

AGENDA & Notice of Planning Commission Work Session Meeting

The City Council and the Planning Commission of the City of Newport will hold a joint work session meeting at **6:00 p.m., Monday, March 9, 2015**, at the Newport City Hall, Conference Room "A", 169 SW Coast Hwy., Newport, OR 97365. A copy of the meeting agenda follows.

The meeting location is 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 of Newport Planning Commission and 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.

NEWPORT PLANNING COMMISSION Monday, March 9, 2015, 6:00 p.m.

AGENDA

A. New Business.

1. Habitat for Humanity proposal to build low-income, affordable housing on City-owned land.

B. Unfinished Business.

- 1. Discussion regarding recommendations to the City Council on the North Side Urban Renewal District.
- 2. Review amendments to the off-street parking code (NMC 14.14) to eliminate the return of the "payment-in-lieu-of" system.

C. Adjournment.



March 2, 2015

City of Newport 169 SW Coast Hwy Newport, Oregon 97365

Re: Proposal by Habitat for Humanity of Lincoln County to build low-income, affordable housing on City of Newport owned land parcels.

Lincoln County, and specifically, Newport, Oregon, has a huge shortage of affordable housing. This shortage of affordable housing often forces residents to live outside of the Newport area where land and rent is somewhat cheaper, forcing large amounts of a family's income to be spent on transportation costs getting to and from their job. Habitat for Humanity of Lincoln County would like to partner with the City of Newport to build several units of affordable housing in Newport.

Organizational History

Habitat for Humanity of Lincoln County (an affiliate of Habitat for Humanity International) operates as a private non-profit organization building/rehabbing affordable homes and providing critical home repairs for low-income families, and through our two ReStores offers low-cost building materials, furniture and appliances, while diverting millions of pounds of useable and recyclable materials from our local landfill.

Since 1995, Habitat for Humanity of Lincoln County has built 14 homes: four in Lincoln City, two in Siletz, two in South Beach, four in Toledo and two in Waldport. On average, Habitat for Humanity homes are three bedroom, one and one half bath, single family homes of approximately 1,100 square feet. Four of these homes have been built in the past three years and all of these homes have been built on time and on budget. Habitat for Humanity of Lincoln County is a proven builder of cost efficient, well built homes for low-income families.

Habitat for Humanity of Lincoln County builds simple, decent and affordable housing through the use of volunteer labor and donated materials/services which help to keep the build costs down. *Habitat for Humanity homes are not free*. Once complete, these homes are sold to qualifying homeowners whose annual income is approximately \$24,000 - \$36,000 (30 – 60% of the Average Median Income) who would otherwise be unable to obtain conventional financing, through a 30 year, zero-percent loan. Mortgage payments are set at no more than 30% of a family's annual income, allowing for affordable monthly payments that free up money for child care, medicine and other necessities. These homes are then put on the County tax rolls generating much needed property tax revenue. Monthly mortgage payments are then paid to Habitat for Humanity of Lincoln County, helping to keep the building program sustainable.

When a Habitat for Humanity home is complete, the home is sold to the homeowner for the cost of the home build. A Habitat for Humanity of Lincoln County home often has a higher market value than the cost to build, due in part to donated materials/services and volunteer labor, which helped to keep the build costs down. An independent Realtor than provides a market analysis of what the home is actually worth. For example, if the average cost of a 1,000 square foot home is \$100,000 to build (including land), and the market analysis shows that the home is actually worth \$150,000, the Habitat for Humanity homeowner is sold the home for \$100,000, and receives no equity of the difference between the sale cost of \$100,000 and the market value of \$150,000, until the beginning of the sixth year of their loan. After the sixth year, the homeowner will receive 10% equity per year, until the sixteenth year where they gain 100% of the equity in their home. In addition, Habitat for Humanity of Lincoln County has the right for first refusal if a Habitat for Humanity home is offered for sale. These safe guards help to make sure that a Habitat for Humanity home is not flipped, and these low-income homes are kept affordable.

Proposal

Due to the shortage of affordable, buildable land in Newport, Habitat for Humanity of Lincoln County has been unable to build any affordable housing units there. Habitat for Humanity of Lincoln County has identified three lots owned by the City of Newport (see attachment) located in Newport, which would be suitable to build low-income, affordable housing. These lots are located within walking distance to many city services, are zoned for multiple housing (duplex) and are currently not on the County tax roll.

Habitat for Humanity of Lincoln County is asking the City of Newport for a donation of these properties for the purpose of building low-income, affordable housing. Once completed, these homes will be sold to a qualifying family and added to Newport's affordable housing stock. In addition to the donation of these parcels, Habitat for Humanity of Lincoln County is applying to the City of Newport for a \$100,000 zero-percent loan from the revolving low-income housing fund. In order to keep the costs down and to help keep these homes affordable, a zero-percent loan, with the City of Newport, with a six month grace period and repayment plan of five years is desired.

If the City of Newport were to donate these parcels to Habitat for Humanity of Lincoln County, and a loan from the City of Newport's affordable housing fund was made available by June 2015, funds would be available to begin construction on at least one lot (zoned for a duplex) in FY 2015 – 2016, with additional construction to follow in FY 2016 – 2017, and again in FY 2017 – 2018 (depending on funding). The goal for Habitat for Humanity of Lincoln County is to build several low-income and affordable housing units on these lots, which have a mixture of single family homes and duplexes in the area, within the next five years.

Conclusion

The City of Newport has a desperate need for more affordable low-income housing. Habitat for Humanity of Lincoln County is the only agency currently building owner occupied, low income housing in Lincoln County, and has a proven record of successfully building these homes on time and on budget.

By partnering with Habitat for Humanity of Lincoln County through a donation of these parcels of land (currently not on the County tax rolls) and a \$100,000 loan from the revolving affordable housing fund, the City of Newport is making an investment toward the building of low-come, affordable housing, which will result in several new homes being added to the affordable housing stock and the generation of substantial property tax revenue once these homes are put on the County tax rolls.

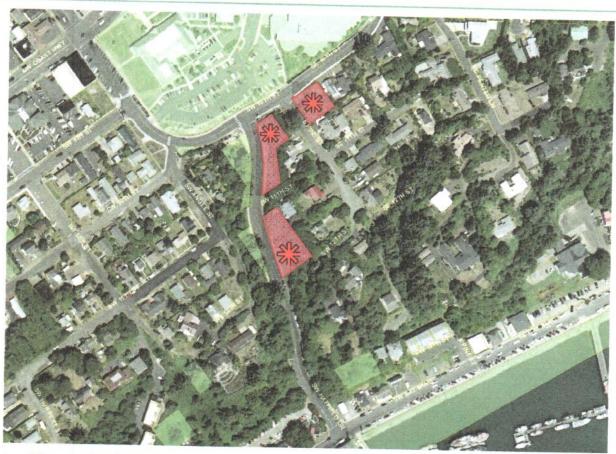
If there is any further information that we can provide you, please don't hesitate to let us know. Habitat for Humanity of Lincoln County is looking forward to a fruitful partnership with the City of Newport in the building of low-income, affordable housing.

Sally Bovett

Executive Director

Sauy Bovett

SW 10th Street Properties



- Description: Vacant residential properties
- Zoning: R-2/ "Medium Density Single Family Residential"
- Size: 31,800 sq. ft. (four tax lots)
- Market value: \$181,110 (2014)
- Services: All available
- Original Purpose: City Hall overflow parking and construction of Hatfield Drive. Road is built and overflow parking is not ideal due to location
- Constraints: Slope on the parcels adjacent to Hatfield.
 Terrain is less of an issue along 10th Street and there may be an opportunity to partially vacate Pine Street (80' ROW)

City of Newport

Community Development Department

Memo

To: Planning Commission/Commission Citizen Advisory Committee

From: Derrick Tokos, Community Development Director

Date: March 6, 2015

Re: Process to Create a New Urban Renewal District

On March 16, 2015 the Newport City Council will consider a resolution to initiate the planning process outlined in ORS Chapter 457 to create a new urban renewal district in Newport. The resolution will identify a general boundary and maximum level of indebtedness for the new district, and will indicate the City's intent to create an advisory committee to help develop the plan. A second resolution will be considered establishing the membership of the advisory committee. If created the new district will draw an initial increment in FY 16/17.

I hope to be able to distribute draft copies of the resolutions for your review at the work session. In the meantime, I have put together an updated schedule, conceptual project list, revenue projections, maps, and fiscal impact analysis documents for the three geographic areas covered in the feasibility study. Also enclosed are the minutes from the Planning Commission's January 12, 2015 joint work session with the City Council.

Please review these materials and come prepared to address the following questions:

- Should the Council provide direction that a particular option covered in the feasibility study be pursued? If so, is there general consensus as to the most appropriate option (i.e. small, middle, or large)?
- What direction should be provided regarding the maximum level of indebtedness that should be considered as part of the plan?
- Which organizations or groups that should be represented on the advisory committee that will assist in the development of the urban renewal plan?

I will take a stab at addressing these questions in the draft resolutions. The affected taxing entities have been invited to attend the March 16th City Council meeting. At this point, none of them have expressed opposition to the City creating a new district.

I look forward to our discussion on Monday!

Attachments

Minutes from the 1-12-15 joint work session with the City Council Implementation schedule and fiscal analysis for creating a new Urban Renewal District

MINUTES

City of Newport City Council and Planning Commission **Joint Work Session** Newport City Hall Conference Room A January 12, 2015

12:00 noon

City Council Members Present: Mayor Sandra Roumagoux, Laura Swanson, Ralph Busby, Dean Sawyer, Wendy Engler, and David Allen.

City Council Members Absent: Mark Saelens.

Planning Commissioners Present: Jim Patrick, Rod Croteau, Bill Branigan, Lee Hardy, Bob Berman, Mike Franklin, and Gary East.

PC Citizens Advisory Committee Members Absent: Suzanne Dalton and Dustin Capri.

City Staff Present: City Manager Spencer Nebel, Community Development Director (CDD) Derrick Tokos, City Recorder Peggy Hawker, City Attorney Steve Rich, and Executive Assistant Wanda Haney.

Chair Patrick called the Planning Commission work session to order at 12:00 noon noting that the agenda item was to discuss the process for the possible formation of a North Side Urban Renewal District. He turned the meeting over to CDD Tokos, who asked if first City Manager Nebel wanted to make a few comments.

Nebel noted that we have had a preliminary study as well as a number of discussions about creating a new Urban Renewal District for the north side of Newport. Through the course of several discussions, Nebel and Tokos have met with the various taxing districts to brief them on the potential new Urban Renewal District. He said that basically Tokos in his memo has outlined the process and various questions that need to be responded to or at least discussed as part of our discussion today outlining how we should be proceeding with this issue. There's also discussion as part of the list from an organizational standpoint about how we should lay this out. Should we continue as we have with the City Council serving as the Urban Renewal District? Should we create a new Urban Renewal District Board? If we have the City Council continue to be Urban Renewal, should there be a group that's appointed to work with the Council going forward and the Planning Commission on the various aspects of this plan. There are some organizational questions that we will get into as well. He thought our hope at the end of today's work session is to share some ideas, thoughts, and concerns about these various issues and get some direction on how we are going to proceed next with this issue. Nebel turned the meeting back to Tokos to work through the issues he had listed and then open it up for general discussion.

Unfinished Business.

Discussion regarding the public process for the possible formation of a North Side Urban Renewal District.

Analysis & outreach conducted to date: Tokos said that he would begin by working off his memorandum of January 9th that he put together as kind of a list of discussion topics. He said that in many respects Nebel had done a really nice job of covering the first part in terms of review of the feasibility study. The City spent some time and resources to do a feasibility study to determine if it's viable for the City to form a new district north of the bridge. The City Council and the Planning Commission have been heavily involved in that both in the review of the analysis as it was performed and identification of potential projects so that we could actually start to frame what it might look like so we could see if it was financially feasible. Three different scenarios were produced, and the maps showing each are included in the packet. All three are viable. He said it's more incumbent upon the City Council to make a decision and probably provide some sidebars should you decide to move forward with an Urban Renewal District for a task force to then begin to refine it. Tokos said, as Nebel had noted, he and Nebel met with each of the affected taxing entities; which were generally supportive, but each one had their own angle to it. Lincoln County School District recognizes that they are actually held financially harmless as a result of this because of the way they are funded, which is from the State based on enrollment. They still had some thoughts. Their primary thought was kind of a minor change. They would like to see the school district's properties by the fairgrounds included so that some solution to Eads could potentially be out there since that's been an ongoing issue with it cutting through their campus. Swanson asked what other taxing entities Nebel and Tokos had met with. Tokos said they met with the County, which picks up a few other taxing entities; not only the general county, but also transportation, and also the animal shelter. They met with the Port of Newport, the Hospital District, and the Community College. They offered to meet with the Linn Benton/Lincoln broader education district; but after reviewing the proposal, they indicated that they didn't need to meet with us. Tokos said he believes they covered all of those on the list that are the affected taxing entities. Each one wanted to know what the near-term impact was going to be to them; and they would like an opportunity to weigh in on that. He thought that, if you elect to move forward, it's going to be important to have a point of time that's structured where they can actually provide formal comment because that will get them motivated to get that information into the record and help inform you as policymakers.

Updated tables showing impacts to taxing districts. Tokos said he tried to work with Nebel and ECONorthwest to reframe the information in a couple of different ways so it's really clear to all taxing entities; the City included because it's the one that gets hit the most. He wanted to frame the information to be very clear in terms of likely impacts. He said in the packet are a number of tables we have. He noted that the first one he will look at is the "Impact to Taxing Districts." You have the small option, the mid option, and the large option; which show the impact in terms of the taxes that otherwise would have been collected and available for general fund purposes that are redirected to Urban Renewal; the impact on an annual basis from forming a new district. What is on the back of each of these pages is a new table showing in terms of percentages the impact to the total tax revenue to these districts. That is South Beach, which is already in effect, plus the formation of a new North Side District. That's just another way of framing it so they can see the impact. He has included two examples in the packet, but he has done that for each of the taxing entities. They went ahead and did tax revenue projections for each of the taxing entities and discounted it. The table in Example 1 is Lincoln County. It projects out at that 4.5% growth rate. We have our 3%, which is what you would typically get in normal annual increases in assessed value of what you have on the ground, and the extra 1.5% has to do with new development which wouldn't be on the books in previous years. That's the same 4.5% assumption that was done in the feasibility study. You've escalated your assumed assessed value and then discounted it by 7%, which assumes a 93% collection rate. That remainder actually does come in; but at a later date. Generally on any given year we assume 93% is what is available for actual use because the rest of those taxes will come in at a later date. Then you see the small, medium, and large scenarios depicted against that. Tokos was looking at the small, but they're all structured the same. It shows the revenue before Urban Renewal, what you're currently redirecting to the South Beach District, then what would be redirected to a new Urban Renewal District. and the total of that, and what's left is your revenue after Urban Renewal, which is what you would have available for general fund purposes, and then the percent difference. For the County, it's relatively small because their taxing boundary is the entire county so it's relatively small impact to their overall tax base. Whereas, with the City of Newport, which is example 2, it's significantly higher because our geographic boundary is smaller so this proportionately is a larger piece of our tax base. But, it's the same format. He thinks it lays it out very explicitly for each of the taxing entities.

Tokos said he was looking for feedback of whether this does enough. Is there other information we haven't either collected or displayed that would help you or the taxing entities make that decision whether or not to proceed. Busby thought that this information is great, and it's laid out very well. It answers his questions. But he also thinks we need to look at it from the bigger picture and something the public would want to understand. He said Urban Renewal on the surface for a city like us is a good thing because basically we're getting \$3 or something for every dollar we are putting into it. His concern is the bigger concern of can we afford that dollar; can we afford to do this. If you go back and look at our budgets for the last couple of years, we are actually budgeting more than we are taking in already in the overall budget. It looks like that trend will continue unless we make some changes. Our expenses are going up faster than our revenues are increasing. That being the case, this 10-15% withdrawal from the general fund that we're going to be putting in Urban Renewal takes away from potential services that may have to be cut as a result of increasing costs down the road. He recognizes that is very hard to project; but when you look at taking \$3-\$5 hundred thousand out of the city budget to go toward Urban Renewal, that's three to five policemen we wouldn't have or a fire truck we don't get or something like that. He thinks it would be useful if we had some kind of analysis of how we will be able to afford this. He recognizes that as the potential North Side Urban Renewal increases the old South Beach Urban Renewal declines, so in effect it's not a huge change percentage-wise in the amount of money we're taking away from the budget; but nevertheless with increasing expenses and not quite as fast increases in revenue, we have a potential problem unless we cut something down the road. He thinks we ought to address that in this process. Allen said to balance that, even though the property tax will be diverted from the general fund, if you create an Urban Renewal District you have the ability over time to do infrastructure projects which would offset the impact to the water and sewer funds. Busby said that's part of the analysis. Allen said you have to look at it as each fund in the city budget will be impacted differently. The general fund will be impacted negatively; the water and sewer and other infrastructure funds will have a lessening impact in the city budget because Urban Renewal can potentially take up the slack. Busby said he thought of that, and that would be part of the analysis. But, you say you're taking away 15%, but maybe not really; maybe you're only taking away 10% because it's going to projects you're going to do anyway under another account so to speak. He thinks that information ought to be available before we make that decision. He realizes that requires a lot of conjecture; but it's something that needs to be looked at. Allen said if a new district is put in place and the actual plan and the different projects are going to be proposed, we have to look at what are those projects that are being proposed, what impact will those projects have on the city budget meaning will Urban Renewal pay for the majority of those projects and lessen the impact. So a lot of it will have to do with what are the projects that will be delineated. If you don't have the projects delineated, it's going to be less likely to be able to project the impact on the budget; especially to the water and sewer funds.

Patrick said on the information side, maybe we need one with the same setup but without the Urban Renewal District so we can see what it looks like if we don't do anything. Nebel said if you go further back into the packet; there are examples set up assuming increases in revenue. He said, looking in the City medium scenario #2, the first column is the revenue before Urban Renewal. Taking a look at that, column 2 is the commitment we already have for South Beach Urban Renewal that runs through

2027. He said that regardless of what decision we make on the north side, that's something that is going to happen. Patrick said he can't tell what the existing percentages are. Or show it by South Beach just by itself; so where we're at right now. You can't really tell the increase. Nebel said that's a good idea. You can extrapolate that, but it doesn't really show it. Tokos said these are great points, but asked if there's other information on the data itself that you think we need to pull together to help for you to make a decision. Allen said on the large option, it includes a lot of Agate Beach. He asked if any of that is outside the city limits. Tokos said all three options are limited to properties that are already inside the city limits. Allen said if they were outside, we would need the County's buy-in; now we only need to consult with them. Tokos confirmed that was correct.

Tokos said that one thing that's been asked was the issue of if we do nothing, will we realize that kind of growth because a lot of these projects are intended to catalyze growth and economic revitalization of our community. If we don't have enough money, are we going to have enough if we do nothing? One thing with Urban Renewal is to catalyze that growth; it does increase the likelihood that our tax base is going to grow at a more robust level that will then support the costs. He said that's a tougher one to get our arms around. Busby agreed, but said you have the midpoint between three and ten years from now where you may have problems because that's before you will recognize the advantages of it. Patrick said another thing that would help is to get this same format with the district in Nye Beach and the history today in South Beach. Particularly in Nye Beach, showing the history of what we spent and what we realized in the end; because, if you're trying to justify this, it helps to show people previous examples of what we did do.

Berman had a question about the revenue before Urban Renewal on the impact sheets. He said it's unclear what assumptions are being made for increased property tax values and assessed evaluations from the Urban Renewal District as opposed to just normal 3% growth. In other words, we were talking about showing one with no new Urban Renewal District; so if you don't have a new District, how much would "before Urban Renewal" change based on increased property values as a result of Urban Renewal. Nebel didn't think this is that sophisticated. This column is just showing an assumption of 4.5% growth, which is kind of a historic number; it's not trying to measure the impact Urban Renewal would have on increasing or decreasing. This is just a fixed 4.5%. Berman said and that's based on history. He said so realistically then, if we did both, this number is going to go up. Nebel said that is the point Busby is making. We think it should. Projecting that becomes an artistic task. Tokos thought almost a better way is to look at the projects in sum and make a policy judgment as to whether those are quality projects that are in the best interest for this community to pursue. He said we are basically taking a portion of general fund money to invest in infrastructure, which is not that uncommon; but Urban Renewal just happens to be the tool for that. Infrastructure is part of it; but there are also strategic site investments, loans for business façade improvements. He thinks there are a lot of ways you can go with it; but almost a better way is looking at a package of projects and make a policy judgment if those are important projects for the community and if the benefit to the community is enough over the long-term that they warrant this kind of investment. He said he wished he could give a more definitive input. Croteau said we can all look at the numbers and make recommendations based on that; but when it comes to the public, they want to know what kind of projects you are talking about. If you talk revitalization of downtown or traffic issues, they will say yes we need some fixes.

Engler noted that the fairgrounds redevelopment is listed on the projects list. She asked how much the City is going to participate in that. She thought the fairgrounds is a County property. Tokos said it is a County property. He said the figures here are such that they would support things like improving the access at 20th and Harney and widening Harney so there is better access to that property. Basically the infrastructure improvements that would be needed to make that facility enhancement that the County envisions to be viable. The County is still reworking exactly what they want to do. What this shows is that there would be a significant amount of infrastructure work needed to support any kind of meaningful redevelopment; and Urban Renewal would be an important player there. Busby said that was good to know because he had the same question because he didn't know the intention there.

Allen said he had a question policy-wise. We had a north side district for so many years; it closed four to five years ago. The projects that were done were centered around Nye Beach. He noted that a lot of your options include that same area. Agate Beach wasn't included. He thought out of fairness, if we create a new district, we really need to look at areas that were not included in the initial district that was in existence all those years and make sure to cover areas that were not included before. He wasn't saying we shouldn't include some of the older areas; but he thought that at least out of fairness, we should at least look at those. Agate Beach was the area that he was thinking about. Tokos said outside of that, the areas in these scenarios would be the corridor strip for 101 from 20 north and the 20 corridor that weren't really part of that original district. Allen said part of 20 was if you consider some of the properties east of 101 for three blocks; the Recreation Center and everything else. Tokos said he was talking about Highway 20 more in the vicinity of Moore Drive and those areas. Allen said but if you go down to the Bay Front, the Embarcadero and all of those areas were part of it. He said generally though north of Fred Meyer was excluded totally; and if you look at the Highway 20 corridor, some pieces were included in the previous district. He said it just depends on how you want to look at it from a fairness standpoint.

Engler said that she noticed that the couplet right-of-way improvements are the biggest ticket item here. She asked if that's a must-do item; or is that something that's going to be looked at as part of an overall plan. Tokos said it would be the latter. He wanted to provide context for the group about the projects and what they mean at this point and what they would mean moving

forward. He said that the project list was developed between staff and the Planning Commission largely drawing from the various plans that were developed with pretty significant public outreach at different points in time. The couplet is part of the Transportation System Plan with the initial concept of it being either on 7th or 9th. He said these projects aren't set in stone. He would expect that there would be refinements and adjustments should you move forward and form a task force to do that kind of work on the projects list. What is important is that at the end of the day what's in that projects list has to be something that the Planning Commission and the City Council can find to be consistent with our Comprehensive Plan. If we start pulling in some things that have no relationship to our existing economic development policies, which we've done a lot of public outreach to develop, or our transportation, or our water system; then we have issues. That is the box we have to work within. He said with the couplet it is the potential biggest project; but it's also the biggest gain in terms of tax revenue. At the end of the day, is it the best interest in the City Center; it may or may not be. The way he would envision this is, if it ends up in the Plan, you can always scale it down easier than you can expand an Urban Renewal Plan once it's been started. He would envision in a phasing plan, your initial phase would have funds reserved for refinement plan for the City Center where we could do tangible public engagement and sort whether or not the couplet is going to work or not; and if not what the alternative solution is that is going to revitalize the area. That would be Phase 1. He said with Coho/Brant for example, you get some pretty tangible public involvement when you do a refinement plan and have money behind it, and people believe that something is going to happen as a result of that planning effort. He said that these projects right now are at the feasibility study stage. If you elect to move forward, they would be refined into an actual plan. But then again, they are a framework. As that plan moves forward we would expect that they would be refined, just as you refined the South Beach Plan with various amendments, as opportunities come up and you can provide further definition about a project. Allen asked if what Tokos was saying was if the plan has certain projects in it, as you move forward it's easier to revise those projects rather than adding on new ones. That's a more formal process. Tokos confirmed that. Allen said if you feel something might be a potential, put it in the plan but phase it out over time so you have steps along the way of whether to continue it or not. Tokos said exactly.

Engler said that Patrick had mentioned Nye Beach. She noted that all of the Urban Renewal planning that was done came out of the Glick Plan. So they had a really sturdy plan even though they didn't stick to it the whole time. That big streetscaping plan is from that. So, she thinks it's important to have a plan. Allen agreed that a lot of the components of the Glick Plan were put into the Urban Renewal Plan; it was used to create the Urban Renewal Plan.

Nebel noted that we have had discussion on some of the preliminary projects and asked if Tokos wanted to talk about that. Tokos said he would run through the projects. He said that looking at the potential projects list, there are the three different options. The largest would include Agate Beach. There you have some funds that would be reserved for Phase 1 work, which would be a refinement plan. That would be engagement to fine-tune exactly what types of projects are needed in the Agate Beach area and to what scale. From that kind of planning effort, he would imagine an amendment would come through to further define what some of these other categories are. So the Agate Beach improvements to existing local streets, which calls for about a million dollars, through a refinement plan would then get rather specific; such as this kind of street at this location of this nature. He said if you're familiar with how we did it with Coho/Brant, that's kind of how it would play out; you'd have those more detailed projects and then come back and do an amendment. It has funds reserved for storm drainage improvements, improvements at intersection points with 101, and then we have a significant waterline upgrade that's in our Facilities Plan, which is needed to facilitate further growth in that area, that is included as well. Under public buildings there's a contribution toward fairgrounds redevelopment at \$3 million. You see a total cost of \$9 million. You will see total costs far exceeding Urban Renewal contributions as you go down the list; those are estimates as to where other funds would be coming from for the project. With the fairgrounds for example, much of that would be coming from the County. A public safety building is in the small and large options and would be partially funded by Urban Renewal and partly from other sources. Berman asked if it would be worthwhile to have this list annotated somehow with where the rest of the money is coming from; the difference. List potential sources where that money may come from when there's such a big difference like that; he's sure that difference jumps out. Tokos said you could. Berman thought that it seems that an explanation of some of the potential sources for that difference would be useful. Allen asked why the public safety building was left out of the mid option. Tokos said for one, there was some discussion as to whether or not that is the best type of investment to land in Urban Renewal. Then there was some desire to have the feasibility study show some mixing and matching to give some variety in options and numbers. He said, as you can see, the mid option has the lowest total maximum level indebtedness. It was designed to show what happens if you have lower maximum debt level, a larger boundary; and it shows that you are able to ramp up and close down sooner. Allen said so the decision by the feasibility study for the mid option was if the debt is less and the boundary is larger, let's just remove the public safety building instead of something else. Tokos thought it was a decision to pull that out in order to reduce the maximum level of debt and focus more on infrastructure and economic development and revitalization projects. Allen thought that needs to be further clarified because that seems like a big omission. He said you may want to at least note why it's not included in the mid option so in case people are interested in the mid option, you have a choice to put it back in there and just reduce the amount of something else. He said this is just a feasibility study, not policy choice; and he doesn't want to have this feasibility study starting to set policy. Nebel thought that's a good point to make. How you mix and match these is something that will be coming down with the planning process formally. This is really more for illustration purposes, but it also does give you the flavor of what kind of project can be included. Allen said it was the omission that caught his attention.

Continuing through the projects list, Tokos noted that under transportation system enhancements, downtown revitalization and couplet refinement plan was included. Then there's the couplet itself; for which half would come from the State (\$12.5 million) because this is the state highway system, and \$12.5 from Urban Renewal for \$25 million in total. There are intersection realignments that are in our Transportation Plan; for example the dogleg at 6th and 101 which is a major issue. These are existing projects that have already been identified in our Transportation System Plan as important things to do to help revitalize and encourage redevelopment. There are funds for parking improvements that could potentially go for things like partnering with the hospital for example as part of their expansion plans. There's right-of-way acquisition because you have to have some money reserved for that. Similarly with the signal installations or adjustments. We have a number of those within the district. Economic development projects include a range of things like billboard removal, site preparation for reuse, and that would be partnering with businesses for positioning their property on 101 for redevelopment by helping them deal with demolition of older dilapidated structures and things like that. He would expect strings would be attached to anything like this. A program would have to be put in place to actually make it happen. Other line items like storefront façade loans and grants, strategic site acquisition, street trees, landscape island enhancements, way finding improvements, and utility undergrounding are all viable types of projects that would be typical and common in an Urban Renewal District for revitalizing an area. Tokos said at the end of the day, this list provides the framework for moving forward. Should you elect to proceed, an actual plan with specific projects and phasing would have to be put together. You can expect that this will change and morph somewhat. Roumagoux asked, under economic development on the site preparation for reuse, what would be required for demolition. Tokos said this could be set up so these are funds available to assist private developers and property owners. As part of the Economic Development Agency with an economic opportunity analysis and a group of business owners and other stakeholders, there was general recognition that we have a lot of underdeveloped properties on US 101 and US 20 corridors; properties with bad configurations that are difficult to develop, properties with existing improvements that are in bad shape and difficult for the owner to deal with. A program would be set up where if they are willing to do certain things that if you as the Agency felt confident would help revitalize our community, then you would make funds available to them to assist them in say aggregating multiple properties so that they can more effectively be redeveloped or assist them with issues of dealing with old buildings with asbestos issues and things like that where they as the individual property owner right now would like to do something but they're not in a financial position where they can do it all by themselves. That's the concept.

Allen asked what the length of time was for this new district. Tokos said that varies by option. The mid option for example ramps up the quickest and shuts down the quickest. The small and large will take a little longer. With these options, you are talking about initial increment coming off in 2016; probably able to do the first meaningful project between 2018 or 2020; and the close down on these various options varies but are somewhere in the 2040s. The large scenario is in 2044, the small in 2041, and the mid in 2036. For the feasibility study, we set this up to show the different scenarios and how they would play out. The mid option with the smallest maximum level of debt closes quickest. The small has a smaller geographic area but a heavier maximum debt level, which means it closes down over a longer period. The large has a larger project load and also a larger debt level and a larger geographic area. You have those three scenarios to see because at the end of the day if you elect to move forward, it's going to be important that you set some parameters for the task force when putting together the plan. One of the key pieces is that you would like to see a maximum debt level in this range. That gives them a working parameter to not keep loading projects. Similarly with the geographic boundary, they need some guidance on which option you prefer or some variation of those. Allen asked if there is any reference in the statute as far as how the jurisdiction handles the task force, or does it leave it open. Tokos said it's open-ended. Allen said he's talking about a task force in creating a plan as opposed to advising on the management of the plan. Nebel said those processes are something we want to talk about before the meeting breaks up. Allen said what he brought up at the Council meeting in November was for a task force that would advise the Urban Renewal Agency over the next twenty years as projects come forward. Here he's talking about a task force to help in creating the plan, which is a separate issue. Is there anything in the statutes with respect to that? Tokos said no. That's something he was hoping through this meeting we could get; parameters or some guidance as to what the general make-up should be or types of representation you would like to see in a task force if you elect to move forward.

Berman said as he recalled, the cutoff point is if the total cost exceeds \$50 million. Tokos said at \$50 million you have to have the consent from the affected taxing entities; they would have to say yes. Under \$50 thousand, you don't; you just have to consult them. Berman said the Armory could be affected and asked if Tokos had contacted them. Tokos said he hadn't talked to the Oregon Military Department. Roumagoux said maybe we should consider having a representative from the Armory on the task force. Allen said the idea of creating a task force to help develop the plan is something that came out of Tokos' and Nebel's discussion; and he's not really sure how that would work. The one Allen was more focused on back in November was once we have a plan, what do we want to use as an advisory committee if at all. He noted that there used to be a Newport Urban Renewal Advisory Committee for about three years after the Council took over Urban Renewal, but then that was disbanded. He wondered if we should reenact an advisory committee to advise us on Urban Renewal similar to the Planning Commission's citizen advisory committee. That's something he was hoping to hear about from the Planning Commission. Croteau said that he liked the idea of continuity in something like this. He said this is a long-term plan; and you need a committee to look at this over the long haul. He said he is all for it. Allen agreed that more eyes are always good.

Tokos said now that we've covered the projects, he was hoping we could cover the key components of the Urban Renewal Plan briefly and then he has the schedule of steps that would be involved in actually putting the plan together. That is where we can talk a little bit more about the task force make-up that you would want to see in assisting in the development of the plan. Then we have the other conversation about whether to have an advisory committee on an on-going basis. Allen said the issue about whether the City Council should continue as the Urban Renewal Agency or not is something staff brought to your attention. That was never anything that the Council discussed in November. In fact, when the change was made from the Newport Development Commission, which was the old Urban Renewal Agency, and the City Council took over in 2007, there was a lot of discussion to transfer that back to the Council. But, staff wanted to bring it to your attention as an option even though the Council never even discussed it in November. He doesn't think it was on anybody's radar. He was thinking more of an advisory committee to the Council as an Urban Renewal Agency; not the Council basically handing the Urban Renewal Agency back over to something like the Development Commission. He said it's good to bring it up, but he doesn't think there was any discussion about whether we need to do that or not. Nebel said there has not been any consensus on any of these things; we've just had various discussions about it. He said part of the role of this meeting is to put these on the table and see collectively where we might want to go.

Overview of key components of an Urban Renewal Plan. Tokos said that he put together the key components out of the statute that have to be in an Urban Renewal Plan; and these were listed in his memorandum. One thing is that you have to have a specific boundary that has to be described by legal description. It doesn't necessarily have to be contiguous; that is okay. There will have to be some explanation of the physical, social, and economic conditions in this area that warrant the creation of an Urban Renewal District; underdeveloped streets, excessive parcelization, low improvement to land value. He said that we have a fair amount of information of record in our various plans that we can use to back that up; but we will have to explain what the conditions are that warrant it. We will have to describe how our projects listed will address that. If you create a plan, up front we will spend a fair amount of time explaining about what the issues are before we walk into what the projects will be. Digging a little bit more into what the conditions are is going to be part of putting a plan together. Then there would be a description of each of the projects that are to be undertaken; and this would be in a phasing plan. We would be using tax increment financing to fund it. There will be Phase 1, Phase 2, and Phase 3; much like in the South Beach plan. It's not limited to three phases, it could be two or four; whatever makes sense. Berman asked if that second sentence means that the City would be increasing staff. Tokos said, yes, we would be reserving funds for staffing. We would have to adequately staff an Urban Renewal program. He said, if you've seen Urban Renewal programs statewide, what you see is Urban Renewal funds for the administration of it and being able to implement it. Berman said so you would need one or more additional employee. Allen noted that what has happened in the past, if a staff member is used for Urban Renewal, sometimes the Urban Renewal District budget actually compensates the general fund or where that person actually comes out of. Berman said that's reasonable. He was just asking if you envision having to hire additionally for an Urban Renewal Agency of this magnitude. Nebel said we would add some sort of staffing level that's higher than where we are at right now. Patrick noted that Tokos is without an assistant planner right now. If things keep ramping up, he will need it. Allen asked then if you need additional staff, some of that compensation for staff could come out of the Urban Renewal budget. Tokos said yes absolutely, it would be coming out of Urban Renewal because that is what that person would be doing. He said if you look at districts elsewhere like Lincoln City or Coos Bay that is how it is done; your staff resources that you apply toward it are paid out of the Urban Renewal program. Allen said his recommendation is, if you're talking about impacts on the City budget, you may want to put a component in there if Urban Renewal is put into place and additional staffing is needed that Urban Renewal could help pick up the slack so you show lessening impacts somewhere else in the budget; so we're showing those offsetting impacts for the public. Tokos said that's a great point.

Tokos continued that by statute the phasing plan has to have estimated project completion dates. They recognize that they're estimates. Maximum level of indebtedness is a key item that has to be in there. He explained that is the maximum funds that the district can borrow for project purposes and doesn't include costs associated with debt retirement. So, interest on your bonds doesn't count in that total. It is the maximum amount you can actually spend for projects. Tokos said that the breakdown on ad valorem taxes and how it's going to be divided and how it's going to impact the various tax entities has to be in the plan itself. He noted that item "f" is very important, and you have a lot of options here. It talks about the types of future changes to the plan and the process you want to go through to make those changes. A substantial amendment is one that has to go through the same process as you use for putting the plan in place in the first place; you're talking about formal public hearings before the Planning Commission and the City Council and findings of consistency with the Comprehensive Plan. By statute the two things that land you in this are if you increase the maximum level of indebtedness or increase the boundary of the district by more than 1%, it constitutes a substantial amendment. He said that you can call other things substantial amendments if you want to. How you structure that in your plan is something that is going to govern you as you move forward. So, that is something to think about. An example of that would be that you can make it such that anytime you make a change to a listed project or if you change certain projects, you have to go through a substantial amendment. Or maybe you call out that for site acquisition, you want that category to go through substantial amendment or if it's over a certain dollar amount because you want that higher level of public involvement. He said you have a policy choice here that we can draft into the plan. He thinks it's an important conversation, should you decide to move forward, that the task force should have and then the Planning Commission and City Council can ultimately decide how that should be set up. Allen had a procedure question. He noted that Tokos talked about the City Council and wondered if he was talking about the City Council acting as the Urban Renewal Agency, which would be a different entity so to speak. He said that right now when we do a substantial amendment or anything both the Urban Renewal Agency and the

City Council have to sign off on it. He's wondering in doing these hearings, do we have to at least realize that when the City Council is meeting for these hearings it is as the Urban Renewal Agency. Tokos said that is a good point. We want to be clear that for forming the district, it is the City Council. He's pretty confident that is the way the statute reads. Then for every substantial amendment after that, it is the Urban Renewal Agency. Allen said Tokos should check that out because that will change how we notice and everything else. Tokos agreed. He said there are some smaller things in the statute to include in the plan; but those are the big ones to keep in mind that would be part of the plan itself.

Process for adopting the Urban Renewal Plan. Tokos noted that the blue sheet in the packet is a potential schedule he put together. He said that we have the meeting here to review the progress and discuss parameters of moving forward. March 2nd is plugged in as a meeting date to initiate an Urban Renewal District. That provides a formal opportunity for the affected taxing entities to weigh in. Tokos said if everyone is comfortable with this schedule in moving forward, what he would do is take this information that we've developed and look to enhance it with information he has received from the group and get that out to the taxing entities. That lets them know that we had conversations with them and now are getting more serious, and the Council is setting a date to consider formally initiating a process for moving forward. It lets them know that it's an opportunity for them to weigh in and provide feedback of their thoughts on how that should proceed. It creates a formal step for them. He said that there are two potential resolutions that come from that. One would be to set working parameters for the new district; within these boundaries and with a maximum debt level not to exceed this amount. He asked if there are other parameters anyone is thinking about. He wondered if that is enough, or are there other things you could put out there that would provide guidance to a task force? Busby said to put a timeframe. Tokos said he would reiterate to the task force that projects have to conform to the Comprehensive Plan; that is a requirement. The other resolution would be one to establish a task force to develop the plan, if you think that is a good idea. He thinks that is an important piece to have members of the community involved in developing that. He would suggest we provide each of the affected taxing entities an opportunity to participate or have a seat at the table. That would include the Port, the County, the hospital, the school district, and the college. Croteau said a representative from the Chamber of Commerce would be good. Engler asked how about the National Guard; she thinks they should be involved.

Allen thought that by March 2, we should figure out if we do these resolutions or if we create an advisory task force, is that going to be done through the Urban Renewal Agency making a recommendation to the City Council. In the past that is how we handled Urban Renewal issues. He recalled that when the South Beach District was extended, Patricia Patrick-Joling was Chair of the Urban Renewal Agency and handled the outreach and a recommendation was made to the Council. He asked if we want to set up a similar framework for this, meaning that the Urban Renewal Agency is the conduit in which we are doing all of these things, and then the recommendation from the Agency goes up to the City Council, and they also work in conjunction with the Planning Commission. He thought that we need to figure out that procedure as to what makes sense. Busby asked if the existing Urban Renewal Agency is a general Urban Renewal Agency to the City; and Allen said it is. Tokos agreed that it's a general agency for the City. He said statutorily, the Urban Renewal Agency wouldn't typically be involved in the creation of your district. Allen said it's probably not precluded; the Council has to sign off on it, but the statute doesn't say an Urban Renewal Agency can't participate. That's what he's getting at; more stakeholder involvement and more people wearing different hats. His thought is to make it as broad-based as possible.

Nebel said in putting this together, we are operating under the assumption that most folks around the table believe it's a good idea to go forward with a North Side Urban Renewal District. He asked if anyone objected to proceeding with this process. Swanson thought it is a good thing to pursue. She would like to see the downtown healed. Nebel said it sounded like discussionwise, it's worth pursuing. He said something that impacts a few things is that it seems on the geographic issue, knowing what option or combination makes the most sense maybe should be discussed today as well. We have three identified options. One has the smallest geographic area. The mid option reduces the overall debt but speeds up the cleanup. The largest option, which includes Agate Beach, has the most significant impact on the taxing entities but would have the most significant reinvestment within the City. He wondered if there was interest in discussing whether we should be looking at the smaller option or at the one that includes Agate Beach. Busby thought before he makes any decision like that is he would like to know what we can afford. Allen thought that should be a task of the task force. He said the other taxing entities will probably want to weigh in on that as well as the size. He thought those are good discussions to get into more details with the task force. He thinks the Council and the Planning Commission will have representatives on that task force. Nebel said the geography is somewhat separate from the total amount because you could reduce the overall projects to include a larger geographic area. He thought the geographic area is the succinct question. He asked if there is any further thoughts on including the Agate Beach area. Allen said he wanted public input. Swanson noted that there have been things going on in Agate Beach already. Allen said there are probably a lot of things that could be done that probably can't be done now. There are things happening, but not enough. Croteau thought that the large option includes a lot of things that one would like to see done. It hedges your bet in the sense of spreading the risk of growth across residential, commercial, and industrial. It's the option that provides the most; at least a little bit for everybody. From the point of view of community buy-in, it seems to him that the large option is the way to go; which is a totally different question from the financial one. He's looking at the sales side of it and at the prospects down the road to maximize whatever the investment is. Allen said that his point was that the large option includes Agate Beach, where the others don't; so he's inclined to agree with that one. Busby said, finances aside, if you focus all of your efforts in a small area, you will see more results quicker. Maybe that's a better thing. There's a lot to be said if we focused on one area; we'd see more progress and results.

Allen said if we include the geographic area of the large option and let the task force flesh out that recommendation; they might say do the small area. But at least we are giving the task force the ability to look at the entire scope of all of the areas. If we just say look at this area and leave out Agate Beach, then we're basically making a policy choice without public input. If you include the large area, you have the ability to get stakeholder input to decide whether that area should be included or not. Let that flesh out over time. Busby said if you want the task force to make that decision, then we shouldn't really give them any area; let them pick. You can give them the map as a guideline. They don't necessarily have to pick one of these three; they theoretically could pick the whole city. Patrick added, speaking for the Planning Commission, we settled on large, small, and mid options. We've been hammering on this for a while. That doesn't speak to the argument of what you can afford; we're not covering that. We're just looking at what we thought should be done. That is how the Planning Commission ranked them. Berman said if Agate Beach is not included in an Urban Renewal District, the odds of anything significant getting done up there are slim to none. If you feel that it is important to do something there, this is a mechanism for doing it. You couldn't' set up in the future an Urban Renewal District just for Agate Beach; the numbers would never work. Patrick said as far as the old north side district, it included City Center, Nye Beach, Bay Front; and the City Center didn't get anything because it just didn't work. The same thing with South Beach, we are doing things we never thought of; they weren't on the radar. He said the bigger the district is, the easier it is to move your money around inside it. That's one reason the Commission liked the big area; it gave us a lot of options and covered a lot of projects. Croteau said the task force should include representation from the County and any neighborhood or community associations that could be impacted; which the City Center would be one of them. Tokos said there's really no organization up in Agate Beach now; but there are individuals that reside up there or have a business up there that could have a seat around the table.

Nebel asked if on the geographic issue there were any other questions or comments to consider. Swanson said she would just as soon go for broke with the large option. Tokos thought for the March 2nd meeting, what we could do is provide a recommendation for the maximum indebtedness. He suspects you will get a fair amount of feedback from the County and the taxing entities on that as well; so that would be a good opportunity to at least try to pin it down at that meeting. He thought that would make the taxing entities feel better; that the maximum level of indebtedness is not a fluid thing going into task force discussion, and that that they have some sort of assurance that it is going to top out at a certain level. Roumagoux said that she agrees that if Agate Beach isn't included, we will never be able to sell it.

Tokos said, moving on through the schedule, is there anything else in terms of task force membership. Allen said there's one more Planning Commission meeting before the March 2nd Council meeting. He suggested putting that on the Commission's agenda so if the Planning Commission feels like giving additional input as a commission. He would like to see that recommendation come from the Planning Commission. Patrick said the Planning Commission could try to do that; say who the players should be and pass a recommendation up to the City Council. Tokos said, coming out of March 2nd, if things move forward and there are resolutions, we would look to hire a consultant to assist in development of the plan. We have \$30 thousand budgeted for that purpose this fiscal year, which should be a sufficient amount. Berman asked if a resolution is passed to establish a task force, who decides on an actual person-by-person basis who is on it. Tokos said the resolution would establish who is on the task force. Tokos said it could be listed as representation. Allen thought it should be which organizations, and let them decide who they send. Tokos said if it's not an association, if it's an individual resident or business owner, we would possibly want to call that out. Allen said you may want to include some public-at-large representative so you have a catch-all. Tokos said that's a good point. He said he would envision the task force holding probably six to eight meetings over a four-month period; twice a month sort of thing. It may extend to five months. The key here would be that the public hearings would be held before the Planning Commission and the City Council in late summer; August and September. No later than October because of the addition of the new tax rolls. The reason being that we don't want to have to update all of the data, so we want it to be before the tax rolls update to avoid any additional expense.

Urban Renewal Agency decision-making structure to support two Urban Renewal Plans. Tokos said the last item on the agenda was a discussion about, if a second district is created, should the City Council look to change how Urban Renewal works from what is currently being done. Is there any interest in pursuing the creation of an Urban Renewal Agency independent of the City Council? He said the other option would be to put in place an advisory committee to the Urban Renewal Agency, which is sitting as the City Council, which then discussion turns to ongoing and staffed or looking at something more like forming a task force for substantial amendments; that kind of thing. If it's ongoing, one thing he would encourage the group to talk about is if the Planning Commission could fit that role. The Commission has a formal role by statute every time there is a substantial amendment. It would be a way of keeping the Commission engaged in an ongoing basis. Busby asked what the staff recommendation was on that. Nebel said the biggest issue is that every group we have requires staff support. The question would be how we would staff that effort; would we have adequate staff for an independent group? Tokos said personally he feels the Planning Commission makes sense because it has a formal role already in creating Urban Renewal Districts and approving substantial amendments. The Commission also has a role of looking at every facility plan we do. It would not be a new committee, which does pose logistical challenges at times. Allen said, since he brought this issue up in November, when the City Council took over Urban Renewal six years ago, the former Newport Development Commission became an independent advisory committee. They never met much, and so basically disbanded. It was taken off the books, so we would have to recreate it again. This would be advising the Urban Renewal Agency, not the Council. He would like to get input from the Planning

Commission. He said this is an issue way down the line; this doesn't have to be decided immediately. This will only happen if we create a new Urban Renewal District. It's more a task force for putting together the plan that matters. For this other task force, we don't need to decide now. If a plan is in place, then we may need to decide this. He doesn't think we need one for South Beach. He didn't think the Planning Commission has to make a decision today. Nebel said that could even be part of the charge of the task force going forward as well, which would bring it to the Planning Commission which eventually would bring it to the Council. Allen said this would really be an advisory committee to the Urban Renewal Agency; so the Agency would have to decide what it wants. Patrick thought that the Planning Commission would want to discuss it. He thinks there are other ramifications to consider. He prefers to have checks and balances. He said it sound like the people who are doing the planning are now doing the implementing; unless there is a check that anything the Commission does with Urban Renewal also gets kicked up to the City Council. Patrick said this is where we got into trouble last time.

Nebel said the first question to raise as part of this to see if there is any consensus, the City Council has acted in the past as the Urban Renewal Agency, is there any thought that that doesn't work and we should go a different direction. Swanson was content with the way it is. Allen said he saw it work both ways. It's good to have checks and balances. He said when the Development Commission was taken over by the City Council, we lost those checks and balances; but there is some benefit because it is more efficient having the City Council being the Urban Renewal Agency. But, you lose checks and balances when you have efficiency. If it's worth being more efficient, we could have another checks and balances; an advisory committee could provide that. Roumagoux asked if there would be three then; the Urban Renewal Agency, the City Council basically, and then you would have the Planning Commission and this advisory group. Allen said the Planning Commission has always had a role; they have their statutory role regardless. He said what Patrick is saying is, if the Planning Commission does both, you lose your checks and balances because now the Planning Commission is kind of wearing both hats. He thought if you have a third committee, you have that third checks and balances that lends more credibility. Again, when the City Council took over Urban Renewal, you lost those checks and balances, which was okay; but can we add it back and make it a better process. Roumagoux asked Patrick what he meant by when we got in trouble. Patrick said back when we had an Urban Renewal District headed in a different direction and fighting with the City Council. The City Council wanted to do one thing, and the Urban Renewal Agency wanted to do something else. That's how it got dissolved and turned back into the City Council because we didn't have a process to actually reconcile it. Roumagoux asked Patrick, having lived through all that and seeing that, if he personally would see an advisory committee being beneficial. Patrick said possibly. He wants to talk to the Planning Commission and hash it out. The Commission would have to do some thinking about that. He thinks you could set up a system where we could do it and make better checks and balances. He said the Commission will have to do some talking about it. Allen said if you actually have an advisory committee that advises the Urban Renewal Agency, you want to make sure you have representatives from those areas like Agate Beach. Say you have a Planning Commission and no one is really from the Agate Beach area for a period of time, would you lose something. Whereas with an advisory committee, if somebody from Agate Beach was on that committee, and the Agate Beach area was directly benefiting from projects; again, it's not only about checks and balances, it's about more eyes looking at something and more stakeholder involvement. Nebel thought the representation issue is certainly easier with a standalone group because you would have them there to govern that specific geographic area; so that would certainly be an argument to do that. The efficiency is another argument, and checks and balances another.

Nebel said this was good discussion to help us guide some recommendations and alternatives as we get close to the March date. He thought it sounds like the Planning Commission will want to have a heart-to-heart on the issue as well. Allen asked Tokos if he thought that the task force we are creating to create this should weigh in on the later task force. Nebel said potentially they could in time; that's not a time-sensitive issue. If we got that group in place maybe that is really an appropriate discussion item as the plan takes shape. Tokos said we can also take some time and see how some of the other jurisdictions are dealing with Urban Renewal Agencies; what has worked for them and what hasn't. The consultant we would be bringing on board has developed Urban Renewal Districts for other jurisdictions and may have some feedback as well. Allen said put that under the scope of work for the task force that we are creating. Nebel said he didn't see anyone jumping up and down saying that we should have a separate autonomous Urban Renewal Agency separate from the City Council membership. He asked if everyone was comfortable with the current model; and he heard no objections.

Allen said it's probably good just to make it clear that even though we are moving forward with this process to look at creating a district; no decision has been made to create a district. At the end of the day, once this process is undertaken, we may not create a district depending on what we hear. He thinks it's good just to note for the record that we are just starting the process. The final decision is way in the future depending on the information we are going to get. Nebel said but basically there is support for going through the process.

Before adjourning, Patrick wanted to know if the City Council had any problems or advice for the Planning Commission; and nothing specific was mentioned.

B. Adjournment. Having no further discussion, the work session meeting adjourned at 1:27 p.m.

Respectfully submitted,

Wanda Haney **Executive Assistant**

Schedule for Development and Potential Adoption of an Urban Renewal Plan



Council / Planning Commission Work Session

January 12, 2015

- Review progress to date
- Discuss essential plan components and working parameters
- Identify make-up of taskforce and potential need for urban renewal advisory body to the Council

City Council Meeting to Initiate Process to Create an Urban Renewal District

March 16, 2015

- Opportunity for affected taxing entities to formally weigh in on alternatives outlined in feasibility study
- A resolution could be proposed to establish working parameters for the new district (e.g. general boundary, maximum debt limit, etc.)
- A second resolution can be used to establish a taskforce to develop the plan

Hire Consultant to assist Taskforce in developing Urban Renewal Plan

March - April 2015

- Consultant to perform detailed mapping, financial analysis, and plan preparation at direction of the taskforce
- \$30,000 budget should be sufficient provided agreed upon boundary and conceptual project lists do not deviate substantially from Feasibility Study

Taskforce develops an Urban Renewal Plan consistent with ORS 457.085

May - August 2015

- Taskforce to refine district boundary, complete required socio-economic analysis, refine project lists/phasing plan, and complete financial analysis and fiscal impact statements consistent with Council's general direction
- A minimum of two public outreach meetings to be conducted during this phase
- Anticipate Taskforce meeting 6 to 8 times over a 4 month time period

Public hearings before Planning Commission and City Council

August – October 2015

- Plan adoption must occur by Ordinance
- Agency to provide copy of plan to affected taxing entities and offer consultation prior to final adoption
- Public hearings required before Planning Commission and City Council
- Plan must conform to City Comprehensive Plan

Urban Renewal Feasibility Study Conceptual Project Lists (from March 2014 ECONorthwest Report)

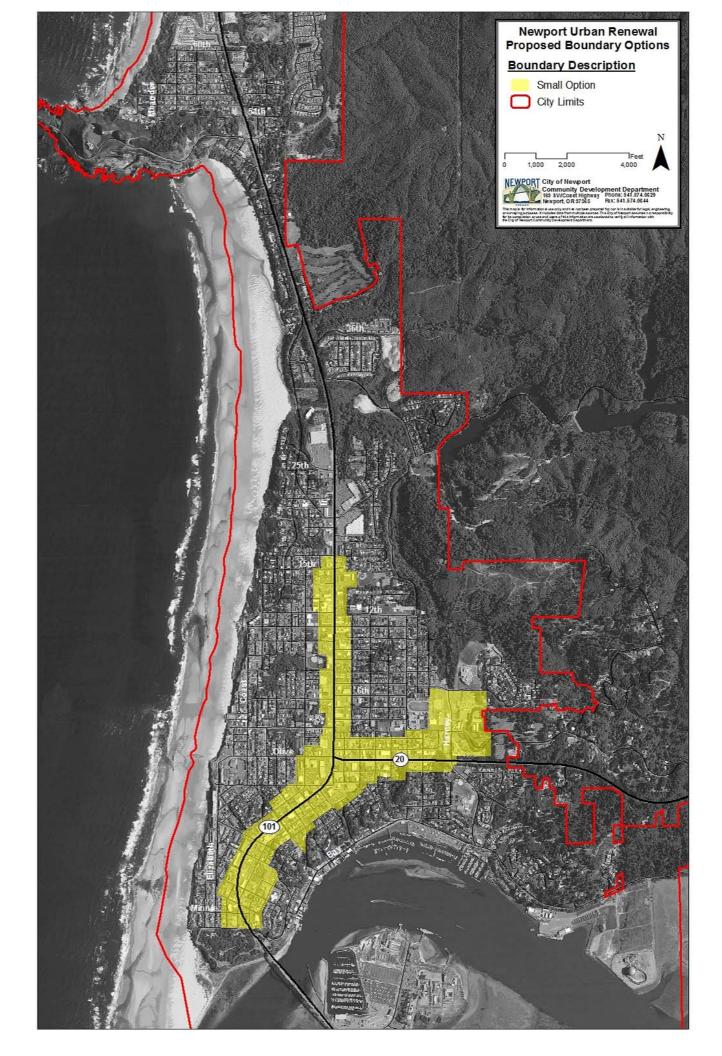
Exhibit 3. Estimated project costs, Newport URD boundary options

	Urban F	Urban Renewal Share of Cost	of Cost	
Project Name	Small Option	Mid Option	Large Option	Total Cost
Agate Beach Improvements				
Agate Beach Neighborhood Refinement Plan	\$	\$	\$ 100,000	\$ 100,000
Agate Beach improvements to existing local street ROW	\$	\$	\$ 1,000,000	\$ 2,000,000
Agate Beach storm drainage improvements	\$	⇔ '	\$ 1,500,000	
Agate Beach US 101 access and collector upgrades	\$	⇔ '		
US 101 water line upgrade	\$	⇔ '		\$ 1,200,000
Public buildings				
Multi-purpose building (fiargrounds redevelopment)	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 9,000,000
Public Safety Building		\$		\$ 10,000,000
Transportation system enhancements				
Downtown Revitalization and Couplet Refinement Plan	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Couplet and related ROW improvements	\$ 12,500,000	10,	\$ 12,500,000	\$ 25,000,000
Intersection realignment (e.g. US 101 and NW 6th)	\$ 1,000,000	\$ 1,000,000	\$ 1,250,000	\$ 3,000,000
Parking improvements	\$ 1,000,000		\$ 1,000,000	\$ 1,000,000
Right-of-way acquisition	\$ 500,000	\$ 500,000	\$ 500,000	\$ 1,000,000
Signal installation or adjustment	\$ 500,000	\$ 500,000	\$ 500,000	\$ 1,000,000
Economic development				
Benches, public art	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Billboard removal	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Site prep for reuse (demolition, lot aggregation, etc.)	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Storefront façade loans/grants	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Strategic site acquisition for economic development	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Street tree and landscape island enhancements	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Wayfinding improvements	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Utility undergrounding	\$ 4,000,000	\$ 2,700,000	\$ 4,000,000	\$ 8,000,000
T240	2	*		3
	\$ 07,000,000	* 10,000,000	* + 1, +00,000	\$ 7 1 ,000,000

General Government City of Newport

						Tax Revenue		
FYE	Growth Rate	A	ssessed Value	Tax Rate	Gross	Adjustments*		Net
2014			1,207,747,440	5.5938	6,755,898	7%		6,282,985
2015		\$	1,262,096,075	5.5938	7,059,913	7%	-	6,565,719
2016		\$	1,318,890,398	5.5938	7,377,609	7%		6,861,176
2017			1,378,240,466	5.5938	7,709,602	7%	\$	7,169,930
2018	4.50%	\$	1,440,261,287	5.5938	\$ 8,056,534	7%	\$	7,492,577
2019	4.50%	\$	1,505,073,045	5.5938	\$ 8,419,078	7%	\$	7,829,743
2020	4.50%	\$	1,572,801,332	5.5938	\$ 8,797,936	7%	\$	8,182,080
2021	4.50%	\$	1,643,577,392	5.5938	\$ 9,193,843	7%	\$	8,550,274
2022	4.50%	\$	1,717,538,375	5.5938	\$ 9,607,566	7%	\$	8,935,036
2023	4.50%	\$	1,794,827,602	5.5938	\$ 10,039,907	7%	\$	9,337,114
2024	4.50%	\$	1,875,594,844	5.5938	\$ 10,491,702	7%	\$	9,757,283
2025	4.50%	\$	1,959,996,612	5.5938	\$ 10,963,829	7%	\$	10,196,361
2026	4.50%	\$	2,048,196,460	5.5938	\$ 11,457,201	7%	\$	10,655,197
2027	4.50%	\$	2,140,365,301	5.5938	\$ 11,972,775	7%	\$	11,134,681
2028	4.50%	\$	2,236,681,740	5.5938	\$ 12,511,550	7%	\$	11,635,742
2029	4.50%	\$	2,337,332,418	5.5938	\$ 13,074,570	7%	\$	12,159,350
2030	4.50%	\$	2,442,512,377	5.5938	\$ 13,662,926	7%	\$	12,706,521
2031	4.50%	\$	2,552,425,434	5.5938	\$ 14,277,757	7%	\$	13,278,314
2032	4.50%	\$	2,667,284,579	5.5938	\$ 14,920,256	7%	\$	13,875,838
2033	4.50%	\$	2,787,312,385	5.5938	\$ 15,591,668	7%	\$	14,500,251
2034	4.50%	\$	2,912,741,442	5.5938	\$ 16,293,293	7%	\$	15,152,762
2035	4.50%	\$	3,043,814,807	5.5938	\$ 17,026,491	7%	\$	15,834,637
2036	4.50%	\$	3,180,786,473	5.5938	\$ 17,792,683	7%	\$	16,547,195
2037	4.50%	\$	3,323,921,864	5.5938	\$ 18,593,354	7%	\$	17,291,819
2038	4.50%	\$	3,473,498,348	5.5938	\$ 19,430,055	7%	\$	18,069,951
2039	4.50%	\$	3,629,805,774	5.5938	\$ 20,304,408	7%	\$	18,883,099
2040	4.50%	\$	3,793,147,034	5.5938	\$ 21,218,106	7%	\$	19,732,839
2041	4.50%	\$	3,963,838,651	5.5938	\$ 22,172,921	7%	\$	20,620,817
2042	4.50%	\$	4,142,211,390	5.5938	\$ 23,170,702	7%	\$	21,548,753
2043	4.50%	\$	4,328,610,903	5.5938	\$ 24,213,384	7%	\$	22,518,447
2044	4.50%	\$	4,523,398,394	5.5938	\$ 25,302,986	7%	\$	23,531,777

^{*}Reductions from discounts, delinquencies, compression, and rate truncation.



General Government City of Newport

1. Small Scenario

	Revenue	Foregone from	om Newport U	Jrban Renewal	Revenue after	Percent
FYE	before urban	South Beach	New URA	Total Foregone	urban	Difference
2014	\$6,282,985	-\$659,871	\$0	-\$659,871	\$5,623,114	-10.5%
2015	\$6,565,719	-\$679,667	\$0	-\$679,667	\$5,886,052	-10.4%
2016	\$6,861,176	-\$700,057	-\$73,796	-\$773,853	\$6,087,323	-11.3%
2017	\$7,169,930	-\$721,058	-\$111,365	-\$832,423	\$6,337,507	-11.6%
2018	\$7,492,577	-\$742,690	-\$150,623	-\$893,313	\$6,599,264	-11.9%
2019	\$7,829,743	-\$764,971	-\$191,649	-\$956,620	\$6,873,123	-12.2%
2020	\$8,182,080	-\$834,446	-\$234,521	-\$1,068,967	\$7,113,113	-13.1%
2021	\$8,550,274	-\$859,480	-\$279,323	-\$1,138,803	\$7,411,471	-13.3%
2022	\$8,935,036	-\$885,264	-\$326,140	-\$1,211,404	\$7,723,632	-13.6%
2023	\$9,337,114	-\$911,822	-\$375,063	-\$1,286,885	\$8,050,229	-13.8%
2024	\$9,757,283	-\$939,177	-\$426,188	-\$1,365,365	\$8,391,918	-14.0%
2025	\$10,196,361	-\$967,352	-\$479,615	-\$1,446,967	\$8,749,394	-14.2%
2026	\$10,655,197	-\$996,372	-\$535,446	-\$1,531,818	\$9,123,379	-14.4%
2027	\$11,134,681	-\$1,026,264	-\$593,788	-\$1,620,052	\$9,514,629	-14.5%
2028	\$11,635,742	\$0	-\$654,756	. ,	\$10,980,986	-5.6%
2029	\$12,159,350	\$0	-\$718,468	-\$718,468	\$11,440,882	-5.9%
2030	\$12,706,521	\$0	-\$785,046	-\$785,046	\$11,921,475	-6.2%
2031	\$13,278,314	\$0	-\$854,622	-\$854,622	\$12,423,692	-6.4%
2032	\$13,875,838	\$0	-\$927,327	-\$927,327	\$12,948,511	-6.7%
2033	\$14,500,251	\$0	-\$1,003,304	-\$1,003,304	\$13,496,947	-6.9%
2034	\$15,152,762	\$0	-\$1,082,701	-\$1,082,701	\$14,070,061	-7.1%
2035	\$15,834,637	\$0	-\$1,165,670	-\$1,165,670	\$14,668,967	-7.4%
2036	\$16,547,195	\$0	-\$1,252,373	-\$1,252,373	\$15,294,822	-7.6%
2037	\$17,291,819	\$0	-\$1,342,978	-\$1,342,978	\$15,948,841	-7.8%
2038	\$18,069,951	\$0	-\$1,437,660	-\$1,437,660	\$16,632,291	-8.0%
2039	\$18,883,099	\$0	-\$1,461,983	-\$1,461,983	\$17,421,116	-7.7%
2040	\$19,732,839	\$0	-\$1,487,833	-\$1,487,833	\$18,245,006	-7.5%
2041	\$20,620,817	\$0	-\$1,514,844	-\$1,514,844	\$19,105,973	-7.3%
2042	\$21,548,753	\$0	\$0	\$0	\$21,548,753	0.0%
2043	\$22,518,447	\$0	\$0	\$0	\$22,518,447	0.0%
2044	\$23,531,777	\$0	\$0	\$0	\$23,531,777	0.0%
Total	\$406,838,268	-\$11,688,491	-\$19,467,082	-\$31,155,573	\$375,682,695	-7.7%

Notes:

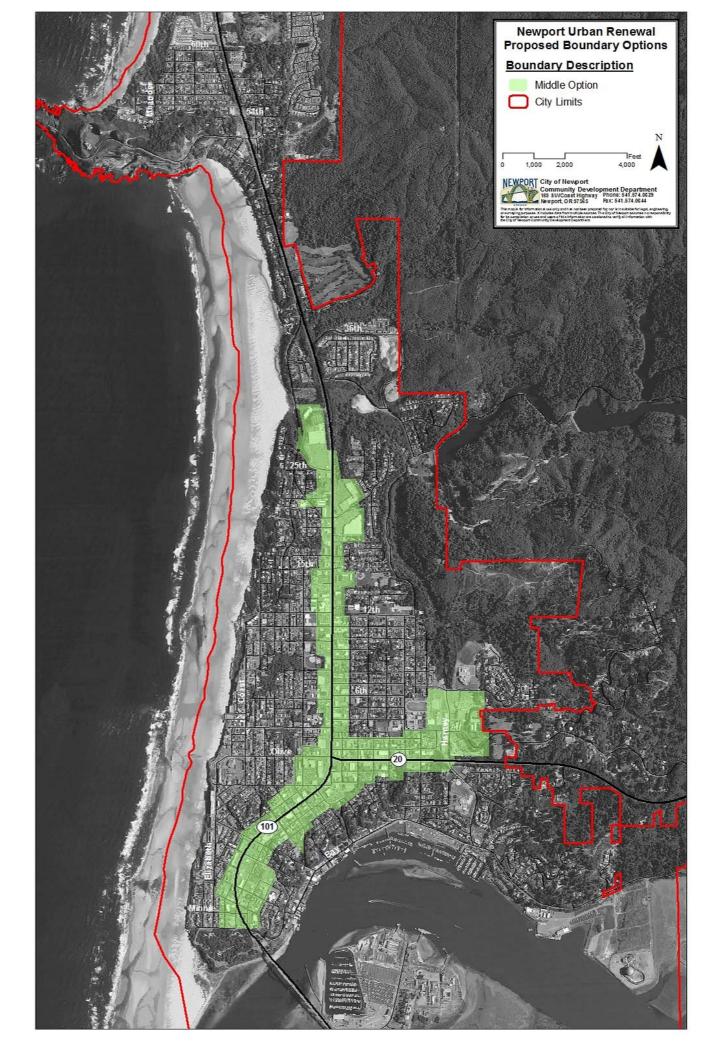
- 1. Revenue before urban renewal Neport_URA_Revenue_Projections_2015_01_08.xlsx
- 2. South Beach foregone revenue Page 17 of SBURP Amendment 11 Final.pdf
- 3. New URA foregone revenue Newport URA TIF Model (Small, Medium, Large), March 2014

Impact to Taxing Districts - Small Option

Total																																FYE			
al	2044	2043	2042	2041	2040	2039	2038	2037	2036	2035	2034	2033	2032	2031	2030	2029	2028	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014				
(9,814,630)				(763,732)	(750,114)	(737,082)	(724,818)	(677,083)	(631,403)	(587,690)	(545,861)	(505,832)	(467,526)	(430,871)	(395,793)	(362,227)	(330,105)	(299,368)	(269,953)	(241,806)	(214,869)	(189,094)	(164,428)	(140,824)	(118,237)	(96,623)	(75,939)	(56,146)	(37,206)			GENERAL	COUNTY	N 00 N	
(382,813)				(29,789)	(29,258)	(28,749)	(28,271)	(26,409)	(24,627)	(22,923)	(21,290)	(19,730)	(18,235)	(16,806)	(15,438)	(14,129)	(12,876)	(11,677)	(10,529)	(9,431)	(8,381)	(7,376)	(6,413)	(5,493)	(4,612)	(3,768)	(2,962)	(2,190)	(1,451)			ANIMAL SVC		N 00 N	
																																WASTE	SOLID		
(156,955)				(12,214)	(11,996)	(11,787)	(11,592)	(10,828)	(10,097)	(9,399)	(8,729)	(8,089)	(7,476)	(6,890)	(6,330)	(5,793)	(5,279)	(4,788)	(4,317)	(3,867)	(3,436)	(3,024)	(2,629)	(2,252)	(1,891)	(1,545)	(1,215)	(897)	(595)			EXTENSION	COUNTY	N 00 N	
(338,964)				(26,377)	(25,906)	(25,456)	(25,033)	(23,384)	(21,807)	(20,297)	(18,852)	(17,470)	(16,147)	(14,881)	(13,669)	(12,510)	(11,401)	(10,339)	(9,323)	(8,351)	(7,420)	(6,530)	(5,679)	(4,864)	(4,084)	(3,337)	(2,623)	(1,939)	(1,285)			TRANSPORT	COUNTY	NCO N	General C
(211,944)				(16,493)	(16,198)	(15,917)	(15,652)	(14,621)	(13,635)	(12,691)	(11,788)	(10,923)	(10,096)	(9,305)	(8,547)	(7,822)	(7,128)	(6,464)	(5,829)	(5,222)	(4,640)	(4,084)	(3,551)	(3,041)	(2,553)	(2,087)	(1,640)	(1,213)	(804)			NEWPORT	PORT OF		General Government
																																(GO)	NEWPORT	PORT OF	
(19,467,082)				(1,514,844)	(1,487,833)	(1,461,983)	(1,437,660)	(1,342,978)	(1,252,373)	(1,165,670)	(1,082,701)	(1,003,304)	(927,327)	(854,622)	(785,046)	(718,468)	(654,756)	(593,788)	(535,446)	(479,615)	(426,188)	(375,063)	(326,140)	(279,323)	(234,521)	(191,649)	(150,623)	(111,365)	(73,796)			NEWPORT	CITY OF		
(1,261,543)				(98,168)	(96,418)	(94,742)	(93,166)	(87,030)	(81,158)	(75,540)	(70,163)	(65,018)	(60,095)	(55,382)	(50,874)	(46,560)	(42,430)	(38,480)	(34,699)	(31,081)	(27,619)	(24,306)	(21,135)	(18,102)	(15,198)	(12,419)	(9,761)	(7,217)	(4,782)			HEALTH	COMMUNITIES	PACIFIC	
(31,633,931)				(2,461,617)	(2,417,723)	(2,375,716)	(2,336,192)	(2,182,333)	(2,035,100)	(1,894,210)	(1,759,384)	(1,630,366)	(1,506,902)	(1,388,757)	(1,275,697)	(1,167,509)	(1,063,975)	(964,904)	(870,096)	(779,373)	(692,553)	(609,477)	(529,975)	(453,899)	(381,096)	(311,428)	(244,763)	(180,967)	(119,919)			Subtotal			
(17,084,591)				(1,329,449)	(1,305,743)	(1,283,058)	(1,261,711)	(1,178,617)	(1,099,101)	(1,023,009)	(950,194)	(880,515)	(813,836)	(750,028)	(688,968)	(630,538)	(574,624)	(521,117)	(469,914)	(420,917)	(374,029)	(329,161)	(286,224)	(245,137)	(205,819)	(168,194)	(132,189)	(97,735)	(64,764)			SCHOOL	COUNTY	N 00 N	
																																(GO)	SCHOOL	A-LINC	
(611,459)				(47,581)	(46,733)	(45,921)	(45,156)	(42,183)	(39,337)	(36,613)	(34,007)	(31,514)	(29,128)	(26,844)	(24,658)	(22,567)	(20,566)	(18,651)	(16,818)	(15,064)	(13,386)	(11,780)	(10,244)	(8,774)	(7,367)	(6,020)	(4,731)	(3,498)	(2,318)			COLLEGE	COM	OR COAST	Edu
																																(GO)	COLLEGE	A-OR CST	Education
(1,061,087)				(82,569)	(81,097)	(79,688)	(78,362)	(73,201)	(68,263)	(63,537)	(59,015)	(54,687)	(50,546)	(46,583)	(42,790)	(39,161)	(35,689)	(32,366)	(29,185)	(26,142)	(23,230)	(20,443)	(17,777)	(15,225)	(12,783)	(10,446)	(8,210)	(6,070)	(4,022)			ESD	LINN-BENTON		
(18,757,137)				(1,459,599)	(1,433,573)	(1,408,667)	(1,385,229)	(1,294,001)	(1,206,701)	(1,123,159)	(1,043,216)	(966,716)	(893,510)	(823,455)	(756,416)	(692,266)	(630,879)	(572,134)	(515,917)	(462,123)	(410,645)	(361,384)	(314,245)	(269,136)	(225,969)	(184,660)	(145,130)	(107,303)	(71,104)			Subtotal			
(50,391,068)				(3,921,216)	(3,851,296)	(3,784,383)	(3,721,421)	(3,476,334)	(3,241,801)	(3,017,369)	(2,802,600)	(2,597,082)	(2,400,412)	(2,212,212)	(2,032,113)	(1,859,775)	(1,694,854)	(1,537,038)	(1,386,013)	(1,241,496)	(1,103,198)	(970,861)	(844,220)	(723,035)	(607,065)	(496,088)	(389,893)	(288,270)	(191,023)			Total			

7% Adjustment factor*

*Reductions from discounts, delinquencies, compression, and rate truncation.



General Government City of Newport

2. Medium Scenario

	Revenue before	Foregone from	om Newport l	Jrban Renewal	Revenue after	Percent
FYE	urban renewal	South Beach	New URA	Total Foregone	urban renewal	Difference
2014	\$6,282,985	-\$659,871	\$0	-\$659,871	\$5,623,114	-10.5%
2015	\$6,565,719	-\$679,667	\$0	-\$679,667	\$5,886,052	-10.4%
2016	\$6,861,176	-\$700,057	-\$112,451	-\$812,508	\$6,048,668	-11.8%
2017	\$7,169,930	-\$721,058	-\$164,043	-\$885,101	\$6,284,829	-12.3%
2018	\$7,492,577	-\$742,690	-\$217,957	-\$960,647	\$6,531,930	-12.8%
2019	\$7,829,743	-\$764,971	-\$274,297	-\$1,039,268	\$6,790,475	-13.3%
2020	\$8,182,080	-\$834,446	-\$333,173	-\$1,167,619	\$7,014,461	-14.3%
2021	\$8,550,274	-\$859,480	-\$394,698	-\$1,254,178	\$7,296,096	-14.7%
2022	\$8,935,036	-\$885,264	-\$458,990	-\$1,344,254	\$7,590,782	-15.0%
2023	\$9,337,114	-\$911,822	-\$526,177	-\$1,437,999	\$7,899,115	-15.4%
2024	\$9,757,283	-\$939,177	-\$596,388	-\$1,535,565	\$8,221,718	-15.7%
2025	\$10,196,361	-\$967,352	-\$669,757	-\$1,637,109	\$8,559,252	-16.1%
2026	\$10,655,197	-\$996,372	-\$746,428	-\$1,742,800	\$8,912,397	-16.4%
2027	\$11,134,681	-\$1,026,264	-\$826,550	-\$1,852,814	\$9,281,867	-16.6%
2028	\$11,635,742	\$0	-\$910,277	-\$910,277	\$10,725,465	-7.8%
2029	\$12,159,350	\$0	-\$997,771	-\$997,771	\$11,161,579	-8.2%
2030	\$12,706,521	\$0	-\$1,089,203	-\$1,089,203	\$11,617,318	-8.6%
2031	\$13,278,314		-\$1,104,562	-\$1,104,562	\$12,173,752	-8.3%
2032	\$13,875,838	\$0	-\$1,129,523	-\$1,129,523	\$12,746,315	-8.1%
2033	\$14,500,251	\$0	-\$1,155,609	-\$1,155,609	\$13,344,642	-8.0%
2034	\$15,152,762	\$0	-\$1,182,867	-\$1,182,867	\$13,969,895	-7.8%
2035	\$15,834,637		-\$1,211,352	-\$1,211,352	\$14,623,285	-7.7%
2036	\$16,547,195	\$0	-\$1,241,118	-\$1,241,118	\$15,306,077	-7.5%
2037	\$17,291,819	·	\$0	\$0	\$17,291,819	0.0%
2038	\$18,069,951	\$0	\$0	\$0	\$18,069,951	0.0%
2039	\$18,883,099		\$0	\$0	\$18,883,099	0.0%
2040	\$19,732,839	\$0	\$0	\$0	\$19,732,839	0.0%
2041	\$20,620,817	\$0	\$0	\$0	\$20,620,817	0.0%
2042	\$21,548,753	\$0	\$0	\$0	\$21,548,753	0.0%
2043	\$22,518,447	\$0	\$0	\$0	\$22,518,447	0.0%
2044	\$23,531,777	\$0	\$0	\$0	\$23,531,777	0.0%
Total	\$406,838,268	-\$11,688,491	-\$15,343,191	-\$27,031,682	\$379,806,586	-6.6%

Notes:

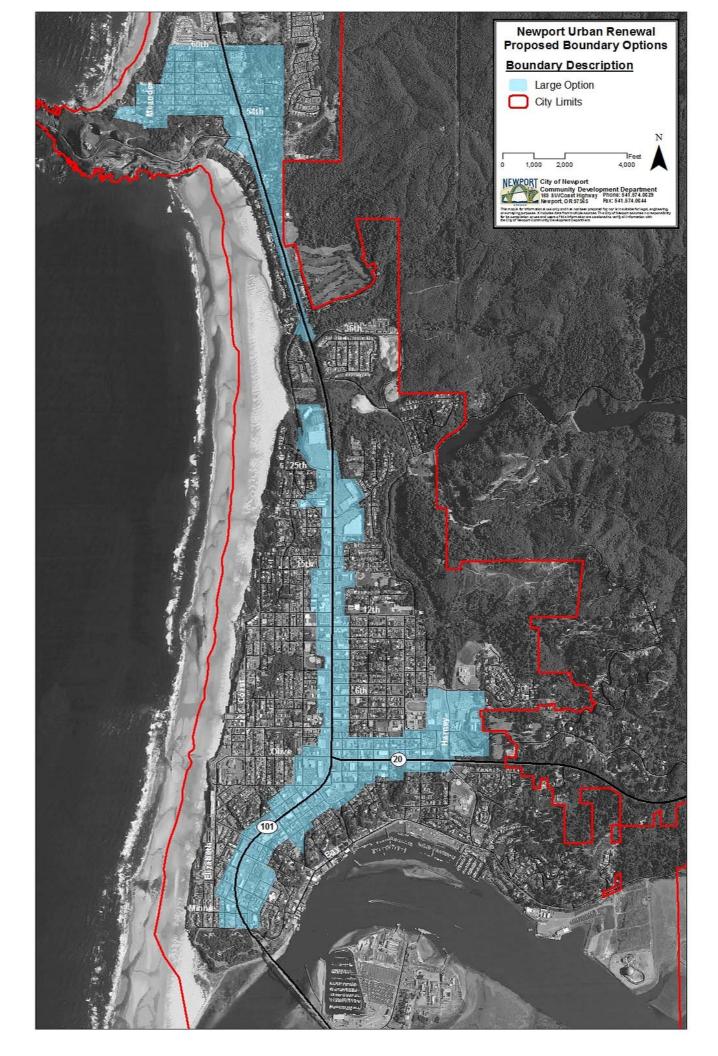
- 1. Revenue before urban renewal Neport_URA_Revenue_Projections_2015_01_08.xlsx
- 2. South Beach foregone revenue Page 17 of SBURP Amendment 11 Final.pdf
- 3. New URA foregone revenue Newport URA TIF Model (Small, Medium, Large), March 2014

Impact to Taxing Districts - Mid Option

Total																																FYE			
al	2044	2043	2042	2041	2040	2039	2038	2037	2036	2035	2034	2033	2032	2031	2030	2029	2028	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014				
(7,735,507)									(625,729)	(610,722)	(596,361)	(582,618)	(569,467)	(556,882)	(549,138)	(503,042)	(458,930)	(416,718)	(376, 323)	(337,668)	(300,678)	(265,281)	(231,407)	(198,993)	(167,974)	(138,291)	(109,886)	(82,705)	(56,694)			GENERAL	COUNTY	- NOO N	
(301,721)									(24,406)	(23,821)	(23, 260)	(22,725)	(22,212)	(21,721)	(21,419)	(19,621)	(17,901)	(16,254)	(14,678)	(13, 171)	(11,727)	(10,347)	(9,026)	(7,762)	(6,552)	(5,394)	(4,286)	(3,226)	(2,212)			SVC	ANIMAL	LINCOLN	
																																WASTE	SOLID	A-LINC	
(123,708)									(10,007)	(9,767)	(9,537)	(9,317)	(9,107)	(8,906)	(8,782)	(8,045)	(7,340)	(6,664)	(6,018)	(5,400)	(4,808)	(4,243)	(3,700)	(3,182)	(2,686)	(2,212)	(1,758)	(1,322)	(907)			ž	COUNTY	200	
(267,154)									(21,610)	(21,092)	(20,596)	(20,121)	(19,668)	(19,232)	(18,965)	(17,373)	(15,850)	(14,392)	(12,997)	(11,662)	(10,384)	(9,161)	(7,992)	(6,873)	(5,801)	(4,776)	(3,795)	(2,856)	(1,958)		-	TRANSPORT	COUNTY		Gene
(167,042)									(13,512)	(13,188)	(12,878)	(12,581)	(12,297)	(12,026)	(11,858)	(10,862)	(9,910)	(8,999)	(8, 126)	(7,292)	(6,493)	(5,729)	(4,997)	(4,298)	(3,627)	(2,986)	(2,373)	(1,786)	(1,224)			NEWPORT	PORT OF		General Government
																															-	(GO)	NEWPORT	DO T OF	=
(15,343,191)									(1,241,118)	(1,211,352)	(1,182,867)	(1,155,609)	(1,129,523)	(1,104,562)	(1,089,203)	(997,771)	(910,277)	(826,550)	(746,428)	(669,757)	(596,388)	(526,177)	(458,990)	(394,698)	(333,173)	(274,297)	(217,957)	(164,043)	(112,451)			NEWPORT	CITY OF		
(994,296)									(80,429)	(78,500)	(76,654)	(74,888)	(73,198)	(71,580)	(70,584)	(64,659)	(58,990)	(53,563)	(48,371)	(43,403)	(38,648)	(34,098)	(29,744)	(25,578)	(21,591)	(17,775)	(14,125)	(10,631)	(7,287)			HEALTH	COMMUNITIES	200	
(24,932,619)									(2,016,811)	(1,968,442)	(1,922,153)	(1,877,859)	(1,835,472)	(1,794,909)	(1,769,949)	(1,621,373)	(1,479,198)	(1,343,140)	(1,212,941)	(1,088,353)	(969,126)	(855,036)	(745,856)	(641,384)	(541,404)	(445,731)	(354,180)	(266,569)	(182,733)			Subtotal			
(13,465,405)									(1,089,224)	(1,063,100)	(1,038,101)	(1,014,179)	(991,286)	(969,380)	(955,900)	(875,658)	(798,872)	(725,392)	(655,076)	(587,789)	(523,398)	(461,781)	(402,816)	(346,392)	(292,397)	(240,727)	(191,282)	(143,966)	(98,689)		-	SCHOOL	COUNTY		
																																(GO)	SCHOOL		
(481,926)									(38,983)	(38,048)	(37,154)	(36,297)	(35,478)	(34,694)	(34,212)	(31,340)	(28,592)	(25,962)	(23,445)	(21,037)	(18,732)	(16,527)	(14,417)	(12,397)	(10,465)	(8,616)	(6,846)	(5,152)	(3,532)		-	COLLEGE		O OB COAST	Educ
																															-	(GO)	COLLEGE	A-OR CST	Education
(836,308)									(67,649)	(66,027)	(64,474)	(62,989)	(61,567)	(60,206)	(59,369)	(54,385)	(49,616)	(45,053)	(40,686)	(36,506)	(32,507)	(28,680)	(25,018)	(21,514)	(18,160)	(14,951)	(11,880)	(8,941)	(6,130)		-	ESD		- Z	
(14,783,639)									(1,195,856)	(1,167,175)	(1,139,729)	(1,113,465)	(1,088,331)	(1,064,280)	(1,049,481)	(961,383)	(877,080)	(796,407)	(719,207)	(645,332)	(574,637)	(506,988)	(442,251)	(380,303)	(321,022)	(264,294)	(210,008)	(158,059)	(108,351)			Subtotal			
(39,716,258)									(3,212,667)	(3,135,617)	(3,061,882)	(2,991,324)	(2,923,803)	(2,859,189)	(2,819,430)	(2,582,756)	(2,356,278)	(2,139,547)	(1,932,148)	(1,733,685)	(1,543,763)	(1,362,024)	(1,188,107)	(1,021,687)	(862,426)	(710,025)	(564,188)	(424,628)	(291,084)			Total			

7% Adjustment factor*

*Reductions from discounts, delinquencies, compression, and rate truncation.



General Government City of Newport

3. Large Scenario

	Revenue	Foregone from	m Newport U	Jrban Renewal	Revenue after	Percent
FYE	before urban	South Beach	New URA	Total Foregone	urban renewal	Difference
2014	\$6,282,985	-\$659,871	\$0	-\$659,871	\$5,623,114	-10.5%
2015	\$6,565,719	-\$679,667	\$0	-\$679,667	\$5,886,052	-10.4%
2016	\$6,861,176	-\$700,057	-\$146,832	-\$846,889	\$6,014,287	-12.3%
2017	\$7,169,930	-\$721,058	-\$216,564	-\$937,622	\$6,232,308	-13.1%
2018	\$7,492,577	-\$742,690	-\$289,436	-\$1,032,126	\$6,460,451	-13.8%
2019	\$7,829,743	-\$764,971	-\$365,587	-\$1,130,558	\$6,699,185	-14.4%
2020	\$8,182,080	-\$834,446	-\$445,164	-\$1,279,610	\$6,902,470	-15.6%
2021	\$8,550,274	-\$859,480	-\$528,322	-\$1,387,802	\$7,162,472	-16.2%
2022	\$8,935,036	-\$885,264	-\$615,222	-\$1,500,486	\$7,434,550	-16.8%
2023	\$9,337,114	-\$911,822	-\$706,033	-\$1,617,855	\$7,719,259	-17.3%
2024	\$9,757,283	-\$939,177	-\$800,930	-\$1,740,107	\$8,017,176	-17.8%
2025	\$10,196,361	-\$967,352	-\$900,098	-\$1,867,450	\$8,328,911	-18.3%
2026	\$10,655,197	-\$996,372	-\$1,003,728	-\$2,000,100	\$8,655,097	-18.8%
2027	\$11,134,681	-\$1,026,264	-\$1,112,021	-\$2,138,285	\$8,996,396	-19.2%
2028	\$11,635,742	\$0	-\$1,225,189	-\$1,225,189	\$10,410,553	-10.5%
2029	\$12,159,350	\$0	-\$1,343,447	-\$1,343,447	\$10,815,903	-11.0%
2030	\$12,706,521	\$0	-\$1,467,029	-\$1,467,029	\$11,239,492	-11.5%
2031	\$13,278,314	\$0	-\$1,596,171	-\$1,596,171	\$11,682,143	-12.0%
2032	\$13,875,838	\$0	-\$1,731,124	-\$1,731,124	\$12,144,714	-12.5%
2033	\$14,500,251	\$0	-\$1,680,600	-\$1,680,600	\$12,819,651	-11.6%
2034	\$15,152,762	\$0	-\$1,717,443	-\$1,717,443	\$13,435,319	-11.3%
2035	\$15,834,637	\$0	-\$1,755,944	-\$1,755,944	\$14,078,693	-11.1%
2036	\$16,547,195	\$0	-\$1,796,178	-\$1,796,178	\$14,751,017	-10.9%
2037	\$17,291,819	\$0	-\$1,838,222	-\$1,838,222	\$15,453,597	-10.6%
2038	\$18,069,951	\$0	\$0	\$0	\$18,069,951	0.0%
2039	\$18,883,099	\$0	\$0	\$0	\$18,883,099	0.0%
2040	\$19,732,839	\$0	\$0	\$0	\$19,732,839	0.0%
2041	\$20,620,817	\$0	\$0	\$0	\$20,620,817	0.0%
2042	\$21,548,753	\$0	\$0	\$0	\$21,548,753	0.0%
2043	\$22,518,447	\$0	\$0	\$0	\$22,518,447	0.0%
2044	\$23,531,777	\$0	\$0	\$0	\$23,531,777	0.0%
Total	\$406,838,268	-\$11,688,491	-\$23,281,284	-\$34,969,775	\$371,868,493	-8.6%

Notes:

- 1. Revenue before urban renewal Neport_URA_Revenue_Projections_2015_01_08.xlsx
- 2. South Beach foregone revenue Page 17 of SBURP Amendment 11 Final.pdf
- 3. New URA foregone revenue Newport URA TIF Model (Small, Medium, Large), March 2014

Impact to Taxing Districts - Large Option

Total																																FYE			
_	2044	2043	2042	2041	2040	2039	2038	2037	2036	2035	2034	2033	2032	2031	2030	2029	2028	2027	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014				
(11,737,620)								(926,768)	(905,571)	(885,287)	(865,876)	(847,301)	(872,772)	(804,734)	(739,625)	(677,320)	(617,698)	(560,643)	(506,045)	(453,798)	(403,801)	(355,958)	(310,174)	(266,361)	(224,436)	(184,316)	(145,924)	(109,185)	(74,027)		-	GENERAL	COUNTY	2	
(457,818)								(36,148)	(35,321)	(34,530)	(33,773)	(33,048)	(34,042)	(31,388)	(28,849)	(26,419)	(24,093)	(21,867)	(19,738)	(17,700)	(15,750)	(13,884)	(12,098)	(10,389)	(8,754)	(7,189)	(5,692)	(4,258)	(2,888)		-	ANIMAL SVC	COUNTY		
																															-	WASTE	SOLID	200	
(187,706)								(14,820)	(14,482)	(14,157)	(13,847)	(13,550)	(13,957)	(12,869)	(11,828)	(10,832)	(9,878)	(8,966)	(8,093)	(7,257)	(6,458)	(5,693)	(4,961)	(4,259)	(3,589)	(2,947)	(2,333)	(1,746)	(1,184)		-	EXTENSION	COUNTY	2	
(405,379)								(32,008)	(31,275)	(30,575)	(29,904)	(29,262)	(30,142)	(27,793)	(25,544)	(23,392)	(21,333)	(19,363)	(17,477)	(15,672)	(13,946)	(12,294)	(10,713)	(9,200)	(7,752)	(6,366)	(5,040)	(3,771)	(2,557)		-	TRANSPORT	COUNTY	2	General Government
(253,465)								(20,013)	(19,555)	(19,117)	(18,698)	(18,297)	(18,846)	(17,378)	(15,972)	(14,626)	(13,339)	(12,107)	(10,928)	(9,799)	(8,720)	(7,686)	(6,698)	(5,752)	(4,846)	(3,980)	(3,151)	(2,358)	(1,599)		-	NEWPORT	PORT OF		vernment
																															-	(GO)	NEWPORT	100	
(23,281,284)								(1,838,222)	(1,796,178)	(1,755,944)	(1,717,443)	(1,680,600)	(1,731,124)	(1,596,171)	(1,467,029)	(1,343,447)	(1,225,189)	(1,112,021)	(1,003,728)	(900,098)	(800,930)	(706,033)	(615,222)	(528,322)	(445,164)	(365,587)	(289,436)	(216,564)	(146,832)			NEWPORT	CITY OF		
(1,508,720)								(119,124)	(116,400)	(113,792)	(111,297)	(108,910)	(112,184)	(103,438)	(95,069)	(87,061)	(79,397)	(72,063)	(65,045)	(58,330)	(51,903)	(45,754)	(39,869)	(34,237)	(28,849)	(23,692)	(18,756)	(14,035)	(9,515)		-	HEALTH	COMMUNITIES	, , ,	
(37,831,992)								(2,987,103)	(2,918,782)	(2,853,402)	(2,790,838)	(2,730,968)	(2,813,067)	(2,593,771)	(2,383,916)	(2,183,097)	(1,990,927)	(1,807,030)	(1,631,054)	(1,462,654)	(1,301,508)	(1,147,302)	(999,735)	(858,520)	(723,390)	(594,077)	(470,332)	(351,917)	(238,602)			Subtotal			
(20,431,994)								(1,613,251)	(1,576,352)	(1,541,043)	(1,507,253)	(1,474,919)	(1,519,260)	(1,400,823)	(1,287,485)	(1,179,029)	(1,075,243)	(975,926)	(880,886)	(789,939)	(702,908)	(619,625)	(539,928)	(463,663)	(390,682)	(320,844)	(254,013)	(190,060)	(128,862)		-	SCHOOL	COUNTY	2	
																															-	(GO)	SCHOOL	· · · · · · · · · · · · · · · · · · ·	
(731,262)								(57,738)	(56,418)	(55,154)	(53,945)	(52,788)	(54,374)	(50,135)	(46,079)	(42,198)	(38,482)	(34,928)	(31,527)	(28,272)	(25,157)	(22,177)	(19,324)	(16,595)	(13,983)	(11,483)	(9,091)	(6,802)	(4,612)		-	COLLEGE	COM	7	Education
																															-	(GO)	COLLEGE	A-OR CST	ation
(1,268,988)								(100,195)	(97,904)	(95,711)	(93,612)	(91,604)	(94,358)	(87,002)	(79,963)	(73,227)	(66,781)	(60,613)	(54,710)	(49,061)	(43,656)	(38,483)	(33,534)	(28,797)	(24,265)	(19,927)	(15,777)	(11,804)	(8,004)			ESD	LINN-BENTON		
(22,432,244)								(1,771,184)	(1,730,674)	(1,691,908)	(1,654,810)	(1,619,311)	(1,667,992)	(1,537,960)	(1,413,527)	(1,294,454)	(1,180,506)	(1,071,467)	(967,123)	(867,272)	(771,721)	(680,285)	(592,786)	(509,055)	(428,930)	(352, 254)	(278,881)	(208,666)	(141,478)			Subtotal			
(60,264,236)								(4,758,287)	(4,649,456)	(4,545,310)	(4,445,648)	(4,350,279)	(4,481,059)	(4,131,731)	(3,797,443)	(3,477,551)	(3,171,433)	(2,878,497)	(2,598,177)	(2,329,926)	(2,073,229)	(1,827,587)	(1,592,521)	(1,367,575)	(1,152,320)	(946,331)	(749,213)	(560,583)	(380,080)		-	Total			

7% Adjustment factor*

*Reductions from discounts, delinquencies, compression, and rate truncation.

City of Newport

Community Development Department

Memorandum

To: Newport Planning Commission/Advisory Committee

From: Derrick Tokos, Community Development Director

Date: March 4, 2015

Re: Draft Amendments to NMC Chapter 14.14.100

Attached is a mark-up copy of proposed amendments to the Special Area Parking Requirements provisions in the chapter of the Newport Municipal Code that sets out requirements for provision of off-street parking spaces associated with new development. The purpose of these changes is to eliminate "payment-in-lieu" of providing required off-street spaces. If adopted, these changes will require persons developing property in these areas to provide off-street parking proportional to the impact of their project unless the property is inside of a City Council approved parking district, in which case the development must adhere to the parking requirements of the district.

As you are aware, the Council has established parking districts within the three special areas (i.e. Nye Beach, Bay Front, and City Center). Each is an economic improvement district authorized for a five year period. The Nye Beach Parking District was the first to be established. It is set to sunset July 1, 2015. These changes are needed to ensure that the "payment-in-lieu" option does not become available again should the Nye Beach District expire, since administration of a "payment-in-lieu" program became too difficult and complex for the city to administer. Further, many of the business owners felt that it was unfair that only those that were developing property contributed to parking system improvements that all of the businesses in the area benefitted from.

I have enclosed highlighted maps to show how the special area boundaries align with the boundaries of the parking districts, or in the case of Nye Beach with the boundary of the historic design review overlay. The Bay Front boundary is a little awkward where it picks up Canyon Way. It might be wise to expand it a bit so the boundary lines don't merge together.

We have discussed that the economic improvement districts (i.e. the current parking districts) are a stop gap measure and that a parking study should be performed to assess utilization and turnover rates of on-street parking and public parking lots in these areas. Such a study would also consider funding needed to maintain or enhance these assets over time and how that would be paid for (meters, business license surcharge, room tax, etc.) with the objective being to provide permanent relief from off-street parking requirements. I am working on a budget proposal to fund the study so that it can be performed next fiscal year. In the meantime, a public hearing will be held on April 6th to kick start the reauthorization of the Nye Beach Parking District so that it doesn't sunset before an alternative approach is developed.

Please review the draft code amendment and maps for the work session on Monday. I am looking for your feedback on changes that are needed before the code amendments are scheduled Planning Commission consideration at a public hearing.

PROPOSED AMENDMENT TO NMC CHAPTER 14.14

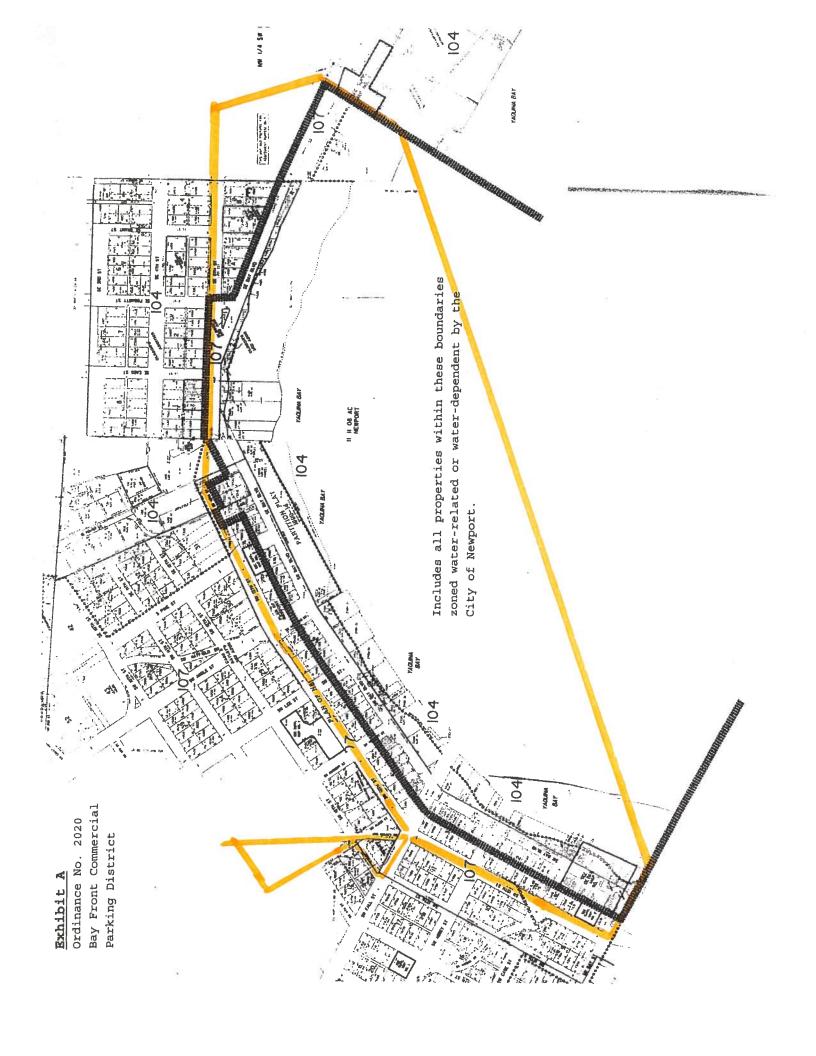
(Staff: Eliminates payment-in-lieu from being reestablished if a parking district expires. Allows off-street parking requirements to be reduced or eliminated as part of a City Council approved parking district.)

- 14.14.100 <u>Special Area Parking Requirements.</u>
 These special areas are defined as follows:
- A. Nye Beach. That area bounded by SW 2nd Street, NW 6th 12th Street, NW and SW High Hurbert Street, and the Pacific Ocean.
- B. <u>Bay Front</u>. That area bounded by Yaquina Bay and the following streets: SE <u>FogartyMoore Drive</u>, SE 5th and SE 13th, <u>SW 13th Street</u>, SW Canyon Way, SW 10th, SW Alder, SW 12th, SW Fall, SW 13th, and SW Bay.
- C. <u>City Center</u>. That area bounded by SW Fall Street, SW 7th Street, SW Neff Street, SW Alder Street, SW 2nd Street, SW Nye Street, Olive Street, SE Benton Street, and SW 10th Street, SW Angle Street, SW 11th Street, SW Hurbert Street, and SW 10th Street.

Staff: Changes special area descriptions to more closely align with boundaries established for the Nye Beach Design Review District, Bay Front Parking District, and City Center Parking District (highlighted maps attached). The Nye Beach Parking District Advisory Committee has reviewed the draft and agrees with the proposed revision.

Uses within a special area are not required to provide the parking required in this section. However, in lieu of providing that parking, the use shall be required to pay into a parking fund in an amount established by resolution of the City Council. The City Council may amend the resolution from time to time. The fee charged shall be based on a reasonable estimate on the cost of providing one surface parking space plus a proportionate share of other requirements such as driveways, aisles, and landscaping.

If if a parking district authorized by the City Council is formed in all or part of the special area, the requirements for payment in lieu of providing parking may be waived upon adoption of a motion of the City Council. In such circumstances, off-street parking shall be provided as specified by the parking district.



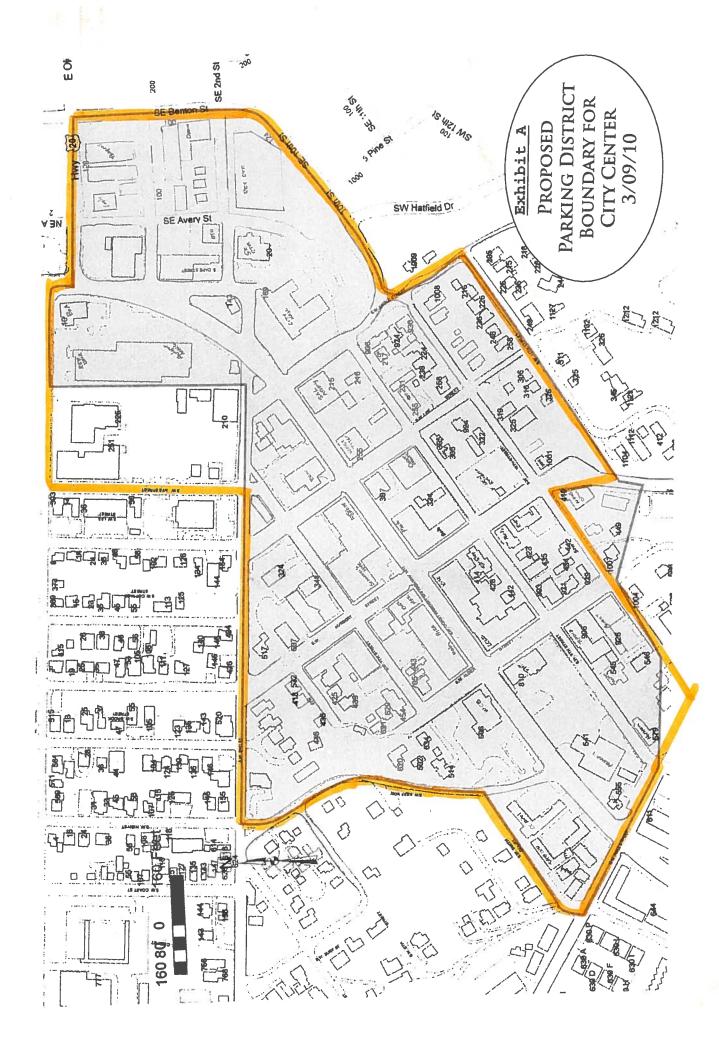
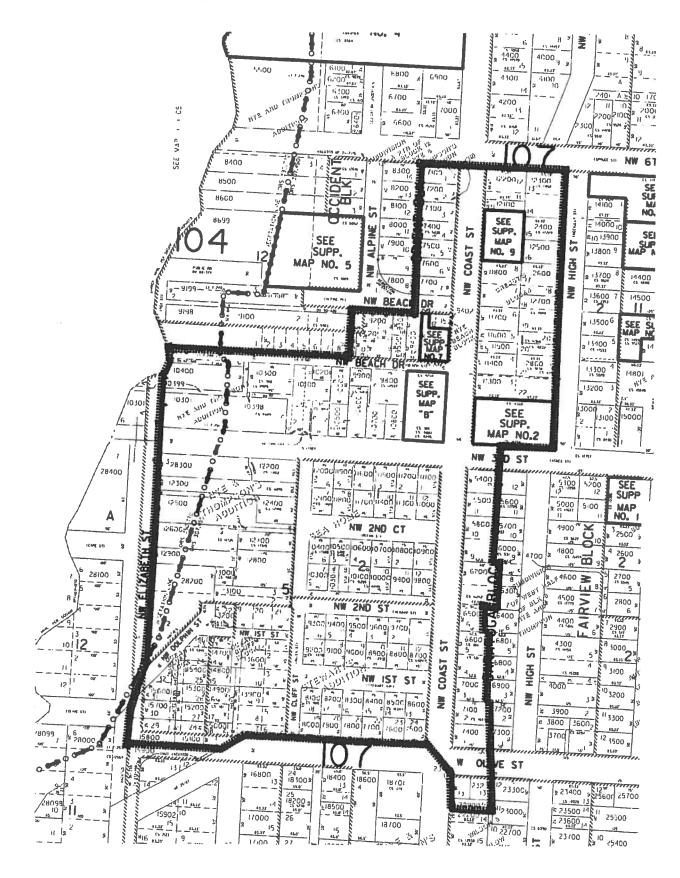
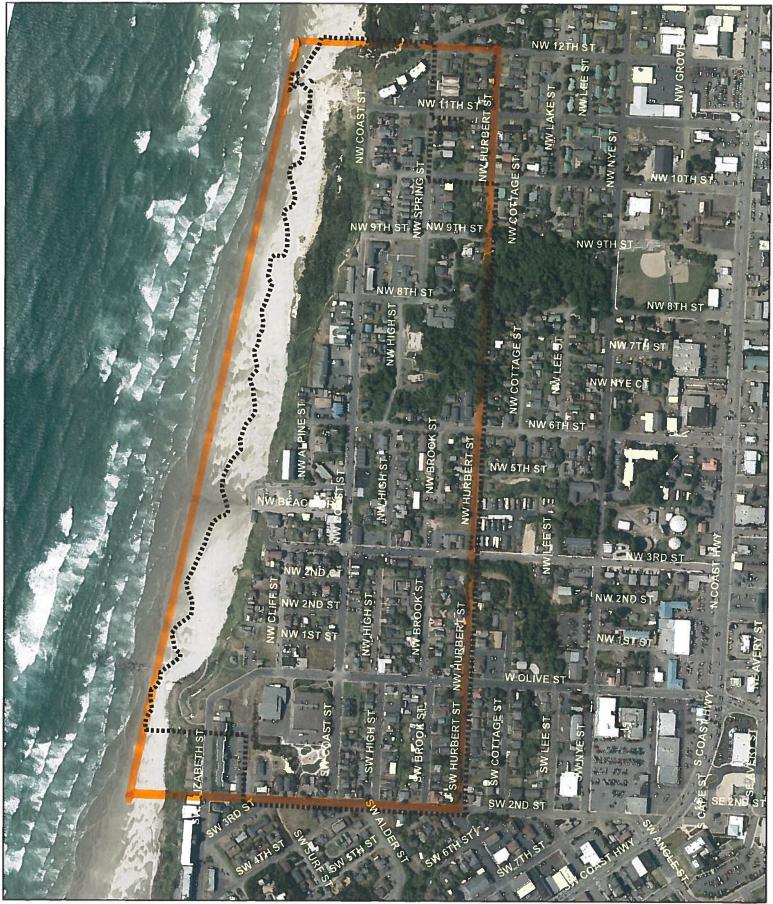


Exhibit A to Ordinance No._____, Amending Ordinance No. 1979, Establishing an Economic Improvement District Pursuant to ORS 223.144 In the Nye Beach Area for Parking System Improvements and Assessment of a Surcharge on Business License Fees for Businesses within the District







City of Newport
Community Development Department
189 8W Coast Highway
Newport, OR 97365
Pax:1.541.574.0624

Department
::1.541.574.0929
Historic Nye Beach Design Review District
Image Taken July 2013
4-inch, 4-band Digital Orthophotos
David Smith & Associates, Inc. Portland, OR

0 250 500





AGENDA & NOTICE OF PLANNING COMMISSION MEETING

The Planning Commission of the City of Newport will hold a meeting at **7:00 p.m. Monday, March 9, 2015**, at the Newport City Hall, Council Chambers, 169 SW Coast Hwy., Newport, OR 97365. A copy of the meeting agenda follows.

The meeting location is 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 of Newport Planning Commission reserves 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 meeting.

NEWPORT PLANNING COMMISSION Monday, March 9, 2015, 7:00 p.m. AGENDA

- A. Roll Call.
- B. Approval of Minutes.
 - 1. Approval of the Planning Commission regular session meeting minutes of February 23, 2015.
- C. Citizens/Public Comment.
 - 1. A Public Comment Roster is available immediately inside the Council Chambers. Anyone who would like to address the Planning Commission on any matter not on the agenda will be given the opportunity after signing the Roster. Each speaker should limit comments to three minutes. The normal disposition of these items will be at the next scheduled Planning Commission meeting.
- D. Consent Calendar.
- E. Action Items.
- F. Public Hearings.
 - Continued Deliberation and Decision on File No. 1-NB-15/1-CUP-15. A request submitted by John Lee (Nye Hotel, LLC, property owner) for design review and a Conditional Use Permit for an addition to the Inn at Nye Beach located at 729 NW Coast Street. The Planning Commission held a public hearing on this matter on February 23, 2015, closed the hearing, and began deliberation. The Commission directed Staff to provide findings and final order for approval for their review along with additional information they requested from the applicant.
- G. New Business.
- H. Unfinished Business.
- I. Director Comments.
- J. Adjournment.

Draft MINUTES City of Newport Planning Commission Regular Session Newport City Hall Council Chambers Monday, February 23, 2015

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

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

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

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

B. Approval of Minutes.

1. Approval of the Planning Commission regular session meeting minutes of February 9, 2015.

MOTION was made by Commissioner Croteau, seconded by Commissioner Berman, to approve the Planning Commission meeting minutes of February 9, 2015, as presented. The motion carried unanimously in a voice vote.

- C. Citizen/Public Comment. No public comment.
- **D.** <u>Consent Calendar.</u> Nothing on the Consent Calendar.
- **E. Action Items.** No items requiring action.
- F. <u>Public Hearings</u>.

Patrick opened the public hearing portion of the meeting at 7:02 p.m. by reading the statement of rights and relevance. He asked the Commissioners for declarations of conflict of interest, ex parte contact, bias, or site visits. Hardy declared that she has a business relationship with one of the opponents. All of the commissioners had done site visits. Patrick declared that he has done work for most of these folks. Franklin declared that he had received a phone call from Stephen Davis, an employee with the Inn at Nye Beach, who was contacting business owners in the area. Franklin took the call and asked that Davis email him. He entered a copy of that email into the record. Patrick noted that the ad hoc committee that is working on the design guidelines, which he and Franklin are on, saw a preliminary copy of the plans; and the design came up in their discussion about how to change the existing rules. He noted that tonight's review is based on the rules as they exist; not as they might change. Patrick called for objections to any of the Commissioners or the Commission as a whole hearing this matter; and none were heard.

1. <u>File No. 1-NB-15/1-CUP-15</u>. Consideration of a request submitted by John Lee (John Lee, Denny Han, and Dale Johnson, authorized representatives) (Nye Hotel, LLC, property owner) for design review for a 10,375 sq. ft. addition that includes 16 new guest rooms, a lobby addition, laundry addition, and a new spa building at the Inn at Nye Beach (formerly the Greenstone Inn). The project requires design review because the building exceeds 35 feet in height (47 ft. 3 in. peak height) and a Conditional Use Permit because the structure's exterior dimension is over 100 feet in length (138 feet). The property is located at 729 NW Coast Street (Tax Map 11-11-05-CC, Tax Lot 5600).

Patrick opened the public hearing for File No. 1-NB-15/1-CUP-15 at 7:04 p.m. by reading the summary from the agenda. He called for the staff report. Tokos noted that the Commissioners had received his staff report, dated February 19th, in advance of the hearing. It was also posted to the city website. He noted that he had the complete record with him tonight, should anyone need to see it. Tokos wanted to read through a few items that came in after the Commissioners received their packet material; documents which they had before them tonight. There was a

letter dated February 21st from Hallmark Resort's General Manager, Ric Rabourn, indicating their support of the proposal; an email from Kevin and SueEllen Ferris, dated February 23rd, adding additional commentary to a letter they previously submitted in opposition; a letter from Kevin Carmody that came in over the weekend, expressing support as a Pacific Coast condominium owner; a letter from Scott and Stephanie Doll of Café Stephanie, indicting support of the project; a letter of February 20th from Sandy Smith and Jack Wolcott, which may be a duplicate of one in the packet already, indicating opposition; and an email from Michele Laurel clarifying some language in her initial letter in support that is included in the packet. Tokos noted then there is the email Commissioner Franklin received from Stephen Davis, General Manager of the Inn at Nye Beach, which simplifies the nature of the project and indicates their hope that business owners will share their view that the project is beneficial to the community. There is a letter in support of the project submitted this evening by Susan Davidson, who may choose to testify. Finally, there is a petition submitted by the applicant that individuals signed indicating support for the project. For the record, Tokos noted that there were some revised drawings that the applicant submitted addressing some of the issues raised in the staff report; and the Commissioners have 11" x 17" drawings of these in front of them as well. These include revisions to drawing A-4, the roof plan, addressing the roof pitch to make sure that to all of the elements they are sloped at least 12:5; changes to A-5, elevations, and A-6, elevations, correcting the peak height measurement so it's consistent with how height was measured with the plans for the original dwelling; corrections to A-7, to assure that the roof pitch on the spa building is 5:12 not 4:12 as it was previously; changes to the landscape plan L-1 and L-2 addressing concerns about screening of the parking area to the building and incorporating a lighting plan in the plan set that wasn't in the original set.

Tokos touched on the key elements of the staff report. He noted that the Commissioners have two issues before them. One is design review under the guidelines for HNBO because the building comes in over 35 feet in height. This is a C-2 zone, and the code standard is that the maximum building height is 50 feet with zero lot line. They can build up to the property boundary; in fact, it's encouraged. If a building is over 35 feet, then design review is required against the guidelines before the Planning Commission as opposed to the nondiscretionary standards. If the building were under 35 feet, under the code it would be handled by staff with no discretionary review and no notice. Because it is over 35 feet, the project is subjected to review of the more flexible guidelines. The building is over 100 feet in length; the prior hotel was just under. With the proposal, they are adding 16 units; 13 net new units. They are removing the existing two-story building and constructing an addition. As depicted that will extend over the top of the existing driveway and connect the two buildings. Because the building is over 100 feet that triggered a conditional use permit for it as well.

With respect to the design guidelines, which are numbers 2 through 9, they are addressed in the staff report verbatim. Tokos noted that number 2 gets at making sure the proposed commercial development acknowledges the scale of the streetscape and incorporates architectural features to break up the façades to reflect appropriate human scale measurements; design features like windows, doors, variations of setback, balconies, awnings, etc. Its focus is towards those elements facing the public right-of-way; not the spa building. In 2008, the Planning Commission found the existing hotel, which replaced the old Viking Hotel, met this standard. The addition incorporates many of the same elements that the original Greenstone Inn did. Tokos said the Commission has substantial evidence to base a decision on. He said there is sufficient evidence to find that this guideline has been satisfied.

Guideline number 3 regards roof pitch and looks for gable or hip in design. It does provide for a flat roof provided a parapet is used to conceal it. Roof pitch can be between 5:12 and 12:12. There was an issue with that with respect to the shed roof elements. They were listed at 4:12; but that since has been corrected. All roof slopes will be 5:12. The peak height of the existing hotel is not going to be changed. The addition is proposed to be about two feet higher than the rest of the structure. At this point in time, with the revised plans and also the revised roof pitch so it's 5:12, there is substantial evidence to find that this guideline has been satisfied.

Guideline number 4 requires that commercial buildings abut the front property line and side property lines unless there is a pedestrian-oriented feature like a courtyard, patio, or outdoor café seating or something of that nature. In the zoning code, it requires no more than five feet back. The applicant has done that. They are within five feet of the sidewalk facing Coast Street. They've brought it to the property line on the north side, which is angled so it's not zero at all points. One of the revision sheets addresses the eave overhang. The drawing in the packet shows the eaves were overhanging on the north. They revised the plans so the eaves will be contained on site and not extend past the property line. With those changes, there is substantial evidence to establish that guideline number 4 has been addressed.

Guideline number 5 requires that the building generally shall be compatible with the design and appearance of other development in close proximity with similar architectural features; features common to the district. The testimony in this case in opposition is from the Lighthouse Lodge condominiums essentially. They expressed concern about the height and mass and the impacts on the solar access on their properties. Tokos said the Commissioners have in their packets photographs of different projects approved under the guidelines. There are historic photos. The Commissioners have driven the area. At this point, the Commission will have to make a call whether or not this conforms to this standard or not. Have they incorporated architectural features compatible and used similar types of features as those in close proximity?

Guideline number 6 gets at having the building oriented towards the street with the main entrance also facing the street. This also ensures that the building has some architectural relief such as variation to height, setbacks, and design features. The entrance to the hotel fronts Coast Street. There is substantial evidence in the packet to establish that this guideline has been satisfied.

Guideline number 7 gets at ensuring that off-street parking does not dominate the streetscape and is oriented to the rear or side. Fifteen off-street spaces are provided. Parking is surface oriented to the rear of the building. It needs to be screened. The applicants supplemented their landscape plan and will explain how they are screening that.

Guideline number 8 is to ensure that pedestrian circulation on commercial projects is provided for. They have appropriate circulation on the interior and on the side. A striping plan is provided in the drawings showing clearly that there is pedestrian movement there. Coast Street has a sidewalk so there is physical separation of pedestrians and vehicle travel on Coast Street. Their proposal gets at that issue.

Guideline number 9 gets at lighting. It's looking at the number and types of fixtures incorporated and are limited to areas where absolutely necessary; where you have people at night time and for security purposes. They should be downward directed and shielded and not shine directly on neighboring properties. Tokos noted that the Commissioners just received the lighting plan, so he will defer explanation of that to the applicant.

Tokos said when you move to the conditional use permit criteria, there are several. The conditional use permit was triggered because of the length of the building. The first criterion is that the public facilities can adequately accommodate the proposed use. Tokos said that is straightforward; street access, pedestrian access, sidewalks, water, and sewer. All of those are in place. There is substantial evidence that that criterion has been met.

The second criterion is that the request complies with the underlying zone and overlay zone. Tokos noted that this is a C-2 zoning district with zero setbacks. It does not provide for encroachment on neighboring properties, which was the issue with the eaves. The applicant has addressed that. A hotel is a permitted use. The property is within a geologic overlay, which is a separate permitting process. The applicant has submitted and obtained a geologic permit for the project. It's also within the Nye Beach overlay, which is addressed in the staff report.

The third criterion is that the proposed use does not have adverse impacts greater than existing uses on neighboring properties, or that impacts could be ameliorated through conditions. It explains that adverse impacts are physical impacts, and then it lists them. Tokos noted that there has been a fair amount of testimony from the folks who own the condominiums in the Lighthouse Lodge immediately to the north. Impacts on solar access is one. In the testimony it indicates that some of that would be attributed to the height of the building and zero setback. If they had a building height of 35 feet, they could build right to the property line right now; in fact, that's encouraged. There would be solar impact. Is that impact something within this standard? What other ramifications are there with zero setback? Typically in planning, setbacks are used to provide for solar access and separation between buildings. When you have ten feet, the buildings would be 20 feet from each other. That's for solar access, privacy, and sometimes emergencies. We do not have that standard in place in C-2, which he assumes was a policy choice. He's certain there was agreement to that setback arrangement. A common circumstance for greater adverse impact with this standard is off-street parking. He said that is not the case here. They provided additional spaces for the hotel use. The fifteen spaces meets what is one per room requirement for hotels. With thirteen new units, they are within that. They have met that requirement.

The next criterion is that the building is consistent with the overall development character of the area. Tokos said this is one again that the Commission needs to weigh the evidence here. The Commissioners have examples of other development with photos of different types of development in Nye Beach; hotels, retail, commercial, residential. The Commission will need to determine if this is consistent with building size and height. The 100 feet plus is what drove the conditional use standards because it was 138 feet. Tokos said that is something to keep in mind. There were discrepancies in the measurement of the building height for the existing hotel. Tokos included drawings in the packet. When the existing hotel was approved in 2008, plans presented to the Planning Commission were just over 40 feet in height. The plans approved as the construction set was just over 41 feet. The applicants' plans showed it at about 45 feet. The applicant revised the drawings. Their plans included measurement from a point lower than what we require the measurement from. The revised set of plans recalculated the height based on the code, which is consistent with the construction drawings at 41 feet and a few inches. That's shown on sheet A-5 of the revisions. As noted, the addition is two feet higher. They have that now depicted at 43 feet. The applicant can explain why that is higher than the existing hotel.

Tokos noted that the Commission has a public hearing before them. The applicant will present their case, there will be testimony in favor or in opposition, and the applicant can provide rebuttal. The Commission has choices. After hearing testimony, the Commission can make a tentative decision for approval as presented, with modification, or for denial. The Commission can decide any of those three and provide staff direction to prepare final order and findings consistent with one of those to review in a couple of weeks. Or the Commission can request additional information. The Commission can choose to continue the hearing if you want to leave the record open and pick up in two weeks. Or if the Commission needs only targeted information, simply close the public hearing and request information and deliberate in a couple of weeks. Tokos needs that direction before the end of the evening.

Proponents: The applicant, John Lee, VIP Hospitality Group, 729 NW Coast Street, came forward with architect, Denny Han, and presented some slides. Lee explained that VIP has been a hotel owner/operator that's been in business along the Oregon coast for about 30 years. They began with the Coho Inn in Lincoln City. They have four hotels along the Oregon coast and Washington Coast. They invested in Nye Beach by acquiring the Greenstone Inn in February 2013. It was already an established hotel in a beautiful setting. They called it the Inn at Nye Beach with a small modification of design. They immediately began thinking about expanding and transforming it. He noted that there are several larger hotels in Nye Beach. When they first looked at the market, they felt that higher-end unique hotels were missing; similar to what you see in Canon Beach, Manzanita, or Astoria. Lee said investing in projects in communities for the long run is what they do. They're not a large developer that comes in and builds and then bolts after making a large profit. They are a hospitality group that invests in businesses. Their business acronym stands for "vision, integrity, passion, and humility;" and they work hard to instill these values in all members of their company. He said many development projects started with ambitious plans but never get to see the finish line. They carefully thought through the design and believe they can carry it through. Lee said they have good team members. Their architect has 20 plus years' experience. They are currently having discussions with general contractors and will have the selection process over the next several weeks. VIP Hospitality Group will be the management company. They have a financial commitment from the owners and bankers. He said it is a special hotel.

Lee wanted to share some photos of properties they have been involved with in the last 5-7 years. The first slide showed the Coho Lodge in Lincoln City where they took down an old house and added rooms. It has a fire pit and park. The next slide was the Majestic Inn in Washington, which was a closed retail shop where they built an extension and added a rooftop bar. He said in fact, the City of Anacortes encouraged them to put in the rooftop bar because of the view. Next was the Inn at Wecoma in Lincoln City. Last was the Inn at Nye Beach, which is not yet complete. He said they are hoping to create something special there. Lee said they have a capable and hardworking team in place to execute and deliver a business that Newport can truly be proud of.

Han said that this design came about through a collaboration of a team that has worked hard. They started this process about six months ago. After the acquisition, they explored different options and ideas. As a designer, his job is to do feasibility studies by looking at potential development opportunities. They came up with a number of scenarios; one being four stories, which would have added an extra six guest rooms. They had the parking, and it would have met the maximum height limitation. As they continued to explore that idea, they looked at how it would potentially impact the surrounding neighborhood. They scaled that back and looked at other possible worthy options. Eventually they arrived at a three-story proposal for a number of reasons. The existing approved hotel

since 2010 is a three-story hotel. They felt that at the end of the day, they didn't want an expansion that would be looking like an after-thought. They want to tie into what already exists. There is a two-story freestanding structure already. If they tore it down and built another two-story structure, that doesn't make feasibility sense. They wouldn't gain many units from that option. Three-story seemed to be the most viable option. They looked at ways they could make the overall design streamlined so it looks like it was built that way from the very beginning. He said you can see that now the existing materials are shingle siding and horizontal lap siding with stone tile wall on the base of the building, use of trims and balconies, and lots of offsets facing the street frontage. There's a standing seam metal roof that is also a clipped gable. The proposal attempts to continue with that direction. They don't have a whole lot of space they are adding; about 38 feet of additional building structure. At the same time, they wanted to be sensitive and continue the vision of creating a streetscape that would respond well to the public right-of-way.

Han had six bullet points to cover. The first one being wall offsets. They wanted to continue with the offsets that have been created. The major one is on the right side and sticks out about four feet on second and third levels. There's a recess on the lower portion that is an additional two feet. Additionally, above the drive-through or breezeway there is an additional offset. Those offsets really help break up the vertical emphasis. There is a pedestrian seating opportunity created in a space where they can put a trellis and bench seating with landscaping. He said there's not a lot of area to create potential public space. This would be a great area for respite for passersby. It's accessible from the sidewalk and is useful and appealing from the right-of-way. The second point is varied rooflines. They are using that again to create a reduction in the vertical emphasis, which works with the offsets. They had an opportunity to put a roof on there to break up height, which reduces the scale to create a terraced or stepped overall look. This, in addition to the detailing at the top, creates a dynamic skyline. The third bullet notes the existing entrance that is an awning. That's going to be a new lobby extension. There is an existing north entrance, but it didn't really fit the direction they wanted to go. They are using a lot of wood and warm materials such as stone. Their intention based on the guidelines, which gives options in terms of style (bungalow and craftsman, stick and Eastlake, and colonial and Georgian) is to go with craftsman style with all detail, material, and colors just following that vision and direction. The original hotel, although it had a lot of interesting things, there's not a lot of additional architectural features that would lend to one style. They wanted to emphasize a style. Throughout Nye Beach there is the use of warm materials that they thought were fitting for the expansion. They are incorporating a lot of balconies and windows with multi-panes, a landscaped wall, and a light fixture all introduced to break down the scale of the façade and provide a much more interesting and dynamic streetscape. For the exterior building materials and colors they are using and mixing different types of cladding. They will keep the main body as cedar shingles but would like to update lower wall tiles with something more neutral that's a warmer color; different shades of gray and brownish-gray. They will incorporate different types of siding, like vertical boarding and batting at the top; all working in conjunction with one another to break up the façade. There is already a belly band, and they will continue that toward the addition. They will incorporate a lot of architectural detailing and a lot of trim work, such as brackets at the upper portion of each tower. They added corbels and trellises. They found that in a number of historical buildings that they saw in pictures and driving through the area, these are some of the things they can incorporate that will really create an enhanced façade.

Regarding Guideline number 3, they did update their plans to conform to the guideline. All 4:12 pitches were updated to 5:12. They will continue with the standing seam metal roof as part of the expansion. Regarding Guideline number 4, there is already existing landscaping, which they will enhance even further. They want to create a beautiful buffer between the building and the public right-of-way. He highlighted the trellis and seating area, which is a great opportunity to provide an interactive space for guests or pedestrians to use. The next slide was to show that they dealt with the north property line where they had the overhang. Everything is solely within the property. He noted that to the right where the door is by the trellis, that will be the door where they house the trash bins. On the plans that is the double doors on the bottom right-hand corner. Right now there is a fence on the side, and all of the trash bins are in that side yard. Out of respect to the property owners on the north, they plan to place the trash cans within an enclosed space. Regarding Guideline 5, they wanted to show the immediate context. They had a slide showing a shot looking north from the hotel and one looking south. He noted that it's a lot of small single-story homes. To the south and toward the west are the Pacific Crest condominiums that are three-story, and the length exceeds 100 feet. There aren't many architectural features on these buildings. To the north is the Waves Motel, which is very simple. As they continued to explore the city and view developments that are already built and look at historical buildings that have been torn down, they recognized that there are already a lot of three-story hotels and structures. Some do go beyond providing a basic façade and provide detailing. On the upper right the slide showed there is the use of wood brackets up at the gable end and balconies; and on some single-story residences, use of multi-pane windows and horizontal trim bands. On the upper left they used varied roof forms and corner pop-outs. He showed a slide with historical buildings and noted that they use brackets and corbels in addition to gable ends. They really wanted to highlight that throughout their building. Guideline number 6 focuses on entrances. There are two existing entrances. They want to enhance and help passersby or guests identify very clearly the entrance to the building. The awning was an attempt at that. On the north side, they would like to upgrade it and make it suitable for Craftsman style by adding stone to the columns and brackets. There's a clear identification of the entrance. Regarding Guideline number 7, Han noted that all parking will be at the rear, west side, behind the building. They satisfy the requirements for that. For visual screening in relationship to the parking, on the north (right) side and the south (left) side they intend to put landscaping on the north side and on the south side put a wood fence extending all the way to the parking stalls. No cars will be visible from adjacent properties. Regarding Guideline 8, vehicle versus pedestrian traffic. They will have curb or raised walkway to identify and break up the main breezeway aisle from the pedestrian walk. Guideline 9 regards lighting. Their intention is to select fixtures that clearly are unobstructive and not only aesthetically pleasing but are not going to be a nuisance or a glare to guests. All the fixtures they've chosen are shielded and pointing downwards or upwards. Landscaping up-lighting is highlighting specific areas of interest like small trees; not in the direction of the public right-of-way. The pilaster-mounted fixture will be downwards. Pendant lighting has to point down to light up below, but it will be underneath the canopy at the northern entrance and is not visible from the public right-of-way. The revisions include a landscape plan showing the locations of these fixtures. The up/down lights will be on the corners of the buildings. They have a lot of path lighting for landscape beds. In the rear, next to the proposed spa building, there will be an outdoor amenity; two fire pit areas that will have ADA access because it's at a lower level. Lighting is going to be lit throughout that space to assure security and all-day use. Han noted that Tokos had mentioned the height of the building, and he wanted to address how that came about. They did use a lower datum. By using that, they ended up with a higher point. The reason for the two foot difference is because the amount of area they are trying to cover is a little bit wider. With hip roofs, the wider you get, the higher the point of the ridge. They could satisfy that two feet by lowering the pitch to 6:12 or 5:12, but they don't feel that would do the building justice. It's beneficial for the overall appearance to maintain the same roof pitches. The advantage of going with clipped gable is that the height seems diminished because it's clipped. From the sidewalk, the height is diminished. There's greater advantage going with this type of roof design.

Opponents and Interested Parties: Peggy Kjellsen, 801 NW Coast St, a neighbor a block north, came forward. Kjellsen said that the building is beautiful. It's grand. She loves it. It's well-maintained. She said there's only one problem she has with it. She has lived in the 6-unit condominium on the ocean side just west of the Waves Motel for twelve years. She has been spoiled because she hasn't had to hunt for a parking space. Two weeks ago she was standing in the road looking down into Nye Beach and up to where it dead ends; and there wasn't one vacant spot, including in front of her house. She got concerned. She talked to Stephen because she knows there is parking under the existing hotel, but she doesn't think they are used that frequently. Often residents in the hotel will park on the street. Employees park on the street. There is no place for employees to park in back. There are individual homes across the street from the Waves so even when nobody else is in town, that street is full with the people who live there. She noted that at one time Newport was looking at preparing property across from the ambulance station where there is some vacant land. She thinks that would be a wonderful idea if the City looked into that again. That is more off-street parking. She said that the tourists are a wonderful advantage to Nye Beach and to the City, but it is hard to get around. North of the Lighthouse condominium area there is a half block that dead ends, and there is extra parking in there. Kjellsen said that parking is the only objection, or concern really, that she had as a resident on that street. She doesn't see the parking lots full under the hotel. She would like to see parking addressed.

Proponent: Susan Davidson had submitted written comments but decided to testify as well. Davidson said that her family has history here on the coast for 86 years. She said having lived here about five years herself and gotten acquainted with many of the hotels and businesses in this area, she thinks many of the business could take some of the ideas that the Inn at Nye Beach has done that would benefit the whole city. The Inn at Nye Beach is a green, eco-friendly establishment that recycles, that cares about the footprint of this city and of this village. They don't use toxic chemicals in cleaning or in any materials. It is locally-owned and they employ local families in this area. When she did her research of what is available in Nye Beach, she chose to come here versus Depoe Bay where her family is from. Sylvia Beach Hotel is another unique hotel with 20-21 room. The Landing on the Bay Front has 26 or 27 rooms. There are people offering little places for nightly rentals. The Elizabeth Street Inn has 68 rooms, the Shilo has 179, and the Hallmark has 159. She said what she can say from her daily beach cleanup walks is that as far as pollution, the three huge hotels stacked right after another are very abhorrent in light pollution. The way they

mark the streets and the beach, and their noise and smell pollution. She picks up trash, and the most is by the Shilo, the Elizabeth Street Inn, and the Hallmark. Davidson said this proposal is a wonderful expansion that would serve our city. They are setting an exemplary example of future business practices. She encouraged the Planning Commission to take those pieces into consideration in their decision.

Rebuttal: Lee and Han returned for rebuttal. Han noted that, regarding parking, they have fifteen additional spots and are planning on adding thirteen net rooms; so, if anything, parking should improve. He said they are trying their best to make sure the hotel spaces are utilized first. They will address that with their staff even more.

Berman noted that 80 feet is the proposed east/west dimension on the addition. He asked what the dimension is on the current structure being demolished. How much closer to the cliff edge toward the ocean are you going? Han said maybe ten more feet west of the existing. Berman said the concern from those property owners to the north was raising the height of the building. He sees the additional length, which compounds the shading. Han said they designed the north expansion to align with the existing south building for continuity of massing. They took into consideration all sides. They made all attempts to look at the entire building on all four sides. They are trying to match what is on the south side. Franklin said there's a good view in the aerial photo showing the south side of the existing Greenstone. He said it doesn't look like very much. Berman said he could see trying to break up the look on the north façade. There are only two windows, and it would be much more attractive if there were additional windows to break up the massive area on the north side. Han said they wanted to have windows on the north side, but because it was so close to the property line, code doesn't allow windows. Patrick said this is commercial, which goes to zero setback; and that is a firewall. He said that the Nye Beach code says commercial development should fill to the property lines. The only reason they were able to get the windows they did is because this is a triangular lot.

Patrick closed the public hearing at 8:10 p.m. to begin Commission deliberation. Hardy thought it's obvious that they are concentrating their building with what is south rather than what is north. That neighborhood tapers down as you go north as far as building similarity. She doesn't see it as a particular aberration. It's more of a continuation of what the Nye Beach area has been. It's not inconsistent. Berman said he finds that the guidelines are addressed appropriately. He still feels bad for those people immediately on the north; but he doesn't think there's anything in the existing regulations or ordinances that allow leverage to do anything about it. It's in conformance with everything. He thinks it's a beautiful building and appreciates the effort that went into the front façade. Croteau said in general he thinks it fits with the neighborhood. He has done a bit of walking around in Nye Beach. This design is reasonable and fits within the guidelines of the overlay. He suggested that it would be useful for the applicant to talk to local landscape architects to pick better plants that will actually last here. He thought that would be an upfront worthy investment. As far as the lighting issue, he said he just got the design tonight and wanted to look at it to understand the effects on the neighbors. He likes that it's down lighting. But he wanted to review the plans more than he had a chance to do tonight. Regarding solar access and shading, he knew it's not addressable within the guidelines, but he would like to see an illustration of what would happen before and after. He asked them to show some illustrations of what it is now and what it would be after for four seasons of the year for him to get an impression of the magnitude or lack thereof of the shading issue. Franklin thought the plans are great. They've done a great job of tying in the addition with the existing building. He agrees with what was said that if the roof on the far end was a lower pitch, it would look horrible. He thinks the proposal is great. Patrick liked the design. He thought it met all the guidelines, except maybe one; and that's on the conditional use permit. The building measures 138 feet, and he thought the Commission decided that they're supposed to break it up at 100 feet. He wondered if the driveway counts as breakage. Franklin said that's a view corridor. Croteau said he didn't see any way around it. Patrick noted that on Archway Place the Commission let them fill in the stairway for windbreak. He would like to have a good leg to stand on so for future projects we are consistent with how we apply that 100 foot rule. Croteau asked what the basis is of the 100 feet; architectural design appeal or structural? Tokos said a structure over 100 feet requires a conditional use. It gets at the no greater adverse impact. With design guidelines, it's if the character is consistent. You have discretion on how you apply that. With design guidelines there's not a hard and fast rule. It's not that you can't have construction go over 100 feet; there's just a provision that you have to go through a conditional use permit. Croteau said he gave them points for incorporating design features that breaks up the façade. Patrick said he forgot it had to do with adverse impacts. Regarding solar access, his thoughts are because it's C-2 zoned with zero lot line and they're supposed to build to zero, it's a moot issue. He realizes there are buildings to the north; but they are a lesser use than what it's zoned at. Franklin said there are many examples of that around Nye Beach. Croteau said the solar access is not an issue that would affect his vote, but he would like to see a

comparison. He said it's an easy thing to do. He would guess it's not that big of a deal; but it is a concern of the neighbor. That way we can see if it's a big deal or not. Patrick said it would be nice to step the third story back on the side; but he doesn't think with the code as it's currently written we could require that. Croteau said he wants to see what the real impact is. Only then would you seriously consider an alteration. It's within the code, but he would just like to know. Berman said he was thinking of the length cutting off that angle at various times of the year.

Tokos said the Commission can ask for additional information for presentation at the next meeting. If the Commission doesn't make a tentative decision tonight, he won't be bringing findings at the next meeting. They would evaluate the additional information and then he would bring the final order forward at that time. If the Commission feels comfortable making a tentative decision with direction to bring forward findings and final order that accomplishes something like approval, they will consider that along with the additional information at the next meeting. Franklin asked if solar studies were asked for on other buildings, such as the McEntee. Tokos said it couldn't have been done for the McEntee building because that was constructed under the standards. He wasn't sure about for Archway Place. Patrick thought it came up with Archway Place and Moon Shadow; but more for east/west.

MOTION was made by Commissioner Berman, seconded by Commissioner Croteau, to have Staff bring forward findings and final order for approval to consider at the next meeting with the additional information requested from the applicant. The motion carried unanimously in a voice vote.

G. New Business. No new business.

H. Unfinished Business.

- 1. Tokos noted that for the next meeting the Commission will have a work session, which will be largely focused on recommendations on the North Side Urban Renewal District for City Council consideration on March 19th. The Council should adopt resolutions to get the district formed. They will initiate the process of forming the district with whatever parameters they decide and who they want on the stakeholder groups. The Planning Commission will be providing the Council with an overview and scope of work on LIDs, which he will bring to the Commission work session as well.
- 2. Tokos noted that the City Council did their goal-setting today. He doesn't know the priorities out of that yet. That will be in the packet of materials for the next Commission meeting.
- 3. OMSI plans are in and under review. That's moving forward on schedule.
- 4. Tokos noted that we have additional work on the Seal Rock Water District withdrawal with the IGA. We are working to a point of resolution. New issues came up that have to be resolved. That should go back to the City Council on March 16th.
- 5. The ad hoc group looking at the Nye Beach standards ten-year update are meeting on Wednesday to review the recommended changes to the guidelines that came out of SERA's review. Tokos met with John Clark to get his point of view. Tokos will share the cross-references to the zoning ordinance. This should be coming back before the Planning Commission in the next month or two.
- 6. Berman asked about the housing study. Tokos said that was adopted by the City Council at their last meeting. They incorporated a number of language adjustments; just minor ones. Councilor Allen said there were points that Berman had raised that made him to make those changes. Tokos is getting that changed. Overall, he expects that will be one of the Council's goals. The City will be picking up a conversation with the County about getting multi-unit tax exemptions in place.
- **I.** <u>Director Comments.</u> No additional Director comments.
- **J.** Adjournment. Having no further business to discuss, the meeting adjourned at 8:27 p.m.

Respectfully submitted,

Wanda Haney Executive Assistant

BEFORE THE PLANNING COMMISSION OF THE CITY OF NEWPORT,

COUNTY OF LINCOLN, STATE OF OREGON

IN THE MATTER OF PLANNING COMMISSION FILE NO. 1-NB-15/)	
1-CUP-15, AN APPLICATION FOR DESIGN REVIEW AND)	FINAL
CONDITIONAL USE PERMIT APPROVAL FOR AN ADDITION TO)	ORDER
THE INN AT NYE BEACH, AS SUBMITTED BY JOHN LEE (NYE)	
HOTEL, LLC (OWNERS)))	
	•	

ORDER APPROVING DESIGN REVIEW AND A CONDITIONAL USE PERMIT under the design guidelines for the Historic Nye Beach Design Review District and Conditional Use Permit approval criteria for a 10,375 +/- sq. ft. addition to the Inn at Nye Beach (formerly the Greenstone Inn). Planned improvements include 16 guest rooms, a lobby addition, laundry addition, and a new spa building. An existing two-story building on the property, which contains 3 guest rooms, a fitness room and laundry room will be demolished. The new addition will be constructed in its place. It will be three stories in height, and will extend over the existing driveway to tie into the existing hotel. The peak height of the addition at just under 43-ft., 5-in., and the building footprint will be 138-ft. in length. The subject property is Lincoln County Assessor's Tax Map 11-11-05-CC, Tax Lot 5600 (729 NW Coast St).

WHEREAS:

- 1.) The Planning Commission has duly accepted the application filed consistent with the Newport Zoning Ordinance (No. 1308, as amended); and
- 2.) The Planning Commmission has duly held a public hearing on the request for a design review permit, with a public hearing a matter of record of the Planning Commission on February 23, 2015; and
- 3.) At the public hearing on said application, the Planning Commission received testimony and evidence, including testimony and evidence on behalf of the applicant, general public, and Community Development Department staff; and
- 4.) At the conclusion of said public hearing, after consideration and discussion, the Planning Commission, upon a motion duly seconded, **APPROVED** the request for a design review and conditional use permit.

THEREFORE LET IT BE RESOLVED by the City of Newport Planning Commission that the attached findings of fact and conclusions (Exhibit "A") support the approval of the request with the following condition(s):

- 1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to this report. No work shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the applicant/owner to comply with these documents and the limitations of approval described herein.
- 2. Consistent with NMC 14.30.110 (Time Limit on Design Review Permit), this design review permit shall be void after 18 months from the date the permit is final unless substantial construction has taken place. Substantial construction shall mean at least 25% of the value of the permitted work has been completed.

ch, 2015.
James Patrick, Chair
Newport Planning Commission

Community Development Director

EXHIBIT "A"

Case File No. 1-NB-15/1-CUP-15

FINDINGS OF FACT

- 1. This application for design review and conditional use permit approval within the Historic Nye Beach Design Review District involves a 10,375 +/- sq. ft. addition to the Inn at Nye Beach (formerly the Greenstone Inn). Planned improvements include 16 guest rooms, a lobby addition, laundry addition, and a new spa building. An existing two-story building on the property, which contains 3 guest rooms, a fitness room and laundry room will be demolished. The new addition will be constructed in its place. It will be three stories in height, and will extend over the existing driveway to tie into the existing hotel. The building plans list the peak height of the addition at just under 43-ft., 5-in., and illustrate that the building footprint will be 138-ft. in length.
- 2. John Lee, 1915 NW Maberglen Pkwy, Suite 400, Beaverton, OR 97006 (Nye Hotel, LLC (owner)) submitted an application on January 9, 2015. The application was deemed complete on January 12, 2015.
- 3. The subject property is identified on Lincoln County Assessor's Tax Map 11-11-05-CC, Tax Lot 5600 (729 NW Coast St).
- 4. Staff reports the following facts:
 - a.) Plan Designation: Commercial.
 - b.) Zone Designation: C-2 (HNBO)/"Tourist Commercial (Historic Nye Beach Design Review District)."
 - c.) Surrounding Land Uses: A mixed-use neighborhood. Uses include public land, single and multi-family residences such as the Pacific Crest condominiums abutting to the south and Lighthouse Lodges condominiums abutting to the north. A number of the residences in the area are used as vacation rentals, and commercial uses in the area are largely tourist oriented (such as the Waves Motel located to the north along NW Coast Street).
 - d) <u>Existing Structures:</u> A three story, 20 unit-hotel, with hospitality room, courtyard, and basement level parking constructed in 2010 (replaced a 14-unit portion of the Viking Motel), along with an older two-story structure containing 3 guest units, a fitness room and laundry room.
 - e.) Utilities: All are available to the site.
 - f.) <u>Development Constraints:</u> Geologic hazard area. Three geologic permits were issued between 2006 and 2009 addressing the partial removal of the Viking Motel and construction of the existing three story hotel. A geologic permit was issued in 2014 for the current proposal.

NOTE: The geologic permit process is a separate process and not part of design review.

- 5. Notification of the proposed request was completed in accordance with the notification requirements of the Newport Zoning Ordinance for design review applications. Notices of the proposed action were mailed on January 21, 2015 to affected property owners within 100 feet of the subject property, affected public utilities within Lincoln County, and affected City departments. The notice referenced the criteria by which the application was to be assessed. The notice required that written comments on the application be submitted by 5:00 p.m., February 23, 2015. Comments could also be submitted during the course of the public hearing.
- 6. A Planning Staff Report on the application was prepared for the Planning Commission and was available to the public on February 19, 2015. The Planning Staff Report and attachments are hereby incorporated by reference into the findings. The Planning Staff Report attachments included the following:

Attachment "A" – Application Form

Attachment "A-1" - Applicant's Narrative

Attachment "A-2" - Building Plans and Elevation Drawings of the Proposed Addition *

Attachment "B" - Public Notice and Map

Attachment "C" - Zoning Map of HNBO

Attachment "D" – HNBO Design Guidelines, Illustrations, and Standards

Attachment "E" – Photographs and Narratives of Development Approved under the Guidelines

Attachment "F" – Photographs of Historic Nye Beach Development

Attachment "G" – East Exterior Elevations of Hotel, 2008 to Current

Attachment "H" – Email from Rob Murphy, Fire Chief, dated 1/19/15

Attachment "I" - Letter from SueEllen O'Connor-Ferris, dated 2/10/15

Attachment "J" - Letter from Dr. Frank Benison, no date

Attachment "K" – Letter from David and Margaret Hall, dated 2/18/15

Attachment "L" – Letter from Brendan Carmody, dated 2/11/15

Attachment "M" – Letter from Rebecah Lutz, dated 2/18/15

Attachment "N" – Email from Michele Laurel, dated 2/19/15

Attachment "O" - Letter from Stephen Sivage, dated 2/19/15

7. The Planning Commission received and reviewed written comment from the individuals listed below after the Planning Staff Report was prepared. Their testimony is hereby incorporated by reference into the findings:

Attachment "P" - Letter from Scott Doll, Café Stephanie, dated 2/18/15

Attachment "Q" - Letter from Sandy Smith and Jack Wolcott, dated 2/20/15

Attachment "R" - Email from Teresa Clifton, dated 2/20/15

Attachment "S" - Email from Michele Laurel, dated 2/20/15 (corrects Attachment "N")

Attachment "T" - Letter from Kevin Carmody, dated 2/20/15

Attachment "U" - Letter from Ric Rabourn, Hallmark Resort, dated 2/21/15

Attachment "V" - Email from SueEllen O'Connor and Kevin Ferris, dated 2/23/15

Attachment "W" - Letter from Susan Davidson, dated 2/23/15

Attachment "X" - Petition in support of the application (signed by 19 individuals)

^{*} Note: Reduced for copying purposes. Revised sheets were submitted at the hearing and after the hearing as noted under Finding No. 10.

^{2.} EXHIBIT "A" Findings for Final Order for File No. 1-NB-15/1-CUP-15 - John Lee (Nye Hotel, LLC, owners) / 729 NW Coast St.

- 8. At its February 23, 2015 meeting, the Planning Commission held a public hearing and took testimony on the application. Chair Patrick asked for declarations of ex-parte contact, bias, or conflict of interest. No challenges to the jurisdiction of the Commission were made. The minutes of the February 23, 2015 hearing are hereby incorporated by reference into the findings.
- 9. The following individuals testified in person during the course of the public hearing:

John Lee and Denny Han, VIP Hospitality Group, 729 NW Coast Street (applicant), provided an overview of the proposal and testified in support of the application. Peggy Kjellsen, 801 NW Coast Street, expressed concerns about parking impacts associated with the project.

Susan Davidson, 109 NW Cliff Street, testified in support of the application.

10. At the February 23, 2015 hearing, the applicant, John Lee, provided the Planning Commission with revised drawings addressing issues identified in the Planning Staff Report. Further, as part of their testimony, Mr. Lee and Mr. Han walked the Commission through a PowerPoint presentation outlining how the project satisfies the Design Guidelines. After the close of the hearing, the Commission asked the applicant to evaluate the extent to which the addition will shade property to the north and to discuss their landscaping plans with local landscaping contractors to ensure that the selected plantings are appropriate to a coastal climate. The applicant submitted a solar shade study and an amended landscape plan on March 2, 2015. This supplemental information is hereby incorporated by reference into the findings and is identified as follows:

Attachment "Y" - Applicant's Revised Plan Sheets A-4 through A-7, L-1 and L-2 Attachment "Z" - Applicant's PowerPoint Presentation Attachment "AA" - Applicant's Solar Shade Study Attachment "BB" - Applicant's Revised Landscape Plan Sheets L-1 and L-2

- 11. The application seeks design review and conditional use permit approval to construct a 10,375 sq. ft. addition to the Inn at Nye Beach. The 2-story building at the north end of the property will be removed and replaced with a 3-story addition that will extend over the driveway before tying into the existing hotel. A total of 16 guest rooms will be added, along with a lobby addition, laundry addition, and new spa/pool building. The spa/pool building is west of the main structure. A patio and 15 new paved, off-street spaces are also being added west of the main building. The applicant's elevation drawings show the peak height of the addition at just under 43-ft., 5-in. (north end), and identify the main building to be 138-feet in length.
- 12. Pursuant to Newport Municipal Code (NMC) Section 14.30.070, the proposed development is subject to design review. Within the Historic Nye Beach Design Review District, design review can be done through two methods: 1) under the design standards, which are a set of specific standards and are reviewed by staff in conjunction with a building permit application, and 2) under the design guidelines, which are more general and flexible requirements than those found under the design standards. For design review under the design guidelines, the Planning Commission is the review authority pursuant to NMC 14.30.080(A). To be able to qualify for design review under the design standards (which is the clear and objective standard process

reviewed by staff in conjunction with a building permit), the proposed hotel would need to be less than 35 feet in height (ref: Commercial and Public/Institutional (CPI) Design Standard #1A)). Because the building is more than 35 feet in height, the applicant is required to proceed with design review under the design guideline process. The maximum height allowed in the C-2 zone is 50 feet. The intent with the two different methods of design review is to provide a simpler path for approval for smaller projects that meet certain non-discretionary requirements. The commercial design standards were intended to be one method of implementing the broader, discretionary set of design guidelines. The broader design guideline process is intended to allow for more flexibility in the design review process and also to allow for public input into the review of a project.

- 13. In addition to satisfying design review guidelines, the proposed development must also meet approval criteria for a Conditional Use Permit because the main building will have an exterior dimension in excess of 100 feet (NMC 14.30.060(A)). This is, in part, to ensure that the proposed building modification is consistent with the overall development character of the area with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.
- 14. The development must be consistent with the Design Guidelines No. 2 through No. 9 relevant to commercial/residential development established on pages 3 through 5 in the document entitled "Newport Design Review: Guidelines and Standards," dated November 10, 2003, which is incorporated by reference by Newport Municipal Code Section 14.30.050 (Adoption of Design District (HNBO)). See Planning Staff Report Attachment "D" (HNBO Design Guidelines & Illustrations). The development must also satisfy criteria for approval of a Conditional Use Permit, which are listed in Section 14.35.050 of the Newport Municipal Code.
- 15. The Planning Commission is the approving authority for these Design Review and Conditional Use Permit applications. As the approval authority, the Commission is charged with evaluating the proposal to ensure that it is consistent with the design guidelines and satisfies the conditional use permit approval criteria. The decision of the Commission must be based on sound findings of fact regarding the relevant design guidelines and approval criteria and is limited in its scope of review to the design guidelines and approval criteria.

CONCLUSIONS

- 1. With regard to guidelines established for the Historic Nye Beach Design Review Overlay District for approving the design review request, the Planning Commission makes the following conclusions:
 - a.) Design Guideline # 2: Commercial buildings shall acknowledge the scale of the streetscape and shall contain architectural features to break up building facades to reflect appropriate human scale measurements with windows, doors, ornamentation, awnings, and similar design features. Commercial buildings (excluding portions of a hotel/motel where guest rooms are on the ground floor) shall emphasize the pedestrian orientation of retail shopping by utilizing banks of windows with multiple small windows (less than 20 square feet) and/or large windows with multiple panes along all sides abutting a public right-of-way. The contextual scale of new large commercial buildings

over two stories shall be reduced by using horizontal or vertical divisions and stepped roof lines. Buildings greater than one story in height shall be designed with canopies, balconies, offsets in the building façade, or other architectural/design features that reduce the building's vertical emphasis. See Illustrations # 7 and # 8

- i.) With the decision in File No. 1-NB-08, the Planning Commission accepted that the existing hotel satisfied this standard. The proposed addition incorporates the same design features. Elevation drawings and perspective renderings of the hotel with the new addition have been prepared by the applicant (Attachments "A-2" and "Y"). They illustrate how the applicant has incorporated techniques outlined in this guideline to effectively break up the façade as viewed from NW Coast Street, and orient the building to a human scale (e.g. window massing, incorporation of balconies, stepped/variable roof lines, use of variable setbacks/off-sets to break up the horizontal/vertical lines of the building, and use of gable brackets, corbels and trellises).
- ii.) This guideline is focused on building elements that face the public right-of-way (east elevation). It is not applicable to the spa building, off-street parking, and related improvements the applicant plans to make internal to the property
- iii.) Considering the above, the Commission concludes that this guideline has been met.
- b.) <u>Design Guideline # 3:</u> Roof slopes on commercial projects shall be between 5:12 and 12:12 unless there is a flat roof with parapet. Mechanical equipment shall be screened and integrated into the roof design. Roof shapes shall be compatible with the neighborhood. A standing seam is recommended for metal roofs. Gable and hip roof forms are recommended. Parapet walls shall be integrated into the building. See Illustration # 7.
- i.) The hotel roof plan (Sheet A-4, Attachment "A-2") shows that the predominant roof form is a clipped gable roof with a 7:12 pitch. That same roof form has been used for the addition. Shed roof elements have been incorporated into the lobby addition at a 5:12 pitch. The shed roof at the entrance is listed at a 4:12, which does not meet the guideline; however, the perspective renderings show that it matches the slope of the other shed roof features (Sheets A-8 and A-9, Attachment "A-2"). The applicant clarified at the hearing that they intend for all of the shed roof elements to have a 5:12 roof pitch and submitted a revised roof plan illustrating this to be the case (Sheet A-4, Attachment "Y").
- ii.) The applicant's elevation drawings show that parapet walls have been used where flat roof elements have been incorporated into the design. The only new flat roof element appears to be where the addition is transitioned into the existing hotel.
- iii.) This guideline applies to the spa building as well. The roof plan for that structure shows 4:12 pitch (Sheet A-7, Attachment "A-2"). At the hearing, the applicant indicated that they would adjust the spa building's roof pitch to 5:12 and submitted a revised plan sheet showing how the building will look with the steeper pitched roof (Sheet A-7, Attachment "Y").

- iv.) Considering the above, the Commission concludes that this guideline has been met.
- c.) Design Guideline #4: In commercial areas, commercial buildings shall abut the front property line. Allowable exceptions to the requirement to abut the front property line include areas where the existing buildings adjacent to the property are set back from the property line, where a pedestrian oriented feature such as a courtyard, patio, landscaped area with seating or outdoor café seating is included, or where severe topography or an easement precludes the building abutting the front property line. Commercial buildings shall abut a side yard property line where possible except to allow access for parking, the side abuts a zoning district which requires a side yard, or a setback is required for ocean front lots. Gaps in building walls shall be avoided except for pedestrian and parking access, or a pedestrian oriented feature such as a courtyard, patio, landscaped area with seating or outdoor café seating is included.. Front and side yard setbacks, where they exist, shall be fully landscaped or shall provide a pedestrian oriented feature as described previously. Trash collection areas shall be screened. See Illustrations # 7 and # 8.
- i.) This guideline applies to the hotel and must be read in context with NMC 14.30.060(A)(3) which prohibits buildings from being setback more than 5 feet from the property line (unless a pedestrian oriented amenity is provided) and Guideline #2 which encourages the use of variable setbacks to break up the form of the structure as viewed from NW Coast Street. The northwest corner of the addition will abut the side yard property line on the north end of the site, consistent with this guideline (Sheets A-1 through A-3, Attachment "A-2" and Sheet A-4, Attachment "Y"). That property line is at an angle, so it is not possible for the addition to abut it at other locations. The only gap in the hotel façade is on the ground floor in order to provide vehicle and pedestrian access to the rear of the building, consistent with the guideline. The building does not abut the side yard property line on the south end of the site because that area must be kept open for fire access. The applicant's plans show that undeveloped areas within the setbacks will be landscaped and that the trash enclosure will be screened (Sheets L-1 and L-2, Attachment "BB").
- ii.) Considering the above, the Commission concludes that this guideline has been met.
- d.) <u>Design Guideline # 5:</u> Buildings shall generally be compatible in design and appearance with other buildings in close proximity by including similar types of architectural features and materials. Where the surrounding buildings predominately do not include architectural features found in the design standards, the proposed building subject to design review shall include architectural features that are common to the district as identified in the design standards or by findings documenting similar architectural features found with the design review district. Where the surrounding buildings predominately do not include architectural features found in the design standards, innovation and creativity in design may be allowed consistent with the design guidelines. See Illustrations # 7 and # 8.
- i.) This guideline focuses on general compatibility in design and appearance with other buildings in close proximity. If the surrounding buildings predominately do not include

architectural features found in the design standards, the proposed building is required to use architectural features common to the HNBO and innovation and creativity consistent with the guidelines is allowed. With its decision in 2008, the Commission determined that architectural features incorporated into the existing hotel (i.e. the portion that will remain) satisfied this guideline. The applicant's plans show that the hotel addition and spa building will have similar features.

- ii.) Testimony has been provided from property owners in the nearby Lighthouse Lodge condominium development that the height and mass of the hotel addition is not compatible in design and appearance with nearby buildings, several of which are smaller in size. These concerns have been raised because the addition will be close to the property line shared by the respective developments, which is required by Guideline #4. After considering buildings that exist in close proximity to the site, other development in Nye Beach (Attachment "E") and historic Nye Beach development (Attachment "F"), it is evident that the proposal is generally compatible in design and appearance with other buildings in close proximity. It achieves general compatibility because of the extent to which the applicant has utilized architectural features and materials that are encouraged and common to the area. It is relevant to note that this standard emphasizes general compatibility in the context of architectural treatment. It does not speak to the size of a proposed development.
- iii.) Considering the above, the Commission concludes that this guideline has been met.
- e.) <u>Design Guideline # 6:</u> Building orientation shall be towards the frontage street(s) with entrances facing the street(s). Buildings shall provide variety in building shape, height, roof lines, setbacks, and design features consistent with Guidelines #4 and # 5. See Illustration # 5, # 6, # 7, and # 8.
- i.) NW Coast Street is the only street adjacent to the subject property. The applicant's plans show that the hotel is oriented towards NW Coast Street and that the principal entrance to the building is off of that same street. Further, the floor plans, architectural elevations, and perspective renderings illustrate that the building has many varied planes, heights, and roof forms to further develop a rich streetscape.
- ii.) The building variety element in the last sentence of this guideline is directed at not having every building within the HNBO be exactly the same. As noted in the Introduction section of the Historic Nye Beach Design Review Requirements on pages 1-2: "The intent of design review as applied to development within the district is to maintain the cohesive architectural character of Nye Beach by incorporating common architectural elements currently and historically found within the neighborhood without requiring strict adherence to a particular architectural style." This project has been designed with this objective in mind. While the building incorporates architectural elements that are common to Nye Beach, the design itself is unique to the Inn and Nye Beach and distinguishes the hotel visually from other buildings in the area.
- iii.) Considering the above, the Commission concludes that this guideline has been met.

- f.) <u>Design Guideline # 7:</u> Commercial and multiple family residential (greater than 2 dwelling units) projects shall not be shaped by off-street parking. On-site parking shall be at the rear or side of the building with access via alleys or interior streets unless based on review of the project the review authority determines that topography such as steep slopes precludes side or rear parking. Parking garages shall complement the main building by using similar architectural details as the main building. Shared parking facilities are allowed and are encouraged. Parking shall be safe and accessible. Views of parking areas from adjacent residential and commercial uses shall be screened. Pedestrian movement shall be clearly defined. See Illustration # 6 and # 9.
- i.) This guideline relates to off-street parking and requires that when off-street parking is provided on site that it be provided at the sides or rear of the building, or below street grade. The applicant's site plan shows that off-street parking needs will be met with the existing basement level garage and new "at grade" surface parking stalls that will be located between the hotel building and edge of the bluff, out of view from pedestrians and vehicles traveling along NW Coast Street (Sheet SP-1, Attachment "A-2"). New surface parking will be visible from adjoining residential areas to the north and south. Along the north property line the applicant is proposing landscaping that, when established, will provide meaningful screening. The size of some of the plantings were adjusted down after the applicant talked to a couple of local landscaping companies, Blake's Nursery and White Landscaping Services (Sheet L-2, Attachment "BB"). Surface parking may be visible from residential property to the south, since it extends west past the retaining wall. The applicant has addressed this concern by agreeing to construct a wooden privacy fence (Sheet L-2, Attachment "BB").
- ii.) Considering the above, the Commission concludes that this guideline has been met.
- g.) <u>Design Guideline # 8:</u> Pedestrian circulation for commercial projects is necessary to maintain the walking environment of Nye Beach. Separate pedestrian and vehicular traffic patterns shall be provided. Linkages between adjoining uses shall be provided. Pedestrian circulation routes shall be continuous and integrated into the larger pedestrian circulation network. Specialty paving is encouraged. See Illustration # 6 and # 9.
- i.) The focus of this guideline is on commercial projects and is intended to maintain the walking environment of Nye Beach. The applicant's site plan shows that pedestrian and vehicle maneuvering areas internal to the site will be separated with clear markings for pedestrian access ways (Sheet SP-1, Attachment "A-2"). Similarly, sidewalk along the west side of NW Coast Street provides a clear point of separation between pedestrian and vehicle routes.
- ii.) Considering the above, the Commission concludes that this guideline has been met.
- h.) <u>Design Guideline # 9:</u> Exterior permanent lighting for commercial projects shall be restrained by using lighting features that minimize the impact of lighting such as full-cut off fixtures and/or recessed or shielded lighting such that no light source is visible from a public right-of-way or adjacent property. Areas used extensively at night shall only be

illuminated to the extent necessary for safety and security. On-site lighting shall be related to the site and retained on the site by directing the light downward, recessing the light, and/or shielding the light. Lighting fixtures shall complement the architectural character of the building. If landscape lighting is used, the landscape lighting shall be restrained by using lighting techniques (i.e. recessing the light, shielding the light) that minimize the impact of light. The use of light poles similar in appearance to the light poles installed as part of the Nye Beach Streetscape Project is acceptable for parking lot lighting and other lighting for which a light pole is used.

- i.) This guideline envisions that the Commission will have an opportunity to review a lighting plan to confirm that (a) outdoor lighting will be limited to areas used extensively at night or that are needed for security purposes, (b) that the lighting is recessed or shielded such that it does not shine directly onto the public right-of-way or neighboring streets, and (c) that the lighting fixtures will complement the architectural character of the building. The applicant has provided a lighting plan showing the outdoor lighting fixtures that will be used and where they are to be located (Sheet L-1 and L-2, Attachment "BB"). The fixtures will be shielded consistent with this guideline and the plan shows that they will be placed in areas that will be frequented by guests, such as the entrances and spa/patio areas. Further, the plans show that lighting will be recessed and situated on the property such that it will not shine directly onto NW Coast Street or neighboring properties and complements the architectural appearance of the hotel.
- ii.) Considering the above, the Commission concludes that this guideline has been met.
- 2. With regard to the criteria for approving a Conditional Use Permit, the Planning Commission makes the following conclusions:
 - a.) The public facilities can adequately accommodate the proposed use.
 - i.) The proposed use will add 16 hotel units, along with a spa building and various recreational amenities to the rear (west side) of the main building. Three hotel units will be removed with the demolition of the existing two-story building, meaning there is a net gain of 13 units.
 - ii.) City water and sewer service is available via 8-inch lines located within NW Coast Street. A storm drainage system is also in place at this location and street access is available to the property. With the hotel addition extending to the north property line, adequate access for fire suppression purposes was a concern. The applicant is addressing this by installing a fire access stairway at the south side of the building. Rob Murphy, Newport Fire Chief, has reviewed the plans and finds that this is an acceptable solution (Attachment "H").
 - b.) The request complies with the requirements of the underlying zone or overlay zone.
 - i.) A hotel use is permitted in the underlying C-2 zone district (NMC 14.03.070(2)(e)). The C-2 district has a zero lot line setback. The applicant's original roof plan showed that the eaves of the hotel addition would extend past the north property line, which

would not meet the setback requirement (Sheet A-4, Attachment "A-2"). The applicant submitted revised plans at the hearing showing the eaves pulled back so that they are fully contained on-site (Sheet A-4, Attachment "Y"). The property is within the Historic Nye Beach Design Review District. Project compliance with that district's design guidelines is addressed in this report. The site is also within a Geologic Hazards Overlay, and the applicant has obtained a separate geologic permit for this project (ref: File No. 1-GP-14).

- ii.) Considering the above, the Commission concludes that this guideline has been met.
- c.) The proposed use does not have an adverse impact greater than existing uses on nearby properties, or impacts can be ameliorated through imposition of conditions of approval. For the purpose of this criterion, "adverse impact" is the potential adverse physical impact of a proposed Conditional Use including, but not limited to, traffic beyond the carrying capacity of the street, unreasonable noise, dust, or lost of air quality.
- i.) Several letters have been submitted from individuals that own units in the Lighthouse Lodge condominium development immediately north of the subject property. They are concerned with the height and overall mass of the development and believe that it will adversely impact their property by eliminating solar access. The proposed three-story addition is taller than the two-story building that is being removed and is being constructed closer to the property line. Given that the applicant's property is immediately south of the Lighthouse Lodge development it will have an impact on solar access. This is borne out in the solar impact analysis submitted by the applicant (Attachment "AA").
- ii.) The loss of solar access impacts the amount of light that a property receives, influencing the types of landscaping that can survive on a neighboring parcel. It also impacts the extent to which a building can take advantage of solar heating. For these reasons, solar access impacts attributed to new development constitutes a physical impact within the meaning of this standard.
- iii.) It is relevant to note that it is the building's length at over 100-feet that triggered the need for a Conditional Use Permit, not the structure's height. Given the hotels north/south orientation, the length of the building is not as significant an issue with respect to solar access as is the buildings height.
- iv.) Setbacks are a common tool used by the City to provide building separation and solar access. The applicant's solar analysis shows how effective building separation can be in providing for solar access by comparing the pre and post development conditions (Attachment "AA"). However, the C-2 district does not have a setback requirement and there are numerous examples of development in the area that are close to or adjacent to a property line. Consequently, it is reasonable to conclude that a development which reduces the amount of solar access a neighboring building receives because it is built up to a property line will not adversely impact that neighbor to a greater extent than existing uses on nearby properties because the lack of a setback requirement makes it clear that there is no expectation that solar access impacts will be avoided or minimized.
- v.) A common circumstance where a greater adverse impact can occur is if the project

does not provide for adequate off-street parking, forcing those vehicles to instead occupy space on or adjacent to other properties. This concern was raised by Ms. Kjellsen in her testimony at the hearing. The applicant is providing 15 new off-street parking spaces. This exceeds the City's requirement that one off-street space be provided for each new guest room (ref: Newport Municipal Code Chapter 14.14). The City's off-street parking requirements are designed to ensure that an adequate amount of parking will be available and by meeting this standard the applicant has demonstrated that the project will not have a greater adverse impact on existing, nearby uses relative to this issue.

- vi.) Considering the above, the Commission concludes that this guideline has been met.
- d.) A proposed building or building modification is consistent with the overall development character of the area with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.
- i.) The Commission received written testimony in favor of, and in opposition to the project. Comments in favor point to how the applicant has taken care to blend the addition into the existing building creating a consistent, cohesive architectural appearance. They also point to how the addition is comparable in height to the existing hotel, and that the additional rooms at this "boutique" hotel will draw more tourists to Nye Beach which will be a boon to local businesses. Letters in opposition argue that the building at 138-feet in length and over 43-feet in height is inconsistent with the overall development character of the area because it is too large.
- ii.) The maximum height allowed in the C-2 zone is 50 feet and the proposed building will be below the maximum height at just under 43-ft, 5-in. in height.
- iii.) In weighing whether or not this standard has been met, the Commission considered the testimony and evaluated the applicant's project against development projects that have been approved since the Design Guidelines were adopted (Attachment "E") and historical photographs of Nye Beach development, including a number of hotels that were built in the area (Attachment "F"). In looking at these examples, it is evident that hotel buildings are among the largest structures developed in Nye Beach (e.g. Sylvia Beach Hotel (existing), and the Nicolai Hotel (historic)). Three story construction is not uncommon in the district, and the height and length of the applicant's hotel, with the addition, is comparable to Archway Place, a residential over retail development at the intersection of Beach and Coast Streets that is close to 43-ft in height, and over 100-ft. in length.
- iv.) Considering the above, the Commission concludes that this guideline has been met.

OVERALL CONCLUSION

Based on the staff report, the application material, and other evidence and testimony in the record, the Planning Commission concludes that the request complies with the design guidelines established for HNBO design review and conditional use permit approval. The request is; therefore, **APPROVED** subject to the following condition(s).

- 1.) Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to this report. No work shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the applicant/owner to comply with these documents and the limitations of approval described herein.
- 2.) Consistent with NMC 14.30.110 (Time Limit on Design Review Permit), this design review permit shall be void after 18 months from the date the permit is final unless substantial construction has taken place. Substantial construction shall mean at least 25% of the value of the permitted work has been completed.

Attachments
"A" through "O"
were included with
the Staff Report
and are not enclosed.

ATTACHMENT "P"
File No. 1-NB-15/1-CUP-15
Letter from Scott Doll, Café Stephanie,
dated 2/18/15

2/18/15

To whom it may concern:

From: Scott and Stephanie Doll

Café Stephanie supports the addition to Inn AT Nye Beach scheduled for next fall. The Inn has been a great business partner for our café and brings customers to Nye Beach businesses.

The offer quality lodging and a great experience to visitors to Newport. They are easy to work with and have always been sensitive to the look and feel of Nye Beach.

If you have any questions don't hesitate to contact me at 541-265 8082.

Thank You Scott Doll Café Stephanie

ATTACHMENT "Q"
File No. 1-NB-15/1-CUP-15
Letter from Sandy Smith & Jack Wolcott,
dated 2/20/15

Newport Planning Commission

February 20, 2015

City of Newport, Community Development

169 SW Coast HWY

Newport, Or. 97365

Re: Request for design review, File Nos. 1-NB-15/ 1-CUP-15

Dear members of the Planning Commission:

We are writing this letter in opposition to the proposed expansion design for the Inn at Nye Beach. We are owners of a bungalow in the Lighthouse Condominium Association on the north side of the Inn. We purchased our property for the unique character of the Nye Beach District, and this proposal negatively impacts this aspect. The applicant's proposal for the Inn at Nye Beach falls short of the Newport Design Review Guidelines and Standards dated Nov.10, 2003. We believe that the currently proposed design of the building will negatively affect the real estate value of our property, particularly due to its size.

This plan does not fall into the guidelines, specifically: #5 of the Design Guideline stating "Buildings should be generally compatible in design and appearance with the other buildings in close proximity", nor does it reflect "a working class neighborhood", with the proposed plan having a mass of a 3 plus story, 138' long on the Coast St side and 80' long on our joint property line on the north.

Also, the proposal is for the building on the north end to have a roof that will overhang onto our property line in two places and will encroach on our air space. Are there not legal and insurance issues and implications, in the case of liabilities and safety issues, just beyond the negative density impact alone?

It also appears that the proposed plan will impede on our solar access, and block the sun for three of our homes, and our southern driveway will be deeply shadowed. In conclusion, Steve Sivage, another owner of our Lighthouse Lodges Condominium Association, has concisely stated our concerns and we support his points of emphasis and the examples he has submitted.

Thank you for your careful consideration. We ask that you reject this design as inappropriate for the Nye Beach Historic District.

Respectfully,

Sandy Smith and Jack Wolcott

757 NW Coast St. Unit 3

Derrick Tokos

From: " <terehere@aol.com>

Sent: Friday, February 20, 2015 9:24 AM

To: Derrick Tokos

Subject: Inn at Nye Beach Hearing

Teresa Clifton 1232 Shot Pouch Rd. Blodgett, OR 97326-9702 541-453-4032 Owner 757 NW Coast St. #6 Lighthouse Lodges Condominiums

I am writing with concerns about the design review and possible conditional use permit being issued to John Lee, Nye Hotel. File Nos. 1-NB-15/1-CUP-15. without great consideration being given not only to design guidelines but impact on traffic, parking, noise and comfort of surrounding guests.

I have great concern for how this addition will impact the quality of my prior full time residence, current weekend and vacation home and future retirement home. I have been paying taxes and maintaining and enjoying this property since 1994. I feel that the proximity and loss of view and light should be considered for the seven current property owners of Lighthouse Lodges. This seems inconsistent with the ambiance(design and architectural features) of "The Historic Nye Beach" concept. We already experience spill over parking of our very small lot with cars from the current hotel structure. I am uncertain how much impact more guests and foot traffic might impact the beach itself.

Just because we can "go bigger" "earn more" doesn't mean we should. To maximize one income at the possible detriment of the surrounding properties and earning potential of other local motels and hotels should be a serious consideration. The impact of the number of units on traffic parking, environment and the beach itself should be concerning everyone. Eventually one person is one person too much!

Teresa Clifton

ATTACHMENT "R" File No. 1-NB-15/1-CUP-15 Email from Teresa Clifton,

dated 2/20/15

Wanda Haney

ATTACHMENT "S" File No. 1-NB-15/1-CUP-15 Email from Michele Laurel, dated 2/20/15 (corrects Attachment "N")

From:

Derrick Tokos

Sent:

Friday, February 20, 2015 3:57 PM

To:

Wanda Haney

Subject:

FW: Inn at Nye Beach Expansion Project

FYI

From: Blissful Beach [mailto:blissfulbeachmassage@gmail.com]

Sent: Friday, February 20, 2015 3:54 PM

To: Derrick Tokos

Subject: Re: Inn at Nye Beach Expansion Project

CORRECTION: "stability" should read "sustainability." Thank you.

Respectfully, Michele

On Thu, Feb 19, 2015 at 8:34 AM, Blissful Beach < blissful beach massage@gmail.com wrote:

Mr. Tokos:

I am writing this letter in support of the Inn at Nye Beach expansion project. The drafts I reviewed reveal a low-profile expansion that is aesthetically consistent with the current structure, as well as with existing Nye Beach land uses. Furthermore, it is my understanding that the expansion will give the building a more integrated profile that will not obstruct other neighbors' ocean views.

The Inn at Nye Beach could arguably be called the crown gem of Nye Beach for several reasons: its location, its beauty, and most importantly, its commitment to a special guest experience that is unmatched by comparable lodging facilities in the Newport area.

As the lead massage therapist for the Inn at Nye Beach, I am in a unique position to communicate directly with its guests for extended periods of time. I consistently hear how impressed they are with the attention to detail in the accommodations and guest service, while at the same time respecting a philosophy of environmental stability. I've heard more than one guest say they wouldn't stay anywhere else in Newport.

Expanding the Inn at Nye Beach will fulfill the need for more rooms in a hotel that is frequently booked to capacity, but it will also provide more of what people enjoy about staying at the Inn. There is simply no other hotel like it in Newport, and this city needs more of it. Thank you for considering my opinion on this matter.

Michele Laurel, LMT #17246 Blissful Beach Massage 541-961-4897

Kevin Carmody

7 Premium Point Lane

Brookfield, CT 06804

203 438 1318

fiveputt@earthlink.net

February 20, 2015

Newport Planning Commission

Re: Request for design review, File Nos.1-NB-15/1-CUP-15

Dear Mr. Tokos and Planning Commission Members:

As an owner of a Pacific Coast condominium I am writing you to express my support for the proposed expansion of the Inn at Nye Beach. I believe the expansion will enhance property values in the entire northern section of Nye Beach in addition to increasing tourist dollars for all of Newport.

I would also like to say that my 3 year association with Mr. John Lee and his staff has been a pleasure. I have always been treated with courtesy and respect in a most professional manner. Newport can be proud to have John as a local businessman.

Thank you for your consideration.

Sincerely,

Kevin Carmody





February 21, 2015

City of Newport Planning Commission City of Newport City Council

RE: Request for Design Review, File Nos. 1-NB-15 / 1-CUP-15

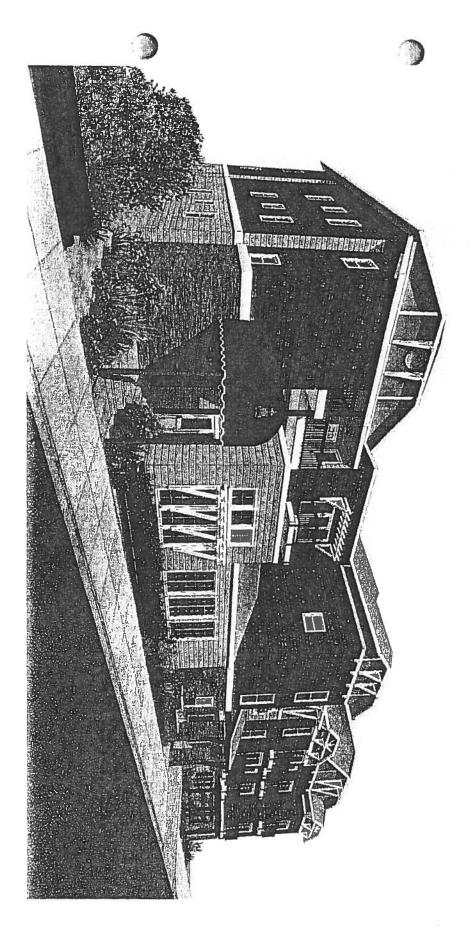
To whom it may concern:

I would like to share my perspective regarding the Inn at Nye Beach's expansion plans. The aesthetic improvements to the structure and landscape alone should be reason to approve this proposal. The architectural drawings certainly indicate an enhanced look that will be a definite asset to the Nye Beach area.

From a business perspective this project is much needed. Adding 16 more high end hotel rooms makes perfect sense for Hallmark as well as the city. For Hallmark this means more guests coming to Newport in our target segment (willing to pay our rates) who will go back and tell their friends how great Newport is. With a proposed total of only 36 rooms this puts the Inn at Nye Beach in the perfect position to refer their overflow to Hallmark as well as other higher end properties in Newport. The more visitors we get staying in the higher end properties, the more room tax the city will collect. These same visitors will also frequent Georgie's and other Newport restaurants and retail establishments.

The Hallmark Resort and Georgie's Beachside Grill would like to voice our full support for the proposed expansion. Please feel free to contact me directly should you have any further questions.

Ric Rabourn General Manager ric@hallmarkinns.com



1 PERSPECTIVE FROM STREET FACING NORTH

A-9

표 PERSPECTIVE REVIDENVICS

BACK B

SERVE LEGIOUSE

INN AT NYE BEACH ADDITION 729 NORTHWEST COAST STREET NEWPORT, OREGON 97365



Derrick Tokos

ATTACHMENT "V" File No. 1-NB-15/1-CUP-15 Email from SueEllen O'Connor & Kevin Ferris, dated 2/23/15

From:

Kevin and SueEllen Ferris <tailwindav@gmail.com>

Sent:

Monday, February 23, 2015 12:37 PM

To:

Derrick Tokos

Subject:

Inn at Nye Beach expansion

Dear Mr. Tokos, we have an addition to add to our previous note for the record for today's meeting.

To: The Newport Planning Committee

Thank you for considering additional comments from us today. Mr. Lee has spoken with a couple members of lighthouse lodges homeowners about his concern with profitability without expansion. He wants to expand his Inn, though, at our expense. Also, the Inn recently won a national award through Audubon for being a "green" facility, which is commendable, but if his expansion would deprive us from being able to ever convert to solar should we elect to, that seems quite counter to his mission. The concept of being green is not just about saving energy and reducing waste, but about living in balance with others within your neighborhood. We know the city supports development and would benefit from increased bed taxes, but we also know they have a commitment to the Nye Beach community, to preserve its historic value, and not just as a commercial magnet for tourism, but as a neighborhood. We respectfully request that you deny this request as it is currently designed. Respectfully, SueEllen O'Connor and Kevin Ferris, Lighthouse Lodges #7

February 23, 2015

To: Newport City Planning Commission:

Re: Request for design review, File Nos. 1-NB-15 / 1-CUP-15

From: Susan Davidson, Newport, OR

Derrick Tokos,

As a resident of Nye Beach, business owner, life-long concerned native Oregonian, and as a product of unfortunate horrible desecration of our own historical family property in Depoe Bay, I wish to issue comment and participate in this conversation about the proposed plan of expansion of the Inn at Nye Beach. I stand in support of the Inn at Nye Beach with their proposed expansion and enhancement to our Nye Beach community to their property to include additional rooms, some suites with Jacuzzi tubs and a Jacuzzi tub spa treatment room to serve guests.

In looking and researching around the neighborhood at 'like' properties, the Inn at Nye Beach expansion makes perfect sense; offering continued charm and additional amenities that the other Lodging properties currently do not have or offer, while not conflicting with what the others offer (ie. food).

The amenities and style of lodging that Inn at Nye Beach offers us in Newport is unique and compliments what is already offered by individuals or large Motels in the area. I can think of no other property anywhere in Nye Beach that is as good as outstanding location that will not clog up traffic with their addition. The Inn at Nye Beach is a locally owned and operated Inn with over 30 years in lodging in Lincoln City, offering eclectic charm in an eco-friendly way, setting a fine example for our community providing sustainable living and lodging, presenting a lighter foot print, emulating conscious business of the future.

The Inn at Nye Beach supports and works cooperatively with fellow local businesses like no other lodging place here in town. I think that the neighbors might want to take a look at how they could be more like the Inn at Nye Beach in their daily practices of being eco-green in building, using wood or laminate flooring, energy resources, cleaning supplies & practices, recycling program, in being locally owned & family operated, employing/supporting our families right here in this community.

Thank you for giving me the opportunity to be part of the inspiration and sustained growth of Nye Beach and the pleasure today of sharing my views.

Susan Davidson

Mount

109 NW Cliff Street Newport, OR 97365

Ph~ 503-351-3433

Inn at Nye Beach Expansion Design Review Support Petition

I understand that the Inn at Nye Beach, located in the Historic Nye Beach district of Newport Oregon is proposing to construct a new 16 room addition to the current 20 room hotel structure. Representatives of the Nye Hotel, LLC have gone through the plans regarding the Inn at Nye Beach Expansion with me. I have seen the renderings and floorplans, and am aware that the proposed addition will make the Inn at Nye Beach approximately 45 feet tall and 138 feet wide.

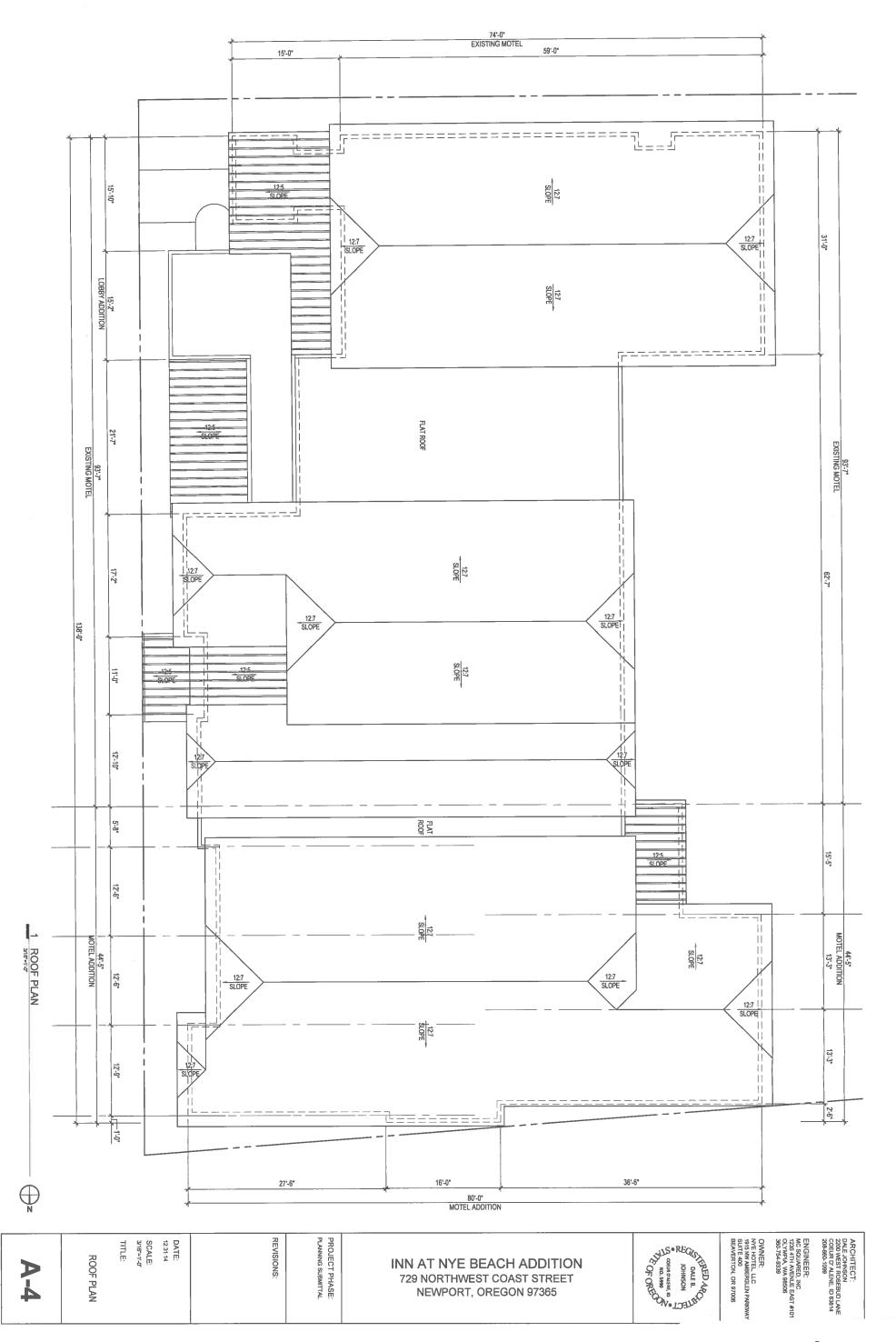
I believe that this addition will be of significant benefit to, and help improve, Nye Beach and the city of Newport.

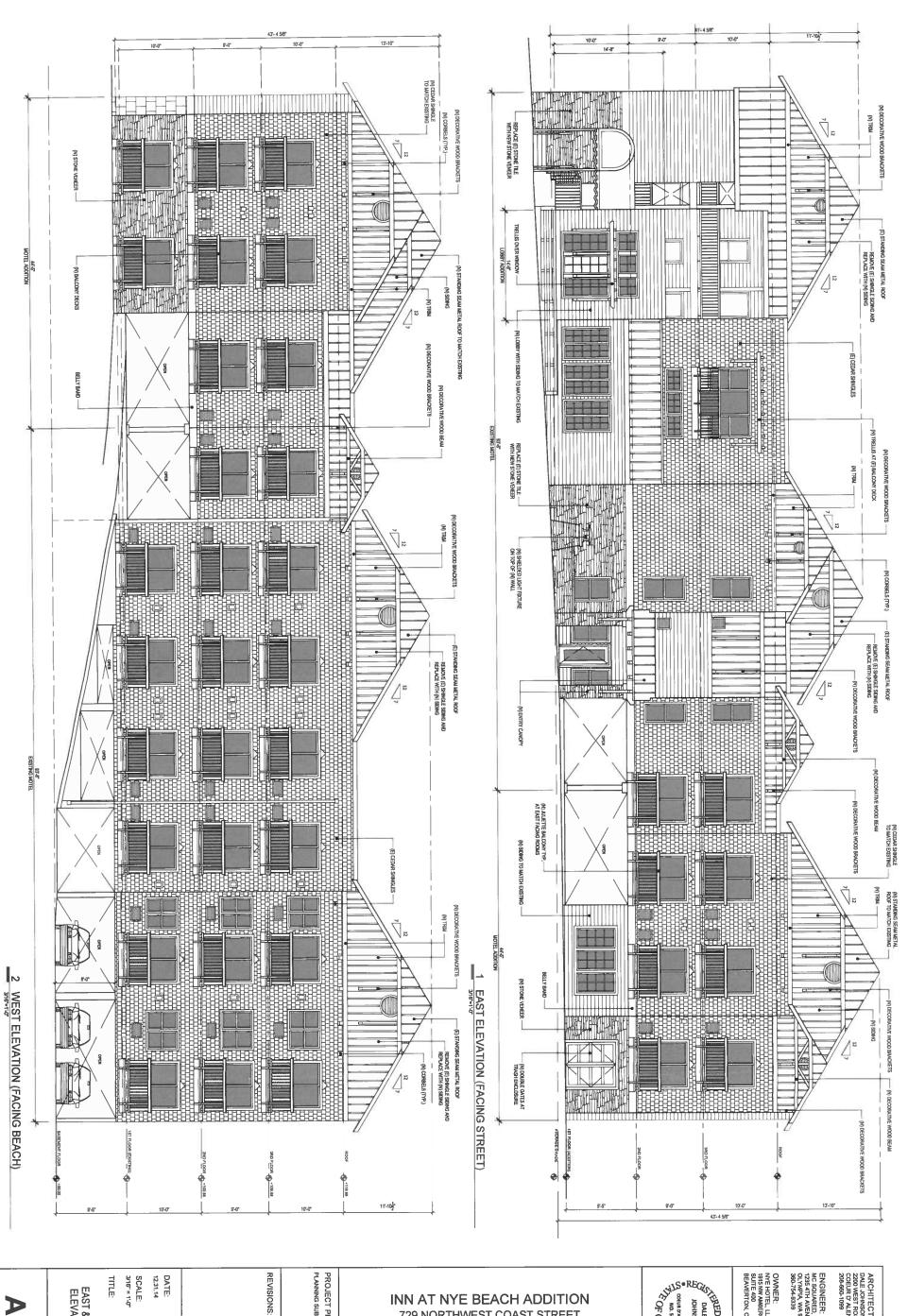
By signing this petition of support, I believe that the Inn at Nye Beach should be allowed to move forward with this expansion.

Date	Name/Signee	Business Name	Business Address
2/20	SimCline	Rojve	2320 OSU Oran
2/20	JASON KING	CREGON COAST AQUAR	LIUM 2820 SE FERRY SLIP RD
2/21	Linda Briggi	Peerless Pulfin	742 Nr Beach Dr.
2/22	Bouniel Tarashal	,	11 722 NW Beach Dr
2/22	Lucid Chapter		716 NW Beach DI.
2/21	John Darabe		305 NW Coost St.
-/21	(w) Rolinson	Carl Scoffee	715 NW Beach
7/21			BSN Beachdrica
2/21	Rould Cline-Ine	2	
3121	French	Bridies	715 nw 3nd,
2-21	Shary Kesper	-	h Ct. Newport DR 97365

Date	Name/Signee	Business Name	Business Address
2/21/15	Imaa Hergebaue	Mye Cottage	Beadl Rontal 208 HW Coast-St.#,
2/21/15	Shannoullha	Maga Chicken	GIY W. O'lin (). Humit
2122/11 ·		Zacla siste	GIY w. office (). Herry
2-23-15	Elliott CRouse	Bike vewfolt	150 NW 6+4 St
2/23/15	Stephania Ward	Vesident	551 NW Brookst.
2.23.15	Ashly Riner	resident	325 NE 36 th
7-23-15	Nat Maga		130 NW 19Th
2-23-15		Panial Bakery	232 Nucoastst Suite
			*
			-

¥





A-5

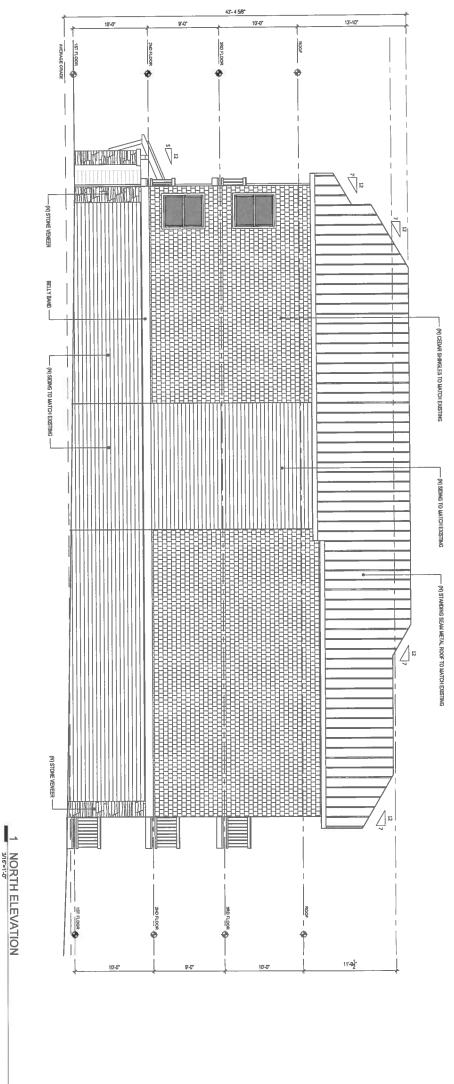
EAST & WEST ELEVATIONS

PROJECT PHASE:
PLANNING SUBMITTAL

729 NORTHWEST COAST STREET NEWPORT, OREGON 97365



OWNER:
NYE HOTEL, LLC
1915 NW AMBERGIEN PARKWAY
SUITE 400
BEAVERTON, OR 97006



1 NORTH ELEVATION

NORTH ELEVATION **A-6**

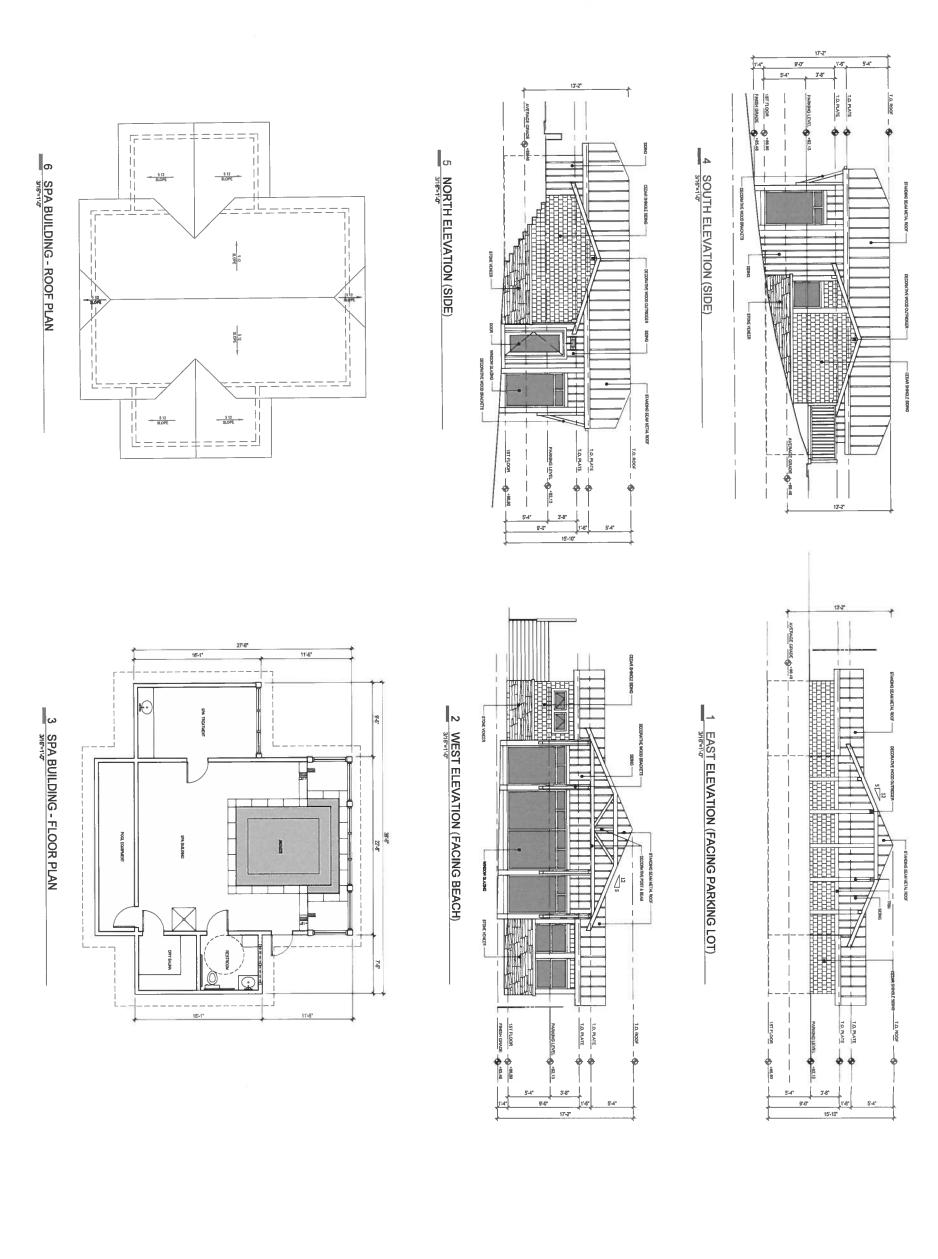
PROJECT PHASE:

REVISIONS:

INN AT NYE BEACH ADDITION 729 NORTHWEST COAST STREET NEWPORT, OREGON 97365



OWNER:
NYE HOTEL, LLC
1915 NW AMBERGLEN PARKWAY
SUITE 400
BEAVERTON, OR 97006



A-7

SPA BUILDING
PLANS &
ELEVATIONS

1231.14
SCALE:
3/16" = 1-0"
TITLE:

REVISIONS:

PROJECT PHASE:

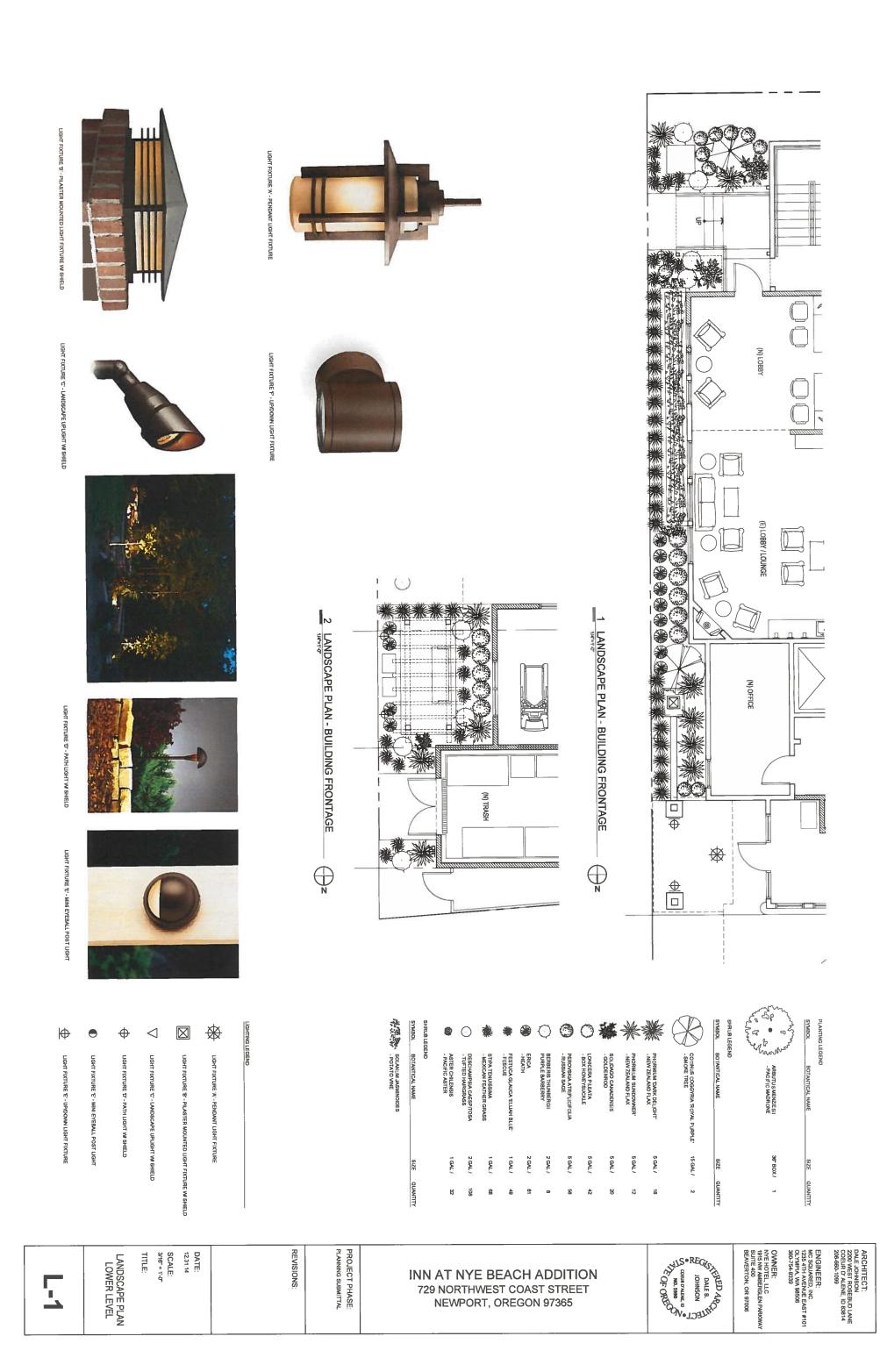
INN AT NYE BEACH ADDITION 729 NORTHWEST COAST STREET NEWPORT, OREGON 97365

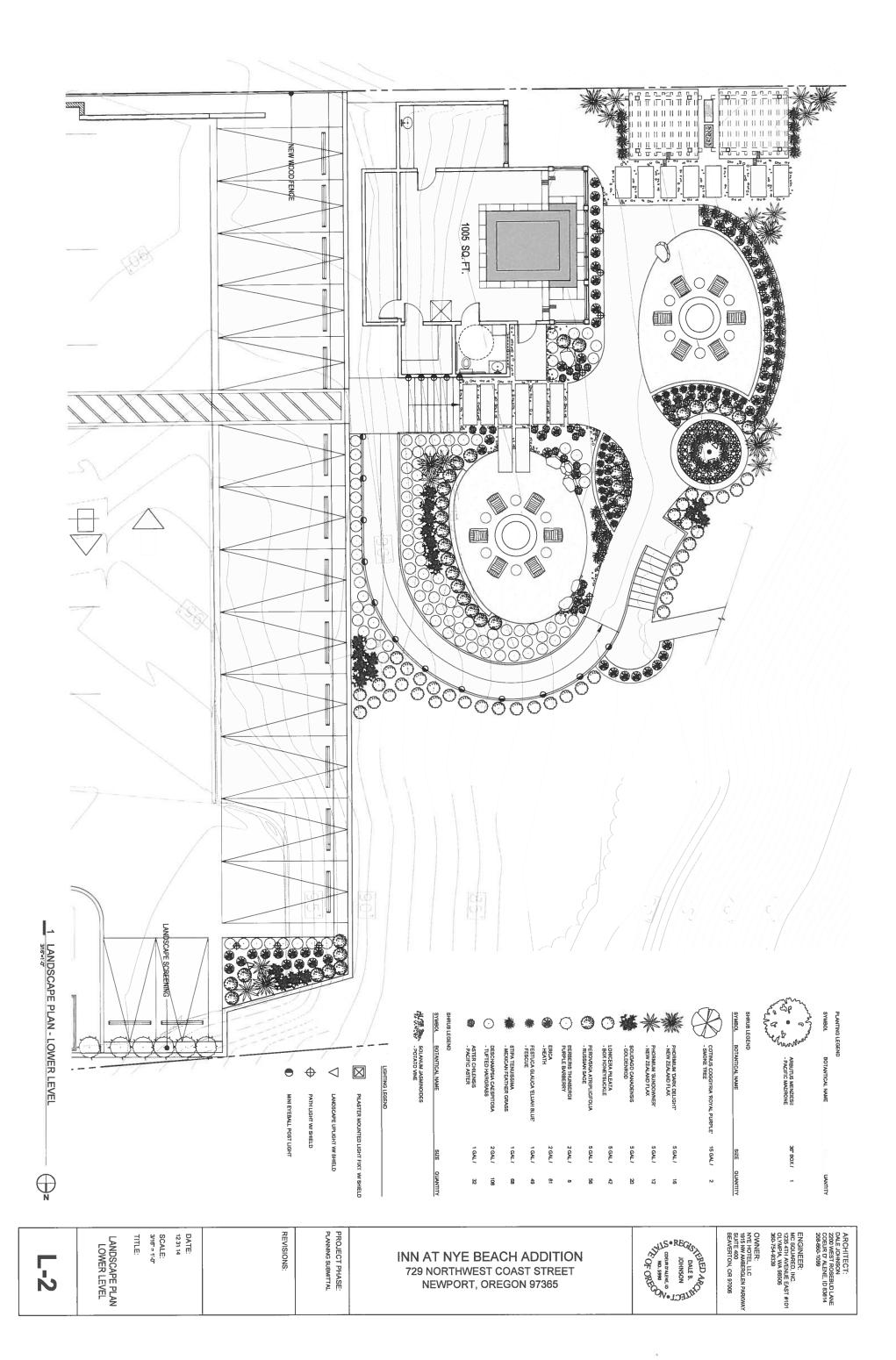


OVANER:
NYE HOTEL, LLC
1915 KW AMBERGLEN PARKWAY
SUITE 400
BEAVERTON, OR 97006

ENGINEER:
MC SQUARED, INC.
1235 ATH AVENUE EAST #10
1235 ATH AVAEVUE EAST #10
124 ATH AVAEVUE AVAEVUE
105 AVAEVUE AVAEVUE

ARCHITECT:
DALE JOHNSON
2200 WEST ROSEBUD LANE
COEUR D' ALENE, ID 83614
208-660-1099



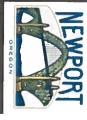


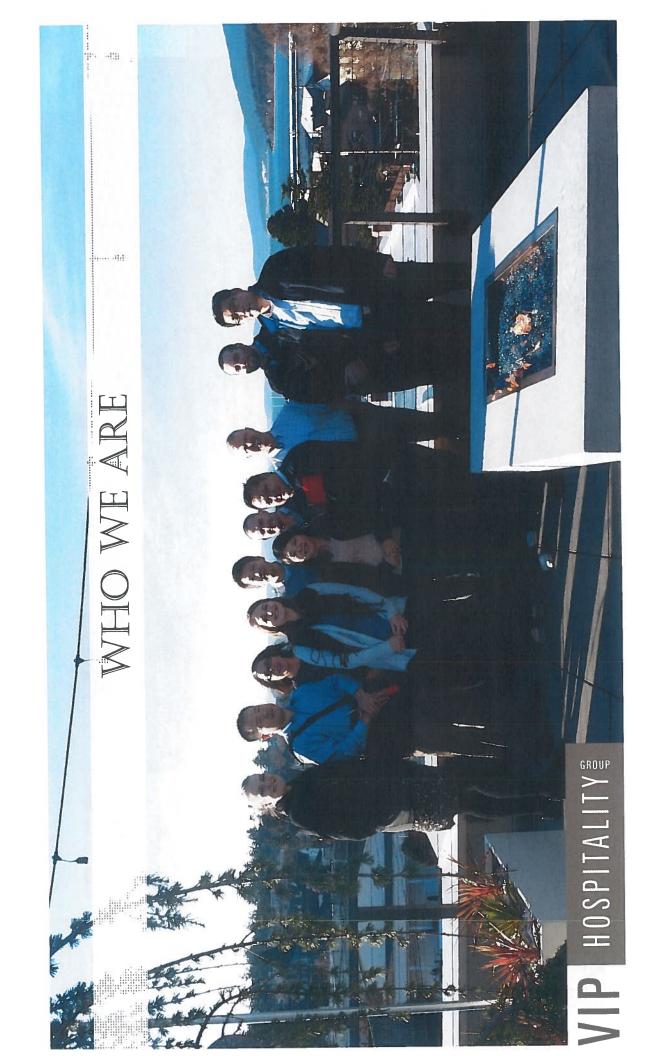
Planning Commission Meeting

February 23, 2015

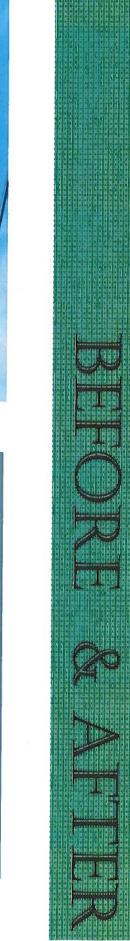
Presentation to: City of Newport

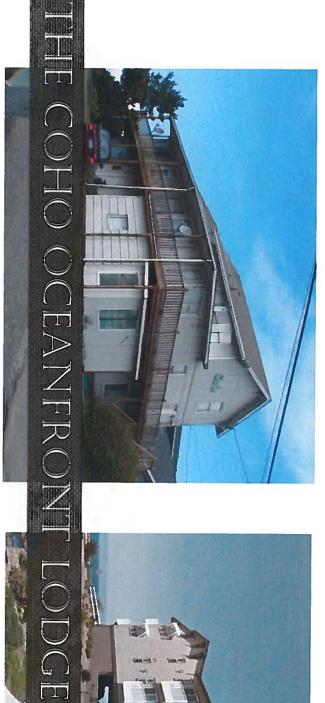


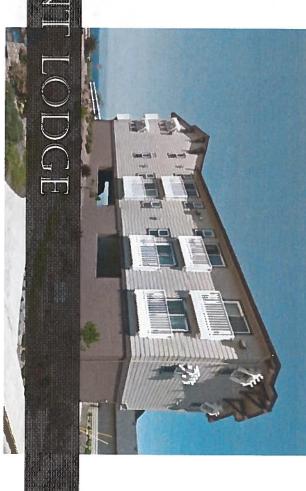




WHAT WE DO

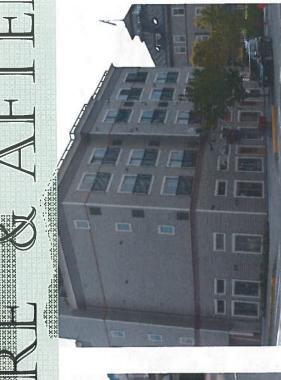






THE MAJESTIC INN & SPA







THE INN AT WECOMA

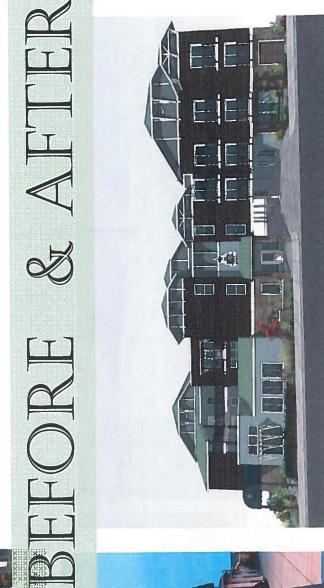


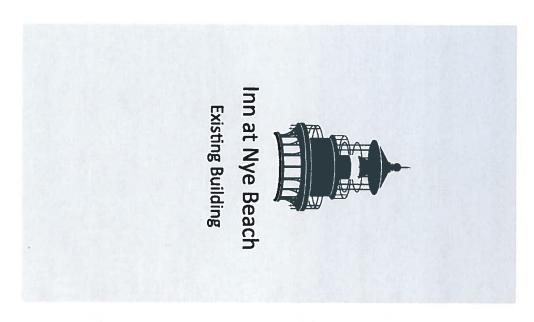




THE INN AT NYE BEACH











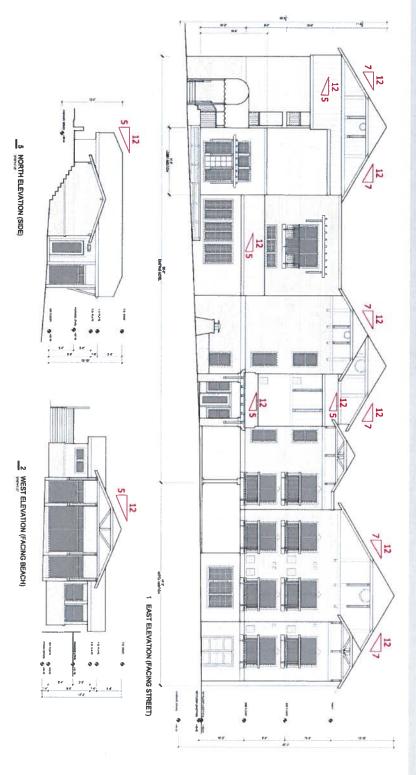
Commercial buildings shall acknowledge the scale of the streetscape and shall contain architectural features to break up building facades to reflect appropriate human scale measurements with windows, doors, ornamentation, awnings, and similar design features. Commercial buildings (excluding portions of a hotel/motel where guest rooms are on the ground floor) shall emphasize the pedestrian orientation of retail shopping by utilizing banks of windows with multiple small windows (less than 20 square feet) and/or large windows with multiple panes along all sides abutting a public right-of-way. The contextual scale of new large commercial buildings over two stories shall be reduced by using horizontal or vertical divisions and stepped roof lines. Buildings greater than one story in height shall be designed with canopies, balconies, offsets in the building façade along each public right-of-way, or other architectural/design features that reduce the building's vertical emphasis.

- Wall offsets break up the vertical emphasis and creates opportunity for pedestrian seating.
- Varied roof lines reduce vertical emphasis and creates a dynamic skyline.
- New canopy at north entrance and existing canopy at south entrance.
- Balconies, windows and landscape wall.
- Exterior building materials and color.
- Architectural details such as gable brackets, corbels, trellises and multi-pane windows.



Roof slopes on commercial projects shall be between 5:12 and 12:12 unless there is a flat roof with parapet. Mechanical equipment shall be screened and integrated into the roof design. Roof shapes shall be compatible with the neighborhood. A standing seam is recommended for metal roofs. Gable and hip roof forms are recommended. Parapet walls shall be integrated into the building.

- Main roof form is clipped gable roof.
- Main roofing material is metal standing seam.
- Main roofs have 7:12 pitch. Shed roofs have 5:12 pitch. Spa building roofs have 5:12 pitch.



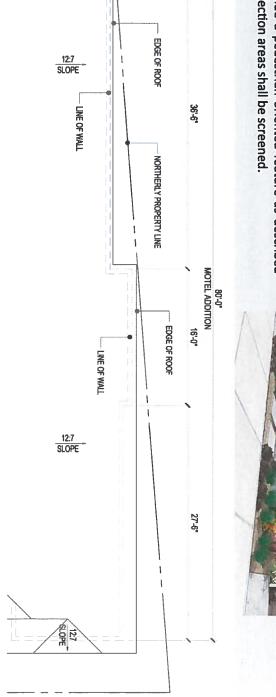
property line include areas where the existing buildings adjacent to which requires a side yard, or a setback is required for ocean front oriented feature such as a courtyard, patio, landscaped area with seatsible except to allow access for parking, the side abuts a zoning district scaped or shall provide a pedestrian oriented feature as described In commercial areas, commercial buildings shall abut the front property line. Allowable exceptions to the requirement to abut the front the property are set back from the property line, where a pedestrian an easement precludes the building abutting the front property line. Commercial buildings shall abut a side yard property line where poslots. Gaps in building walls shall be avoided except for pedestrian and patio, landscaped area with seating or outdoor café seating is included. Front and side yard setbacks, where they exist, shall be fully landing or outdoor café seating is included, or where severe topography or parking access, or a pedestrian oriented feature such as a courtyard, previously. Trash collection areas shall be screened.

- Landscaped seating area with trellis.
- Front yard setbacks fully landscaped.
- North (side) property line.



previously. Trash collection areas shall be screened. scaped or shall provide a pedestrian oriented feature as described ed. Front and side yard setbacks, where they exist, shall be fully land sible except to allow access for parking, the side abuts a zoning district an easement precludes the building abutting the front property line. erty line. Allowable exceptions to the requirement to abut the front patio, landscaped area with seating or outdoor café seating is includparking access, or a pedestrian oriented feature such as a courtyard which requires a side yard, or a setback is required for ocean front Commercial buildings shall abut a side yard property line where posing or outdoor café seating is included, or where severe topography or oriented feature such as a courtyard, patio, landscaped area with seatthe property are set back from the property line, where a pedestrian property line include areas where the existing buildings adjacent to lots. Gaps in building walls shall be avoided except for pedestrian and In commercial areas, commercial buildings shall abut the front prop-

- Landscaped seating area with trellis.
- Front yard setbacks fully landscaped.
- North (side) property line.



Buildings shall generally be compatible in design and appearance with other buildings in close proximity by including similar types of architectural features and materials. Where the surrounding buildings predominately do not include architectural features found in the design standards, the proposed building subject to design review shall include architectural features that are common to the district as identified in the design standards or by findings documenting similar architectural features found within the design review district. Where the surrounding buildings predominately do not include architectural features found in the design standards or in the design review district, innovation and creativity in design may be allowed consistent with the design guidelines.

- Existing neighborhood context.
- Other commercial and residential developments.
- Historical buildings



Streetscape from Inn at Nye Beach looking north



Streetscape from Inn at Nye Beach looking south

Other Commercial and Residential Developments.





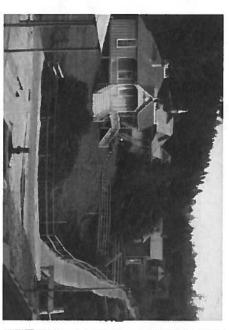






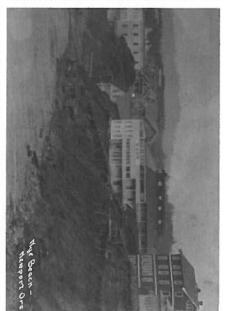
Other Commercial and Residential Developments.

Historical Buildings









Where appropriate and necessary to promote the pedestrian orientation of the streetscape, building orientation shall be towards the frontage street(s) with entrances facing the street(s). An entrance facing the frontage street shall be included where appropriate and necessary to promote the pedestrian orientation of the streetscape for commercial, institutional, public, and multiple family residential (with three or more units) buildings. Buildings shall provide variety in building shape, height, roof lines, setbacks, and design features consistent with the design guidelines

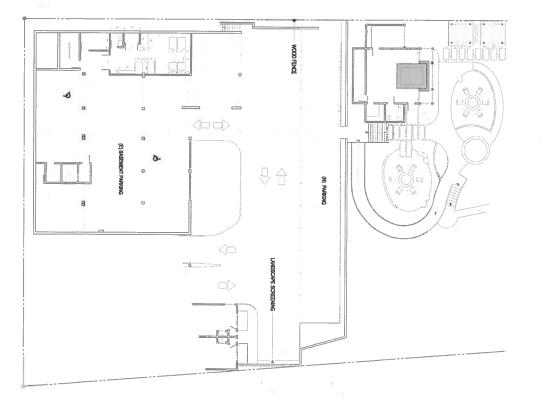
- North and south building entrances facing street frontage.
- Materials and color.





Commercial and multiple family residential (greater than 2 dwelling units) projects shall not be shaped by off-street parking. On-site parking shall be at the rear or side of the building or below street grade underneath the building with access via alleys or interior streets unless, based on review of the project, the review authority determines that topography such as steep slopes precludes side or rear parking. Parking garages shall complement the main building by using similar architectural details as the main building. Shared parking facilities are allowed and are encouraged. Views of parking areas from adjacent residential and commercial uses shall be softened through the use of landscaping. Pedestrian movement shall be clearly defined.

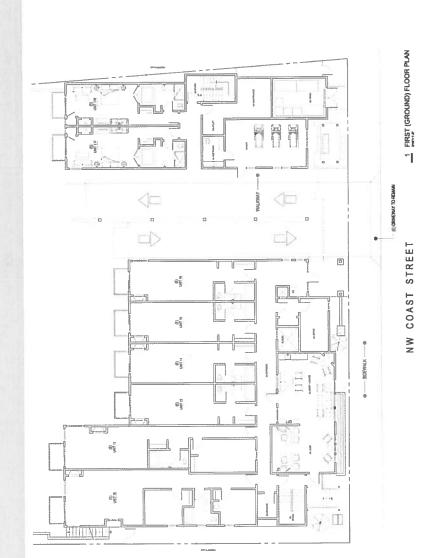
- Location of parking.
- Visual screening of parking.



NW COAST STREET

Pedestrian circulation for commercial projects is necessary to maintain the walking environment of Nye Beach. Linkages between adjoining uses shall be provided. Pedestrian circulation routes shall be continuous and integrated into the larger pedestrian circulation network. Specialty paving is encouraged.

- Vehicular circulation.
- Pedestrian circulation.



#

Exterior permanent lighting for commercial projects shall be restrained by using lighting features that minimize the impact of lighting such as full-cut off fixtures, low wattage bulbs, and/or recessed or shielded lighting, such that no light source is visible from a public right-of-way or adjacent property. Areas used extensively at night shall only be illuminated to the extent necessary for safety and security. On-site lighting shall be related to the site and retained on the site by directing the light downward, recessing the light, and/or shielding the light. Lighting fixtures shall complement the architectural character of the building. If landscape lighting is used, the landscape lighting shall be restrained by using lighting techniques (ie. recessing the light, shielding the light, using low wattage bulbs) that minimize the impact of light. The use of light poles similar in appearance to the light poles installed as part of the Nye Beach Streetscape Project is acceptable for parking lot lighting and other lighting for which a light pole is used.



Pendant Light

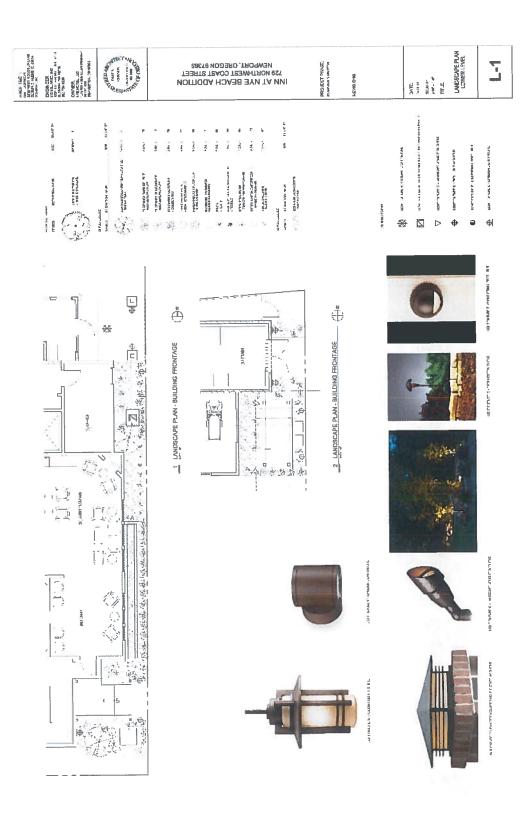
Up/Down Wall Sconce

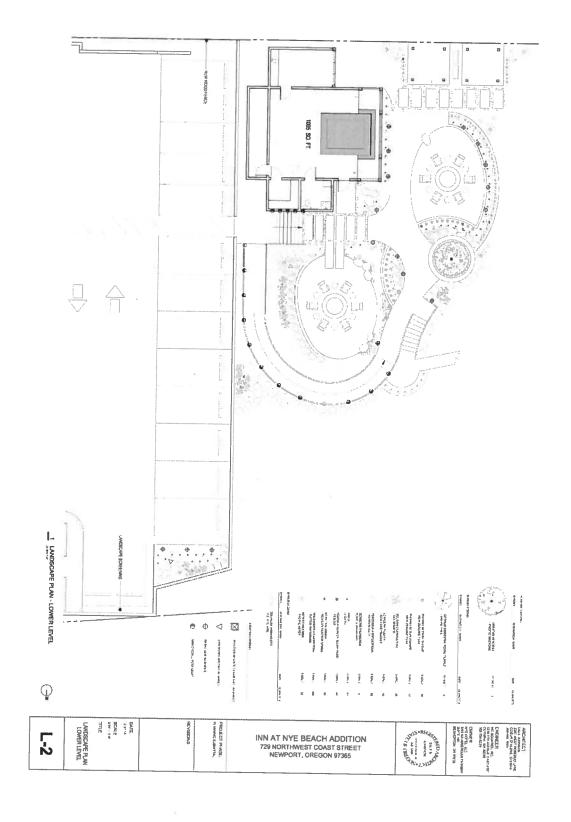
Pilaster Mounted

Landscape Uplight

Path Light

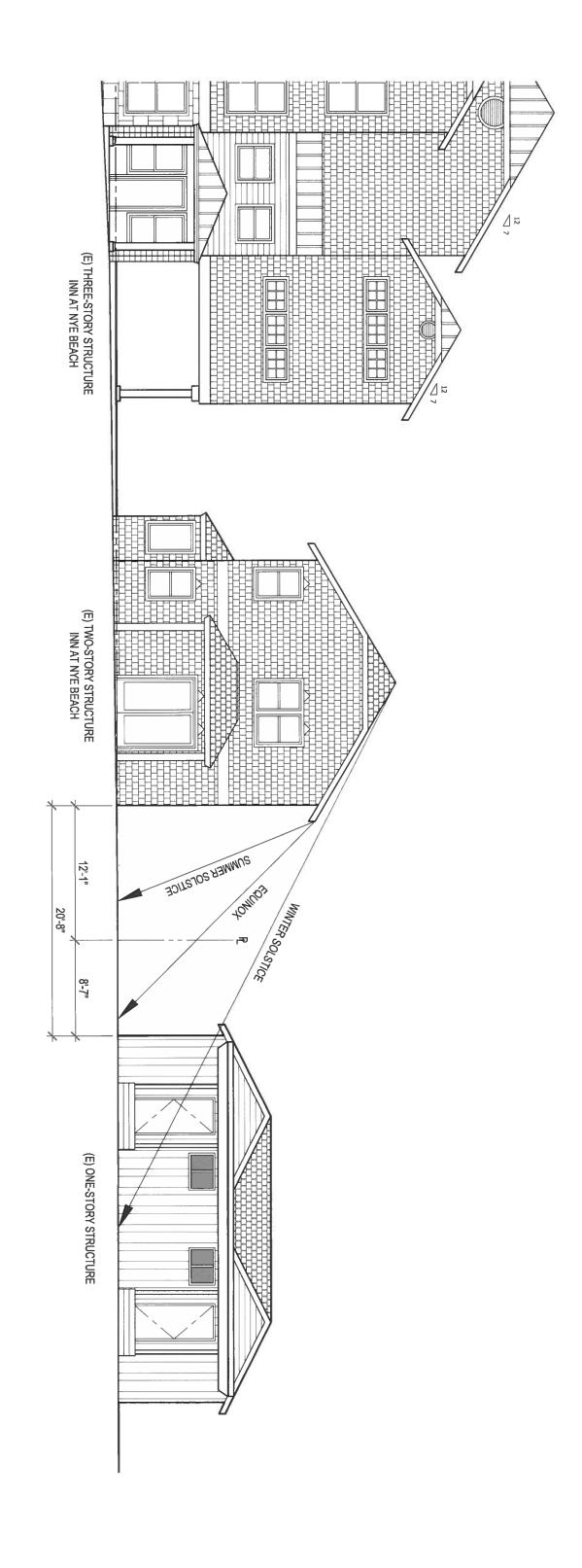
Rail/Step Light



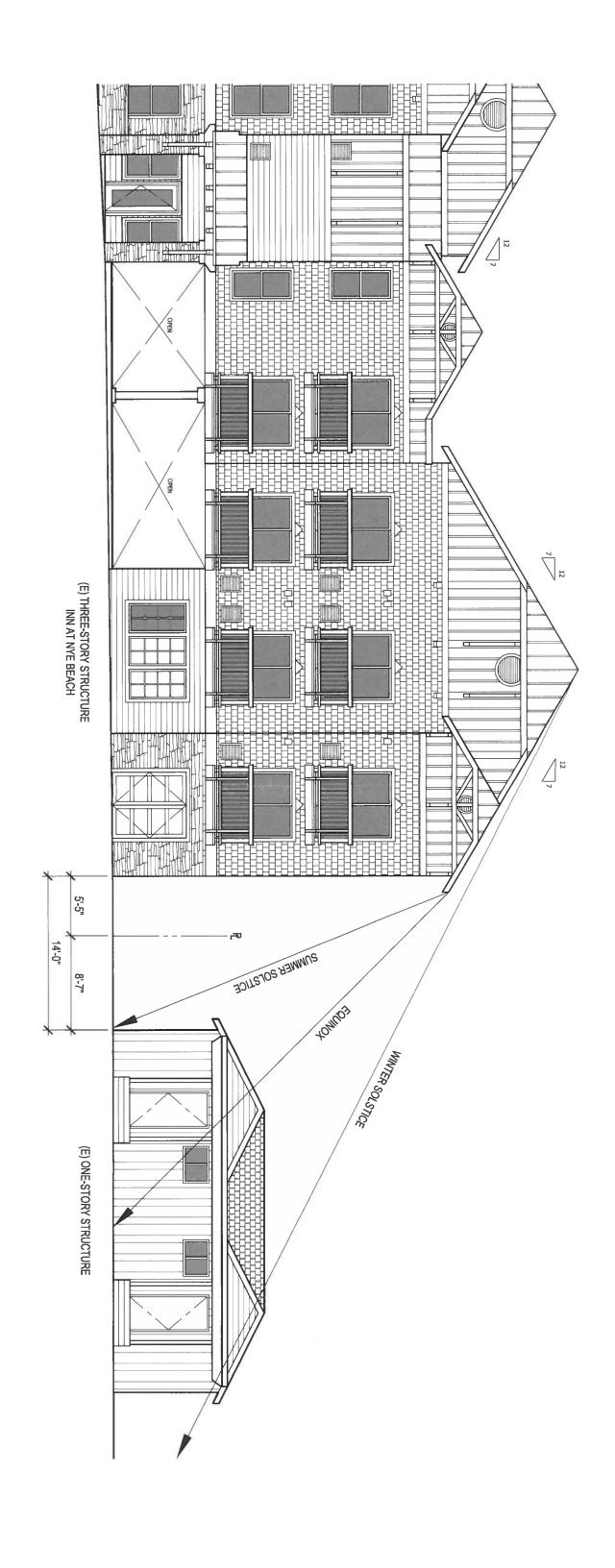




ATTACHMENT "AA" File No. 1-NB-15/1-CUP-15 Applicant's Solar Shade Study



1 SOLAR SHADE STUDY - EXISTING STREET ELEVATION



1 SOLAR SHADE STUDY - PROPOSED STREET ELEVATION

