

September 3, 2013
6:07 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, Roumagoux, Busby, Swanson, and Sawyer were present. Saelens was excused.

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

PLEDGE OF ALLEGIANCE

Council and the audience participated in the Pledge of Allegiance.

ADDITIONS/DELETIONS AND APPROVAL OF AGENDA

It was agreed to add action item H. - Consideration of Resolution No. 3646, South Beach Urban Renewal District Minor Amendment No. 10.

PUBLIC COMMENT

Jill Ledet addressed Council regarding the potential shared use and expansion of city approved vending areas. Tokos noted that if something could be worked out with the vendor by the Bayfront pump station to share that space, it should not be problematic under the ordinance. Allen suggested that Ledet communicate with Tokos if the Bayfront vendor is amenable to a shared use to make sure the use meets code requirements before formalizing an agreement. He added that an ordinance change would take additional time.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session and regular meeting of August 19, 2013;
- B. OLCC application - Agate Beach Market.

MOTION was made by Beemer, seconded by Sawyer, 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. Roumagoux reported that she had attended the Chamber of Commerce Board retreat as an ex officio Board Member.

Roumagoux reported that she participated in a phone radio interview with Keira Morgan, and is scheduled to be on the program every other Thursday morning for a brief Mayor's report.

Roumagoux reported that she attended a recent Coast Guard luncheon where she met the new Admiral Gombrich. She noted that there was a discussion regarding how to build the relationship between the city and Coast Guard.

Roumagoux reported that she, Beemer, and some department heads had attended the Celebration of Life for Burt Lippman at the PAC.

City Manager's Report. Smith reported on the organizations and people he had met with recently, along with the community events that he attended.

Smith invited Council to the city's department head-hosted barbecue/potluck on September 13.

Smith congratulated the Public Works street and water divisions, and the Fire Department, on their work on the Embarcadero water break on Friday evening. Gross reported that the water loss was approximately 2,000 - 3,000 per minute. He reviewed the cause of the break.

DISCUSSION ITEMS AND PRESENTATIONS

Hatfield Marine Science Center Update by Director, Bob Cowen and Former Interim Director, Janet Webster. Janet Webster and Bob Cowen appeared before Council. Webster noted that they were pleased to be here and suggested that this be an annual occurrence. She reviewed programming for the past year, and specifically addressed numbers of visitors, the internship program, and infrastructure investment.

Cowen thanked Webster for her outstanding service as interim director. He reviewed his background, and reported that he was attracted to HMSC because it is a well-recognized institution with a great future. He talked about the potential of a marine studies campus developed in three phases that could accommodate up to 500 students, associated faculty, and staff. He talked about coordination with OCCC and the ability for students to take early classes at community colleges and move into the OSU system later. Webster reported on the educational needs assessment recently completed by HMSC. A discussion ensued regarding housing for students, staff, and faculty. Cowen noted that an aggressive funding campaign, for \$50,000,000 is planned, and that if funding is secured by 2015, the design work could be performed with a ground breaking in 2016. Sawyer noted that missing from Cowen's list is the number of hours that HMSC employees have given to the community. Cowen reported that his sense of community has changed dramatically since he came to Newport. He noted that he is impressed with how everyone takes ownership and wants to help.

ACTION ITEMS

Consideration of FAA Grant Offer for AIP Number 3-41-0040-022-2013. Roman reported that the issue before Council is consideration of acceptance of an FAA grant for AIP No. 3-41-0040-022202013 in the amount of \$1,860,854. She noted that with the

approval of FAA grants for AIP Nos. 20 and 21, the predesign and design of the Runway 16/34 Rehabilitation Project is complete, and in anticipation of this grant, the design and search for a new ARFF truck is also complete. She stated that the city has issued a Notice of Intent of Award to the apparent low bidders in both the Runway 16/34 Rehabilitation Project solicitation and the ARFF truck/equipment solicitations. She stated that the grant for AIP No. 3-41-0040-022-2013 completes the financing requirements for all projects within the scope, including the Wildlife Hazard Study recently required by the FAA. Busby asked whether funding has been approved for the entire project, and Roman responded that it was fully funded, and that the city had gotten everything it asked for. MOTION was made by Allen, seconded by Beemer, to approve acceptance of the FAA grant for AIP Number 3-41-0040-022-2013 for \$1,860,854, and authorize the City of Newport to supply matching funds in the amount of \$186,086. The motion carried unanimously in a voice vote.

Recommendation from the Destination Newport Committee for Approval of Award to CBS Outdoor Advertising for Billboards. Lorna Davis, executive director of the Greater Newport Chamber of Commerce, reported that the issue before Council is the consideration of approval of a proposal from CBS Outdoor for billboards in Woodburn, Grand Ronde, and Newberg in the amount of \$56,600. She noted that the proposal had been reviewed and recommended by the Destination Newport Committee. MOTION was made by Sawyer, seconded by Allen, to approve billboards in Woodburn, Grand Ronde, and Newberg, from CBS Outdoor Advertising in the amount of \$56,600. The motion carried unanimously in a voice vote with Beemer not voting as he had left the room briefly.

Recommendation from the Destination Newport Committee for Approval of an Award to KEZI Television for a Commercial Campaign. Davis reported that the issue before Council is the consideration of a television commercial campaign by KEZI. She noted that the Destination Newport Committee had reviewed and recommends the proposal from KEZI in the amount of \$15,000. MOTION was made by Sawyer, seconded by Swanson, to approve the television commercial campaign with KEZI in the amount of \$15,000. The motion carried unanimously in a voice vote with Beemer not voting as he had left the room briefly.

Consideration of CoastCom Dark Fiber and Conduit Lease Agreement. Gross reported that the issue before Council is the consideration of a Master Indefeasible Right of Use Agreement between the city and CoastCom, Inc. to allow each party access to, and use of, the other party's fiber optic and conduit facilities under the specific terms and conditions described in the agreement. He noted that staff has been working with CoastCom and the city's legal team on this matter. Gross responded to Council questions. Allen noted that there should be some standard language in Clause 21, but since the agreement was approved by the both attorneys, he will let it go. MOTION was made by Swanson, seconded by Beemer, to approve the Master Indefeasible Right of Use Agreement between the City of Newport and Coastcom, Inc., and authorize the City Manager to execute the agreement. The motion carried unanimously in a voice vote.

Consideration of HDR Agreement for Engineer of Record for a Dam Consultant.

Gross reported that the issue before Council is the consideration of an agreement with HDR Engineering, Inc. for an Engineer of Record for dam consulting services. Busby noted that he did not see a “not to exceed” amount. Gross reported that it would be within the task order. MOTION was made by Sawyer, seconded by Swanson, to approve the contract with HDR Engineering, Inc., to provide Engineer of Record services for dam evaluation and design, and direct the City Manager to execute the contract. The motion carried unanimously in a voice vote.

Consideration of Lincoln Community Trust Agreement. Tokos and Commissioner Hall appeared before the Council. Tokos stated that although he is a member of LCLT, he is representing the city tonight. Tokos presented a PowerPoint presentation that included information regarding: the city’s lack of affordable housing units; the city’s housing goals, policies, and implementation measures; the workforce housing agreement; responsibilities of the Lincoln County Land Trust and the Community Services Consortium; and city responsibilities. He noted that the proposal is a small step, but would make available six owner-occupied housing units.

Busby stated that this is the fourth time this issue has been brought to Council. He noted that housing to support the city’s greatest growth industry - marine science - factors into this equation, but other than that, he noted that he is not sure how far the city should go to be in the housing business especially when it is financially strapped. He added that the city is spending more money than it is taking in, and regardless of the cause and need, he questioned whether the city can afford to give away \$300,000 in cash and assets. He further asked whether this is the place to give away money since it would only benefit six families. He stated that if the government gets into the business of selling houses, it affects people selling other houses and creates a negative impact. He noted that it would place houses on the tax rolls, but if the property was sold outright, and was buildable, the city would eventually receive the same amount of tax monies.

Allen noted that he had all his questions and comments addressed at the work session earlier today. He asked about the view of the LCLT, and Hall said it was a county-wide view of which Newport is just one piece. He noted that communities that purchase a large tract of land with some set aside for affordable housing could impact the discussion that might occur in Newport. He added that there are good arguments both ways, and it is a policy choice. Allen noted that he is not ready to make a policy choice until he hears what other Lincoln County cities are going to do. He added that this may need a more comprehensive review, and that he is not willing to proceed until further information is available; particularly what Lincoln City is planning.

Sawyer noted that both viewpoints are wonderful, and added that he thinks there are limited options to affect housing in Newport. He stated that he would like to see a list of properties and hear why the city has never elected to put them on the market. He added that he does not believe those properties will be “hot.” Sawyer proposed tabling this issue for two to four weeks so that Tokos can contact Lincoln City to determine what its’ timeline is relative to the development of workforce housing at its’ newly-acquired property. He also asked that Tokos prepare a list of the city’s properties with the market and assessed values before a final decision is made by Council.

Swanson stated that she would like to look at alternate plans and needs additional information. Sawyer noted that Council has limited options on how it can affect the need.

Hall noted that Lincoln City has a lot of highly buildable land, and that pursuing the discussion at a local level, and determining whether there is a broader commitment from the two cities would be a beneficial step.

Beemer noted that in view of Sawyer's suggestion, it would be better to wait to make a decision on this issue. He stated that he was prepared to make a motion with a proviso that if the result is not much within a year, that the city's participation in the program cease. Allen noted that the Planning Commission considered this issue prior to the Lincoln City land purchase. He stated that he is not against the proposal, but is not in a position to support it at this time as the LCLT should be approaching other communities. Allen noted that he would like a list of, and status of, properties. Allen suggested revisiting this issue after the first of the year.

MOTION was made by Sawyer, seconded by Beemer, to table the adoption of the workforce housing development agreement until the first of the year, and until further information is available on the properties and the position of Lincoln City. Allen asked whether other communities are supportive of this approach or are moving in a different direction, and noted that it would be nice to see where other communities are at on the issue, as other communities can help inform Council in making a decision. He added that if there is no need to move forward tonight; he recommends waiting for more information as it can lead to better policy choices at the end of the day. He noted that he prefers to wait a couple of months. Tokos noted that a month is enough and that he can get the Lincoln City information. It was noted that the issue is determining how Lincoln City is approaching its most recent land purchase. Allen stated that he is interested in seeing whether Tokos has checked in with Toledo as this is a county-wide issue. He asked where other Lincoln County cities stand on the issue. Allen noted that if possible, the matter could be brought back to Council before the end of the year. The motion carried unanimously in a voice vote.

PUBLIC HEARINGS

Public Hearing and Consideration of Ordinance No. 2050 Amending the Newport Zoning Code Relating to Manufactured Dwelling Parks and Recreational Vehicles.

Roumagoux opened the public hearing at 7:34 P.M. and asked for the staff report. Tokos reported that the issue before Council is consideration of whether it is in the public interest to make it easier for park models and other types of recreational vehicles to be used as a place of habitation within manufactured dwelling parks. He added that the revisions also clarify that, within the city limits, recreational vehicles may be used as a place of habitation within manufactured dwelling and recreational vehicle parks. Tokos stated that the Planning Commission recommends that the amendments be adopted. He reported that with Policy 8, Goal 2 of the Housing Element of the Newport Comprehensive Plan, the city committed to review its zoning ordinance to allow and encourage "park model" recreational vehicles as a viable housing type. He added that the Planning Commission conducted the review and determined that the minimum lot size standards, maximum density limitations, and minimum acreage requirements currently in place for manufactured dwelling parks prevent park models from being a viable housing option. Tokos stated that the Commission further determined that language in the ordinance dealing with the storage and use of recreational vehicles could be interpreted to prevent them from being used as a place of habitation within

manufactured dwelling and recreational vehicle parks, which would be inconsistent with the requirements of ORS 197.493. He noted that the Planning Commission considered whether the zoning ordinance should be amended to allow park models outside of manufactured dwelling parks and recreational vehicle parks and determined that it would be inappropriate to do so at this time. Tokos stated that at 400 square feet in size, a park model is relatively small, and the Planning Commission was concerned about compatibility of the units in established residential neighborhoods. He added that the Planning Commission felt that more time is needed to see how the units hold up given that they are constructed to recreational vehicle codes as opposed to the Oregon Residential Specialty Code or Federal Manufactured Home Construction Safety Standards. Tokos stated that the Planning Commission held a public hearing and voted to recommend adoption of amendments to address the shortcomings of the zoning ordinance. He added that the DLCD was provided notice of this hearing.

Roumagoux closed the public hearing at 7:40 P.M.

Roumagoux asked for public comment. There was none.

Roumagoux closed the public hearing for Council deliberation. Beemer noted that he believes this is a good idea and related personal experience with park models. MOTION was made by Sawyer, seconded by Beemer, to read Ordinance No. 2059, an ordinance amending Chapter 14.16 of the Newport Zoning Code relating to manufactured dwelling parks and recreational vehicles, by title only and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2059. Voting aye on the adoption of Ordinance No. 2059 were Allen, Beemer, Busby, Roumagoux, Swanson, and Sawyer.

ACTION ITEMS

Consideration of a Franchise Extension Agreement between the City of Newport and Falcon Telecable I/k/a Charter Communications. Hawker reported that the issue before Council is consideration of a franchise extension agreement between the city and Charter Communications. She noted that the current franchise agreement has expired, and that the extension will allow the city and Charter time to negotiate a new mutually acceptable franchise agreement. MOTION was made by Allen, seconded by Beemer, to approve the franchise extension agreement between the City of Newport and Falcon Telecable, locally known as Charter Communications, and direct staff to work with Speer Hoyt in negotiating a new franchise agreement with Falcon Telecable, I/k/a, Charter Communications. It is further moved that on conclusion of negotiations, the new franchise agreement be brought to City Council for consideration and approval. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3646 - South Beach Urban Renewal District Minor Amendment No. Ten. MOTION was made by Allen, seconded by Beemer, to adopt Resolution No. 3646, a resolution adopting Minor Amendment Ten to the South Beach Urban Renewal Plan. The motion carried unanimously in a voice vote.

COUNCIL REPORTS AND COMMENTS

Sawyer reported that he and Tokos attended a recent COG meeting. He complimented Tokos on his presentation, and noted that the city has an excellent chance of having one of its projects included in an upcoming STIP.

Swanson complimented Tokos and Gross for their hard work.

Allen reported that he attended both days of the Oregon Coast Economic Summit, and that it included many interesting roundtables, panels, and keynote speeches. He added that he believes it will become an annual event.

Allen reported that the Infrastructure Task Force will meet this Thursday and Gross and Tokos will be talking about projected infrastructure needs.

Allen addressed the RFP for general municipal legal services. He stated that he had recused himself and left the room during this discussion at the August 19, 2013 City Council work session. He reported that he had sent an e-mail on August 23, 2013 stating that he was not planning to submit a proposal to the RFP, and he was no longer declaring a conflict of interest, and can now discuss the issue. He addressed the paragraph on page two of the RFP that indicated that submitted materials will be kept confidential, noting that with no established formal procedures, the proposals cannot be discussed in executive session. He reiterated that if Council considers a proposal(s), the consideration must occur in open session. He added that the e-mail that he sent on August 23 is a matter of public record. He stated that some news reports on August 28 were accurate and the public is now aware of it.

Beemer reported that he attended the Celebration of Life for Burt Lippman. He noted that it was a very moving experience, and that there was a tremendous turn-out.

Beemer reported on a recent Port of Newport meeting. He noted that Brent Joyce had given a report on the needs of the Rogue distillery, and the issue is whether the Port can handle those needs over time.

Busby reported that draft minimum standards for the airport were released by Smith. He stated that these are rules for businesses on airport property. He added that minimum standards have been talked about for quite some time. He stated that the airport does not have to have minimum standards, although they are nice to have. He stated that the initial draft was objectionable, and overstepped the boundaries of what is reasonable. He suggested starting from a middle ground. He noted that the minimum standards will be vetted by the Airport Committee and airport staff and then sent to Council for approval. He noted that the Airport Committee will meet next Tuesday.

ADJOURNMENT

Having no further business, the meeting adjourned at 7:54 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor