

MINUTES

**City of Newport Planning Commission
Work Session Meeting
Newport City Hall Council Chambers
September 11, 2023
6:00 p.m.**

Planning Commissioners Present: Bill Branigan, Jim Hanselman, John Updike, Bob Berman (*by video*), 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. **New Business.**

A. **Discussion About Potential Craft/Cottage Industry Code Language for Newport Commercial Areas.** Tokos introduced Carol Shenk to the Commission. Shenk reported she represented the Coastal Arts Guild. She explained they were proposing a change to commercial zoning throughout Newport for what they called “custom creative work.” The concept was to allow uses that were designated as light manufacturing in C-1, C-2 and C-3 zones, which were currently prohibited. Shenk explained they wanted to support the diverse economic development of Newport, entrepreneurs, and independent business people who wanted to have a creative use in the commercial areas.

Hanselman pointed out that in the materials Shenk submitted it said they were aware of three individuals or investment groups that investigated setting up these kinds of shops. He asked what kind of shops these might have been. Shenk reported that there was one retail art supply store with an art studio in back. There were also two art studios that would have galleries in the front. Branigan asked if the Guild thought these changes should apply to all commercial areas in Newport. Shenk confirmed it would be for all commercial zones, not just Nye Beach. There were sole proprietors who wanted to start a new life in Newport, but the zoning was a deterrent for them. Hanselman asked if they had a sense of how large the businesses would be. Shenk reported it depended on the use and would vary in size. The group used the Seattle Municipal Code as a model. This code gave them a square footage limit for printing presses, which helped to make the distinction between what was light manufacturing and custom creative work.

Hanselman asked what Newport identified as light manufacturing, and if any of the businesses on Shenk's list fell under this. Tokos thought that what this was getting at was a matter of scale. Industrial scale was much larger than the cottage. Tokos thought Newport's code could be clearer on this front. They needed to find out if the retail was the principal activity and if the industrial was ancillary. Tokos noted that many industrial uses needed to have ventilation, and many buildings in Newport weren't set up for this. This wasn't a reason not to do this, just something to be cognizant of. Hanselman asked how they could determine how much retail a business should be in order for these types of shops to

be in these zones. Tokos said they would have a lot of leeway with this. They could require a retail connection or not, and something for the Commission to work out.

Berman thought this was a great idea. His only concern was the reference to food, which was a different nature of business. Shenk explained the intent was to promote a diverse creative economy, and it made sense to include food in this as well. Berman thought if they were to prepare language, he wanted an option that excluded food from the initiative to avoid competitive issues with nearby businesses. Capri asked Berman if he thought distilleries should be included. Berman thought distilleries would be fine to include, but noted that generally they wouldn't operate without food service.

Escobar asked if the examples Shenk presented could be independent standalone operations, or if they could be ancillary to an existing business. Shenk thought it could be either. Escobar asked if Shenk put together the materials utilizing the existing codes. Shenk confirmed they did. Escobar didn't think that cottage industries had much food service. Shenk agreed, and noted that the intent was to produce something to sell. She also noted that she gave recommendations on parking and the public interface requirements for possible approaches. What they were trying to do was fit this in all commercial code regulations and restrictions. However, the way the square footage was figured for retail might not make sense because a sculpture studio would have different traffic than a clothing store. Shenk wanted to make sure they weren't creating unnecessary burdens on entrepreneurs. Capri thought the Municipal Code would take care of this. Shenk noted the parking requirements were for the retail spaces, and defining the square footage of the retail for creative use might be difficult. Capri thought that in theory could be exclusive industrial use, which would have the lowest parking demand. Since there were many underutilized commercial spaces in Newport that had ample parking, this shouldn't be an issue. Capri noted that every issue he could think of would be covered in the Nuisance Code, or the Building Code. Shenk believed that by definition the current light manufacturing code also prohibited impacts like odor or pollution, so it was already contained. Capri questioned how much of an administrative impact this would be for the city and staff. Tokos said this could be relatively targeted and straight forward. Capri thought it was a great idea.

Blom thought that someone who made food like hot sauce, and had it available for people to taste it, would be considered food since there was not a food prep. Tokos said this would get into the Building Code that would have certain requirements for this type of food. There would also be a Health Department role with food as well. Shenk noted the thought was to create a community that was walkable with some sort of storefront. She didn't think they wanted a row of stores that were inaccessible. Berman agreed, and thought in order to have quality tourist commercial areas, there should be some sort of public facing aspect to the business.

Urdike noted there was a statement in Shenk's letter that said I-Zones didn't require a public interface. Shenk noted the intent was to not change the uses in industrial zones. This was a suggestion that new uses be permitted in commercial zones, where existing industrial zones didn't have the extra requirement. Tokos agreed the light industrial zones could be a combined retail element with industrial.

Veronica Lindell addressed the Commission and said that she had a business in Nye Beach, and was a member of the Nye Neighborhood Association. She read a letter from Marcy Kenyon that expressed concerns about potential zoning code violations affecting her art studio and home in Nye Beach.

Janet Webster addressed the Commission and noted she walked Newport a lot and noticed a lot of empty storefronts. She didn't see stores actually making things, and thought that this highlighted the

need for more engaging storefronts in the city center. Webster thought that bringing people back to buildings that were showcasing creativity and work in progress would revitalize the walking experience for the public.

Tokos said if there was a general consensus to see some options for this, the earliest they could bring it forward was the October 23rd work session meeting. When they were ready to bring it forward, he would reach out to Carol Shenk and others to let them know.

Escobar thought that given the skill set that Shenk had, any amendments should be run past her for comments before a work session. Tokos would provide a copy to Shenk. Capri asked if this would only be for commercial zones, not W-1 or W-2 zones. Tokos thought they should look at these zones as well.

- B. Project Advisory Committee for City Center Revitalization Project.** Tokos noted that Resolution 3992 was adopted which put together the framework for an advisory committee for the City Center Revitalization Project. They were recruiting for five of the spaces. The City Council would hold interviews at their first meeting in October. There were other positions on the committee that they would be filling from specific stakeholder groups. The city would be reaching out to find representatives from these stakeholder groups to participate. Berman expressed an interest in serving as the Planning Commission Liaison. Tokos suggested adding an action item to the night's regular session meeting agenda to vote on this. He reported the grant agreement for the funds for the project were working its way through ODOT, and it would be approved sometime during the next two Council meetings.

3. Unfinished Business.

- A. Release of Draft Update to Yaquina Bay Estuary Management Plan.** Tokos provided an update on the draft Yaquina Bay Estuary Management Plan, including policy changes and zoning map changes. He explained that no action was expected at that time. This was the first update to the Plan since the 1980's.
- B. Planning Commission Work Program Update.** Tokos pointed out that the September 25th meeting would only be a regular session meeting. The City Council would hold a meeting right before to do interviews for the Council opening.

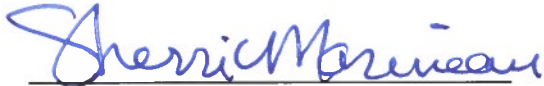
Tokos reported that he met with the commercial fishing user group and the Port Commission to discuss the roll out of the Bayfront parking management strategy. He would be meeting with the Bayfront business owners later in the month. The outreach would give people a sense of what was coming up and when it would happen. Capri asked if this was for the parking lot closures. Tokos reported the parking lots would be closed on September 18th. All three lots would be out of commission for a week. The city had to get the paving done before the bad weather came. Tokos noted that they would soon be swapping out sign poles and putting in pay stations for the meters as well. They didn't set a firm launch on the pay stations yet, and they were working through the cloud setup and equipment setup. Tokos explained that the commercial fisheries wanted the city to wait until after the commercial fleets went out. The city had the ability to wait, and they would talk to the Parking Advisory Committee to see if they wanted to push the launch date out further. A discussion ensued regarding what needed to happen in order to start the program.

Escobar noted there was a news article about the County's efforts to put an evening shelter in Newport and in Lincoln City. He asked if they had identified a site for Newport. Tokos reported the County

was pursuing rotational temporary shelter accommodations for cold spells that would be in the Episcopal and Presbyterian churches, along with a space that the County had. The County would provide staffing and materials for this purpose. Tokos reported that they closed on a property that was the former counseling building on Hurbert and 7th Streets. Ultimately, this could be one property that could serve as a permanent shelter. Tokos noted that NW Coastal Housing had purchased the Coast Inn in Newport, and would be converting it into transitional housing.

3. **Adjourn.** The meeting adjourned at 6:54 p.m.

Respectfully submitted,



Sherri Marineau,
Executive Assistant