MINUTES
City of Newport
Planning Commission Work Session
City Hall Conference Room "A"
Monday, January 26, 2009

Commissioners Present: Jim Patrick, Jim McIntyre, John Rehfuss, and Dawn Newman.

Commissioners Absent: Teresa Atwill and Mark Fisher (excused).

Citizens Advisory Committee Members Present: Richard Beemer.

Citizens Advisory Committee Members Absent: Kathy Cleary and Glen Small (both excused).

City Staff Present: Community Development Director (CDD) James Bassingthwaite, Senior Planner Meredith Savage, and Senior Administrative Assistant Wanda Haney.

Chair Patrick called the Planning Commission Work Session to order at 6:05 p.m.

A. New Business

1. Newport Zoning Ordinance and Related Ordinance Review Process.

A. Continued review of land use application fees. The Commissioners began by discussing the options of possible fees Bassingthwaite had provided. McIntyre felt that Option 2, which includes recovering some basic staff time, was too expensive in these economic times. Beemer thought Option 2 might be better and questioned why in these economic times taxpayers should be paying for any gaps rather than developers paying. Rehfuss said that he believes we should cover staff time and preferred Option 2. There was some discussion about whether in slow economic times a significant fee increase may deter growth. Patrick said that he didn't think so and prefers Option 3. There was discussion about how SDCs for a single-family residence had increased from $5,000 to $11,000. Patrick, having been on the SDC task force, noted that it was a reasonable price that brought the fees into line with what they should be. Bassingthwaite noted that this year the SDCs had about a 6% increase based on the construction cost index. Bassingthwaite pointed out that Option 2 includes some staff costs. The Community Development Department except for the building inspection program is funded by general fund dollars, which are primarily property tax dollars. Beemer said that he also would support Option 3, and then as the economy improves, we can do an increase again. He said that doing it all at once is a big "pill to swallow". Bassingthwaite noted that Option 3 dropped some fees because the fees are tied to groups as Patrick had suggested. Fees are basically grouped by the level of land use activity: staff level actions, those that go to the Planning Commission, and those that go before both the Planning Commission and City Council and involve multiple mailings and publications. Bassingthwaite noted that the Commission can change any options or combine them. The proposed increase will go through a public hearing process and the fees can be adjusted then as well. Currently when multiple applications are received, by ordinance, the City has to charge a fee for each land use application. The Planning Commission could recommend taking the highest fee, and then each additional application fee would be reduced at 75% or 50%. On multiple applications, the processing cost is less because there is the same hearing, consolidated mailing and publication, and staff report. Regarding staff time, Bassingthwaite said that another issue to consider is that Public Works isn't funded out of the general fund, but rather from user fees such as water and sewer fees. When Public Works does land use reviews or subdivision reviews, Public Works does not get a portion of the land use fee. Rehfuss suggested having a flat fee for engineering reviews plus something per hour. Bassingthwaite said that the City has talked about having a master fee schedule similar to Lincoln County. A master fee schedule including the land use fees could be adjusted each July 1st based on cost of inflation. In that way, fees are kept current and there is not the big 15-20% jump. Bassingthwaite noted, however, that the fees are low; so going from $150 to $180 isn't a really significant amount. The current fees were adopted in 2003, so an increase based on cost of inflation would likely be around 20-25% anyway. Patrick thought the Commission should recommend annual increases just the same as with the SDCs. Bassingthwaite covered the options again. Option 1 is generally a 20% increase (rounded to the nearest dollar). Option 2 includes some basic staff time but still won't cover both hard and soft costs. Option 3 is a little less than with staff time and a little more than 20%. It adjusts a few fees down and groups them by amount of activity: staff level, Planning Commission, and both Planning Commission and City Council. A poll of the Commission showed three in favor of Option 3 and one in favor of Option 2. Patrick then wanted to go through the fees for each action. Bassingthwaite noted that once property is annexed and they begin paying taxes, it will

generate revenue. The fee of $700 is covering some staff time. Typically the City's annexations have been with the consent of the applicant and electorate. Following discussion, the Commission decided to change the fees for all staff level actions from the proposed $100 to $150. The Commission was satisfied with all other proposed fees. Bassingthwaite said that the Commission may want to add a category for other Planning Commission/Council actions requiring notice but not otherwise specified with a fee of $250. The Commissioners agreed with the **motion** made by Committee member Dick Beemer, seconded by Commissioner Rehfuss, to direct staff to begin the process for amendment of the fees in Option 3. Patrick added a recommendation that the City Council consider an annual fee adjustment and some sort of fee for engineering review. He liked what Rehfuss had suggested about a minimum fee with an hourly charge for review time. Bassingthwaite said that the fee amendment should come back before the Planning Commission likely in March.

B. Discussion of areas of focus for 2009. Bassingthwaite wanted to update the Commission on the land use procedure ordinance amendment. He has Meredith Savage going through the ordinance and finding the additional sections that will needed to be amended to implement the proposed procedures section. The Commission will probably see that sometime in March as part of the public hearing process. Before he leaves, Bassingthwaite has a goal to have the public hearing process started on the subdivision ordinance; so that ordinance will probably be brought back for review in February, and a few more work sessions may be devoted to that amendment. Regarding the TSP update process, he noted that the City is working with ODOT on an alternative mobility standard in South Beach, which will take longer than originally anticipated. The TSP update will be divided to separate out the alternative mobility standard and the City will move forward on other amendments. If the City is successful with the alternative mobility standard, there will be another set of code amendments later in the year. The water system master plan is scheduled for hearing at the second Planning Commission meeting in February and will then probably be adopted into the Comprehensive Plan by the City Council in March. Savage and Bassingthwaite will be meeting with Laren Woolley of DLCD regarding periodic review, which may change some things. Tied into that will be a buildable lands inventory to tell us how much residential land is available, the geologic hazards ordinance update, and Goal 5 riparian and wetland inventory. Bassingthwaite noted that the City will have an opportunity to get through more of the longer-range planning in the next few years. Bassingthwaite said that we will be scanning in the zoning and subdivision code, which will be on the website to be downloaded. The Planning Commission may want to look at the CUP section and adopt something different for review of vacation rentals. There was some further discussion regarding vacation rentals. Bassingthwaite said that he thought there were some things that could be done to monitor vacation rentals like requiring guest logs and car inventories to be submitted. Also, another possibility would be requiring that when a condo complex is involved, applications are always processed as a Type I and go before the Planning Commission initially rather than allowing an individual unit to apply as a Type II.

B. Adjournment. Having no further business, the meeting adjourned at 6:52 p.m.

Respectfully submitted,

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Wanda Haney
Sr. Administrative Assistant