announce that they have found someone to purchase the building. Allen suggested that there may be some short-term options which might provide long-term options, but he is leaving it up to this group to come back with short-term and long-term plans. Allen added that in March, a decision can be made as to whether the plan is viable. Beemer noted that if the city sold the building to the OCCA, and OCCA was responsible for the maintenance, the city would be ahead. Busby noted that he was amenable to postponing the matter until March. It was suggested that a resolution of support could be considered that would address much of this.

Sawyer reported that Roumagoux had received letters from Peter and Phyllis O'Boyle and David Scott in support of not selling the VAC.

Catherine Rickbone, Mark McConnell, and Sandi Williams appeared before Council. McConnell referred to a draft resolution that he had submitted and was included in the packet. He noted that adopting something similar to this resolution would take the city a long way in showing its support of visual arts in the community.

Sandi Williams, OCCA president, stated that a survey is not a plan of action. She added that there is a lot of support for a visual arts center. She stated that groups of stakeholders have expressed support for moving forward with a sustainable plan.

Catherine Rickbone, Executive Director of the OCCA, encouraged Council to consider something similar to the draft resolution, but keeping the essence of the last three paragraphs. She stated that this provides a formal document and ensures

credibility for moving forward. Rickbone stated that language relative to the VAC could impact the PAC. Swanson asked when the resolution would be presented, and McConnell suggested that it happen at the next City Council meeting.

A discussion ensued regarding potential language in the resolution. Allen noted that the last paragraph was not part of the three, but the reference is actually to the three paragraphs above the last paragraph. He added that the resolution could contain language relative to earlier reporting to the City Council. A discussion ensued regarding having a Council liaison attend the re-envisioning meetings. It was noted that Roumagoux was excusing herself from this process, and even had she been in attendance this evening, she would have recused herself from the discussion, and Sawyer would still be leading this discussion.

Saelens noted that if there is a Council liaison, he would consider serving in that position. Allen suggested thinking about this and anyone with an interest could announce it at the next meeting.

Mary Peterson stated that she supports the VAC and is not an artist. She suggested raising the transient room tax to support the VAC.

Colleen Caubin discussed other coastal communities where arts have become huge attractions. She suggested taking a long-term, bigger vision about what the city can be and how the arts can support it.

Sawyer read a message from Marletta Noe that stated that non-residents should not be allowed to participate in city matters.

Rio Davidson stated that he is a local contractor and agreed to donate his time to inspect the VAC and discuss the maintenance work and needed projects. He agreed to handle all the volunteer work necessary to maintain the building. Allen suggested that Davidson check with Smith and Gross regarding his suggestion.

Steve Myers stated that he can think of no higher purpose than the public support of the arts. He added that public support for the arts is a proper function of government.

Gary Lahman noted that Council should consider the idea of what is public property. He added that the city owns playgrounds, park benches, etc., and that he is distressed that the VAC has been singled out as an expense that could be sold due to its costs. He suggested that all public properties should be prioritized.

Joyce Gaffin suggested that Council visit all city-owned properties and discern what to sell to provide funds needed for infrastructure and other costs. Busby stated that this is what the city is trying to do, and it will be looking at everything. Gaffin suggested not placing the onus on the visual arts community.

Sawyer stated that this is a long-term process and one that is ongoing.

Allen noted that the focus on the VAC occurred as staff reported to the City Council the amount of funding necessary to operate and maintain the facility. He added that other facilities will be looked at, including the airport and the Recreation Center. He noted that these facilities are being examined at the committee level.

Terry Brady reported that she is a member of the Coastal Arts Guild but is not an artist. She stated CAG members are a cross-section of the community. She added that there are many people who are eager to help. She noted that she had written a \$15,000 grant for elevator repair at the VAC. She stated that no one wants to donate to the elevator fund when the building might be sold. It was recommended that she check with the City Manager.

Scarlett Kier, a Lincoln County realtor, noted that the estimate of the value of the VAC building was grossly exaggerated. She suggested that in a down market, it is not in the city's best interest to sell an asset that could be more valuable in a better market.

Allen noted that a resolution would be presented at the next Council meeting that would memorialize the direction. He recommended that stakeholders work with the city to find a way to keep the VAC and look for funding mechanisms to make that happen.

ACTION ITEMS

Approval of City Manager Employment Agreement with Spencer Nebel. Saelens reported that he had previously declared a potential and an actual conflict of interest as he was initially thinking about applying for the position and ultimately did apply for the position and consequently did not participate in the selection process. He added that he no longer has either a potential or actual conflict of interest and had participated in the work session and plans to participate this evening. Busby noted that Saelens did not have input into the compensation package. Allen stated that the subgroup of Council, assigned to negotiate with the finalist, met and discussed two issues that arose and were discussed at the earlier work session. Allen reported that the first matter was contained in Section 10, paragraph 3, and the change was from 120 to 180 days for the disqualification of severance benefits if the city becomes aware of conduct which would constitute a disqualification of severance benefits under that Section. He stated that the second matter related to Nebel's request to opt out of the city's retirement plan. He noted that based on the advice of the actuarial, this option was unavailable. He added that after discussion with Nebel, he (Nebel) concurred with the agreement with the change previously noted. Busby reported that he and Beemer had traveled to Sault Ste. Marie, Michigan, Nebel's home, to perform further background checks. He added that there had been additional background checks, including a criminal check. He noted that he and Beemer had talked with several department managers, other staff, and citizens of Sault Ste. Marie, and found nothing that could be construed as negative. Beemer added that the closest comment to a criticism was that some of the staff found that he takes a while to develop an answer because he is so thorough. Busby stated that he and Beemer had met the newspaper publisher, who knew Nebel before he worked for Sault Ste. Marie, and that he had very positive comments about Nebel. MOTION was made by Allen, seconded by Swanson, to approve the City Manager employment agreement with Spencer Nebel and to authorize the Mayor to sign the agreement on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Consideration of the Need to Partition the Visual Arts Center Property. Tokos reported that the issue before Council is consideration of whether it is in the public interest to partition the VAC property so that the structure and associated parking areas are situated on one parcel of land. He added that the VAC and its associated parking areas are situated on parts of four separate deeded pieces of land, with the building straddling property lines. He noted that there is also a small piece of County-owned property surrounded by the city's ownership. He stated that the totality of the city's ownership is larger than the VAC and its parking areas, including public staircases, restrooms, and beachfront property.

Tokos reported that partitioning the property would allow for the VAC and its parking areas to be placed on a parcel of land separate from the public staircases, restrooms, and beachfront property. He added that this would help position the property for sale through a sealed bid process or as a part of an agreement to convey the property to a non-profit or similar entity to operate the VAC moving forward, either of which would require further City Council action. He noted that partitioning the property in this manner would also resolve property line encroachments which make it difficult to remodel the building under current land use and building codes. He stated that the land owned by the county appears to have resulted from errors in past conveyances, and that staff is working with the county to get this property deeded to the city. Tokos added that a partition plat is a land use action and if the process moves forward, there would be public notice and opportunity to comment prior to a decision being made.

Allen noted that the VAC has been a city-owned facility for 30 years, and perhaps this could have been taken care of earlier. He added that since there is no expedient reason to move forward with the partitioning at this time, it is his inclination to delay action until a report is submitted in March. Swanson disagreed with Allen. Saelens added that the partitioning is consistent with analyzing properties and getting them in the best shape possible. He noted that there could be other properties in a similar situation. He stated that the discussion tonight underscores the reason the city needs to take care of lot line adjustments as it prepares to take the next step, whatever that might be. He added that if the plan comes back in March and the VAC cannot survive at the current location, the city will still need the lot line adjustments. He added that he will support the partitioning. Beemer agreed with Saelens.

Alisha Kern asked about the “real reason” for the partitioning. She asked whether it was a lot line adjustment or whether the city was preparing the building for sale. Beemer reported that no one has an agenda other than what has been stated. Saelens noted that if someone was considering donating money to the VAC and looked closely enough, they would have the same questions about the lot lines.

MOTION was made by Swanson, seconded by Beemer, to direct the City Manager to proceed with preparing a partition plat for the Visual Arts Center building and associated parking areas and to authorize the Mayor to sign the plat once it is approved and ready to be recorded. The motion carried in a voice vote with Allen voting no. Allen stated that it is his preference to wait to deal with the partitioning of the property until the financial stability plan is available on March 1.

Consideration of Resolution No. 3649 Establishing the National Incident Management System as the Standard for Incident Management in the City of Newport.

Smith reported that this is a basically a housekeeping item as the city has been using the system for some time, and this will formalize that use. MOTION was made by Beemer, seconded by Swanson, to adopt Resolution No. 3649, establishing the National Incident Management System (NIMS) as the standard for incident management in the City of Newport, Oregon. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Allen reported that the Audit Committee met and that Swanson is a member and Saelens is an alternate. He stated that Gazewood had distributed a handout that was an excerpt from page 35 of the Audit Report. He added that it goes through a financial summary of the different funds, and that Gazewood is creating a mechanism to provide quarterly reports with up-to-date actual financial information. Allen noted that Gazewood intends to make a formal presentation on this template at the second City Council meeting in November. He added that if individual Councilors desire the information with greater frequency, they can contact the Finance Department. Allen stated that there is a vacancy on the Audit Committee with the passing of Oly Olson. He added that when the Mayor returns, another citizen member should be sought. He reported that Oly Olson was also on the Budget Committee.

Allen reported that the Infrastructure Task Force met on October 31 and will meet again on Thursday, November 7.

Allen reported that he was not able to attend the meeting of the Retirement Board of Trustees, but that there is a booklet in the Council office from West Coast Trust. He added that the actuarial report on the retirement plan will be available in two to four weeks.

Beemer reported that he had attended a recent Port of Newport Commission meeting. He noted that Oly Olson was a Port Commissioner and that the Port is seeking to fill the vacancy. He added that Don Mann has agreed to continue working until his replacement is found. He reported that the LUBA deadline for the Teevin Brothers appeal is November 12.

Swanson reported that Allen had covered the Audit Committee report and the City Manager contracting subgroup activities. She noted that she had a marvelous time distributing Halloween candy at City Hall, after which she participated in a "ride-along" with the Police Chief.

Saelens noted that the Audit Committee vacancy will be "big shoes to fill." He added that he has been selected for jury duty this week and will miss the Infrastructure Task Force meeting.

Sawyer reported that the city is still in contention for funding for the South Beach project. He noted that he appreciates all the work that Tokos does on those projects and the grants that he has obtained for the city.

Sawyer reported on comments made by ODOT relative to the replacement of the Yaquina Bay Bridge.

Beemer asked when the South Beach projects will be funded, and Tokos noted that they will fall in the 2015-2018 STIP, and ODOT will have to be engaged to determine what year the match funding will be available.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:25 P.M.

Margaret M. Hawker, City Recorder

Dean Sawyer, Council President



Ted Smith
Interim City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
t.smith@newportoregon.gov

Interim Manager's Report Through November 15, 2013

Following is the Interim City Manager's report for the period ending November 15:

Interim City Manager/Staff Interactions

The Interim City Manager met with the following individuals (some on multiple occasions) during this reporting period:

Melissa Roman, Lance Vanderbeck, Terry Durham, Chuck Norman, Chief Phil Paige, Bob Gazewood, Jim Protiva, Tim Gross, Derrick Tokos, Jim Salisbury, Richard Dutton, Rebecca Cohen, Sheryl Eldridge, Kay Eldon, Bob Fuller and Rob Connell.

In addition, the Interim City Manager met with the following employee groups:
Airport staff, Library staff, Library Supervisors, Department Heads.

Committee Attendance

The Interim City Manager met with the following committees, task forces or sub groups:
Infrastructure Task Force, Library Advisory Board, Airport Committee, Bike and Pedestrian Committee, Destination Newport and the Employee Advisory Committee.

Citizens, Clubs and Other Organizations

The Interim City Manager met with the following people, groups of people or organizations:

Richard Rosanova, Terri Brandy, Mark Watkins, Jim Hawley, Rotary Club of Newport, Chamber of Commerce.

On November 6, the Interim City Manager gave a short welcoming address at the Oregon Association of Conservation District and the Network of Oregon Watershed Councils Joint Conference, held at the Best Western Agate Beach Hotel. The Oregon Association of Conservation Districts is a statewide membership organization serving Oregon's Soil and Water Conservation Districts and Water Control Districts. OACD's purposes are: To promote the conservation and wise use of the natural resources of the state of Oregon by serving as the state association of member soil and water conservation districts and water control districts. The Network of Oregon Watershed Councils is dedicated to supporting the work of watershed councils throughout the state by focusing on three principles agreed to by watershed councils statewide

City Offices were closed for Veteran's Day on November 11.

On November 12, the Interim City Manager, the Parks & Recreation Director, the Interim Finance Director and Councilor Mark Salens took part in a teleconference with three staff members from the City's Bonding Counsel, Piper Jaffray & Co. Bonding timetable options for swimming pool were discussed. Bonding Counsel is preparing a resolution that will be brought to the City Council on December 2.

Respectfully Submitted,

Ted Smith



Memo

To: Ted Smith, Interim City Manager and City Council
From: Derrick Tokos, Community Development Director
Date: November 14, 2013
Re: Department Update

MONTHLY PERMIT FIGURES

The following is a summary of October 2013 building and land use activity.

	Building Permits	Electrical Permits	Plumbing Permits	Construction Value	Land Use Actions
Oct	14 (\$9,179.21)	18 (\$1,601.60)	6 (\$364.67)	\$942,550	0 (\$0.00)
YTD	94 (\$56,657.52)	223 (\$25,688.16)	52 (\$11,198.12)	\$6,736,422	41 (\$11,349.00)

Building permit activity included a new single family dwelling, three residential remodels, three commercial remodels, an addition to a church, improvements to the main fire station, wall signs, and temporary signs.

STATUS OF MAJOR CONSTRUCTION PROJECTS

Port Terminal Project: Construction is substantially complete, with the Port's contractor working on punch list items. City is awaiting a final write-up from the project engineer regarding deferred structural improvements. Once that report is received, final inspections can be performed and an occupancy permit issued. Temporary occupancy has been provided in the meantime to allow some use of the facility.

Lincoln County School District: Final inspection performed on the entry at the Prep. Academy. Plans are being reviewed for re-roof at the High School and work continues on a new storage building.

O'Reilly Auto Parts: Revised building plans have been approved. Owner has indicated that they will likely begin construction in March.

Umpqua Bank: Occupancy permit issued 10/22/13.

Nazarene Church Outreach/Community Center: Beams are being painted and storm drainage work is being performed. Likely to issue a temporary occupancy permit for a one night fundraising/volunteer coordination meeting. Work is progressing slowly.

Curry Marine Building Remodel: Building now owned by Lincoln County and being renovated for use by the OSU Extension Service. Building permit application submitted, plan review performed, and permit is being prepared.

Coastcom Warehouse: Building permit application submitted and in plan review.

Teevin Bros. Log Yard: Land Use Board of Appeals (LUBA) issued a decision on 11/6/13. Two of the petitioners' three grounds for appeal were denied. One was affirmed and the decision was remanded back to the City for further consideration on that point. The court found that analysis performed by Teevin Bros. traffic engineer did not

adequately address the intersection of Running Springs Road and the Bay Road and; therefore, did not constitute “substantial evidence” that the City could rely upon to support an approval. Teevin Bros. is having its traffic engineer update the Traffic Impact Analysis with respect to this intersection and City will hold a public hearing to consider and prepare supplemental findings on this narrow issue. That hearing will likely be held in mid-December.

SIGNIFICANT PLANNING PROJECTS

Pacific Marine Energy Center – South Energy Test Site (PMEC – SETS): NNMREC-OSU held meeting with area stakeholders and agencies on 11/12, 11/13 and 11/14. They are hoping to narrow options for cable landing sites down to 2 or 3 alignments within the next three weeks. All options are now south of the jetty. Marine and terrestrial surveys to be performed spring/summer 2014 to confirm viability of preferred alignment. Easement acquisition and directional bore for cable conduit planned for 2015 with installation of the cable system in 2016 once all permits are obtained. BOEM lease application for grid connected test site submitted 6/13 and revised 11/13. Initial FERC license documents to be submitted first quarter 2014. City staff and other stakeholders to participate in quarterly regulatory advisory team meetings, the next of which is scheduled for 12/5/13. NNMREC-OSU is also planning to undertake broader community outreach as the project progresses.

Safe Haven Hill Tsunami Evacuation Improvements: FEMA funded the Phase 1 scope of work, including supplemental geotechnical and benefit-cost analysis. The supplemental geotechnical work is complete and a report was delivered on 7/9/13. The report supports the development of the site as an assembly area and contains specific construction recommendations. City is awaiting the benefit-cost analysis that is being prepared by a consultant. Staff has completed required SHPO consultation, and was advised on 11/5/13 that a cultural resource survey will be required. Staff is in the process of lining up a qualified archaeological consultant to perform that survey. Phase 1 work must be completed by 1/26/14 and the project is on schedule.

Creation of Land Bank for Work Force Housing: Draft agreement between the City, Lincoln Community Land Trust, and Community Service Consortium to construct six workforce housing units over the next five years was vetted with policymakers at several meetings. Council tabled the agreement on 9/3/13, pending receipt of additional information about whether or not a broader, countywide effort might be a viable alternative. A Lincoln County Housing Forum was held on 10/24/13. The concept of a broader City/County coalition to fund the construction of workforce housing units was explored at that meeting and is being further developed.

Vacation Rental Code Update: At this time 137 applications for VRD or B&B endorsements have been submitted. The City has conducted 127 inspections, 92 of which have passed. On 10/30/13 the Embarcadero Unit Owner Association submitted a letter outlining a schedule for when they will be undertaking safety improvements that are common to the units, so those endorsements are being issued as the unit specific corrections are completed. Fire egress out of bedroom windows, safety glazing on windows close to doors, lack of GFCI outlets, inadequate hand railing or guard rails on staircases, and strapping on water heaters have been the primary issues identified through the inspection process.

Transportation System Plan (TSP) Update: Council adopted the TSP amendments on 11/5/12. Zoning code chapters for transportation impact analysis studies and street improvements for infill development were effective the first of the year. The trip budget program and alternate mobility standard for US 101 will be effective once the County and State adopt the proposal. The Board of County Commissioners adopted its amendments on 10/9/13. The Oregon Transportation Committee (OTC) is scheduled to hear the matter on 12/18/13.

Agate Beach Street and Recreation Enhancements: On 8/2/12 FHWA announced that the project will be funded in the amount of \$557,696. City received a final grant agreement from ODOT on 7/30/13. City staff met with state officials on 10/15/13 to conduct a preliminary scoping meeting. ODOT has prepared a project schedule that would have design work completed no earlier than 4/15 with construction occurring no earlier than 8/15. Staff to prepare mailer to inform neighborhood of the status of the project.

Reservoir UGB Amendment and Annexation: The expansion proposal was approved by the City Council on 5/6/13 and has been forwarded to the County for its review and approval. The County Planning Commission held a hearing on the UGB expansion on 7/22/13 and recommended unanimously that it be approved by the Board of County Commissioners. A hearing date has not yet been set for Board action. The County Attorney is preparing an MOU addressing the future transfer of Big Creek Road, access to private lands, and recreational use of the reservoirs and does not want to schedule the UGB amendment for BOCC consideration until it is complete and vetted between the two jurisdictions.

Port of Newport/City of Newport Task Force on Access to the International Terminal: Taskforce met on 5/22/13. Determined that it did not possess enough information nor is it timely to try and identify specific alternative freight routes. Requested that City, County, and ODOT staff assist the group in identifying general criteria for identifying an appropriate route, which are to be presented to the taskforce at a future meeting. Criteria have been developed and shared with Port of Newport staff. Taskforce meeting to consider criteria to be scheduled by the Port.

Planning for Replacement of the Yaquina Bay Bridge: City and County staff and elected officials met with ODOT on 5/16/13 to discuss a scope of services for the data and base line modeling that the consultants will develop. Counters were placed to collect traffic data in August. Staff met with ODOT consultants on 10/23/13 to discuss how the modeling will be performed now that data collection is winding down. This effort will take several months and is funded by ODOT Region 2 to the tune of about \$150,000.

Development of GIS Addressing Layer: City is responsible for assigning addresses within its corporate limits. The paper maps used for this purpose are frail, and the process for updating the maps is inefficient. A consultant is preparing a new GIS based addressing layers for all jurisdictions in the County. The project is funded by OEM and the information will be used to support 911 services. City maps to be scanned and geo-referenced beginning in November, with roll out of the new GIS layer anticipated by June of 2014.

COMMITTEE WORK

Planning Commission: Held a work session on 10/28/13 to review a framework for determining the feasibility of forming an Urban Renewal District north of the bridge. The Commission also held a regular meeting on 10/28/13 at which it conducted a public hearing to consider an application to expand a non-conforming manufactured dwelling park (Surfside Mobile Village). The hearing was continued to 11/12/13, with a decision likely to be rendered on 11/25/13.

Infrastructure Taskforce: Committee met on 10/10/13 to discuss potential funding sources and on 10/31/13 to discuss options for restructuring the City's approach to providing services. A meeting was held on 11/7/13 to develop a framework for providing recommendations. The next meeting is scheduled for 11/21/13 where the taskforce will explore options for restructuring how it funds infrastructure. It will also further discuss how it wants to put together its recommendations. Materials prepared by staff for those meetings are listed on the Taskforce web page: <http://thecityofnewport.net/citygov/comm/itf.asp>.

CWACT Technical Advisory Committee (TAC): Met on 10/16/13 to finalize a list of unfunded STIP projects for consideration during the next legislative session. We proposed one project that includes a number intersection and signalization improvements along US 101 that are identified as high priorities in the TSP. Total cost is approximately \$2 million. It received a high rating from the group. The Connect Oregon V application process was also discussed. The City does not have a viable project to submit this go around.

Parking Districts: No parking district meetings were held in the month of October.

Newport Public Library
Librarian's Report to the Newport City Council
November 1, 2013

Weekly computer classes have resumed and are well attended. Citizens are taking advantage of the opportunity for free training on how to use computers, the Internet, spreadsheets and the Library's databases.

As reported last month, library staff is taking advantage of free online conferences and webinars. That training is already being put to use on the Library's website where there is now a library page on the social networking site, Pinterest. This is another way people can find out about specific titles available along with live links to the Library catalog.

The annual Card for Every Child campaign is over for this year and our winner is Sophia Lihou, a second grader at Sam Case Elementary School. Sophia won a \$25.00 gift certificate from Sandcastle Toys. She is very excited about the chance to go shopping. We issued 70 new library cards, replaced many lost cards and sent out 114 raffle tickets. Lots of warm fuzzys for the library and it cost \$115.00.

Library programs are in full swing for both children and adults. In October we offered 38 programs for children and families in the library and out in the community, reaching 1,141 people. Our 12 adult programs in the library had 75 people attending.

Collecting long overdue items continues to be a priority for circulation staff. Since January 1, 2013 53% of those items, worth \$8,343.35, have been returned. Collections of accounts with a balance of more than \$100 are given to the City's Ordinance Enforcement officer who then directly contacts the errant patron. His visits have resulted in the return of many items.

Weeding is an essential part of collection development in a library. Stacy Johns, our Young Adult selector, has weeded the Young Adult section of books no longer circulating amongst our readers. Those items removed from our collection are then offered to schools and other libraries. 100% of the books she weeded have found homes in Lincoln County school libraries.

The Optimist Club of Yaquina Bay donated \$500.00 to the Library Foundation in support of an author program next March. Oregon author Roseanne Parry will visit Lincoln County for school visits, teacher workshops and family programs. Her book, "Second Fiddle", is on this year's Oregon Battle of the Books and is being promoted in Newport's middle schools. Library staff are partnering with Lincoln County School District staff to make this project as widely available as possible. To that end, Newport Library staff have submitted a grant request to the Lincoln County Cultural Trust for \$628.50 to purchase five classroom sets of Parry's book, one set for each middle school in the District. Another partner in this project is the Oregon Society for Children's Book Writers and Illustrators who are funding the author's travel costs from her home in La Grande to Lincoln County. If successful, this pilot project could be the model for an annual event that could eventually reach many of our states rural schools.

The annual report for our Ready to Read grant has been submitted to the Oregon State Library. Below are some interesting statistics included in this year's report:

- a. We tracked the number of children and teens who signed up for the summer programs showing a small, 1%, increase over the 2012 summer program.
- b. We checked out 16,910 children's items during the months of June, July and August, 2013. We also circulated 2,677 young adult items during that same period.
- c. We tracked the number of children and teens who attended our summer programs showing an increase of almost 9% over the summer program of 2012.

Respectfully,

Ted Smith



Noble
Professional
Dedicated

Newport Police Department Memorandum

One Team - One Future

Date: November 12, 2013
To: Ted Smith, Interim City Manager
From: Mark J. Miranda, Chief of Police *MJM*
Subject: October Department Report

1. I viewed a demonstration of the new radio system that is being installed by Lincoln County. Right now we use a repeater system with three repeaters in the County. We have to know where we are so we can decide which repeater to use. The new radio system will use five voter repeaters which will select the best signal and re-broadcast it. We don't have to figure out which repeater to use. Units in the north end of the county will be heard by everyone throughout the County. This state of the art system is will result in a great improvement in our radio reception.
2. Our newest Records Clerk, Michael Herndon is settling in with his job. He is still going through a lot of training, but seems to be taking everything in stride. I'm told by his wife that he really enjoys working here.
3. Our hiring process for our one police officer opening continues. We held the written test at the first of the month. 30 people appeared for the written exam, but only 15 passed. There were several people who sent us scores from tests they took from other agencies (most agencies use a standard test). 16 people were invited to an interview and four came out on top. The top person is going through a background process now. The next step will be the Chief's interview.
4. We are continuing to move ahead with the Azar abatement process. This involves the two unoccupied homes on NW Nye Street. Ofcr. Dustin Kittel has obtained a warrant from our Municipal Court judge that will allow him to enter the property. Ofcr. Kittel is having contractors submit bids to determine the cost of asbestos removal. A letter was sent to Ms. Azar's attorney advising him of the progress and requesting that any or all valuable property be removed from the houses.
5. A few of the various meetings I attended include:

Integrity – Excellence – Community – Employees – Teamwork – Commitment

- a. Deco District
 - b. Nye Beach Merchants
 - c. Eagle Scout Board of Review
 - d. CAD (car computer) training
 - e. Dispatch Administrators
 - f. School District Superintendent search
 - g. Children's' Advocacy Center Board retreat
6. Department members participated in the Bike-to-school event. More than 50 kids and parents rode their bikes to school from the Bike Newport shop. Ofcr. Keith Garrett and I rode our bikes and our patrol force that day helped with traffic control. Everyone had a great time.
7. Our Police Volunteers are keeping busy supporting the Department and City. The following are some of the events they assisted with:
- a. Assisted with traffic control for the Bike-to-School event
 - b. Helped clean out the Airport Quonset hut so we can park our Incident Response vehicle there
 - c. Assisted with traffic control for the High School Cross Country meet
 - d. Patrol the Bay Front on foot
 - e. Preventative patrol for the rest of the City
 - f. Assisted with crowd control at the Aquarium's Creatures of the Night event
 - g. Assisted with crowd control and safety at the various Halloween events around the City.
 - h. Assisted with Project Homeless Connect
8. The Department participated in the "Oregon Shake-out" where we practice what to do in the event of an emergency. Not only do we have to promote Emergency Management techniques, but we have to practice them for our safety and be examples for the public.
9. I attended the International Association of Chiefs of Police conference in Philadelphia. About 14,000 people attend this conference. I attended many valuable training sessions. Most impressive is the vender area which covers about two football fields. They have everything one would need from helicopters to hand cleaner. I picked up some good information that we can use in the future to help improve our Department.
10. Saturday, October 26th was National Drug Take Back Day. Police Volunteers staffed our front door so people could have access to our disposal bin. We took in 32.5 pounds of drugs that day.
11. We've been receiving complaints about transient camps, particularly near the Big Creek Trail. We've made contact with the residents and have given them notices that a clean-up will be taking place in November.



*Phil Paige, Fire Chief
Newport Fire Department
245 NW 10TH ST
Newport, Oregon 97365*

November 11, 2013

To: Ted Smith, Interim City Manager
Re: October Monthly Activities

Here is a brief summary of Fire Department activities in October:

As of October 31, the department had responded to 1,561 calls for service in 2013, as compared to 1,430 at that time in 2012.

In October, we did not have any major emergency incidents, although, under our automatic and mutual aid agreements, we did provide equipment and personnel to help out with significant structure fires in Seal Rock and Toledo. As a result of our staffing improvements, we were able to send this help and quickly provide back-up staffing at the Newport station for any subsequent calls in our jurisdiction.

During October, we interviewed five more volunteer firefighter candidates, and all had passed the background check. Overall, our volunteer recruitment efforts are going well. We had 22 volunteers on the roster as of 1/1/13, and as of 11/1/13 we are up to 35. Our goal was to have 35 active volunteers by the end of 2013. We are still dealing with a lack of participation with a few of our members, so our focus is now to retain the volunteers we now have and increase their participation to keep us at the current level of volunteer staffing.

I have been working with Bob Gazewood to get a better handle on our grant revenues and expenses, and to try and develop a strategy to purchase a new fire engine as soon as possible. I plan to meet with the new City Manager when he comes on board and share our past couple of years' progress in the fire department, as well as the short term and longer term challenges and needs. We have also laid out a capital replacement plan for fire department rolling stock. We will meet with the new City Manager (and hopefully Finance Director) to develop funding options for consideration by the Council.

We have submitted claims to the state for reimbursement of our personnel and equipment costs for the wild fires this past summer. The Interim Finance Director will be submitting a supplemental budget which should include these funds, and appropriate them back into the overtime and capital funds.

Respectfully submitted,
Phil Paige, Fire Chief

NEWPORT FIRE DEPARTMENT

City Report October 2013

	CITY	RURAL		CITY	RURAL
FIRE CALLS:	5	1	PERMITS ISSUED:		
AUTOMATIC ALARMS:	5	1	BURN PERMITS:	56	81
MEDICAL CALLS:	106	24	FIREWORKS PERMIT:	0	0
MOTOR VEHICLE COLLISION	5	2	FIREWORKS DISPLAY:	0	0
RESCUE	2	1	PERSON INSERVICES TOURS:	611	
MUTUAL AID RENDERED:	4	2	TOTAL INSPECTIONS:	4	
MUTUAL AID RECEIVED:	0	0	VIOLATIONS:	20	
AVIATION STANDBY:	0		ABATEMENTS:	0	
PUBLIC SERVICE	10	6	PLAN REVIEWS:	20	
HAZARDOUS CONDITION	1	0	CONSTRUCTION INSPECTIONS:	1	
OVERPRESSURE/RUPTURE:	0	0	VOLUNTEER HOURS	340	

OCCUPANCIES of Fires and Automatic Alarms

AIRCRAFT:	0	0	PROCESSING PLANTS:	0	0
BOATS:	1	0	PUBLIC BUILDINGS:	0	0
HOSPITAL/CARE CENTER:	1	0	REPAIR SHOPS:	0	0
HOTEL/MOTEL:	0	0	RESIDENTIAL:	1	1
LABORATORIES:	0	0	RESTAURANT:	0	0
LAUNDRAMATS:	0	0	SCHOOLS:	2	0
LAUNDRIES:	0	0	SERVICE STATION:	0	0
MANUFACTURING:	0	0	STORAGE:	0	0
MARINA:	0	0	STORES:	0	1
MISCELLANEOUS:	4	0	TAVERNS:	0	0
MOTOR VEHICLES:	0	0	TRAILERS:	0	0
NATURAL COVER:	0	0	UTILITIES:	0	0
OFFICES:	0	0	VACANT BUILDINGS:	0	0

NEWPORT FIRE DEPARTMENT

City Report October 2013

CAUSES of Fires and Automatic Alarms

	CITY	RURAL		CITY	RURAL
ALARM MALFUNCTION:	1	1	HEATING APPLICANCE:	0	0
CARELESS SMOKING:	0	0	INCENDIARY:	0	0
CHILDREN W/HEAT SOUR	0	0	PROHIBITED MATERIALS	0	0
CLEARANCE:	0	0	MISTAKEN ALARM:	1	0
ELECTRICAL:	1	0	OPEN FIRES:	0	0
ENGINE BACKFIRE:	0	0	REKINDLE:	0	0
EXPOSURE FIRE:	0	0	SCORCHED FOOD:	1	0
FALSE ALARM:	3	0	SPARKS:	0	0
FIREWORKS:	0	0	UNDETERMINED:	2	1
FLAMMABLE LIQUID:	0	0	WELDING/CUTTING:	0	0
FLUES:	0	0			
FRICTION:	0	0			
GAS LEAK:	0	0			

LOSS OF LIFE

CIVILIAN: 0 FIREFIGHTER: 0

INJURY

CIVILIAN: 0 FIREFIGHTER: 0



Memo

To: Ted Smith, City Manager (interim) and City Council
From: Jim Protiva, Parks and Recreation Director
Date: November 13, 2013
Re: Department Update – October 2013

Municipal Pool

- Extensive work by a PAC to promote passage of pool Bond
- Spooky Swim was great success with 106 in attendance
- Sold out swimming lessons for the month (again)
- Promoted Megan Simpson from volunteer to new lifeguard
- Already scheduling Out of Town school rentals for next May/June

Recreation Center

- 2nd annual Artisans Show had over 40 vendors more public turnout
- Hired 2 new Building Attendants bringing us up to full staff again
- Portland Trailblazers staff and “RIP City Relay” came and gave clinic to 50
- School’s Out Trick or Treated at City Hall this year

Sports Programs

- Interviewed and Hired Mr. Michael J. Cavanaugh for new Sorts Coordinator
- Middle School Cross Country meet at Nye Beach had 130 runners
- Men’s softball league season concluded with playoff games
- Hosted area coordinator meeting for basketball season and registrations

Newport 60 plus Activity Center

- Flooding of basement continues to be a concern with winter rains coming
- Parking, proximity to building and amount are topics of concern
- Not much excitement in October due to saving energy for the holidays

Parks & Rec Data October 2013	Facility usage counts	# Programs offered	New annual passes	Total annual passes	New other passes	Total other passes	Drop in users
Senior Center	1,672	35	N/A	N/A	N/A	N/A	138
Sports	2125 est. vists mult. Locations	8	N/A	N/A	N/A	N/A	570
Recreation Center	14,338	23	83	716	76	1003	848
Municipal Pool	5,257	9	11	96	52	88	297
Totals	23,392	75	94	812	128	1,091	1,853

*spectators are not required to have a pass

*Rec Center pass allows Pool use

*289 City employee/FD Volunteer active passes not included in total

Suggestion/Concern/Compliant Update

10/7/2013	260-PW-2013	Diane Kirk	She wants contact regarding chronic over flow of storm drian, might be fixable w/trench? She is a widow and can't keep up with water flow that erodes her gravel.	OPENED 10-7-13 Referred to Dave. Cleaned ditch and repaied drive. Contacted client she was happy. CLOSED 10-9-13.
10/18/2013	261-PW-2013	Derrick Tokos	oder complaint at SW 4th and Surf.	OPENED 10-18-13 Referred to Dave. Went to 4th and Surf and could not smell anything. Checked the sewers, they were all OK. Found a open ditch with water on the north side of intersection, don't know if it came from that or not. Asked if Tokos could let him know if he smells it again and he will go out with him to find it. CLOSED for now 10-18-13.
10/22/2013	262-PW-2013	John Ritchey & Lanny Schulze	A sanitary sewer manhole cover had come off.	OPENED 10-22-13 Referred to Ed McCoy. Sanitary sewer monhole at the intersection of John Moore Road and SE 5th street checked for flow. Sewerage flowing, no clog seen. Collections crew will continue with further clean-up and spray around sanitary sewer manhole. CLOSED 10-22-13.
11/5/2013	263-NPD-2013	Ralph Breitenstein	Intersection of SE Moore and Bay road. When going east, toward the port, there is a bush or tree that partially blocks the view it is difficult to see vehicles coming down the hill by 5th street. Could the bush be cut back or the limit line be moved foreword slightly for safety reasons?	
11/5/2013	264-NPD-2013	Ralph Breitenstein	Bush on the NE corner of Douglas and Olive makes it difficult to see west bound traffic on Olive when entering or crosssing Olive from southbound on Douglas, Bush is ugly, what are the chances of getting it removed?	



Memo

To: Ted Smith, Interim City Manager and City Council
From: Timothy Gross, PE, Director of Public Works/City Engineer
Date: November 13, 2013
Re: Capital Projects Status Update

Project: **Big Creek Road Landslide Repairs**
Project Number: 2011-003
Status: Walls are complete and backfilled. Contractor is installing ditch drains.
Contractor: Wildish Construction
Next Task: Add gravel & grade road.
Budget: \$750,000
Description: This project will restore Big Creek Road. A January of 2011 storm caused portions of the road to slide away, making the road unsafe for vehicles and jeopardizing a buried water main and electrical and telecommunications overhead transmission lines. This project is 75% funded through FEMA and 25% through IFA (Oregon).

Project: **NE 71st Waterline Improvements**
Project Number: 2011-018
Contractor: WW Construction
Status: Contractor is installing watermain on the NE end of NE 71st Street.
Next Task: Watermain installation on Hwy 101 & Avery.
Budget: \$482,125
Description: Installing a new water distribution pipeline along US-101 in the Agate Beach area and along NE 71st St for Phase 1 of the NE 71st St. Water System Improvements Project.

Project: **Lakewood Hills Pump Station**
Project Number: 2012-013
Status: Contractor is developing submittals of the pump station for review.
Contractor: Clackamas Construction
Next Task: Submittal review and approval. Fabrication of package pump station..
Budget: \$622,378
Description: The Lakewood Hills Pump Station replaces an aging pump station that currently cannot provide fire flow and runs on only one pump. The new pump station will provide adequate fire flow, pump redundancy, and will have a backup generator that will keep the neighborhood in water in event of a power failure.

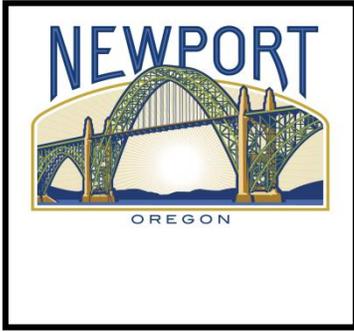
Project: **Agate Beach Wastewater Improvements/ Big Creek Force Main**
Project Number: 2012-024
Contractor: not awarded yet
Status: SRF Funding Application is complete. Waiting for DEQ review of application. Staff is reviewing 90% drawings.
Next Task: SRF Funding Application approval. When funding is approved and City executes contract with DEQ, the project can be advertised. Staff expects the funding approval to be completed within a month.
Budget: \$1.3 MM
Description: Installing a new force main from the Big Creek pump Station to the Northside pump station along NW Oceanview Drive, up NW 17th Street to NE Nye Street and then south on NW Nye Street. The existing force main is undersized and in poor condition.

Project: **2013 Street Overlay Project**
Project Number: 2013-005
Contractor: not awarded yet
Status: Contract documents were advertised on Wednesday, November 6, 2013. Sidewalk and curb on NE 3rd have been completed. Curbs for NE Benton between 8th and 10th have been staked and PW crews will begin preparing the road for curb shortly.
Next Task: Advertise the project.
Budget: \$279,943
Description: The annual overlay project generally mills old asphalt then overlay streets with 2 inches of new asphalt on streets with bad pavement condition. This year City staff plans to build curb and a 5' wide sidewalk on the north side of NE 3rd Street between NE Fogarty and NE Harney Streets just south of the Fairgrounds and repave the north lane. In addition the intersection of NE Fogarty and NE 3rd will be paved. NE Benton Street between NE 8th and NE 10th will have curb and storm drain added then be paved. NW 3rd Street between Hwy 101 and NW Coast Street will be milled and overlaid. The approaches of SW Alder and SW Lee Streets at Hwy 101 will be overlaid in anticipation of the new crosswalk improvements at these locations.

Project: **Big Creek Dam 1 and 2 Assessment**
Project Number: 2011-025
Contractor: HDR Engineering, Inc.
Status: Geotechnical firms are currently doing soil testing on the dams. A drill rig will be on site on Thursday, Nov. 21 to take additional samples.
Next Task: Soils analysis of samples.
Budget: \$350,000
Description: This analysis will continue the previous geotechnical analysis that was conducted on the dam structures to eliminate some of the assumptions that had to be made on the last study because of the inability to access certain parts of the dam for drilling. When the soils analysis is complete, the consultant will develop a feasibility study identifying remediation options and costs.

The City in conjunction with assistance from Chase Park Grants and HDR Engineering Inc. have submitted a grant application to the Oregon Department of Water Resources to assist in funding the feasibility study for Big Creek Dams 1 and 2. This application was submitted Nov. 1 and may yield up to \$250,000 in additional funding for this project. Awards for this grant should take place sometime after the 1st of the year.

Project: Bay Boulevard/SE Moore Drive Storm Sewer Improvements
Project Number: 2012-015
Contractor: not awarded yet
Status: Engineer is developing preliminary environmental report for CWSRF Loan application.
Next Task: Complete loan application.
Budget: \$2,925,532
Description: This project corrects failing storm sewer at Bay Boulevard and SE Moore drive, Bay Boulevard and SE Fogarty Street, and along SE 4th and SE Fogarty. The intersection at SE Moore Drive and Bay Boulevard will be realigned to provide better intersection safety.



Agenda Item # VII.A.
Meeting Date November 18, 2013

CITY COUNCIL
AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title: City Center Newport Association – Electronic Message Sign Presentation

Prepared By: Derrick Tokos Dept Head Approval: DT City Mgr Approval: _____

ISSUE BEFORE THE COUNCIL: A proposal by the City Center Newport Association for the City to fund and construct an electronic message board sign as a gateway design feature for the Deco District. The sign would be placed on city property at the northwest corner of SW Hurbert St and US 101. The source of funding is room tax dollars previously transferred to the City’s capital projects fund for construction of a pocket park at this location.

STAFF RECOMMENDATION: Staff has no recommendation.

PROPOSED MOTION: None. This is a discussion item. If the Council is inclined to support the proposal it can provide staff with direction to schedule the matter as an action item for consideration at a future meeting.

KEY FACTS AND INFORMATION SUMMARY: The subject property is 7,841 square feet in size and is used primarily as a public parking lot. It is identified as Tax Lot 5300, on Lincoln County Assessor’s Map 11-11-08-BD. The sign would be placed on an undeveloped corner of the property that is landscaped or in pavers.

In May of 2011 the City allocated \$100,000 of room tax funds for the construction of a pocket park. Some of that money was used to put together a park design and to pay a consultant to prepare a grant proposal. A determination was made that the park concept is not feasible, and an unexpended balance of \$95,385 remains in the City’s capital projects fund.

City Center Newport Association is now asking the City Council to repurpose the funding so that it can be used to construct an electronic message sign that is to be designed in an art deco style. The sign would serve as a gateway entrance to the business district.

OTHER ALTERNATIVES CONSIDERED: None.

CITY COUNCIL GOALS: None.

ATTACHMENT LIST:

- Electronic message sign proposal
- Detail drawing of a conceptual sign
- Map of the parking lot

FISCAL NOTES: While the funding is available, there are actions the Council may need to take in order for it to be expended on this project. Staff can identify exactly what steps need to be taken if the Council supports moving ahead with the concept.

ELECTRONIC SIGN PROPOSAL

City Center Newport Association desires to construct a two-sided electronic sign on the Northwest corner of Highway 101 and Herbert Street. The sign structure will incorporate architectural elements that borrow from and complement the Yaquina Bay Bridge, and will serve as a gateway entrance to the Deco District. Enclosed is an illustration of how the sign might appear. The Association requests that the City solicit proposals from qualified firms to design and construct the sign in accordance with the following parameters:

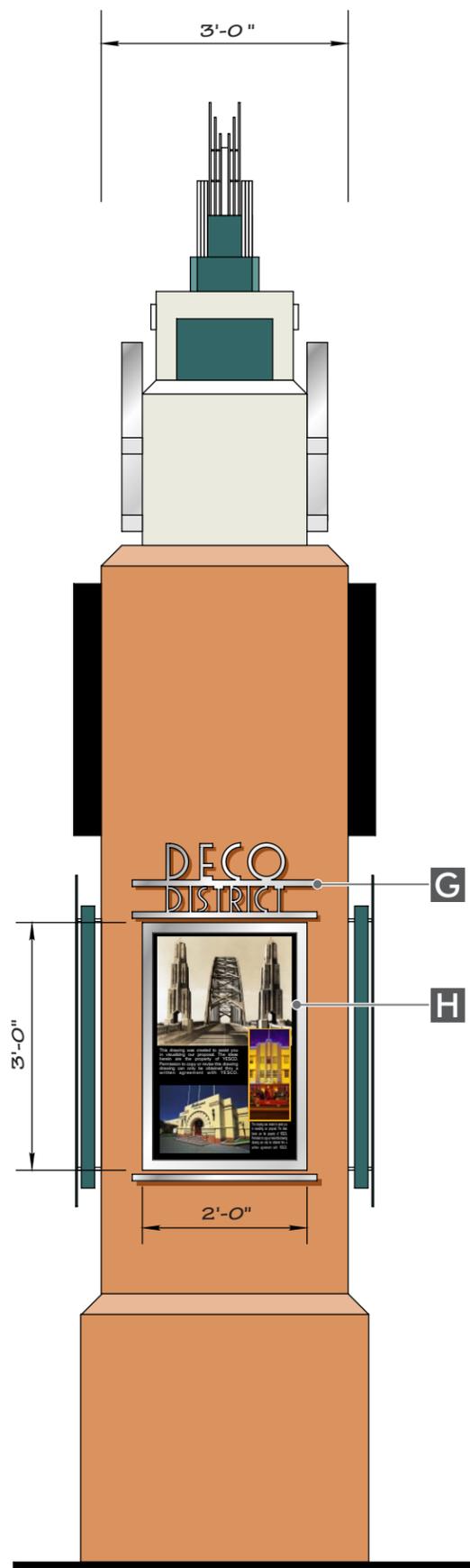
- 1) Maximum height of the sign and any attached elements shall be 20-feet.
- 2) An archway is to be designed into the base of the structure to provide for through movement of pedestrians.
- 3) A two-sided electronic LED sign with remote programming capability is to be installed above the archway. Dimensions for each sign face shall not exceed 40-inches in height by 96-inches in width.
- 4) The sign structure shall incorporate a miniature stylized rendering of the Yaquina Bay Bridge. The rendering can form the top of the archway or the sign proper, and should be scaled to visually stand out to pedestrian and vehicle traffic.
- 5) A two-sided fixed sign with the words "City of Newport Deco District" shall be installed above the LED message board. Sign dimensions shall not exceed those of the LED message board.
- 6) At least two cabinets shall be provided for the display of historic interpretive information. Displays shall be at a pedestrian scale, and shall have a minimum dimension of 3-ft x 2-ft.
- 7) Sconces, architectural embellishments, and colors shall be used to give the sign structure an art deco appearance. The use of LED or florescent backlighting to enhance the visibility of sign features at nighttime is encouraged.
- 8) At least one space shall be provided on the sign for a local artist to add an art deco themed architectural embellishment.
- 9) Exterior treatment is to consist of non-corrosive, pre-painted materials.
- 10) Contractor to obtain all necessary permits for the installation of the sign and shall warrant materials and provide maintenance service for a period of one year after final acceptance by the City.

City would proceed with a request for proposals if the cost estimate to design and construct the sign does not exceed \$95,385.00, which is the remaining balance of room tax funds that were transferred to the City's capital projects fund in 2011 for the construction of a park at this location.

Representatives from the City Center Newport Association would be included in the process for selecting a prevailing proposal.

Once the warranty period expires, maintenance is to be performed by City with funds generated by the City Center Economic Improvement District (i.e. Parking District). The Economic Improvement District would need to be amended for this purpose. If at any point in time the District ceases to exist, then the city would reserve the right to remove the sign as opposed to taking on the maintenance costs.

Electronic message sign shall only be used for promotion of community events and City Center Newport Association understands that an entity will need to be designated as being responsible for updating content.



SIGN SPECS			
A	EMBELLISHMENT	MATERIAL	SEE DETAIL
		PAINT	DUPONT TBD
B	CABINET	TYPE	D/F NON-ILLUMINATED
		PAINT COLOR	DUPONT TBD
		TEXTURE	LIGHT TEXCOTE
C	REVERSE PAN	LIGHTING	WHITE LED
		FACE COLOR	DUPONT METALLIC SILVER
		RETURN COLOR	DUPONT METALLIC SILVER
D	EMC	PIXEL SPACING	20mm
		MATRIX SIZE	40 x 96
		LED COLOR	FULL COLOR
		LINES OF TEXT	5 LINES
		TRAINING	ONLINE
	GRAPHICS		
E	POLE COVER	PAINT COLOR	DUPONT TBD
		TEXTURE	LIGHT TEXCOTE
F	SCONCE	PAINT COLOR	DUPONT TBD
		LIGHTING	YESCO LED STRIP TO HALO LIGHT
G	F.C.O.	THICKNESS	1/4" ALUMINUM
		PAINT COLOR	SILVER METALLIC W/ CLEARCOAT
		MOUNT	STAND OFF 1/2"
H	CABINET	TYPE	S/F ILLUMINATED
		PAINT COLOR	SILVER METALLIC W/ CLEARCOAT
		COVER	CLEAR LEXAN W/ LOCK
I	PUSH THRU	DEPTH	3/4" CLEAR
		VINYL COLOR	PERFORATED BLACK
		ILLUMINATION	BACK LIT W/ FLOURESCENTS



Portland Branch

20100 SW 112th Ave
Tualatin, OR 97062
503-612-6672

This drawing was created to assist you in visualizing our proposal. The ideas herein are the property of YESCO. Permission to copy or revise this drawing can only be obtained thru a written agreement with YESCO.

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CLIENT:
DECO DISTRICT
HURBERT & COAST HWY 101
NEWPORT, OR

ACCOUNT EXECUTIVE:
KEN MAHONEY

DRAWN:
DIETZ

DATE:
4.6.12

REV. / DATE / DESIGNER

APPROVAL:
ACCOUNT EXECUTIVE:

CLIENT:

PROJECT NUMBER:
308482

SHEET:
OF

D/F ILLUMINATED DISPLAY

1/2" = 1'-0"

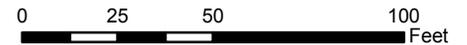


Vision Clearance Area



City of Newport
Community Development Department
169 SW Coast Highway Phone:1.541.574.0629
Newport, OR 97365 Fax:1.541.574.0644

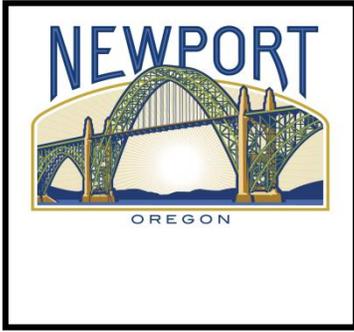
Hurbert and US 101 Parking Lot (City vehicle site distance requirements)



Scale: 1" = 50'



This map is for informational use only and has not been prepared for, nor is it suitable for legal, engineering, or surveying purposes. It includes data from multiple sources. The City of Newport assumes no responsibility for its compilation or use and users of this information are cautioned to verify all information with the City of Newport Community Development Department.



Agenda Item #
Meeting Date

November 18, 2013

CITY COUNCIL AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title Reconsideration of Ordinance No. 2060 Annexing Property Owned by Spy, LLC and Withdrawing said Property from the Newport Rural Fire Protection District and Lincoln County Library District

Prepared By: Derrick Tokos Dept Head Approval: DT City Mgr Approval: _____

ISSUE BEFORE THE COUNCIL: Reconsideration of an ordinance approving an annexation application filed by Spy, LLC to bring property they own into the corporate limits of the city with an I-1/“Light Industrial” zoning designation.

STAFF RECOMMENDATION: Staff recommends the City Council approve the ordinance.

PROPOSED MOTION: I move for reading by title only of Ordinance No. 2060, an ordinance annexing territory to the City of Newport, withdrawing the annexed territory from the Newport Rural Fire Protection District and Lincoln County Library District, and establishing zoning for the annexed territory.

KEY FACTS AND INFORMATION SUMMARY: The subject properties are located at 4535 S Coast Hwy (Lincoln County Assessor’s Map 11-11-20-BD Tax Lot 1400) and 4541 S Coast Hwy (Lincoln County Assessor’s Map 11-11-20-BA Tax Lot 1300) and a portion of US 101 right-of-way.

On October 7, 2013 the City Council held a public hearing and approved the request, after considering the Planning Commission’s recommendation, and evidence and argument presented at the public hearing and in the record. The ordinance presented to the Council that evening was not signed, subsequent legal review was performed, and changes have been made to the document necessitating that it be readopted by the Council.

Given that no comments or concerns have been expressed regarding this proposal, and in the interest of facilitating petitioner’s desire to proceed with the construction of a warehouse building, which cannot occur until the annexation is completed, the revised ordinance contains an emergency declaration clause making it effective immediately.

OTHER ALTERNATIVES CONSIDERED: None.

CITY COUNCIL GOALS: This request is not related to any adopted Council goals.

ATTACHMENT LIST:

- Draft Ordinance with exhibits and attachments

FISCAL NOTES: The property owner will be subject to city taxes which will offset the cost of services the City will be providing to the property. Therefore, there should be no fiscal impact.

CITY OF NEWPORT

ORDINANCE NO. 2060

**AN ORDINANCE ANNEXING TERRITORY TO THE CITY OF NEWPORT,
WITHDRAWING THE ANNEXED TERRITORY FROM THE LINCOLN
COUNTY LIBRARY DISTRICT AND NEWPORT RURAL FIRE PROTECTION
DISTRICT AND ESTABLISHING ZONING FOR THE ANNEXED TERRITORY**

Summary of Findings:

1. A request (Newport File No. 2-AX-13/3-Z-13) was filed by the owners of real property (Spy, LLC, Gregory Palser, registered agent) to annex property into the city limits and withdraw property from several districts, and to amend the Newport Zoning Map to adopt a City zone designation for the annexed property of I-1/"Light Industrial." The request includes a portion of US 101 right-of-way.
2. The Planning Commission of the City of Newport, after providing the required public notification, including the notification to the Department of Land Conservation & Development, held a public hearing on September 23, 2013, for the purpose of reviewing the proposed requests and providing a recommendation to the City Council. The Planning Commission public hearing was held in accordance with the appropriate provisions of the Newport Zoning Ordinance, and, after due deliberation and consideration of the proposed changes, the Planning Commission voted to recommend that the City Council approve the property owner's request.
3. The City Council of the City of Newport, after provision of the required public notification, held a public hearing on October 7, 2013, on the requested annexation and withdrawal, and the zoning of the property to be annexed.
4. The City Council made a determination after considering the recommendation of the Planning Commission, and the evidence and argument presented at the public hearing and in the record, that each of the requests were in compliance with the applicable criteria and voted to approve the requested annexation, withdrawal, and zoning designations.
5. The ordinance presented to Council on October 7, 2013 has not been signed, subsequent legal review has been performed, and changes have been made to the document necessitating that it be readopted by the Council.
6. Interested parties were afforded an opportunity to testify and no comments or concerns were expressed in regards to the annexation during the Council's consideration on October 7, 2013, or subsequently. Petitioner, Spy, LLC, desires to construct a warehouse building to meet its business needs. It cannot do so until the annexation is finalized. Facilitating economic development of this nature is essential to the well-being of the community and continued peace, health, and safety of the citizens of the City of Newport. Ample opportunities have been provided for the public to testify on this request, and to avoid undue harm to the applicant it is

necessary that an emergency be declared so that this ordinance can become effective immediately upon signature by the Mayor.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. ANNEXATION, WITHDRAWAL, AND ZONING

A. Annexation. The following described territory (illustrated in Exhibit "A") is hereby annexed to and incorporated within the City of Newport, Oregon:

Beginning at the ¼ corner common to Sections 17 and 20, Township 11 South, Range 11 West, Willamette Meridian, Lincoln County, Oregon; thence South 00°58'33" West, 1127.47 feet to the northeast corner of Parcel 2, Partition Plat 11-1990, Lincoln County Plat Records; thence South 87°52'45" West, along the north line of said Parcel 2, 80.46 feet; thence North 78°40'12" West, 185.54 feet to a point on the easterly line of the Oregon Coast Highway, said point also being the northwest corner of said Parcel 2; thence South 25°09'00" West, along said easterly line, 93.85 feet; thence North 88°16'59" West, leaving said easterly line, 87.19 feet to a point at the east corner of that property described in Book 186, Page 132, Lincoln County Book of Records, said point also being on the westerly line of the Oregon Coast Highway; thence South 25°09'00" West, along said westerly line, 21.80 feet to a point on the east corner of that property described in said Book 186, Page 132; thence South 88°16'59" East, leaving said westerly line of the Oregon Coast Highway, 87.19 feet to a point on the easterly line of said Oregon Coast Highway; thence South 25°09'00" West, 317.35 feet to the southwesterly corner of that property described in Book 397, Page 2234, Lincoln County Book of Records; thence East along the south line of said Book 397, Page 2234, 440.24 feet, more or less, to the south east corner thereof; thence North 00°58'33" East, 135.80 feet to the northeasterly corner thereof, said point also being the southeasterly corner of said Parcel 2; thence North 00°58'33" East, along the easterly line of said Parcel 2, 222.70 feet, said point also being the southeasterly corner of said Parcel 1; thence North 00°58'33" East, 305.15 along the easterly line of said Parcel 1, to the northeasterly corner of said Parcel 1 and the point of beginning.

This parcel contains 3.063 acres, more or less.

B. Withdrawal. The property annexed to the City of Newport, as described in Section 1 (A) above, is hereby withdrawn from the Lincoln County Library District and the Newport Rural Fire Protection District, such withdrawal being deemed to be in the best interest of the City of Newport. The City of Newport also hereby elects to assume the liabilities and indebtedness, if any, against the property so withdrawn from the Lincoln County Library District and Rural Fire Protection District and further elects to assume such liability to the Lincoln County Library District in the manner provided by ORS 222.520(2)(b).

C. Zoning. Ordinance No. 1308 (as amended) adopting the City of Newport Zoning Map is hereby amended to provide for a zone designation on the Zoning Map for the property annexed to the City of Newport by designating the subject property described in Section 1(A) above with the zone designation of I-1/"Light Industrial".

Section 2. The findings attached as Exhibit "B" are hereby adopted in support of the annexation, withdrawal, and zoning designations as adopted in Section 1.

Section 3. Repealer. In the event that any portion of the ordinance considered by the City Council on October 7, 2013 and described herein became effective, such ordinance is hereby repealed.

Section 4. Declaration of Emergency. It is hereby adjudged and declared that existing conditions are such that this Ordinance is necessary for the immediate preservation of the public peace, health, and safety of the City of Newport, and an emergency is hereby declared to exist and this Ordinance shall take effect in full force and effect when signed by the Mayor.

Date adopted and read by title only: _____

Signed by the Mayor on _____, 2013.

Sandra Roumagoux, Mayor

ATTEST:

Margaret M. Hawker, City Recorder

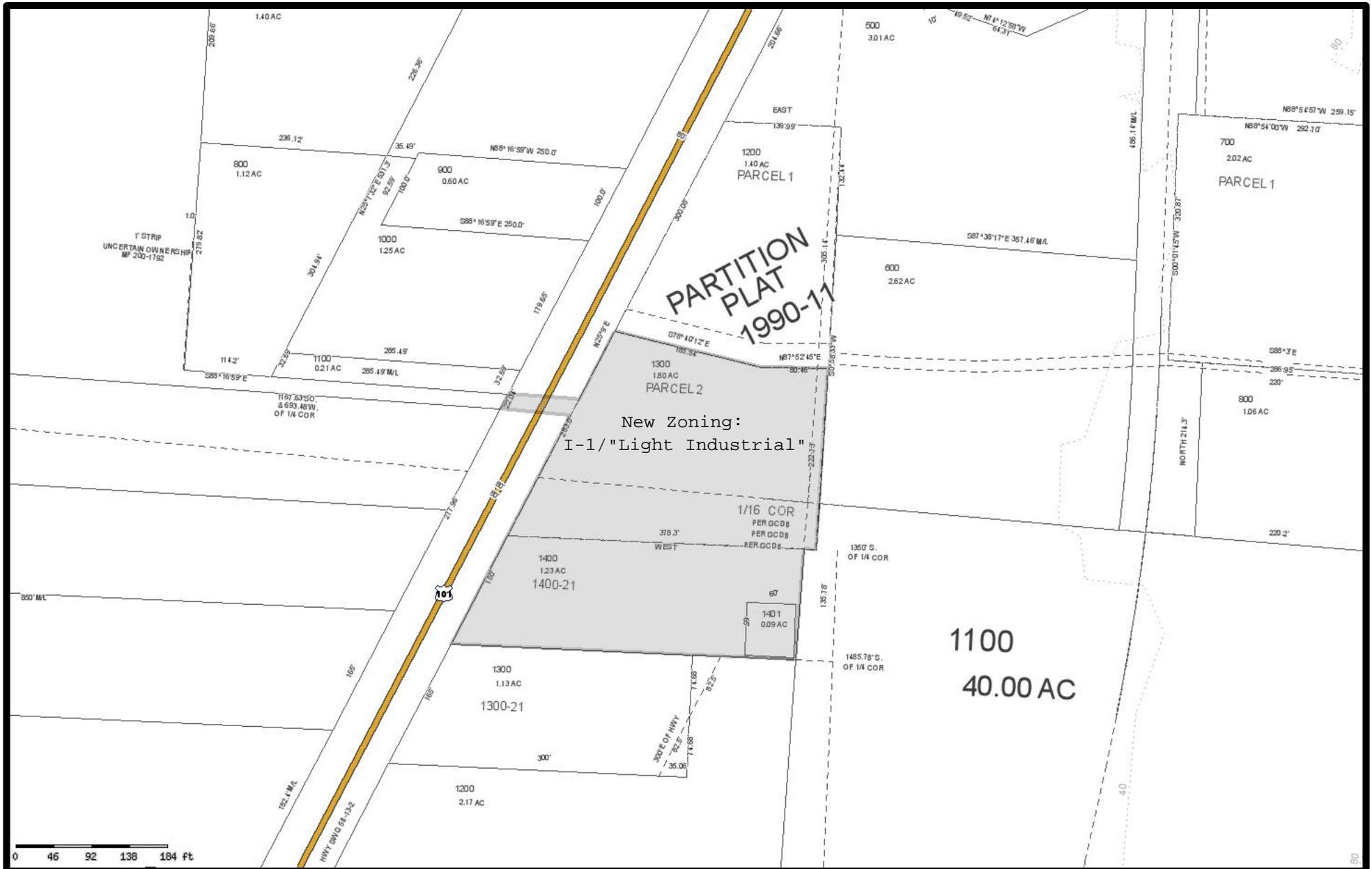
City Attorney

Exhibit A

Ordinance No. 2060

Spy, LLC Annexation

(File 2-AX-13/3-Z-13)



Printed 10/03/2013

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EXHIBIT "B"

Findings for Requested Annexation of Property, Withdrawal from the Newport Rural Fire Protection District and the Newport Library District, and Establishment of a Zoning Designation

FINDINGS OF FACT

1. The application for annexation, withdrawal, and zoning designation (Newport File No. 2-AX-13/3-Z-13) was filed by Spy, LLC (Gregory Palser, authorized agent) on August 27, 2013. The application included consideration of a request to: (1) annex approximately 3.063 acres of real property into the Newport city limits; (2) amend the City of Newport Zoning Map to establish an I-1/"Light Industrial" zoning designation for the subject property consistent with the existing Newport Comprehensive Plan designation of Industrial (which allows for either I-1, I-2/"Medium Industrial," or I-3/ "Heavy Industrial"); and (3) withdraw said territory from the Newport Rural Fire Protection District and the Lincoln County Library District.
2. The applicant indicates that they are seeking annexation so that their warehouse and office can be connected to City sewer service, which was recently extended and is now available to properties in the area.
3. The property subject to the request is identified as 4535 S Coast Hwy (Lincoln County Assessor's Map 11-11-20-BD Tax Lot 1400) and 4541 S Coast Hwy (Lincoln County Assessor's Map 11-11-20-BA Tax Lot 1300) and a portion of US 101 right-of-way.
4. The legal description of the area to be annexed is as follows:

Beginning at the ¼ corner common to Sections 17 and 20, Township 11 South, Range 11 West, Willamette Meridian, Lincoln County, Oregon; thence South 00°58'33" West, 1127.47 feet to the northeast corner of Parcel 2, Partition Plat 11-1990, Lincoln County Plat Records; thence South 87°52'45" West, along the north line of said Parcel 2, 80.46 feet; thence North 78°40'12" West, 185.54 feet to a point on the easterly line of the Oregon Coast Highway, said point also being the northwest corner of said Parcel 2; thence South 25°09'00" West, along said easterly line, 93.85 feet; thence North 88°16'59" West, leaving said easterly line, 87.19 feet to a point at the east corner of that property described in Book 186, Page 132, Lincoln County Book of Records, said point also being on the westerly line of the Oregon Coast Highway; thence South 25°09'00" West, along said westerly line, 21.80 feet to a point on the east corner of that property described in said Book 186, Page 132; thence South 88°16'59" East, leaving said westerly line of the Oregon Coast Highway, 87.19 feet to a point on the easterly line of said Oregon Coast Highway; thence South 25°09'00" West, 317.35 feet to the southwesterly corner of that property described in Book 397, Page 2234, Lincoln County Book of Records; thence East along the south line of said Book 397, Page 2234, 440.24 feet, more or less, to the south east corner thereof; thence North 00°58'33" East, 135.80 feet to the northeasterly corner thereof, said point also being the southeasterly corner of said Parcel 2; thence North 00°58'33" East, along the easterly line of said Parcel 2, 222.70 feet, said point also being the southeasterly corner of said Parcel 1; thence North 00°58'33" East, 305.15 along the easterly line of said Parcel 1, to the northeasterly corner of said Parcel 1 and the point of beginning.

This parcel contains 3.063 acres, more or less.

5. Staff reported the following information regarding the requests:

A. Plan Designation: The subject properties are within the Newport Urban Growth Boundary and are designated as “Industrial” on the Newport Comprehensive Plan Map.

B. Zone Designation: City of Newport zoning is established at time of annexation. Either the I-1/“Light Industrial”, I-2/“Medium Industrial”, or I-3/ “Heavy Industrial” zone designations are consistent with Comprehensive Plan designation of Industrial. The applicant is requesting the I-1 zone designation. The County designation for the property is currently I-P/ “Planned Industrial.”

C. Surrounding Land Uses: Surrounding land uses in the immediate vicinity include light and heavy industrial and public land uses.

D. Topography and Vegetation: The property is moderately sloped and largely devoid of vegetation.

E. Existing Residences/Buildings: one 40’ x 120’ shop building, three 48’ x 48’ warehouses, one 40’ x 48’ warehouse, and one 40’ x 40’ dock building.

F. Utilities: Currently receiving city water service. Sewage is managed via an on-site septic system. The owner intends to connect to city sewer once the property is annexed.

G. Development Constraints: None known.

H. Past Land Use Actions: None known.

I. Notification: Required notice to the Department of Land Conservation and Development was mailed on September 6, 2013. For the Planning Commission public hearing, notification in accordance with the Newport Municipal Code Section 14.52.060(C) requirements included mailing notice to surrounding property owners, City departments and other public agencies and utilities, and other individuals on August 29, 2013. The notice of public hearing in the Newport News-Times was published on September 13, 2013.

In accordance with Oregon Revised Statute 222.120(3), notice of the October 7, 2013 City Council public hearing was published once each week for two successive weeks prior to the day of the hearing, such notice occurring in the Newport News-Times on September 25, 2013 and October 2, 2013. Notice of the hearing was also posted at the Newport City Hall, Lincoln County Courthouse, Newport Public Library and Newport Recreation Center for this same period of time.

6. Written comments in response to the public notice were received from the Newport Police Department and Oregon Department of Transportation. The Newport Police Department indicated that they do not object to the proposal, but would ultimately like to see all of that portion of US 101 in South Beach between the bridge and airport annexed into the City. This would help them resolve jurisdictional issues. The Oregon Department of Transportation advised that they have no objections to the proposal.

7. The Planning Commission held a public hearing on the proposed requests on September 23, 2013. Gregory Palser, representing Spy, LLC was the only party to testify at the hearing. The Commission voted unanimously to recommend approval with the I-1/"Light Industrial" zone designation.

8. The City Council held a public hearing on the proposed requests on October 7, 2013. A Planning Staff Report, dated September 19, 2013, was submitted to the City Council. The Planning Staff Report and attachments as follows are hereby incorporated into the findings:

Attachment "A" – Applicant Request

Attachment "B" – Notice of Public Hearing and Map

Attachment "C" – Aerial Photo of Area to be Annexed

Attachment "D" – Newport Zoning Map

Attachment "D-1" – Uses allowed in the I-1, I-2, and I-3 zones

Attachment "D-2" – Intent of Zoning Districts

Attachment "E" – Legal Description of the Area to be Annexed

Attachment "F" – Copy of ORS 222.170 and ORS 222.524

Attachment "G" – September 18, 2013 email from ODOT

Attachment "H" – Comments from Newport Police Department, dated September 9, 2013

Attachment "I" – Email from John Pariani, dated September 23, 2013

Attachment "J" – Draft September 23, 2013 Planning Commission Meeting Minutes

9. At the October 7, 2013, public hearing, the City Council heard a staff report and allowed for testimony and evidence to be given on the proposed requests. Following the close of the public hearing, the Council deliberated and voted to approve the requests. The minutes of the October 7, 2013 public hearing are hereby incorporated by reference into the findings.

10. The applicable criteria for each of the requests are as follows:

A. For the annexation/withdrawal portion of the requests, Newport Municipal Code Section 14.37.040 provides *"The required consents have been filed with the City; the territory to be annexed is within the acknowledged urban growth boundary (UGB); and the territory to be annexed is contiguous to the existing city limits."*

B. For the zoning map amendment portion of the requests, the applicable criteria per Newport Municipal Code Section 14.36.010 are *"Findings that the proposed zoning is consistent with the Comprehensive Plan Map, furthers a public necessity, and promotes the general welfare."*

11. Scott Branchfield, Lead Digital Cartographer, Lincoln County Assessor's Office, reviewed the legal description for the area to be annexed and notes that the Department of Revenue may take issue with its quality. See Attachment "I" (Email from John Pariani, dated September 23, 2013). John Pariani, a licensed surveyor, prepared the legal description and concludes that it can still be valid. He also notes that there may be a property boundary overlap along the east side of the Spy, LLC properties.

CONCLUSIONS

1. In regard to the criteria for approval of the annexation request under Newport Municipal Code Section 14.37.040 the City Council concludes as follows:

A. In regard to the first criterion (*The required consents have been filed*), the City Council concludes that pursuant to Oregon Revised Statutes (ORS) 222.170(2), the City need not hold an election on the annexation of contiguous territory if it receives the consent of more than 50 percent of the owners of land in the territory, and such owners own more than 50 percent of the land area within the territory. ORS 222.170(4) further notes that publicly owned real property, such as US 101, that is exempt from ad valorem taxes, shall not be factored into the calculus outlined above. The applicant owns both tax lots, which account for the bulk of the property subject to this request (i.e. all but the small portion of the US 101 highway right-of-way). The applicant has provided signed consent forms requesting that the properties be annexed. See Attachment "A" (Applicant Request).

B. In regard to the second criterion (*the territory to be annexed is within the acknowledged urban growth boundary (UGB)*), The City Council concludes that the property is currently within the Urban Growth Boundary pursuant to the Comprehensive Plan Map of the City of Newport and is designated "Industrial."

C. In regard to the third criterion (*the territory to be annexed is contiguous to the existing city limits*), the City Council concludes that the subject territory is contiguous to the existing city limits along the west side of US 101 as graphically depicted on Exhibit "A."

2. In regard to the withdrawal request, the City Council finds that there are no applicable criteria and the withdrawal of the property from the Newport Rural Fire Protection District and the Lincoln County Library District occur during annexation when the City of Newport becomes the service provider within the city limits.

3. In regard to the establishment of a City of Newport zone designation upon annexation, the City Council concludes as follows for establishment of an I-1/"Light Industrial" zone designation in regard to the applicable criteria from Newport Municipal Code Section 14.36.010 (*Findings that the proposed zoning is consistent with the Comprehensive Plan Map, furthers a public necessity, and promotes the general welfare.*):

A. The Comprehensive Plan designation of Industrial is implemented by either the I-1/"Light Industrial" zone, I-2/"Medium Industrial" zone, or I-3/ "Heavy Industrial" zone. The applicant intends to connect an existing office and warehouse to city sewer. They also have plans to construct one or more storage/warehouse buildings for a fiber optic construction company, which conforms to the I-1 designation. Therefore, the applicant is requesting an I-1 zoning designation. The uses permitted outright and conditionally in the I-1, I-2, and I-3 zones are included as Attachment "D-1" (Uses allowed in the I-1, I-2, and I-3 zones). The intent of the I-1, I-2, and I-3 zoning districts is included as Attachment "D-2" (Intent of Zoning Districts).

B. Currently, the abutting property within the City limits immediately to the west of the subject property is designated with a P-2 zone designation. The property to the northeast within City limits is designated I-3; and the properties to the southwest and to the south are designated I-1. See Planning Staff Report Attachment "D" (Newport Zoning Map).

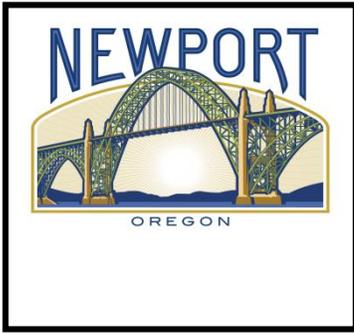
C. This property has been designated in the Newport Comprehensive Plan as Industrial, and the I-1 zone is consistent with that designation. The Comprehensive Plan Map reflects the policy direction contained in the Newport Comprehensive Plan, including an Urban Growth Boundary that sets out the City's buildable land needs for a 20-year planning period, so it is appropriate to conclude that the application of a zone designation in conformance with the Comprehensive Plan would further a public necessity and promote the general welfare.

D. Further, the South Beach Urban Renewal District recently funded the extension of sewer service from SE 40th Street to SE 50th Street. This was done to facilitate further development of industrial properties situated along the US 101 corridor, including the subject site. Annexing the property so that it can be connected to this newly extended service is consistent with the objectives of the District and promotes the general welfare by facilitating connection to a waste disposal system that can more readily meet the needs of a growing industrial development.

E. Lincoln County Assessor's Office concerns with regards to the adequacy of the legal description are attributed to the vague language contained in the deed for Tax Lot 1400 (Page 2234 at Book 397 of the Lincoln County Microfilm Records). It is the City's understanding that the legal description, prepared by a licensed surveyor, accurately reflects the area to be annexed and the ownership of the property described herein. In the event the Oregon Department of Revenue rejects the description, or Spy, LLC seeks to clarify the boundary of its ownership in a manner that is inconsistent with this legal description, then further action may be required by the City.

OVERALL CONCLUSION

Based on the staff report and attachments, the application material, and other evidence and testimony in the record, the City Council concludes that the requested annexation, withdrawal, and zone designations comply with the criteria established for approval of each of the requests under the applicable criteria as explained in the findings. The requested annexation, withdrawal, and establishment of a zone designation are hereby **APPROVED**.



Agenda Item # VIII. B
Meeting Date November 18, 2013

CITY COUNCIL AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title Intergovernmental Agreement with Lincoln County Related to the Agate Beach Storage Tank Project

Prepared By: Derrick Tokos Dept Head Approval: DT City Mgr Approval: _____

ISSUE BEFORE THE COUNCIL: Determination of whether or not it is appropriate for the City of Newport to enter into an Intergovernmental Agreement with Lincoln County that implements Condition No. 3 of a Conditional Use Permit that the City obtained to construct a domestic water storage tank on property located at the east end of NE 71st Street.

STAFF RECOMMENDATION: Staff recommends the Council adopt the Intergovernmental Agreement.

MOTIONS FOR ADOPTION: I move to authorize the City Manager to sign the Intergovernmental Agreement with Lincoln County relating to Condition No. 3 of County Conditional Use Permit No. 03-C-Adm-13.

KEY FACTS AND INFORMATION SUMMARY: On August 27, 2013, Lincoln County approved the City of Newport’s application to construct a 1.0 million gallon water storage tank and appurtenant connections on city-owned property at the end of NE 71st Street (Tax Lot 1002, Assessor’s Map 10-11-20). Condition No. 3 of the County approval requires:

“Written statement recorded with the deed or written contract with the county or its equivalent shall be submitted which recognizes the rights of adjacent and nearby land owners to conduct forest operations consistent with the Forest Practices Act.”

The condition was imposed because the property lies outside of the city limits on land that is subject to Statewide Planning Goal 4 for the protection of forest land, and its corresponding statutes and rules that are implemented through the County’s Timber-Conservation zoning district. With this agreement, the City acknowledges the rights of adjacent landowners to conduct forest operations in accordance with applicable laws, accepts potential impacts associated with such activities, and agrees to avoid undertaking activities that conflict with nearby forest uses and practices. Attorney’s with the City and County have reviewed the agreement and have determined that it is sufficient to satisfy Condition No. 3. The County Board of Commissioners is scheduled to consider the agreement at its November 27, 2013 meeting.

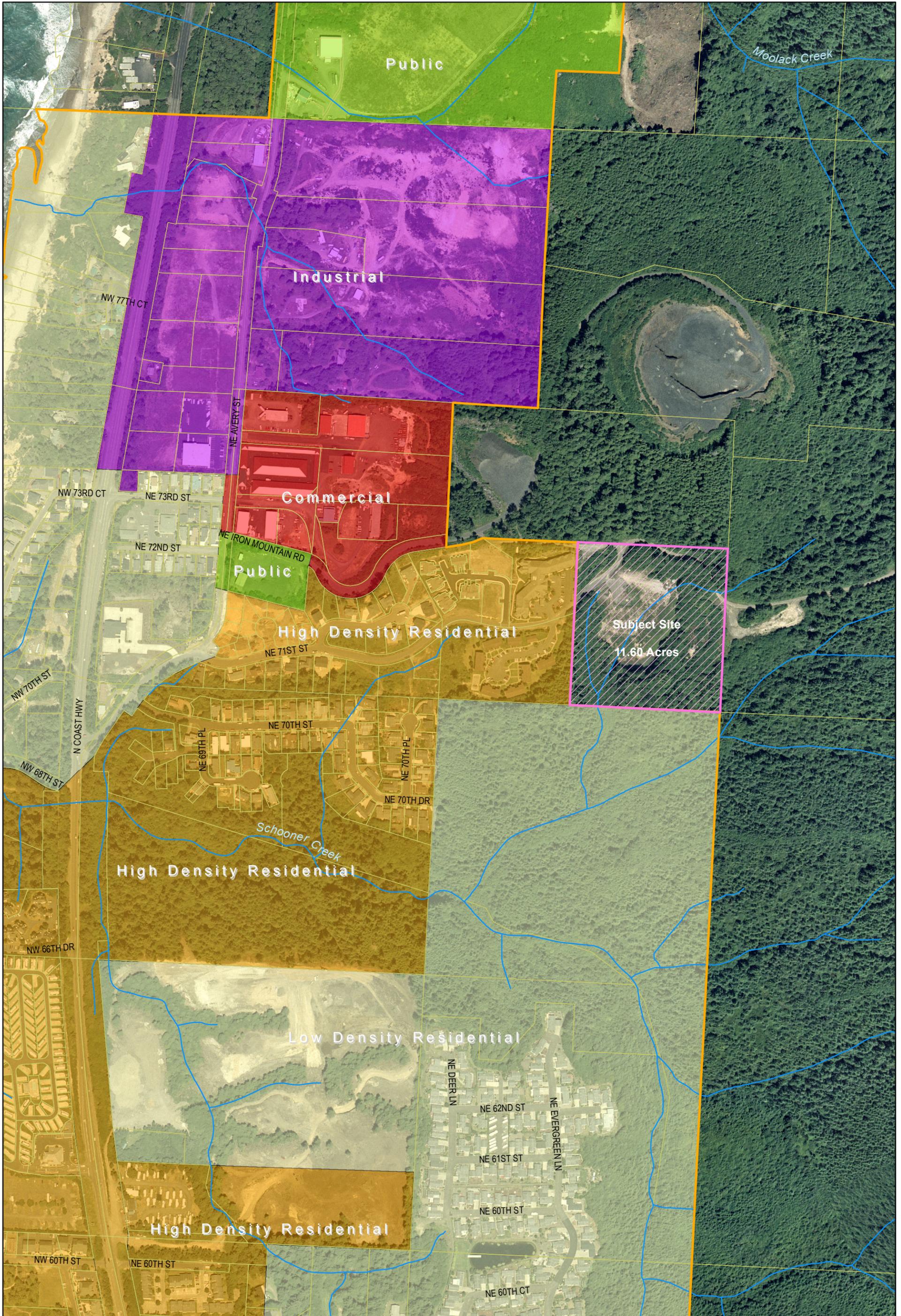
OTHER ALTERNATIVES CONSIDERED: A deed restriction; however, such a restriction is less favorable to the City in that it is an encumbrance on the title that would apply to future owners of the property or any portion of it.

CITY COUNCIL GOALS: Construction of the Agate Beach Storage Tank and its associated distribution system is a budgeted capital project.

ATTACHMENT LIST:

- Vicinity Map
- Draft Intergovernmental Agreement
- Lincoln County Conditional Use Permit No. 03-C-Adm-13.

FISCAL NOTES: There are no known fiscal impacts attributed to this agreement.



City of Newport
Community Development Department
 169 SW Coast Highway Phone: 1.541.574.0629
 Newport, OR 97365 Fax: 1.541.574.0644

Proposed Site for Agate Beach Lower Storage Tank

County Zoning Designation:
 Forest, Timber-Conservation (T-C)



This map is for informational use only and has not been prepared for, nor is it suitable for, legal, engineering, or surveying purposes. It includes data from multiple sources. The City of Newport assumes no responsibility for its compilation or use and users of this information are cautioned to verify all information with the City of Newport Community Development Department.

**INTERGOVERNMENTAL AGREEMENT
regarding
FOREST OPERATIONS**

THIS INTERGOVERNMENTAL AGREEMENT is made effective as of _____, 2013, by and between the City of Newport (City) and Lincoln County (County).

RECITALS:

- A. The parties to this Agreement are units of local government, organized and operated under the laws of the State of Oregon. Accordingly, this Agreement is entered into under the authority of ORS Chapter 190.
- B. On March 20, 2013, City filed a Conditional Use Permit (CUP) application requesting to construct a 1.0 million gallon water storage tank with appurtenant connections to the City's existing water distribution system. The property is located at the east end of NE 71st Street, just northeast of Newport city limits, further identified on Lincoln County Assessor's Map No 10-11-20, as Tax Lot 1002 (Subject Parcel).
- C. The Subject Parcel is approximately 11.6 acres with a County plan designation of Forest Land and is zoned T-C (Timber Conservation).
- D. Properties located west and south of the Subject Parcel consist of lands located within Newport city limits zoned and/or developed with high density residential, commercial and industrial uses. Lands north and east are zoned T-C (Timber Conservation). Immediately north of the Subject Parcel is Iron Mountain Quarry, an active rock quarry owned by the Oregon Department of Transportation. West of the Subject Parcel is the Oceanview Assisted Living Facility and Salmon Run Apartments immediately south is currently undeveloped to as far south as NE 62nd Street in Newport. Lands to the east-northeast are industrial forest lands.
- E. On or about August 27, 2013, the County conditionally approved City's application. To satisfy Lincoln County Code Section 1.1375(3)(c), Condition 3 requires City to either record a written statement with the deed or enter into a written contract with the County recognizing the rights of adjacent and nearby landowners to conduct forest operations consistent with the Forest Practices Act.

AGREEMENT:

In consideration of the mutual covenants and obligations set forth herein, and in satisfaction of Condition 3 within County's approval of City's CUP, the following Agreement is entered into between the parties.

1. City Obligations. City hereby recognizes the rights of landowners adjacent to and nearby Subject Parcel to conduct forest operations on those parcels consistent with the Forest Practices Act.
 - a. City acknowledges that the Subject Parcel may be subject to common, customary and accepted forest management practices conducted in accordance with federal, state and county laws, codes and uses, which ordinarily produce noise, dust, smoke and other impacts.
 - b. City accepts the potential impact from forest practices, including but not limited to those set forth above in Section 1.a, as normal and necessary and part of the risk of maintaining City's water storage tank on the Subject Parcel, and further acknowledges the need to avoid activities that conflict with nearby forest uses and practices.
 - c. City agrees not to pursue a claim for relief or cause of action alleging injury from forest practices conducted adjacent to or nearby Subject Parcel for which no action is allowed under ORS 30.936 or ORS 30.937.

2. County Obligations. County hereby acknowledges that:
 - a. City's obligations under Section 1, above, satisfy County's Condition 3 within City's CUP.

3. Term. This Agreement shall continue in full force and effect as long as the City of Newport owns and operates a 1.0 million gallon water storage tank on the Subject Parcel.

4. Modification of Agreement. Any alternations, variations, modifications or waivers of provisions of this Agreement shall be valid only when they have been submitted in writing and approved by County and City.

5. Remedy. Violation of this agreement by City shall result in further action which may result in the revocation of the conditional use permit.

CITY:

COUNTY:

CITY OF NEWPORT

COUNTY OF LINCOLN

By: _____
 Printed Name: _____
 Title: _____
 Date: _____

By: _____
 Printed Name: _____
 Title: _____
 Date: _____



DEPARTMENT OF PLANNING AND DEVELOPMENT

210 S. W. 2nd St.
Newport, OR 97365
(541) 265-4192
Fax (541) 265-6945

NOTICE OF LAND USE DECISION

FROM: Lincoln County Planning Department

DATE: August 27, 2013

APPLICANT: City of Newport (Agent- Derrick Tokos; Community Development Director)

CASE FILE: 03-C-Adm-13

TYPE: Conditional Use Permit

NOTICE OF DECISION: *You are receiving this notice because records from the Lincoln County Assessor's Office indicate that you are the applicant or own land within 500 feet of the subject property.*

LOCATION: The subject property is located at the east end of NE 71st Street, just northeast of Newport city limits, and is further identified on Lincoln County Assessor's Map #10-11-20 as tax lot 1002.

REQUEST: The City of Newport is requesting a conditional use permit to construct a 1.0 million gallon water storage tank with appurtenant connections to the city's existing water distribution system. Improvements include the tank, a pump station, distribution lines, a riprap tank overflow, security fencing, new entry gate and a realigned gravel access road. An antenna and related equipment for a wireless water metering system will be co-located on the tank. Additional information and technical data is contained in the application materials.

DECISION: The Lincoln County Planning Department has granted approval of the conditional use permit, subject to the following conditions:

1. Approval is based upon the submitted plan. Any substantial change in the approved plan shall be submitted to the Planning Division as a new application for a conditional use.
2. The applicant shall obtain a valid building permit from the Lincoln County Department of Planning and Development prior to commencement of construction. A site specific geotechnical evaluation meeting the requirements of the Oregon Structural Specialty Code shall be submitted concurrent with the building permit application.
3. Written statement recorded with the deed or written contract with the county or its equivalent shall be submitted which recognizes the rights of adjacent and nearby land owners to conduct forest operations consistent with the Forest Practices Act.

4. The applicant shall submit evidence that fire safety design standards for roads have been met in accordance with LCC 1.1375(8).
5. The applicant shall provide and maintain sight-obscuring vegetation and trees in accordance with the approved plan.
6. Any signage shall be provided in accordance with LCC 1.1405.
7. The applicant shall provide evidence demonstrating that legal access to the subject property is obtained.
8. Off-street parking shall be provided in accordance with LCC 1.1415.
9. Lighting shall be projected in a downward direction in such a way that it does not broadcast onto neighboring properties. If necessary, exterior light fixtures shall be a full cutoff design to avoid visual impacts.

APPLICABLE CRITERIA:

1. Lincoln County Code Section 1.1375; (T-C) Timber Conservation Zone.
2. Lincoln County Code Section 1.1630; General Standards Governing Conditional Uses.
3. Lincoln County Code Section 1.0005(10); Mineral and Aggregate Resources.
4. Lincoln County Code Section 1.0115; Open Spaces and Historic Area Policies.
5. Lincoln County Code Section 1.1630(1); Standards and Procedures Governing Conditional Uses.
6. Lincoln County Code Section 1.1630(4); Standards for Public Utility Facilities.
7. Lincoln County Code Section 1.1630(29); Standards for Wireless Communications Facilities.
8. Lincoln County Code Section 1.1405; Sign Requirements.
9. Lincoln County Code Section 1.1415; Off-Street Parking and Off-Street Loading Requirements.
10. Lincoln County Code Section 1.1435; Accessory Uses.
11. Lincoln County Code Section 1.1615; Building Permit for an Approved Conditional Use.

APPLICATION MATERIALS / REPORTS: Copies of the staff report for this case are available for inspection or may be purchased at the Lincoln County Planning Department, 210 SW 2nd Street, Newport, Oregon 97365. Application materials are also available for inspection or may be purchased at the Planning Department Office.

APPEALS: If you believe this approval or the conditions imposed fail to meet the Applicable Criteria standards listed above, you have the right to appeal this decision to the Lincoln County Planning Commission. To appeal, contact the Lincoln County Planning Division no later than September 11, 2013 at 5:00 p.m. An appeal fee of \$310.00 must accompany your written statement explaining your reasons for an appeal as it relates to the Applicable Criteria.

CONTACT: Jessica Bondy, Senior Planner (541) 265-4192

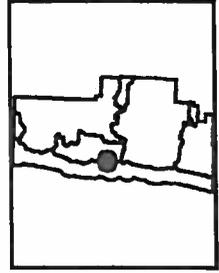
Lincoln County Geographic Info System

Taxlot
ParcelID 10-11-20-00-01002-00
Site Address

Owner
CITY OF NEWPORT
Address1
CITY MANAGER
Address2
109 SW COAST HWY
Address3

City/State/Zip
NEWPORT, OR 97365
Land Value 94420
Imp Value 0
Acres 11.6

Tax Account
Account R267076
Tax Code 133
Legal Desc. TWPNSHP 10, RNG 11, ACRES 11.....



1 in. = 732 ft.

Lincoln County government use only. Use for any other purpose is entirely at the risk of the user. This product is for informational purposes and may not have been prepared for, or be suitable for, legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

STAFF REPORT

Lincoln County Planning Division Conditional Use Permit

Case File: 03-C-Adm-13
Date Filed: 03-20-13
Revised Submittal: 07-17-13
Approval Date: 08-27-13
Appeal Date: 09-11-13

APPLICANT: City of Newport (Agent: Derrick Tokos; Community Development Director)

REQUEST: The City of Newport is requesting a conditional use permit to construct a 1.0 million gallon water storage tank with appurtenant connections to the city's existing water distribution system. Improvements include the tank, a pump station, distribution lines, a riprap tank overflow, security fencing, new entry gate and a realigned gravel access road. An antenna and related equipment for a wireless water metering system will be co-located on the tank. Additional information and technical data is contained in the application materials.

A. REPORT OF FACTS:

1. Property Location: The subject property is located at the east end of NE 71st Street, just northeast of Newport city limits, and is further identified on Lincoln County Assessor's Map #10-11-20 as tax lot 1002.
2. Lot Size: 11.6 acres.
3. Zoning Designation: T-C (Timber Conservation).
4. Plan Designation: Forest Land.
5. Surrounding Land Use: Properties located west and south of the subject property consist of lands located within Newport city limits; zoned and/or developed with high density residential, commercial and industrial uses. Lands north and east are zoned T-C (Timber Conservation). Immediately north of the subject property is Iron Mountain Quarry, an active rock quarry owned by the Oregon Department of Transportation. West of the subject property is the Oceanview Assisted Living Facility and Salmon Run Apartments; immediately south is currently undeveloped to as far south as NE 62nd street in Newport, and east/northeast are industrial forestlands.
6. Existing Structures: None. The subject property is the former site of Agate Beach Quarry (Site #33). The property was once utilized for commercial production of gravel and crushed rock. The City now owns the property and the former quarry area has been filled and remediated.
7. Topography and Vegetation: The former quarry area is filled and level. Northerly portions of the property consist of moderate to steeply rising topography covered in forested

meeting requirements for an essential facility as provided for in the Oregon Structural Specialty Code. This will provide assurance that the facility will be constructed to the required standards provided for such facilities.

Details of the proposal can be found in the application materials which include a series of site plan maps, detailed project description, preliminary construction specifications and elevation drawings, photo simulation, geotechnical reporting, and other related information.

2. Agency Comments:

- a. Lincoln County Building Department: The proposed structure is defined as an "essential facility" under the Oregon Structural Specialty Code. Such structures require geotechnical evaluation by a qualified geologist for purposes of obtaining a valid building permit. Ale Eames; Building Official.
- b. Oregon Department of Transportation: "Regarding the conditional use permit for the City of Newport's water tower: We are not in opposition to this project at this time and no additional comments based on the current information provided thus far." Valerie GriggDevis.

3. Ordinance Standards: The following ordinance standards apply to this request:

A. Lincoln County Land Use Code, Section 1.1375(2),(g),(k),(l), Conditional Uses Permitted: The following uses may be permitted subject to provisions of subsection (3) of this section and applicable provisions of LCC 1.1401 to 1.1499, 1.1501 to 1.1599, 1.1601 to 1.1699, and 1.1901 to 1.1999:

- (g) Television, microwave and radio communication facilities and transmission towers;
- (k) Water intake facilities, related treatment facilities, pumping stations, and distribution lines;
- (l) Reservoirs and water impoundments.

Stated as the enabling authority.

B. Lincoln County Land Use Code, Section 1.1375(3), Limitations on Conditional Uses: The Planning Director or Commission shall determine whether a use other than a dwelling authorized by subsection (2) of this section meets the following requirements. These requirements are designed to make the use compatible with forest operations and agriculture, and to conserve values found on forest ground.

- 1) The proposed use will not force a significant change in, or significantly increase the cost of, accepted farming or forest practices on agriculture or forest lands;

Lands managed for forest uses are located east/northeast of the subject property. The water storage tank and related improvements are located well within the property boundaries behind a fenced enclosure. Domestic water stored on site is fully contained within the tank structure and the facility itself is not staffed (although it will be periodically accessed for maintenance purposes).

Forest operations (spraying, slash burning, harvesting) on these adjacent properties can be conducted with little or no concern as the stored water is contained in a closed tank system. Additionally, the structure will be constructed in accordance with building code standards, thus providing assurance the structure will not be affected by vibrations or other activities associated with forest management. The applicant asserts that presence of the facility should not deter forest operators from conducting forest activities. Moreover, the applicant also indicates an access easement exists to allow adjoining forest operators access to their properties and that the City will maintain that access per the terms of that agreement.

There are no nearby or adjacent farming activities. Based on these considerations, staff finds that the proposed water storage facility will not create a significant change in or significantly increase the cost of accepted forest or farming practices.

- 2) The proposed use will not significantly increase fire hazard, significantly increase fire suppression costs, or significantly increase risks to fire suppression personnel.

As noted by the applicant, one of the reasons for locating the tank facility on this property is that it possesses sufficient elevation to provide enough water pressure to down slope hydrants for fire suppression purposes. A hydrant will also be installed next to the new pump station. These improvements enhance fire suppression capabilities for urban and rural areas at the north end of Newport. Based on these considerations, staff finds that construction and operation of the water tank facility is not anticipated to create new fire hazards, increase fire suppression costs, or increase risks to fire suppression personnel.

C. Lincoln County Code Section 1.1375(8): Fire Safety Design Standards for Roads:

The following standards apply to all roads and driveways which access uses permitted under subsection (1) of this section or approved under subsection (2) of this section, except for private roads accessing only commercial forest uses:

- (a) Width: Access roads serving three or fewer dwellings shall have a 12 foot improved width and a 20 foot horizontal clearance. Access roads serving more than three dwellings shall have a 16 foot improved width and a 20 foot horizontal clearance.
- (b) Construction: Access roads must be improved with an all weather surface. Roads, bridges and culverts shall be designed and maintained to support a minimum gross vehicle weight (GVW) of 50,000 pounds. If bridges or culverts are involved in the construction of a road or driveway, written verification of compliance with the 50,000 pound GVW standard shall be provided by a professional engineer, registered in Oregon.
- (c) Vertical Clearance: Access roads shall have an unobstructed vertical clearance of not less than 13.5 feet.
- (d) Turnarounds: Dead end roads over 150 feet in length shall provide a turnaround adequate for emergency vehicles.

(e) Turnouts: Access roads greater than 400 feet in length shall have turnouts at a maximum spacing of one-half the length of the access road or 400 feet, whichever is less. Turnouts shall be required more frequently where visibility is limited. Turnouts shall be an all weather surface at least 10 feet wide and 40 feet long.

(f) Road Grade: Road grades shall not exceed 12 percent, except that a maximum of 15 percent may be permitted on pitches less than 200 feet long. Variations from these standards may be granted by the fire service having responsibility for the area when topographic conditions make these standards impractical and where the local fire protection district states that their fire fighting equipment can negotiate the proposed road grades.

(g) The applicant shall provide an as-built certification stamped by a licensed professional engineer registered in the State of Oregon verifying that road safety design standards set forth in this section have been met.

Evidence demonstrating compliance with the above standards will be attached as a condition for final approval.

D. Lincoln County Code Section 1.1375(9): Dimensional Standards:

(a) The front yard shall be a minimum of 20 feet.

(b) Each side yard shall be a minimum of five feet, or one foot for each three feet of building height, whichever is greater.

(c) The rear yard shall be a minimum of 10 feet, except for that on a corner lot the rear yard shall be a minimum of either five feet, or one foot for each three feet of building height, whichever is greater.

(d) No structure shall be located closer than 30 feet from the right of way of any state highway, and no structure shall be located closer than 30 feet from the right of way of any arterial or collector street which has a right of way width of less than 60 feet. (e) No dwelling or residential accessory structure shall exceed a height of 30 feet.

The submitted plan indicates that proposed facility exceeds the requirements set forth above.

E. Lincoln County Code Section 1.0005(10): Mineral and Aggregate Resources:

The large majority of the County's known aggregate reserves occur on forest or agricultural lands, where no significant conflicts exist. Some deposits do occur in areas where potential conflicts from other uses could arise. These have been analyzed, consequences have been assessed and conflicts resolved. This resolution has generally taken the form of either permitting in full or prohibiting the conflicting use.

The subject property is the former site of the Agate Beach Quarry and is also located immediately south of the Iron Mountain Quarry, a quarry actively managed by the Oregon Department of Transportation. The Lincoln County Comprehensive Plan contains descriptions of inventoried quarries and as mentioned above, analysis of potential conflicting uses.

For purposes of evaluating conflicting uses, mineral and aggregate sites have been placed into one of the following three categories (for purposes of the subject application, it is only necessary to cite Categories 1 and 2.).

Category 1-Forest Land Quarries: Most of Lincoln County's know aggregate deposits are small and remotely located on lands planned and zoned for forest uses. The use of these small deposits is generally intermittent, usually as a source of crushed rock for forest roads. Aggregate extraction of this nature is a normal activity in forest areas and is compatible with other uses, which are present or anticipated in the county's forest areas. Other uses of forestlands which are permitted or reviewed on a conditional basis will not conflict with or pre-empt the use of these forest quarries. *(Staff notes that the Lincoln County Comprehensive Plan Inventory identifies Iron Mountain Quarry as a Category 1 site- Site #32, thus by definition above, normal activity associated with the quarry is considered compatible with the new water tank facility. Moreover, the water tank facility as a conditional use, would not pre-empt the use of this forest quarry, based on the above finding in the Lincoln County Comprehensive Plan).*

Category 2- Site Currently Utilized for Commercial Production: These sites are generally large deposits of good quality and are currently being utilized for commercial aggregate production. These sites are generally located in proximity to other developed lands and potential for conflicts may exist. The location and nature and extent of conflicts for these sites are detailed below. Agate Beach Quarry- Site #33, is described in the comprehensive plan as follows: "...It was formerly a large producer of gravel and other crushed rock, though the site is now nearly depleted. Future operations on this site will be limited in size and duration by this fact..." *(Staff notes that Agate Beach Quarry is the location of the subject property, which is now owned by the City of Newport. The former quarry area has been filled and remediated; thus as stated by the applicant...Given that the aggregate resources on the property have been essentially tapped out, locating the proposed utility improvements on the property poses no conflict." Staff agrees).*

As noted earlier, the proposed water storage tank and related utility improvements are considered a conditional use in the T-C zone. Thus, pursuant to the County's inventory, they are not considered to be conflicting uses. Based on the above considerations, staff finds that the proposed facility is compatible with Iron Mountain Quarry located north of the subject property.

F. Lincoln County Code Section 1.0115 Open Spaces, Scenic and Historic Area Policies:

- (1) Lincoln County shall inventory the location, quality and quantity of the following types of significant sites:
 - (b) Mineral and aggregate resources;
- (2) Lincoln County shall identify conflicting uses for inventoried natural resources.
- (3) Where no conflicting uses have been identified, Lincoln County shall manage

inventoried natural resources so as to retain their original character.

(4) Where conflicting uses are identified for inventoried natural resources, Lincoln County shall determine the economic, social, environmental and energy consequences of either allowing or not allowing the conflicting use or uses.

(5) Lincoln County shall develop programs to resolve identified conflicts with inventoried natural resources. These programs shall be based upon an evaluation of the economic, social, environmental and energy consequences of alternative courses of action. Such programs shall:

- (a) Preserve the inventoried resource;
- (b) Allow the conflicting use or uses in full; or
- (c) Specifically limit the conflicting use or uses through the application of clear and objective standards.

(6) The results and conclusions of application of the procedures and requirements of the policies contained in subsections (1) through (5) of this section shall be set forth in the Goal 5 element of the Comprehensive Plan Inventory. Change to the Goal 5 Inventory element shall be accomplished through the plan amendment process.

(7) As new information concerning the location, quality and quantity of the resources listed in the policy described in subsection (1) of this section becomes available, such information shall be incorporated into the Comprehensive Plan Inventory. Priority shall be given to resources for which inadequate information is currently available (mineral and aggregate sites, archaeological sites, recreation trails, and scenic waterways).

As noted under E. above, the large majority of the County's known aggregate reserves occur on forest or agricultural lands, where no significant conflicts exist. Some deposits do occur in areas where potential conflicts from other uses could arise. These have been analyzed, consequences have been assessed and conflicts resolved. This resolution has generally taken the form of either permitting in full or prohibiting the conflicting use.

Lincoln County conducted an inventory of aggregate and mineral sites in accordance with the above (F.) policies. That inventory includes the two sites referenced above. One of the sites involves the subject property, which is identified as Site #33, Agate Beach Quarry. Agate Beach Quarry has been closed, filled and remediated. Given that the aggregate resources have been essentially exhausted, locating the proposed utility improvements on the property poses no conflict.

Staff stated above that the Lincoln County Comprehensive Plan inventory identifies Iron Mountain Quarry as a Category 1 site- Site #32, thus by definition, normal activity associated with the quarry is considered compatible with the new water tank facility. Moreover, the water tank facility as a conditional use, would not pre-empt the use of this forest quarry, based on the above finding in the Lincoln County Comprehensive Plan. Thus, pursuant to the County's inventory, the water storage tank and related utility improvements are not considered to be conflicting uses.

With respect to the above policies, the most recent information related to Iron Mountain Quarry from a planning policy perspective relates to provisions adopted by the City of Newport in 1993. Contained in the City of Newport Comprehensive Plan is a zoning overlay to protect the Iron Mountain Quarry from potential conflicting uses. The Plan lists reservoirs and impoundments as uses that may pose conflicts with surface mining activities because they could be adversely impacted by blasting and ground vibration associated with mining activities. It is important to note that the City of Newport Comprehensive Plan applies to lands within its Urban Growth Boundary. The subject property is outside of the Newport Urban Growth Boundary thus, the Plan language is not applicable to this application.

It is also important to note that staff of the Lincoln County Planning Department contacted staff of ODOT for comment early on in the application review process. As mentioned above, ODOT was not in opposition to the proposal submitted at that time (staff notes that no changes to the application reviewed by ODOT have been made).

For the reasons stated above, staff finds that the proposed use is consistent with the County Comprehensive Plan policies related to aggregate sites.

G. Lincoln County Code 1.1630(1), Standards and Procedures Governing Conditional Uses:

In addition to the standards of the zone in which the conditional use is located and the other standards of this chapter, conditional uses shall meet the following standards:

1. General Standards:

In addition to the other applicable standards of this section, all conditional uses, except for dwellings authorized in the T-C and A-C zones, shall comply with the following requirements:

- (a) The site under consideration is suitable for the proposed use considering:
 - (i) The size, design and operating characteristics of the use.
 - (ii) The adequacy of transportation access to the site.
 - (iii) The natural and physical features of the site such as general topography, natural hazards, natural resource values, and other features.

The size, design and operating characteristics of the proposed use are summarized above and outlined in the submitted application materials. Detailed site plans show the location of improvements. In general, the City of Newport is requesting a conditional use permit to construct a 1.0 million gallon water storage tank with appurtenant connections to the city's existing water distribution system. Improvements include the tank, a pump station, distribution lines, a riprap tank overflow, security fencing, new entry gate and a realigned gravel access road. An antenna

and related equipment for a wireless water metering system will be co-located on the tank.

Access to the subject property is by way of NE 71st street. The City will secure legal access to the subject property boundary and construct a driveway to the facility subject to provisions of LCC 1.1375. On-site parking will be provided. This is an unstaffed facility. Only routine traffic associated with staff operations and maintenance will be generated. The water storage facility will be located within a 6 foot-tall fenced enclosure occupying an area of approximately 160' X 150' in size; of the 11.6 acre parcel of land. The fenced enclosure is located on the most easterly side of the property, setback 547 feet from the west, 268 feet from the north, and 330 feet from the south lot lines. The tank is setback 53 feet from the east lot line, adjacent to land zoned timber conservation. The applicant indicates the tank will have a building height of 47 feet with a diameter of 76 feet. The exterior of the tank will be painted dark blue, and have an aluminum matte finish roof. Security lighting customarily associated with this type of city facility will be installed. Lighting will be shielded and pointed in a downward fashion such that it does not broadcast onto neighboring properties. The antenna used for wireless water metering will be mounted to the exterior of the water tank and will not extend above the top of the tank. No discernible noise, vibrations, odors, glare or other similar factors are expected to cause unreasonable adverse impacts to surroundings lands.

The site is uniquely positioned in that it possesses the elevation needed to generate sufficient pressure and flow in the city's water distribution system to meet service demands, particularly with respect to fire suppression. This location will provide enough pressure to down slope hydrants. A hydrant will be installed next to the new pump station. These improvements enhance fire suppression capabilities for urban and rural areas at the north end of Newport. Additionally, the facility will be built in accordance with modern building code standards meeting requirements for an essential facility as provided for in the Oregon Structural Specialty Code. This will provide assurance that the facility will be constructed to the required standards provided for such facilities.

As previously mentioned, the subject property is the former site of the Agate Beach Quarry. The quarry is no longer in operation, has been filled and remediated. The location of the proposed facility is located at the most easterly side of the subject property, setback a considerable distance from nearby and adjacent uses. Earthwork and grading necessary to construct the facility is moderate enough that the facility can be constructed without extensive re-contouring of the site. Of those nearby drainages, none are located in the vicinity of the tank compound.

Aggregate resource issues associated with Iron Mountain Quarry were evaluated in a previous section. Staff concludes that the proposed facility satisfies county plan policies and requirements as it relates to on-site and surrounding natural resources and features. All necessary approvals and permits from natural resource and related agencies will be obtained where necessary, thereby ensuring that issues concerning natural resource values and features are addressed.

Details of the proposal can be found in the application materials which include a series of site plan maps, detailed project description, preliminary construction specifications and elevation drawings, photo simulation, geotechnical reporting, and other related information. The site plan shows there is ample room to accommodate the proposed facility on the 11.6 acre parcel of land; within which the 160' X 150' tank compound will be located.

Based on the above considerations, staff finds that the site is suitable for the proposed use.

- (b) The proposed use is compatible with existing and projected uses on surrounding lands, considering the factors in paragraph (a) of this subsection.

Properties located west and south of the subject property consist of lands located within Newport city limits; zoned and/or developed with high density residential, commercial and industrial uses. Lands north and east are zoned T-C (Timber Conservation). Immediately north of the subject property is Iron Mountain Quarry, an active rock quarry owned by the Oregon Department of Transportation. West of the subject property is the Oceanview Assisted Living Facility and Salmon Run Apartments; immediately south is currently undeveloped to as far south as NE 62nd street in Newport, and east/northeast are industrial forestlands. Projected uses on surrounding lands will likely follow the existing pattern of land use.

Access to the subject property is by way of NE 71st street. The City will secure legal access to the property boundary and construct a driveway to the facility. On-site parking will be provided. Only routine traffic associated with staff operations and maintenance will be generated. The water storage facility will be located within a 6 foot-tall fenced enclosure occupying an area of approximately 160' X 150' in size; of the 11.6 acre parcel of land. The fenced enclosure is located on the most easterly side of the property, setback 547 feet from the west, 268 feet from the north, and 330 feet from the south lot lines. The tank is setback 53 feet from the east lot line, adjacent to land zoned timber conservation. The applicant indicates the tank will have a building height of 47 feet with a diameter of 76 feet. The exterior of the tank will be painted dark blue, and have an

aluminum matte finish roof. Security lighting customarily associated with this type of city facility will be installed. Lighting will be shielded and pointed in a downward fashion such that it does not broadcast onto neighboring properties. The antenna used for wireless water metering will be mounted to the exterior of the water tank and will not extend above the top of the tank. The site will have very little incoming or outgoing traffic. Further, this type of infrastructure facility (water utilities, electric stations) is commonly located within cities; in and around neighborhoods, commercial districts or more densely populated urban areas to support existing and regional development. The facility is located a sufficient distance from any nearby or residential uses and buffered by tree cover in such a way that it is unlikely to be noticeable or objectionable. Once constructed, the use will be passive in nature. No discernible noise, vibrations, odors, glare or other similar features are expected to cause unreasonable adverse impacts to surrounding lands.

The proposed facility is compatible with the common uses of forestland, including resource extraction, recreation, and wildlife habitat. It is also customary to site such facilities in more remote or forested areas. As mentioned previously, there should be no interference with adjacent forest operators to continue management of lawful forest practices. Additionally, it is anticipated that construction and operation of the facility will not restrict or conflict with operations of Iron Mountain Quarry; no objections to the facility were raised by ODOT in this regard. And likewise, Iron Mountain Quarry should not affect the facility and appurtenant utilities as the facility will be built to modern earthquake standards.

Based on these considerations, staff finds that the proposed use is compatible with existing and projected uses on surrounding lands.

H. Lincoln County Code Section 1.1630(4):Standards for Public Utility Facilities, such as electric substation or transformer, public or community domestic water supply reservoir or pumping station, public or community sewage disposal plant or pumping station, radio or television tower or transmitter, or governmental structure or use of land.

i. In a residential zone, all equipment and material storage shall be within an enclosed building.

The proposed facility is not in a residential zone; therefore, this criterion does not apply.

ii. Workshops shall not be permitted in a residential, C-1 or C-T zone.

The proposed facility is not in a residential, C-1, or C-T zone; therefore, this criterion does not apply.

iii. Public utility facilities shall be screened where practical and provided with landscaping.

As stated previously, the project is isolated in a forested area and should not be visible from the nearby areas. The project is currently screened on all sides by trees, and it will remain as such. The applicant will maintain sight-obscuring vegetation and trees in accordance with the approved plan.

Based on these considerations, staff finds that the above standard is met.

iv. The minimum lot size requirement may be waived on finding that the waiver will not result in noise or other detrimental effect to adjacent or nearby property.

The minimum lot size requirement is not applicable because there will be no changes to the existing lot and no new lots created as a result of the proposal.

i. Lincoln County Code Section 1.1630(29). Standards for Wireless Communication Facilities: All wireless communication facilities to be authorized as conditional uses shall comply with the following standards:

(a) As used in this subsection, "wireless communication facility" means an unstaffed facility for the transmission and/or reception of radio frequency signals, usually consisting of an equipment cabinet or other enclosed structure containing electronic equipment, a support structure, and antennae or other transmission and reception devices.

An antenna for wireless communication will be mounted on the exterior of the water storage tank. It will support a wireless metering system. Specifications for the antenna are contained in the application materials. It is a small device weighing 5 lbs. and will not extend above the top of the tank.

(b) Wireless communication facilities shall be sited in accordance with the following priorities, in order of their preference:

(A) Co-location by placement of antennae or other transmission and reception devices on an existing tower, building or other structure such as a utility pole or tower, water tank or similar facility.

The antenna is being co-located on the new water storage tank, thus a separate structure is not required. Siting the antenna on the tank

satisfies the first priority to co-locate a wireless communication system on a structure.

- (B) Use of mini cell or similar alternate technology whereby transmission and reception devices are placed on existing structures or placed on new structures which are consistent in height with and sited similarly to types normally found in the surrounding area, such as telephone, electrical, or light poles.

Evaluating use of the above technology was not required as the antenna will be co-located on the proposed water storage tank.

- (C) Siting of a new tower in a visually subordinate manner. As used in this subparagraph, "visually subordinate" means the relative visibility of a wireless communication facility where that facility does not noticeably contrast with the surrounding landscape. Visually subordinate facilities may be partially visible, but not visually dominant in relation to their surroundings as viewed from residences, highways or other public vantage points.

No towers are proposed, thus the above standard is not applicable. The proposed antenna will be mounted on the water storage tank, and should not have a noticeable appearance.

- (D) Siting of a new tower in a visually dominant location, but employing concealment technology. As used in this subparagraph, "concealment technology" means technology through which a wireless communication facility is designed to resemble an object present in the natural environment or to resemble a building of a type typically and customarily found in the area.

As discussed in the preceding paragraph, this proposal is considered by staff to have a negligible appearance.

- (c) Applicants proposing the siting of wireless communication facilities through means other than co-location shall demonstrate why higher priority alternatives for providing the specific, proposed wireless service are not feasible. As used in this paragraph, "not feasible" means that the proposed wireless communication service cannot be provided in a reasonable, practicable and cost effective manner. Factors that may render an alternative not feasible may include:

- (A) Existing buildings or towers are structurally inadequate to accommodate the proposed facility, and cannot be reasonably retrofitted.

Once approved and constructed, the water storage tank constitutes an existing structure on which to co-locate.

- (B) The alternative would cause radio frequency interference that would materially impair the functioning of existing or planned equipment at the tower or site, and such interference cannot be reasonably mitigated.

Based on the above considerations, this standard is not applicable.

- (C) The alternative cannot provide the radio frequency coverage required to provide the proposed service.

Based on the above considerations, this standard is not applicable.

- (D) The alternative is precluded by law, rule, regulation, contract or other legal authority.

Based on the above considerations, this standard is not applicable.

- J. Lincoln County Code Section 1.1405- Sign Requirements:(1) Scope:Every sign erected, altered or relocated within unincorporated Lincoln County shall conform to the provisions and requirements of this section. Except as otherwise provided in this subsection, every sign erected, altered or relocated within unincorporated Lincoln County shall conform to the provisions and requirements of this section.

The applicant indicates that a small sign identifying the water storage tank as a city facility will be erected on the premises and will conform to County requirements. Compliance with the above provision will be included as a condition of final approval.

- K. Lincoln County Code Section 1.1415 Parking Off-Street Parking and Off-Street Loading Requirements: At the time a structure is erected or enlarged or the use of an existing structure is changed, off street parking spaces, loading areas and access thereto shall be provided as set forth in this section unless greater requirements are established. If such facilities have been provided in connection with an existing use, they shall not be reduced below the requirements of this section. (1) Requirements for types of buildings and uses not specifically listed herein shall be determined by the Planning Commission, based upon the requirements of comparable uses listed. (2) In the event several uses occupy a single structure or parcel of land, the total requirements shall be the sum of the requirements of the several uses computed separately. (3) Owners of two or more uses, structures, or parcels of land may agree to utilize jointly the same parking and loading spaces when the hours of operations do not overlap, provided that satisfactory legal evidence is presented to the Planning Commission in the form of deeds, leases or contracts to establish the joint use. (4) Off-street parking spaces for dwellings shall be located on the same lot with the dwelling. Other required parking spaces shall be located not farther than 500 feet from the building or use they are required to serve, measured in a straight line from the building. (5)

Required parking spaces shall be available for the parking of operable passenger automobiles of residents, customers, patrons, and employees only, and shall not be used for storage of vehicles or materials or for the parking of trucks used in conducting the business or use. (6) Areas used for standing and maneuvering of vehicles shall have durable and dustless surfaces improved to minimum public road standards, maintained adequately for all weather use, and be so drained as to avoid flow of water across public sidewalks. (7) Except for parking to serve dwelling uses, parking and loading areas adjacent to or within residential zones or adjacent to residential uses shall be designed to minimize disturbance to residents by the erection, between the uses, of a sight-obscuring fence or not less than five feet in height except where vision clearance is required. (8) Parking spaces along the outer boundaries of a lot shall be contained by a curb or bumper rail at least four inches high and set back a minimum of four and one-half feet from the property line. (9) Artificial lighting which may be provided for parking areas shall not create or reflect substantial glare in a residential zone or on any adjacent dwelling. (10) Required off-street parking areas shall not be provided in the required front or street side yard areas in a residential zone. (11) Groups of more than four parking spaces shall be served by a driveway so that no backing movements or other maneuvering within a street, other than an alley, will be required. (12) A driveway designed for continuous forward flow of passenger vehicles for the purpose of loading and unloading children shall be located on the site of any school having a capacity greater than 25 students. (13) Buildings or structures which receive and distribute material or merchandise by truck shall provide and maintain off-street loading berths in sufficient numbers and size to adequately handle the needs of a particular use.

Access to the subject property is by way of NE 71st street. The City is currently working on finalizing legal access to the property boundary through adjacent property located west. A driveway to the water tank site will be constructed in accordance with LCC 1.1375 stated above. On-site parking for city staff will be provided. The County Code does not provide a parking ratio for the proposed facility. The facility will not be staffed on a regular basis; however, city staff will routinely access the site for maintenance purposes. Security lighting will be installed at the water storage facility, located at the easterly most portion of the subject property. Lighting will be downward directed such that it does not broadcast onto neighboring properties. The application materials indicate at least 4, on-site parking spaces will be provided for city staff. Staff will rely on the applicant to provide a sufficient number of parking spaces to accommodate their needs. Compliance with the above provisions will be included as a condition of final approval.

- L. Lincoln County Code Section 1.1435 Accessory Uses: General Provisions Regarding Accessory Use. An accessory use shall comply with all requirements for a principal use, except as specifically allowed to the contrary, and shall comply with the following limitations. (1) An accessory structure or use shall only be approved provided the principal use has been established. (2) An accessory structure not used for human habitation and separated from the main building may be located in the required rear and side yard, except that it may

not be located in the required street side yard of a corner lot, provided it is not closer than five feet to a property line.

The principle use is the water storage tank. Other appurtenant utilities and improvements will be constructed to support the facility.

M. Lincoln County Code 1.1615, Building Permit for an Approved Conditional Use: Building permits for all or any portion of a conditional use shall be issued only on the basis of the plan as approved by the Planning Division or the Planning Commission. Any substantial change in the approved plan shall be submitted to the Planning Division or the Planning Commission as a new application for a conditional use.

This standard will be included as a condition of final approval.

C. CONCLUSIONS:

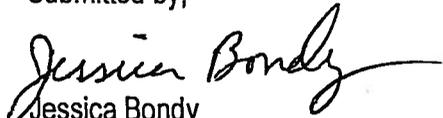
Based upon the preceding findings, the Lincoln County Planning Division hereby approves the request to construct the proposed water storage facility as detailed in the application. This approval is granted subject to the following conditions:

1. Approval is based upon the submitted plan. Any substantial change in the approved plan shall be submitted to the Planning Division as a new application for a conditional use.
2. The applicant shall obtain a valid building permit from the Lincoln County Department of Planning and Development prior to commencement of construction. A site specific geotechnical evaluation meeting the requirements of the Oregon Structural Specialty Code shall be submitted concurrent with the building permit application.
3. Written statement recorded with the deed or written contract with the county or its equivalent shall be submitted which recognizes the rights of adjacent and nearby land owners to conduct forest operations consistent with the Forest Practices Act.
4. The applicant shall submit evidence that fire safety design standards for roads have been met in accordance with LCC 1.1375(8).
5. The applicant shall provide and maintain sight-obscuring vegetation and trees in accordance with the approved plan.
6. Any signage shall be provided in accordance with LCC 1.1405.
7. The applicant shall provide evidence demonstrating that legal access to the subject property is obtained.
8. Off-street parking shall be provided in accordance with LCC 1.1415.
9. Lighting shall be projected in a downward direction in such a way that it does not broadcast onto neighboring properties. If necessary, exterior light fixtures shall be a full cutoff design to avoid visual impacts.

This decision becomes final on September 11, 2013, at 5:00 p.m., unless appealed by the applicant or some other interested party. This approval shall be void after two (2) years unless substantial construction pursuant thereto has taken place, as defined in Chapter 1.1620 of the

Lincoln County Land Use Code. However, the Planning Division may extend this authorization for an additional period as contained in said Chapter 1.1620 of the Code. No permits can be issued until after the appeal period has elapsed.

Submitted by,

A handwritten signature in black ink that reads "Jessica Bondy". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Jessica Bondy
Senior Planner



Agenda Item # VIII. C
Meeting Date 11/18/13

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title Consideration of Resolution No. 3650 - Support for a Visual Arts Center in the City of Newport

Prepared By: Hawker Dept Head Approval: ph City Mgr Approval: _____

Issue Before the Council: The issue before Council is consideration of Resolution No. 3650 supporting a visual arts center in the city.

Staff Recommendation: Staff recommends adoption of Resolution No. 3650.

Proposed Motion: I move to adopt Resolution No. 3650 expressing support for a visual arts center in the City of Newport.

Key Facts and Information Summary: At the October 7, 2013 City Council meeting, staff was directed to meet with members of the arts community to discuss the re-envisioning of the Visual Arts Center, and particularly to develop a plan of action to move this process forward. City staff met with OCCA Board Members and its staff to develop options to determine the long-term financial sustainability of the VAC. These options were presented at the November 4 City Council meeting. Several OCCA Board Members and staff and supporters of the VAC addressed Council at this meeting. At this meeting, city staff was further directed to draft a resolution of support for a visual arts center in the city. Based on discussion at the November 4 Council meeting, staff drafted Resolution No. 3650 which: recognizes that the City Council is interested in seeing a financially sustainable plan that will ensure the long-term success of a visual arts center in the community; acknowledges the offer from the OCCA Board of Directors to develop such a plan for presentation to the City Council by its first meeting in March of 2014; reiterates that the City Council will provide a liaison to assist and support OCCA in its efforts; acknowledges that the plan for achieving financial sustainability will look strategically at the existing Visual Arts Center business model, its operations, maintenance, and ownership, and may result in a recommendation that the VAC continue to operate at its present location or that the property be sold if a sale would help secure the long-term viability of a visual arts center within the community; and defers discussion of the potential sale of the VAC property until OCCA has had an opportunity to develop the plan and present its recommendations.

Other Alternatives Considered: None.

City Council Goals: None.

Attachment List: Resolution No. 3650

Fiscal Notes: None.

CITY OF NEWPORT

RESOLUTION NO. 3650

A RESOLUTION OF SUPPORT
FOR A VISUAL ARTS CENTER
IN THE CITY OF NEWPORT

WHEREAS, the City of Newport's existing Visual Arts Center was built in 1982 by the Newport Development Commission (Urban Renewal Agency) and conveyed to the City of Newport in 1992; and

WHEREAS, the City of Newport and its Development Commission has owned and maintained the existing Visual Arts Center for the past 30 years; and

WHEREAS, the city has contracted with the Oregon Coast Council for the Arts to operate the Visual Arts Center, and has utilized both general fund and transient room tax dollars to subsidize the cost of operations; and

WHEREAS, the visual arts play an important role in the City of Newport, contributing to the economic and cultural well-being of the city's residents and broader community; and

WHEREAS, the City Council took public comment at its meeting of October 7, 2013, at which significant support was expressed for the City to continue to support the Visual Arts Center.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. The City Council recognizes that the visual arts are part of the fabric and character of the City of Newport and is interested in seeing a financially sustainable plan that will ensure the long-term success of a Visual Arts Center within the community.

Section 2. The City Council embraces the OCCA Board of Directors offer to develop such a plan for presentation to the Council by its first meeting in March 2014 and will provide a Council liaison to assist and support that effort.

Section 3. The plan for achieving financial sustainability will look strategically at the existing Visual Arts Center business model, its operations, maintenance, and ownership, and may result in a recommendation that the Visual Arts Center continue to operate at its present location or that the property be sold, if such a sale would help secure the long term viability of a Visual Arts Center within the community.

Section 4. The City Council believes that further discussion of the potential sale of the Visual Arts Center property should be deferred until OCCA has had an opportunity to develop the plan and present its recommendations.

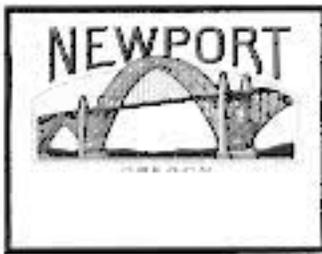
Section 5. This resolution is effective upon adoption.

Adopted by the Newport City Council on November 18, 2013.

Dean Sawyer, Council President

ATTEST:

Margaret M. Hawker, City Recorder



Agenda Item: VIII.D.

Meeting Date: 11/18/13

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration of a Change to the Schedule for Payment of Employee's Health Deductible for Employees Participating in the HSA and VEBA Health Plans

Prepared By: Hawker Dept Head Approval: _ph_ City Mgr Approval: _____

Issue Before the Council: The issue before Council is consideration of a change to the schedule in which the city's contribution toward employee's health insurance deductible is paid for employees participating in the VEBA and HSA. It was approved to be paid quarterly beginning in January 2014, but the recommendation is to pay it in a lump sum on January 1, 2014 and subsequent years unless changed by motion of the City Council.

Staff Recommendation: Staff recommends Council approval of the change as requested.

Proposed Motion: I move that in calendar year 2014 and subsequent years unless changed by motion of the City Council, the city's contribution toward the VEBA and HSA health insurance deductible, for all employees participating in these plans, be paid to employees in a lump sum on January 1, beginning on January 1, 2014.

Key Facts and Information Summary: On January 1, 2013, the city changed insurance plans for its non-represented employees, the IAFF, and Newport Employees Association. The change was part of the city's long-range plan to control health care costs while still providing competitive salaries and benefits for its employees.

On January 1, 2013, participating employees received health insurance deductible payments of \$3,000 for families, and \$1,500 for individuals. As approved on September 17, 2012, employees are to be paid the deductible in quarterly installments beginning on January 1, 2014, and the amount would be reduced to \$2,700 for families, and \$1,400 for individuals. Staff was made aware of the potential hardship created by making quarterly payments in the event an employee, or family member, had a serious medical issue early in the calendar year or a continuing medical issue from the previous year. The hardship is created when an employee is required to pay the entire deductible up front and wait throughout the year for reimbursement.

Other Alternatives Considered: Move forward with the motion made on September 17, 2012 and make the payments quarterly.

City Council Goals: None

Attachment List: Staff report from September 17, 2012 explaining the change to the health insurance plan and the city's schedule for payment of the deductible.

Fiscal Notes: Linda Brown, Assistant Finance Director, has advised that funds were budgeted to pay the entire deductible at the beginning of the year.



Agenda Item: _____

Meeting Date: 9/17/12

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Consideration of the City's Contribution toward the Deductible for Non-Represented Employees' High Deductible Health Plan (HDHP-1), Health Savings Account (HSA)/Voluntary Employee Benefit Association (VBA)

Prepared By: Marshall Dept Head Approval: dm City Mgr Approval: _____

Issue Before the Council: The issue before Council is the authorization of the city's contribution towards non-represented employee's health care deductible HDHP-1 plan.

Staff Recommendation: Staff recommends Council approve a motion that:

For calendar year 2013, the city contribute \$1,500 toward the health care plan deductible for the employee-only category, and \$3,000 toward the deductible for the other four categories (see Key Facts, below). The calendar year 2013 contribution will be paid to non-represented employees on January 1, 2013.

For calendar year 2014 and beyond, the city contribute \$1,400 toward the health care deductible for the employee-only category, and \$2,700 toward the deductible for the other four categories. For calendar year 2014, and beyond, contributions will be paid in quarterly increments on the first working day of each calendar quarter.

Proposed Motion: I move that in calendar year 2013, the city contribute \$1,500 toward the HDHP deductible for the employee-only category and \$3,000 toward the HDHP deductible for the other four categories for its non-represented employees, payable on January 1, 2013. As of January 1, 2014, and beyond, the city will contribute \$1,400 and \$2,700 towards the HDHP deductible for the previously designated employee categories, such contribution to be paid in quarterly increments to non-represented employees on the first working day of each calendar quarter.

Key Facts and Information Summary: On January 1, 2013, the city's insurance agency, CIS, will change its insurance year to match both the calendar year and city employee's tax and payroll years. It is also changing its "categories of coverage," from the present three categories to five categories: (1) Employee only; (2) Employee and Child; (3) Employee and Children; (4) Employee and Spouse; (5) Employee and Family.

On January 1, 2013, the city will change Insurance plans for its non-represented employees and the IAFF bargaining unit (possibly more). The new plan is the HDHP-1,

with a HSA/VEBA. This change is part of a the city's long-range plan to control health care costs while still providing competitive salaries and benefits for its employees.

At present, the city has 49 non-represented employees with health insurance. If those employees were to be covered for the full fiscal year under the present health insurance plan, the premium cost is about \$610,000.

Under the proposed HDHP, the premium cost for non-represented employees would be approximately \$405,000. With the city's contribution of \$1,500 and \$3,000 towards the deductible, the city's health care costs will be an additional \$127,500, for a total health plan cost of about \$533,000. The cost savings between current plan and the new plan for non-represented employees will be about \$97,000.

The above described health plan and contribution to employees is consistent with that recently negotiated with the IAFF and is the same plan and contribution rate that management is offering the other two bargaining units. Including the eight IAFF employees who will also participate in the HDHP plan, the savings to the city is approximately \$113,000.

Other Alternatives Considered: Over the past 18 months, the city has considered numerous plans and variations, from changing the 90%-10% share of the existing plan (say 85%-15%), to moving to a plan similar to the existing one but with higher deductibles and out-of-pocket costs to, finally, a HDHP with HSA/VEBA. Working with our employees, we settled on the latter because of the increased participation by our employees in their own health insurance coverage (the key to its more modest premiums) but, also, because of the need for the city to align its payroll costs more closely with its anticipated revenues for the next several years

City Council Goals: None

Attachment List: None

Fiscal Notes: None, as the budget reflected the city moving to the HDHP plan with an employer contribution to a HSA/VEBA.