

MINUTES
City of Newport Planning Commission
Work Session Meeting
Newport City Hall Council Chambers
October 23, 2023
6:00 p.m.

Planning Commissioners Present: Bill Branigan, Jim Hanselman, John Updike, Bob Berman, Braulio Escobar, Gary East, and Marjorie Blom.

PC Citizens Advisory Committee Members Present: Dustin Capri.

PC Citizens Advisory Committee Members Absent: Greg Sutton.

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

1. **Call to Order.** Chair Branigan called the Planning Commission work session to order at 6:00 p.m.
2. **Unfinished Business.**
- A. **Amendments to NMC Chapter 14 to Comply with 2023 Legislative Mandates.** Tokos reviewed the code changes that came out of the last legislative session.

Commissioner Hanselman entered the meeting at 6:03 p.m.

Tokos covered the amendments that added single room occupancy and emergency shelters in residential zones. Escobar asked if there was a time limit on how long a tenant could stay in an emergency shelter. Tokos reported the definition didn't specify a time basis, only that the stay was on a temporary basis. He explained the mandate stated that emergency shelters had to have adequate access to commercial and medical services. This would be discretionary and the Commission would make the judgement call on them. A discussion ensued regarding how statutes worked and how jurisdictions dealt with them. Tokos recommended that Newport match the statutory definition.

Hanselman questioned if a tent was considered an emergency shelter. A discussion ensued regarding the definition of emergency shelters. Tokos reported Section 7 of HB 3395 set out the parameters for them. He explained that it stated that sleeping and restroom facilities were required, and would most likely exclude tents because of it. Tokos thought placing an emergency shelter in a R-1, R-2 or R-3 zone should require a public hearing with the City Council, but it wouldn't be a land use decision. He thought it was reasonable for these zones because most of the residential zones were further away from emergency services. Berman asked why they would eliminate any of the residential zones from this. He thought all of the residential zones should be subject to a Council hearing. Tokos explained the Council couldn't deny these decision, unless all of the limited circumstances weren't met. Berman asked why a public hearing would be needed if they couldn't turn anything down. He felt there was no point to it. Escobar pointed out there would be a basis to turn it down if the site didn't have reasonable access to emergency services. He thought they needed to be careful that they would be denying most of the applications for emergency shelters. Escobar was in favor of getting public input on this and allowing the Council to make the decision. Tokos reminded this was one area the Commission had discretion on, and they could make it so these went to the Council for review. Berman

thought the more public visibility and public input, the better even if most people are not going to testify to the criteria. Tokos would change Footnote 5 to say that it was subject to a public hearing before the Council. They would also add the R-4 zone to it as well. Berman noted there were asterisk included in the list that didn't have references below it. Tokos said the text had been pulled and he would update it.

Branigan pointed out the Council could say they didn't want to hold public hearings on this as well. Hanselman asked if the Council held public hearings on the decisions, how many days would there be to get them completed. Tokos explained these wouldn't be land use decisions that had prescribed timelines. They would be open ended with the Council who would decide how they wanted to advertise it.

Commissioner East entered the meeting at 6:21 p.m.

Udike asked what the public notice requirements were for a public hearing that wasn't prescribed. Tokos reported he didn't try to prescribe in these amendments. They could add parameters in terms of distance and time in advance. A typical public hearing with the Council didn't do this, and there was nothing in the code that they had to notice or publish in advance. Tokos noted they wanted to proceed cautiously on this and think about if they wanted to subject this to some special public hearing standards that other public hearings that the Council handled weren't subject to. Tokos noted that there wasn't a formal notification for processes that weren't land use related. Berman thought adding the noticing requirements could mess things up since it wasn't the normal procedure for Council hearings.

Hanselman pointed out there was nothing included about the permanence for emergency shelters. He questioned if they would be permanent or temporary. Tokos explained that once they were established they could continue. Hanselman suggested they should say temporary shelters instead of emergency. Tokos noted the definition was straight out of statute, and generally when there was an actual statutory definition that's relevant to that chapter, they would want to stick to it.

Tokos reiterated that what he had hear was to add R-4 zones for a hearing before the Council, and if the Council wanted to elaborate on it they could.

Tokos reviewed the amendments to community services. Berman requested that the footnotes be consistent throughout the chapter. Tokos would look at updating this. He continued the review of the amendments which said that an emergency shelter within a C-2 or 1-2 zone would be subject to a public hearing before the Council.

Tokos reviewed the amendments to temporary uses. He explained the legislature had previously set the limit to stay in an RV when rebuilding in the event of a disaster to 24 months. The latest legislature extended it out to 60 months. Tokos noted this doesn't apply to someone who was just building a house.

Tokos reviewed the amendments to affordable housing that would take out properties owned by a public body or non-profit corporations. This meant that the city needed to allow this outright instead of exempting these areas. Tokos reviewed the transportation standards for the guarantee for public improvements to land division improvement agreements. He removed the cash deposit surety bond letter of credit because it was cross referenced in Chapter 14.04.08 where the surety language was listed.

Tokos covered the changes to improvement agreements. He reported that changes were made for tenant remodels to say the improvement agreements would be carried out prior to the certificate of occupancy, or it is funded and programmed for construction in an adopted capital improvement plan. East noted he observed many tiny homes being built in Florence and Otis, and asked if they used affordable housing standards to get these types of subdivisions approved because they weren't necessarily RV park models. Tokos reported there was no current law to create small lots for affordable housing. There were reasons why they didn't see many tiny homes being added. This included the lack of access to sewer and water infrastructure in rural areas, the need for small lots, and the costs of building not being feasible. East noted how there were park model homes with small areas to park in front of them. Tokos said these fell under the RV park rules. A discussion ensued regarding changes to the municipal code related to affordable housing, including a new section on financing and a provision for retaining affordable housing for a certain period of time.

Urdike questions the definition of affordable housing and how it is restricted against properties. He asked if the developers would be required to retain the property as affordable housing for a certain period of time. Tokos explained that under the property tax exemption program they addressed affordability. The local tax exemption was up to 10 years for the structural improvements, and they had to have either 60% or 80% median area income. There was also a reporting requirement. Tokos explained that Newport only had one of these projects, the Surf View Village apartments. They were under obligation to maintaining their units at 60% median area income for 30 years. This had been done at the state level. Newport didn't require an annual reporting for this development since they had the documentation for the state funding from the Oregon Housing Community Services. If they didn't use the state or federal funding, they would have to report locally.

Tokos noted the Commission could do a motion at their regular session meeting to initiate the legislative process.

3. New Business.

- A. Review Draft Affordable Housing CET Code Amendments. Tokos reviewed a comparison of fees paid by the Surf View Village and Wyndhaven Ridge apartment developments. He noted there had been a discussion on how the city should use the funds collected from the affordable housing CETs. Tokos reported that the statute limited how Newport approached development incentives. He thought they needed to be tailored to help market rate developments. They would then leave with the voluntary incentives that increased the number of affordable housing units in a development, decreased the sale and rental price of affordable housing units in a development, or built affordable housing units that were affordable to households with incomes equal to or lower than 80% median area income. Tokos proposed using a portion of the \$260,000 annual fund for larger projects that would result in more units in aggregate. Blom thought the language made sense.

East suggested developing a condominium project with a mix of market-rate and affordable units, with the developer carving out a percentage of the units for affordable housing. Tokos raised concerns about the cost-effectiveness of implementing an elaborate process for developers to demonstrate that certain units were held at certain price points, and whether it was worthwhile to do so given the potential funding amount of \$260,000 over five years.

Tokos reviewed the number of dwelling units that had been produced over the last 10 years. The forecast based on the historical population growth said Newport needed 626 units over the next 20 years, which equated to about 32 units a year. Newport was averaging 52 the last dozen years, and

they could expect that multi-family units would spike in the next couple of years. A discussion ensued regarding where the locations of housing would be added in Newport over the next few years.

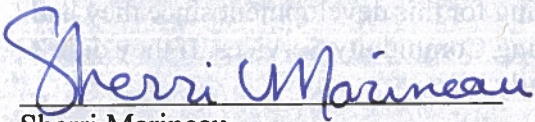
Hanselman asked what "workforce housing" meant, and how it applied in terms of housing needs. Tokos noted that the market rate in Newport would be about 80% median area income, and they had to dole out funds to multifamily projects above 80% median area income.

B. Upcoming Changes to Format and Content of Planning Commission Minutes. Tokos reviewed the changes to the format of the minutes prepared for the City. The Commission asked Marineau for her thoughts on the changes and if she thought this would be an improvement. Marineau was in favor of the change and thought it would be a logical change. She stated that the city would be mirroring the style of minutes the City of Stayton used. The change would happen for meetings starting in November.

C. Planning Commission Work Program Update. Tokos reported he would bring a more up to date work program to the Commission at their next meeting.

4. **Adjourn.** The meeting adjourned at 7:18 p.m.

Respectfully submitted,



Sherri Marineau,
Executive Assistant