

MINUTES
City of Newport Planning Commission
Regular Session
Newport City Hall Council Chambers
Monday, January 9, 2017

Commissioners Present: Jim Patrick, Lee Hardy, Bob Berman, Bill Branigan, and Mike Franklin.

Commissioners Absent: Jim Hanselman (*excused*) and Rod Croteau (*excused*).

City Staff Present: Community Development Director (CDD) Derrick Tokos, and Executive Assistant Sherri Marineau.

1. **Call to Order & Roll Call.** Chair Patrick called the meeting to order in the City Hall Council Chambers at 7:01 p.m. On roll call, Hardy, Berman, Patrick, Franklin, Hanselman and Branigan were present.

2. **Approval of Minutes.**

A. Approval of the Planning Commission work and regular session meeting minutes of December 12, 2016.

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

3. **Citizen/Public Comment.** No public comments.

4. **Action Items.**

A. **Election of Commission Chair and Vice Chair for 2017.**

MOTION was made by Commissioner Berman, seconded by Commissioner Hardy, to re-elect Chair Patrick and Vice Chair Croteau be re-elected for the calendar year 2017. The motion carried unanimously in a voice vote. The 2017 officers will be the same.

5. **Public Notices.** At 7:02 p.m. Patrick opened the public hearing portion of the meeting by reading the statement of rights and relevance. He asked the Commissioners for declarations of conflicts of interest, ex parte contacts, bias, or site visits. Hardy, Berman, Patrick, Franklin & Branigan report drive-bys. Patrick called for objections to any member of the Planning Commission or the Commission as a whole hearing this matter; and none were heard.

A. **File No. 3-CP-16/5-Z-16.** Patrick calls for the staff report for File No. 3-CP-16/5-Z-16. Tokos presents staff report and states that the property has historically been zoned R-4 and the hospital over time has purchased these properties. The multi-family and single-family homes have been removed over the years. Tokos has a condition for the application concerning the effect on transportation. As far as the comprehensive plan, there is a need for this change as the hospital can't develop the site in a uniform way with the portion of the property staying R-4. Tokos lists requirements of a R-4 zone that is a handicap for the hospital treating it as one uniform site. The same would extend to the zoning map.

Tokos points out that he received a request for the staff report from an individual who is working on housing issues statewide. The City has known this is not a viable housing property and that the hospital was planning on an expansion on this property. When the housing inventory update was done in 2011, we didn't include this as land available for additional housing. Changing the zoning from R-4 to P-1 doesn't take away from inventory of land we have for housing. Even if it did, our comprehensive plans shows we have enough surplus of land available for multi-family housing. It's not about a lack of land for multi-family housing, it is more of a lack of infrastructure and difficult terrain. The City has enough room for high density residential development.

The one area we will need additional information on is the determination of effect on the transportation system. The applicant is working on this. Tokos states there is enough information to recommend this to the City Council based on comparing the range of uses in R-4 against uses allowed in P-1. Tokos explains that between the two, you can reasonably say this shouldn't have a significant adverse effect on the transportation system. We will have a separate traffic impact analysis the applicant has to submit. It would be helpful if it was submitted before it gets to City Council to put together an ordinance that demonstrates clearly there won't be an adverse effect. A separate traffic analysis would deal with the direct impact to the system and how traffic would be addressed. The City has had discussions with the hospital on improvements to address traffic impacts on expansion. For purposes of tonight, it is more of a question of would it have a significant adverse effect on the transportation system with this change of designation. Tokos thinks there is enough evidence to show it shouldn't.

PROPOSERS: Chris Minor, Attorney. Address: 236 W Olive St, Newport, OR 97365. Jim Shepard, Attorney. Address: 236 W Olive St, Newport, OR 97365. Minor says Shepard put together a map of the property in question and provided copies to all Commissioners at tonight's meeting. The parcel of property is in the lower right hand corner of the map provided and is an entire block. The three blocks in the large square are zoned P-1 and the one big parcel on lower right corner is zoned R-4. Minor introduces proponents in attendance starting with Ralph Breitenstein, Chairman of the Hospital Board; John Conner, Hospital Facilities Director; and Joe Kunkel who is involved in the planning process and President and owner of the Health Care Collaborative Group. Kunkel has been involved in 8 hospital projects over the years. Kunkel is in attendance to tell the Commission about the problems the design encounters as a R-4 zone. Minor asks that the map provided at the meeting, and the application, be received and considered as part of the evidence and record of the hearing.

Minor explains the hospital has existed in the community for many years. He explains how the hospital came about and his involvement. He also explains the need for the hospital in the community.

Shepard talks about land use issues. He thanks Tokos for his work helping to prepare applications and to explain the application to the Commission. He explains the hospital is in need of modernization and expansion to meet the needs of the community. The open lots have been purchased by the hospital and the plans show how it will look when they build. The current hospital site is all zoned P-1. The problem is the expansion site is R-4 and creates problems for the expansion. There is a height restriction of 35 feet for R-4 and 50 feet for P-1. The hospital need all 50 feet to build the expansion. Also, the buffering zone requires them to build 2 separate building with a landscape space between buildings. Shepard explains this is not feasible. The current plan is the best plan they can prepare for the community.

Shepard explains how the hospital meets the needs for the community. The site wasn't included in the 2011 report to the City for high density residential use. Based on this, there is no reason the comprehensive plan shouldn't be approved. In addition, looking at the location of the land, it is in the same block as the hospital and is key to the expansion. It is already owned by the hospital. Hospital use is approved under R-4 and R-1. If they have to expand the foundation of buildings beyond on what they are presenting, they are going to have to eat up parking required. As far as the Newport zoning map application, the problem of buffering and height restriction for R-4 zones aren't compatible with their development.

Shepard says that as far as transportation systems facilities, they don't think there will be any adverse effects due to the expansion. They have commissioned a traffic impact analysis and it will be available before the City Council meeting. They will also submit it to the Planning Commission. Shepard asks the Commission to approve both applications.

Minor says Mr. Kunkel is here to answer any questions the Commissioners have about design concerns. He and Mr. Conner are in communication with ODOT to determine what they want for the traffic analysis.

Hardy asks about what the configuration of the expansion is that would require the 50-foot height. Joe Kunkel introduces himself. Address: 1430 SE 3rd Ave, Portland, OR. Kunkel says they have gone through 20 different designs to try fit the height restrictions. They are keeping the part of the building that was built in 1988. The rest of the facility will be taken down after they occupy the new building. They view the site as generation buildings and are setting the foundation on what will happen in the next 20-30 years as far as adding things on. They will not be adding beds. Hospitals are limited to 20-30 beds. The change is the footprint the beds require has gone up. The patient rooms have changed and are 50% larger than in 1988.

Floor to floor heights and distance between ceilings and above floors create height issues. They will be aggregating the majoring of physician clinics around town to have them become more of an integrated facility at this location. This is important for the hospital to provide help with recruitment and retention and this helps with that. The operation rooms will be 50% larger. They require more space. The ER is growing and will see more space for this. On the ground floor of the new building they deal with adjacencies. The key is how different services are located near one another. They want to see the ER, diagnostic imaging, and surgery grow at a faster rate than beds. They need to be on a ground floor and are designed in a way they can grow together over time.

Minor asks Kunkel to elaborate on the difficulty of a R-4 that requires anything constructed in in the zone has to be disconnected. This is insurmountable for the hospital. Kunkel explains they looked into different buildings and couldn't come up with a configuration that would work for this. In small hospitals, the employees wear different hats and need to be able to switch hats and have continual space to do this. An outbuilding with setbacks wouldn't support this.

Berman asks if a hospital expansion means a staff expansion. If so, what steps is the hospital taking to make sure there is adequate housing for new staff? Kunkel says it is both an expansion and contraction. They will be demolishing 70,000 square feet of space and building 90,000. It is less to do with expanding staff and more to do about the practice of medicine. There will be the same number of beds but they will require more square footage, not more program. He doesn't see a market increase in staff. He points out on the drawing that the number of beds hasn't changed. They are also not seeing an increase in traffic because of this. It is delivering care in a different way. Berman asks if Samaritan is confident they can retain sufficient staff to make the hospital useful as designed. Kunkel says a new facility is not the answer but it is another tool that gives them a tremendous leg up in terms of recruiting staff. Minor adds that he has sat through 50 years of hospital staffing and has always said they need more physicians. When considering recruitment, offering a first class modern hospital could give them a leg up. As far as housing, he feels this is a community issue and Samaritan isn't able to solve the problem of housing. When they are recruiting, they will do everything possible and assistance will be given to integrate staff into the community. Part of this is locating housing, but it is difficult.

Branigan asks what the actual projected height will be for the project. Kunkel says they are still working it out. It will be in the range of 43 feet and they are working on how some areas on the roof will lay out. They are also looking at the percentage of roof area that meets the requirement. They have pulled a number of mechanical units off of roof and are dealing with air handlers. Branigan asks if they are building with the thought to expand vertically for future expansion. Kunkel explains it is difficult to expand vertically. Hospitals that have done this successfully have done this by building a shelf floor and then don't occupy it because it is for future use. They are not in the position to do this in terms of the budget. Medical office buildings have done this but are at a lesser standard. They envision growing horizontally. He notes that when you do this you have to think about addressing parking. They have been working with Derrick and Tim to get parking off the street.

Branigan asks if there are any issues with the helipad as far as noise. Kunkel explains it borders on the public street now and will be slightly to the east. It will be adjacent to where it is now. 99% of helicopter volume is outgoing. They will be burying power lines on that edge and have to submit flight path data as part of their occupation. That will also address issues around exhaust and air intake. They don't want to pull in helicopter exhaust in the air intakes at the hospital. The pad will also be bigger to accommodate a larger helicopter.

Berman says the existing heli-pad is nowhere near residential properties. When it is moved to the east, it is closer to residences. Tokos says it is not relevant to the standards to evaluate this application. He doesn't think it impacts the noise issues in the area because they already have helicopters flying to this location. Their flight patterns aren't changing much. Avamere, which is to the east, is a skilled nursing facility an isn't a residential development. If it becomes an issue; the City would work with the hospital on this. It would be more of a noise abatement issue.

Franklin asks how big of a change in flight plan would be made. Kunkel says it won't be much at all. Minor states that he lives six blocks from the hospital. He says there isn't that much coming and going. Franklin asks if it will be more often now that the hospital will be expanding. Kunkel doesn't envision it being. Branigan asks if hospital will be a trauma center. Minor confirms that it won't be.

Opponents: There were no opponents present wishing to testify; so rebuttal was waived.

Deliberations start at 7:48pm.

Branigan thanks everyone for attending. He says the application has great detail along with the map presented. He thinks Tokos has done a great job as well. Branigan thinks the hospital has meet criteria for the comprehensive plan and makes a good case for the zoning change. He feels it should be brought forth to the City Council along with a traffic analysis. Franklin thinks the application is very straight forward and doesn't think there would be any issues. Berman and Hardy agree. Patrick agrees. He thinks it meets all the criteria and makes sense.

MOTION was made by Commissioner Franklin, seconded by Commissioner Branigan, to approve File No. 3-CP-16/5-Z-16 as presented to include a traffic study impact presented to City Council. The motion carried unanimously in a voice vote.

6. **New Business.** No new business.

7. **Unfinished Business.** No unfinished business.

A. **Greater Newport Vision 2040 Kick-off Events and Schedule.** Tokos shares that the 2040 kickoff events are being pushed back to mid-February. He notes that the February 16th event includes an evening session with all standing volunteer committees. There would be a morning presentation for employees, then an evening event for volunteer committees. He asks the Commission to think about cancelling the Planning Commission meeting on that Monday unless there is something compelling, which he doesn't think there is anything. The Planning Committee will all be asked to attend the February 16th Vision 2040 meeting.

The Friday event is a family focused event. There will be Spanish language translation at the event. This schedule needs to be signed off by the Advisory Committee first and if changed, Tokos will tell the Commission of the changes.

B. **System Development Charge Methodology Update.** Tokos will have time frames locked down tomorrow for the advisory committee members. He anticipates something ready for City Council adoption by the end of June.

8. **Director Comments.**

A. **Agenda and Roster for Building Safety Evaluations (Pre-Post Earthquake).** Tokos explains the training sessions that Newport is hosting. Both are happening this week to see a range of folks taking the training. The objective is to have a number of individuals trained who can assist in emergencies. Patrick suggests reaching out to builders as well. It is the same rational at CERT training.

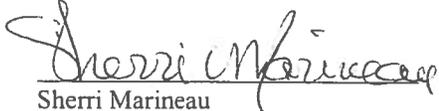
B. **2016 Year End Status Report.** Tokos explains the status report is presented as a reference. Berman asks about the flood plain insurance changes as far as short term and long term. Tokos isn't sure where rate changes are for those who have to get the insurance. New flood insurance rate maps will be coming out soon and he will provide information next meeting in terms of the schedule. The endangered species compliance is also an issue and they are working through what the interim set of rules needs to be. In terms of what an individual has to pay on flood plain insurance, he hasn't heard.

Patrick asks about the Portland fair housing council. Tokos explains that affordable housing is state wide. The Fair Housing Council is using Cogan Owens Green, a consulting firm out of Portland. They see if local governments are converting too much of their housing to non-housing type of zones and if it is a part of the problem. This is why analysis is in the report that we weren't reliant on hospital property for housing. This is the second time they have contacted us. The first time was with the Wilder development. Tokos wouldn't be surprised if he receives another letter before the City Council meeting saying they want to see specific goal tend findings and explaining what he put in the staff report. They are serving as a watch dog role. Hardy asks if they are going to pay attention to the fact that they are doing by allocating zones to benefit those developing affordable housing can be compared to redlining. Tokos thinks they are coming at it from a basic thought of if you are thinking about the ramifications to your available housing stock when considering these types of actions. Patrick thinks they are missing the boat because housing went away years before when the hospital bought the properties and tore the buildings down. Tokos says they tried to move

a block away but it didn't work out. Patrick reiterates that the City of Newport lost that segment of housing a long time ago.

9. **Adjournment.** Having no further business, the meeting adjourned at 8:00 p.m.

Respectfully submitted,


Sherri Marineau
Executive Assistant

