



AGENDA & Notice of Work Session & Joint City Council and Infrastructure Task Force

The City Council of the City of Newport will hold a work session on Monday, January 6, 2014, at 12:00 P.M., followed by Joint meeting of the City Council and Infrastructure Task Force at 6:00 P.M. The work session will be held in Conference Room A at City Hall, and Joint City Council and Infrastructure Task Force meeting will be held in the Council Chambers, City Hall, located at 169 S.W. Coast Highway, Newport, Oregon 97365. A copy of the agenda follows.

The meeting locations are 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 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 and/or meeting.

CITY COUNCIL WORK SESSION **Monday, January 6, 2014 - 12:00 P.M.** **Conference Room A**

- I. Additional Work Session Items Not Listed on the Agenda (for this and future work sessions)
 - II. Planning Commission Vacancy Interviews
 - III. Discussion on the Priorities for City Manager During the first Six Months and the City Manager's Role at City Council Meetings
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JOINT CITY COUNCIL AND INFRASTRUCTURE TASK FORCE AGENDA
Monday, January 6, 2014 - 6:00 P.M.
Council Chamber

Anyone wishing to speak on an agenda item should complete a Public Comment Form and give it to the City Recorder. Public Comment Forms are located at the entrance to the City Council Chamber. Anyone commenting on a subject not on the agenda will be called upon during the Public Comment section of the agenda. Comments pertaining to specific agenda items will be taken at the time the matter is discussed by the City Council.

I. Pledge of Allegiance

II. Call to Order and Roll Call

III. Additions/Deletions and Approval of Agenda

IV. Public Comment

This is an opportunity for members of the audience to bring to the Council's attention any item not listed on the Agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to other.

V. Proclamations, Recognitions & Special Presentations

A. Swearing in New Police Sergeant

VI. Consent Calendar

The consent calendar consists of items of a repeating or routine nature considered under a single action. Any Councilor may have an item on the consent agenda removed and considered separately on request.

A. Approval of City Council Minutes from the Joint Work Session and Regular Meeting of December 16, 2013 (Hawker)

VII. Officer's Reports

A. Mayor's Report

1. Committee Reappointments

VIII. Discussion Items and Presentations

Items that do not require immediate Council action, such as presentations, discussion of potential future action items.

A. Infrastructure Task Force Report

a. Approval of Infrastructure Task Force Minutes from Meeting of December 19, 2013

IX. Action Items

Citizens will be provided an opportunity to offer comments on action items after staff has given their report and if there is an applicant, after they have had the opportunity to speak. (Action items are expected to result in motions, resolutions, orders, or ordinances.)

- A. Approval of Tourism Facilities Grant for the Sea Lion Dock Foundation
- B. Consideration of Resolution No. 3661 Adopting A Tax Exempt Bond Post Issuance Compliance Policy
- C. Consideration of Resolution No.3662 CIP Adjustment to Land Use Fees
- D. Selection of City Council President

X. Council Reports and Comments

XI. Public Comment (Additional time for public comment - 5 minutes per speaker)

XII. Adjournment

Planning Commission Membership

ORS 227.030(4) stipulates that no more than two voting members of the commission may engage principally in the buying, selling or developing of real estate for profit as individuals, or be members of any partnership, or officers or employees of any corporation, that engages principally in the buying, selling or developing of real estate for profit. No more than two members shall be engaged in the same kind of occupation, business, trade or profession.

Here is the current makeup of the Commission:

Patrick:	construction contractor
Croteau:	university professor
East:	contractor materials – outside sales
Branigan:	retired (banker)
Fisher:	retired (Probation & Parole)
McIntyre:	retired (developer); currently school bus driver

Bob Berman
180 NW 73rd Court
Newport, OR 97365
541-265-7736 CindyAndBob@earthlink.net

December 16, 2013

**APPLICATION FOR APPOINTMENT TO THE
NEWPORT PLANNING COMMISSION**

List the Commission/ Committee of interest: Planning Commission

Name: Bob Berman

Address:

Work Telephone Number:

Home Telephone Number: 5

Email Address:

Occupation: Retired

Employer: N/A

(1) Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value?

I am currently a member of the Planning Commission citizens' advisory committee (for almost two years) and have found that experience to be challenging and rewarding. I have learned a lot about the city and how it works and would like to expand that learning.

I joined that committee after being heavily involved in both the geologic hazards and vacation rental zoning ordinance modifications. I found that my involvement was personally gratifying.

After joining the committee in early 2012, I have participated in the commission work sessions and contributed to the deliberations about such issues as the UGB expansion,

marine reserve viewshed analysis, workforce housing, park model regulations, transportation plan with traffic impact methodology, and urban renewal district investigation for the 101 corridor.

As a member of the commission, I would be in an even better position to provide ideas to help the city meet its goals for the Community Development department and to update and improve the relevant ordinances.

(2) What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest?

Bias has NO place in city government. All residents must be treated equally, with respect, and all opinions considered as valid.

As for conflict of interest, I have had very few, if any, issues that presented that question. My professional career was in data processing, a field that for me rarely presented those kind of issues.

I do take conflict of interest issues very seriously. The credibility of government can be damaged irreparably by such conflicts and I consider public service for personal gain to be totally unacceptable. Should I ever find myself in a situation where a possible conflict exists, I would immediately disclose that fact and recuse myself if there was any apparent problem. I would look to family, friends, and fellow commission members for advice.

(3) Describe the process of how you make decisions.

I am able to evaluate the evidence to reach the most logical decision in the context of the specific issue. I would anticipate doing independent research as necessary, and I would consider the social, fiscal, legal, and environmental impacts of any decision reached.

(4) What do you think about consensus decision making? What does the consensus decision making process mean to you?

Consensus decision making includes considering opinions that may be different from, or in conflict with, my own and evaluating all arguments for factual and logical consistency. I firmly believe that the give-and-take associated with discussing conflicting ideas results in better decisions. But that does not mean that I would agree with ideas or changes that I firmly believe would not be in the best interest of the city.

(5) Describe all other pertinent information/background for this position.

In addition to serving on the planning commission citizens advisory committee for almost two years, I have two significant ongoing volunteer activities:

I provide almost all of the computer support for the Visual Arts Center including programming, hardware installation and maintenance, and onsite training and operation. I have developed a core name and address database and linked several other database applications to it in support of the individual exhibits, the Paper Arts Festival, facility rentals, and various other activities. I also provide some computer support to the Performing Arts Center as needed.

My largest commitment is to the Lincoln County RSVP program as a certified SHIBA (Senior Health Insurance Benefits Assistance) counselor. Our program assists seniors and others with all aspects of Medicare including enrollments, drug plans, supplements, extra help, and problem resolution. We see clients at the Avery Building several times per week and have just completed the Medicare open enrollment period during which I saw (and hopefully helped) over 50 clients. We also do community outreach through public and private presentations and I am scheduled to conduct a Medicare class at OCCC early next year.

Thank you for your consideration of my application.

Respectfully,

A handwritten signature in black ink, appearing to read 'Bob Berman', with a long horizontal flourish extending to the right.

Bob Berman

Cindy Breves

From: CommitteeApp@newportoregon.gov
Sent: Saturday, December 28, 2013 2:55 PM
To: Cindy Breves; Pennv Hawker
Cc:
Subject: Committee Application

Application for City Council - Email Application

Date: 12/28/2013

Commission/Committee of Interest: Newport Planning Commission

Name: Lee M Hardy

Address: !

Workphone:

Homephone:

Email: !

Occupation: Principal Real Estate Broker Performing Property Management

Employer: Yaquina Bay Property Management, Inc.

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? I appreciate the thoughtful approach our planning commission and planning director take to the various issues that come. There is a great respect for due process. I feel that I can exercise clear objective thinking in the consideration of the issues that come before the commission and, thereby, contribute to effective decision making.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? I had to fire a family member in the interests of protecting a client. It was not that hard to do, and it was many years ago in another town.

Describe the process of how you make decisions. I accumulate as much objective fact as I can and weigh those facts in light of whatever governing processes or documents apply to a situation. If there are conflicts between the objective fact and the established process that has to be implemented, I seek a solution that is the best one all around.

What do you think about consensus decision making? What does the consensus decision making process mean to you? Consensus decision making can be very effective if all parties take the time to consider the facts, the evidence, the needs and the processes involved. Otherwise, it has little value since it can become an emotional ball game.

Describe all other pertinent information/background for this position. I work with several homeowners associations in the course of my working life and understand the roles that decision makers and leaders must play in making sure that efforts result in the greater good for the whole. It is not uncommon to encounter diametrically opposed positions in this work, and I have some experience resolving conflicts.

Cindy Breves

From: CommitteeApp@newportoregon.gov
Sent: Saturday, December 21, 2013 3:54 PM
To: Cindv Breves; Peggy Hawker
Cc:
Subject: Committee Application

Application for City Council - Email Application

Date: 12/21/2013

Commission/Committee of Interest: Planning

Name: William Hutmacher

Address

Newport

Workphone:

Homephone:

Email:

Occupation: Captain, U.S. Coast Guard (retired)

Employer:

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? I am a 7 1/2 year resident of Newport and I am very interested in helping to ensure Newport's future as a vibrant community where responsible growth is allowed while balancing the diverse, and sometimes conflicting, values of its residents. I am always ready to listen, seek out the facts, consider different views of interested parties, and then present the reasoning/basis for my position.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? As Industry Preparedness Program Manager for Alaska Dept of Environmental Conservation, I had to evaluate one of my employees with an alleged conflict of interest. Part of this employee's work was directly involved in the daily regulation of oil exploration facilities. It was discovered that the employee also was a volunteer board member of a public interest law firm that regularly challenged regulated oil exploration companies using both administrative means and through litigation. After lengthy discussion with the employee, we both agreed there was a perceived conflict of interest that must be addressed decisively. This employee (valued by the Department) agreed that the best decision would be reassignment to Department work that did not involve the oil industry. This reassignment effectively removed any public perception of conflict of interest while retaining the skills and talents of this employee.

Describe the process of how you make decisions. I make sure I clearly understand what the issue or question is. I ensure that the issue/question is something that I have the authority to make a decision about. Next I must review the pertinent laws/regulations/policies, check the facts involved, listen to the views of the involved parties (and other committee members if this is a committee decision). Then be prepared to present a decision along with the basis for that decision.

What do you think about consensus decision making? What does the consensus decision making process mean to you? In a committee situation, I would greatly prefer the consensus decision-making process. It provides the environment where all viewpoints can be discussed and deliberated. New ways of thinking about an issue can be presented for each member to consider. It also provides an opportunity for a path to resolution of an issue that all members can support even if it is not exactly their number one choice.

Describe all other pertinent information/background for this position. I have lived in Newport for 7 1/2 years and owned property here for ten years. I am a retired Captain (U.S. Coast Guard) and a former Industry Preparedness Program Manager for the Alaska Department of Environmental Conservation. In both jobs, I not only had to be very knowledgeable about pertinent laws, regulations, and policies, but also had to be very considerate and responsive to the

views of the regulated parties, other agencies, and any other interested member of the public.

Cindy Breves

From: CommitteeApp@newportoregon.gov
Sent: Tuesday, December 31, 2013 1:53 PM
To: Cindy Breves; Pennv Hawker
Cc:
Subject: Committee Application

Application for City Council - Email Application

Date: 12/31/2013

Commission/Committee of Interest: Planning Commission

Name: Suzanne Dalton

Address:

Workphone

Homephone

Email: :

Occupation: Educator/Administrator/Coordinator of Professional Development

Employer: COSA - Confederation of Oregon School Administrators

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? As a resident of Newport I am interested in the long term viability and livability of my community. One of the ways I can contribute to my community is to serve as a volunteer. I am eager to be engaged in this Planning Commission.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? I have been involved with difficult decisions regarding employee performance issues related to education policy implementation. I worked with a team to provide assistance with training and long range goal setting for the employee. Listening to all interested parties during the process, focusing on what was best for individual students and the school and school district as a community was my priority.

Describe the process of how you make decisions. In a group setting I prefer a consensus decision process. I can and have advocated for a minority opinion if it is what I believe is best for the "greater good". I am familiar with many different decision making processes: force field analysis, spontaneous agreement, compromise/negotiation, voting. Decision makers all have a particular ways they like to work, it is important to work collaboratively and listen to all points of view when serving (the Newport community).

What do you think about consensus decision making? What does the consensus decision making process mean to you? I believe in consensus decision making, I believe in an inclusive, participatory, collaborative process. I have been involved in many variations of consensus decision making in many different settings.

The goal of consensus process brings a group to a better decision, better implementation and stronger relationships in a cooperative, collaborative group atmosphere.

Describe all other pertinent information/background for this position. I am currently serving on the Newport Planning Commission Citizens Advisory Committee. This has prepared me to be aware of issues and the process.

Cindy Breves

From: Peggy Hawker
Sent: Thursday, December 05, 2013 11:15 AM
To: Cindy Breves
Subject: FW: Committee Application

-----Original Message-----

From: CommitteeApp@newportoregon.gov [mailto:CommitteeApp@newportoregon.gov]
Sent: Monday, November 18, 2013 5:06 PM
To: n.clark@newportoregon.gov; Peggy Hawker
Cc: '
Subject: Committee Application

Application for City Council - Email Application
Date: 11/18/2013
Commission/Committee of Interest: Planning Commission
Name: Dustin Capri
Address:

Workphone:
Homephone:
Email:
Occupation: Planner and Designer
Employer: Capri Designs, LLC

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? A city's zoning and planning code have a significant impact on both the built environment and construction-related professions. This affects me professionally, as I work in architecture and planning. It also affects me as a citizen of Newport, as zoning plays a tremendous role in Newport's ability to attract growth, development, tourism, and the associated dollars. A strong code promotes excellent architecture, which in turn positively affects the city's image and draw for businesses and tourists alike. As a designer and urban planner, I feel as though my experience in Department of Defense Planning and local architectural design experience would bring significant value to the planning commission. Additionally, I previously sat on the Planning Commission Citizen Advisory Committee and therefore understand the process and responsibilities of a planning commission member.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? As a designer and planner, I have been trained to make decisions based on a set of factors appropriate for a given situation - aesthetic, economic, social, etc. Inevitably, when making decisions on architecture or urban planning projects, I develop personal opinions that I must often set aside to ensure I address each decision free of bias and in a way that considers the best interests of the client/stakeholder. This has been something that I have often faced in my career and have learned how to best set my opinions aside early, especially while gathering data to make an educated decision.

Describe the process of how you make decisions. I believe in well-researched decisions. I do my best to ensure I understand all aspects of a particular decision before I make it. Gathering information from various perspectives is part of that process. Talking with people involved, looking up relevant articles and studies, and researching case studies are steps I typically take when faced with a difficult decision.

What do you think about consensus decision making? What does the consensus decision making process mean to you? As a practicing urban designer, my process always involves working with various stakeholders to gather data, weigh the pros and cons of various alternatives and ensure that decisions are made as a team. In my profession, the consensus decision making process is critical in order to ensure the success of any project.

Describe all other pertinent information/background for this position. - Bachelor of Architecture from University of Oregon School of Architecture and Allied Arts

- Leadership in Energy and Environmental Design Associated Professional in Neighborhood Design (LEED-AP ND)**
- Worked in Architecture in Newport since 2006**
- Worked as an Planner since 2009**

Cindy Breves

From: CommitteeApp@newportoregon.gov
Sent: Thursday, December 12, 2013 2:42 PM
To: Cindy Breves; Penny Hawker
Cc: -
Subject: Committee Application

Application for City Council - Email Application

Date: 12/12/2013

Commission/Committee of Interest: Planning Committee

Name: Michael Franklin

Address:

Workphone: .

Homephone:

Email: chowderbowl@charter.net

Occupation: Restaurant manager

Employer: Newport Chowder Bowl

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? Recently moving back to the Newport Community, I find myself taking interest in projects around our town. I, along with many people in the area see the potential that Newport has for the future and I would love to be a part of those discussions. Understanding that changes in planning may take years to be implemented and or never make a difference in our community, I still would like to be apart of those small accomplishments.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? My previous home in Bend Oregon was on one of the oldest Federally owned canals in the state of Oregon. After building my home on and around a beautiful setting discussion started to come up that the canal was going to be piped for a whole list of reasons. It was very hard to see past the effects it had on myself and my property and for the longest time I struggled with issues like, loss of property value and curb appeal. In the end it was a great learning experience that made me aware of the bigger picture. It helped me view the community and its needs as a whole and not from my 8 thousand square foot piece of property that I was protecting like a civil war fort. In the end, I was able to see how covering the pipe eliminated the safety issues that plague any canal, especially one meandering through neighborhoods. The piped canal stopped surface evaporation loss and a large percentage of water that was simply absorbed through the cracks of the canals natural bedrock structure. In turn this lowering the impact that the canal had on the Deschutes River. Another great benefit of this project was that by piping the canal, a hydropower station was now built, ready to facilitate the communities future needs.

Describe the process of how you make decisions. A lot of time and thought goes into making decisions. Educating yourself on the matter is the biggest responsibility of the person in control of making the decision. In my line of work I have to make decisions everyday. Some small, some big. In the restaurant business the smallest decision can change the outcome of the most important thing, your customer base. Change to a different brand of fries and you may not see it right away but you may have just lost 15% of your customers. It is important to bring everything to the table when it comes to making a decision because without understanding every aspect of an issue you could be doing more damage than good.

What do you think about consensus decision making? What does the consensus decision making process mean to you? I feel that when it comes to government and community issues this is the best way to resolve issues because it leaves a set of blueprints of how the group got to their decision and it is there for people in the future to reflect upon. Consensus decision making is a method in which a group comes to an resolution, keeping personal agendas aside and clearly looking at the facts. As a group all are involved and all come to the agreement that everyone involved supports.

Describe all other pertinent information/background for this position. Before moving to Newport I was in construction management for two large commercial and residential builder. I was offered to relocate to the Tri Cities area to start a new branch for ADAIR HOMES and instead moved to Newport to take over a Family Business. I was trusted with running over 250 jobsites, 2 subdivisions and one commercial project in my six years combined with these companies. The projects took me all over, 10 different counties in Oregon to be exact. Having to learn new contacts and new systems for every county and or city was a challenge but it was overcome with a lot of systems in place. I was a part of the project from the day of the site evaluation on the potential build site, up until the day the keys were handed to the new homeowners. I miss being involved in the growth of communities and would love to have the opportunity once again.

All aspects of Construction

Infrastructure, Power, Sewer, Water, Drain Fields, Septic Tanks Familiar with terminology Able to read blueprints
Understand Framing and Concrete work Set backs, solar setbacks Drainage Professional Reliable

Thank You,
Mike Franklin

Cindy Breves

From: CommitteeApp@newportoregon.gov
Sent: Tuesday, December 17, 2013 7:12 AM
To: Cindy Breves; Peggv Hawker
Cc:
Subject: Committee Application

Application for City Council - Email Application

Date: 12/17/2013

Commission/Committee of Interest: Planning Commission

Name: Michael Rickus

Address:

Ne:

Workphone:

Homephone:

Email: [REDACTED]

Occupation: retired CPA

Employer: Retired

Why do you want to serve on this committee/commission/board/task force, and how do you believe you can add value? I have developed a strong love for the City of Newport. I have admired the prior leaders of this City for their vision on such projects as the Aquarium, the Performing Arts Center, the 60 + Center and more recently the Pool. I have a strong background in decision making and in Construction. I work very with a variety of personalities and feel I can help gain consensus from a group. Due to my CPA background I am also very good at analyzing situations and bringing a practical point of view to the decision making process.

What is a difficult decision you have made concerning issues of bias and/or issues of conflict of interest? My professional Career was as a Top level Manager of the the IRS. I oversaw as many as 1,150 professionals and was involved in numerous decisions at the National level. I was recognized by the IRS Commissioner for developing a National Program. I worked with National Labor Unions and my Office was recognized as Disabled Employer of the Year for the State of California. My last position with the IRS was as Regional Director of Taxpayer Advocacy. That organization is charged as acting as Rep for Taxpayers in controversies between them and the IRS.

Describe the process of how you make decisions. I like to gather as many facts that effect the issue as possible and then listen to as many varied points of view that exist. In a committee environment, I would then express my opinion at an appropriate time and listen to other points of view. I would strive for consensus however I would not abandon my opinion merely for the sake of consensus. I also embrace the final decision of a Group as mine.

What do you think about consensus decision making? What does the consensus decision making process mean to you? I think I have addressed this question in # 3

Describe all other pertinent information/background for this position. I have built several home and have worked with both Construction professionals and City and County officials. I grew up in the lumber business and feel I have some insights that would assist me in adding value to the Newport Planning Commission. I am currently the Chair of the 60+ Centers' Advisory Committee and I previously applied for the position, I hope showing continuing interest in this most important position.



Spencer Nebel
City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
s.nebel@newportoregon.gov

MEMO

DATE: January 2, 2014
TO: Mayor and City Council
FROM: Spencer Nebel, City Manager
SUBJECT: Discussion on the Priorities for City Manager During the First Six Months

Since initiating my employment with The City of Newport two and half weeks ago I have spent a significant amount of time meeting individually with Department Heads, members of staff and Council Members in order to gain a foundation of perspectives on the organization of the City of Newport. These have been very beneficial meetings that have helped me to identify what my initial priorities should be with the City. I would like to discuss these initial priorities with the City Council to make sure that I am on the same page with the City Council as to where the majority of my time should be spent as I begin my tenure with the City of Newport.

In addition I have had discussions with the Mayor and Council Members regarding the structure of City Council meetings and specifically the role of the City Manager at City Council meetings. I offer my thoughts for discussion purposes in a separate memo.

Comments from Council Members Regarding Strengths and Weakness of the City of Newport

Over the past two weeks I have had the opportunity to meet with all the Council Members except for Councilor Swanson. I will be meeting with Councilor Swanson during the week of January 21. During these meetings we discussed strengths and weakness of the City of Newport as an organization, the effectiveness of internal and external communications, council meetings, vision and goal setting process, council interaction with staff and the press, what two or three priorities Council members had for me during the first six months my employment with the City of Newport.

I have summarized my discussions as follows:

Organizational Strength:

- Processes within the City of Newport have been improving of the past six months.
- Use of local attorney is good.
- The Interim Finance director is making good headway on the City's finances within the Finance Department.
- The City has good long-term employees.
- Most departments operate quite well.
- The City Engineering Department is results-oriented.
- Parks/Planning/Engineering are all solid.
- The Police does a good job in providing protective services for the community.
- The Library is very well run and important resource for the community.
- The City has a great staff overall.
- The staff usually exhibits a professional attitude in their interactions with City Residents and Council members
- The City Recorder is a wealth of knowledge regarding the overall organization of the City of Newport.

Organizational Weakness:

- The Finance Director position in the City of Newport has been a revolving door leading to issues of inconsistency within that department.
- The role of HR needs to be better defined within the City organization.
- There have been billing issues for the Water Department.
- Policies suffer with the revolving door of Finance Directors.
- Some departments are overstressed with limited resources.
- The attorney operational issues need to be sorted out for best use of attorney time in cost-effective manner for issues requiring attention of the city attorney.
- The City needs to evaluate the part 139 airport requirements for the municipal airfield.
- The City needs to do a better job of tracking performance on capital projects particularly relating to budget status.
- Council is viewed by staff as "Us versus Them" this can be a problem.
- The budget process with appropriations at a higher level leaves little understanding of the budget structure and the role of council in establishing budget.
- Billing issues exist which has created a delay of billing on a timely basis within the organization for miscellaneous charges.
- The City organization is difficult to understand.
- The City is faced too much litigation from former employees.
- The City may lose people with the concern that the city is not a good place to work.
- The City needs to be more visible in the public.
- The City needs more organizational structure from a centralized point of view.

- Departments operate in individual silos.

Communications:

- City needs to have a great presence on social media.
- The city should have more data and information on the status of capital projects overall the departments to a good job of the reports to Council.
- Sometimes there is too much detail on agenda items.

Vision and Goals:

- Goals should drive the budget process.
- Visioning should be community based.
- The Council spends a lot of attention on next year's items and not enough on long-term items.
- The Downtown area needs to have a plan for redevelopment. A community-wide visioning process would be good and should be led by the Chamber of Commerce or some other community-wide group.
- The City does have individual visions for specific items however there may not be a comprehensive vision for the City's longer-term future.
- Departments do a good job with their individual goal setting sessions.
- The City needs a strategy for economic development.
- The City may not need a comprehensive vision at this time there are a number of priorities that have been established that will provide direction to the City organization.
- The City adopts too many goals, no way to get them all done.
- The City need to develop consensus on long-term direction that the Council wants to pursue.

Council Interaction (staff, citizens, media):

- Don't want to know the specifics of internal matters more interest in overall direction for the City.
- Some Council Members are more involved with staff.
- The Council needs to abide by the two-hour rule that was established to determine what request is reasonable or not of staff.
- Citizens are good with most things except with water rates.
- Sometimes information has been withheld from Council, information has not been provided to the Council on a timely basis.
- Too much interference with staff, need a better structured relationship.
- The press is generally fair with coverage of Council meetings and City issues.

City Council Priorities for the City Manager:

I have discussed with six of the seven Councilors what their priorities are for me for the next six months in my tenure with the City of Newport. A number of items came up multiple times and I

will present those in the order that they came up in the discussions with individual Council members based on frequency.

- Hire a competent Finance Director (5 City Counselors)
- Evaluate recommendations of the Infrastructure Task Force (3 City Counselors)
- Improve City the budget process (2 City Counselors)
- Sort out the airport management structure and evaluate 139 roles (2 City Councilors)
- Get out to meet employees (1 City Councilor)
- Interact with agencies/County and local city managers (1 City Councilor)
- Provide central leadership and direction for the departments (1 City Counselor)
- Redefine the goals and create a long-term vision for the City (1 City Councilor)

My Observations Based on Meeting with Department Heads and City Council Members:

After having extensive discussions with most of the Department Heads and City Counselors I have several initial observations.

- First of all the City has a professional group of Department Heads who are committed to provide good services to the citizens of Newport.
- Likewise the Mayor and City Council Members are also very committed to providing the best services they can to the citizens they represent.
- There has been a lack of transparent central coordination and visibility between the various City departments.
- There is a perception that the city has no comprehensive overall long-term vision, although there are many specific efforts in place for various aspects that would be part of a long-term vision.
- The City has a real need to comprehensively address infrastructure issues going forward in the future.
- There are some perceptions of inequality in the way different departments have been treated in the past.
- There is a significant amount of litigation relating to past personnel decisions.
- There are a number of departmental issues that will require my attention including working through the arrangements with the City Attorney and consulting attorneys, completing the process of hiring a competent Finance Director and implementing consistent policies and financial reporting from that Department, and addressing the airport management issues.
- There could be better structure for the city Council meetings to utilize that time more effectively.
- On some issues Council Members are surprised by issues coming up on Council agendas and feel out of the loop.

Overall I have utilized the first two weeks of my employment to really try to understand the organization, its strengths, its weaknesses from various perspectives and I believe that the residents of Newport are fortunate to have representatives that want to provide the best services for the best cost for the citizens, Department Heads that are committed to each their individual missions and staff that works to meet the needs of the citizens of Newport. I believe that I will be

able to provide better central coordination of the various issues to effectively move the Newport forward in the future. Over the next six months I will be focusing on the priorities as identified by the Council Members during my individual meetings with my first priorities being the hiring of a new finance director, evaluation as part of the budget process of the infrastructure task force recommendations (if approved by Council at the January 6th meeting), implementing a new budget process and determining an appropriate management structure for the Municipal Airport. I will also be focusing on the other priorities that have been mentioned by the Council in my day-to-day activities with the City. I believe that it will be important to establish a clear understanding of expectation of the City Council and Department Heads as to my role as City Manager. For my initial observations, I believe that the City Manager needs to play a more central role coordinating issues between the Council and staff and from staff to the Council in order to provide better organizational structure to facilitate the needs of the City. This is also true internally with the various issues that come forward from staff. I am encouraged by the desire for staff to continue moving forward as organization. At the January 6 work session, I would like to discuss these priorities with the Council to assure that I am focusing my attention in areas supported by the Council.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "S. Nebel". The signature is fluid and cursive, with a large initial "S" and a long, sweeping underline.

Spencer Nebel
City Manager



Spencer Nebel
City Manager
CITY OF NEWPORT
169 S.W. Coast Hwy.
Newport, OR 97365
s.nebel@newportoregon.gov

MEMO

DATE: January 2, 2014
TO: Mayor and City Council
FROM: Spencer Nebel, City Manager
SUBJECT: The City Manager's Role at City Council Meetings

As I have started my job as City Manager at the City of Newport I have had the opportunity to attend one City Council meeting. I would like to share a summary of the comments made by City Council Members during the meetings I had individually with each Councilor and my own observations as far as the role that I have played as City Manager in previous communities. I am also cognizant that while I have been involved with city management for over 30 years, my observations about the City of Newport Council meetings are based only on one meeting and reviewing previous media accounts of various Council meetings. Please keep this in mind as you review my comments regarding the possible structure of the Council meetings. It is very important that whatever structure is in place is the way that the Newport City Council wants to operate its City Council meetings.

My Experience as to the Role the City Manager Plays at City Council Meetings:

The role that I have played in other communities at meetings has been different than what I have observed and understand as to how the City of Newport meetings have been structured. I have previously prepared a brief summary memo for each item submitted by the departments to me for the City Council's review which include a specific recommendation from me to the City Council. I would introduce each of these items with a specific recommendation to Council. The Mayor would then ask for any discussion at the Council meeting from individual Council Members. This provided the Council with a specific recommendation from the City Manager on each item to be considered by the Council. If Council members have questions on the summary report from the City Manager or the detailed departmental reports that are included in the packet those questions would be directed to the City Manager. If the Council Member would like to ask a Department Head a specific question again that could be directed to the City Manager who would then recognize the Department Head to provide the response for the specific

recommendation. This process has worked well for the organizations that I have been involved with in the past.

The Council Comments Regarding the Structure of City Council Meetings:

During my meetings with individual Council members I asked for any observations about the City Council meetings and the potential improvements on the structure of the meetings to effectively deal with the issues that the Council needs to deal with for the citizens of Newport. The comments to this question from the individual City Council members were as follows:

- The Mayor is getting much better at running the meetings, overall the meetings are working reasonably well.
- The Council meetings should be run more professionally.
- The Council packets should be simplified.
- There should be consistent enforcement of the three-minute rule for public comments with the clock being used.
- Look at the agenda format to allow those with presentations to go earlier in the meeting.
- Review the meeting structure.
- Use the consent calendar for more agenda items.
- Support more structure to the Council meetings.
- Public hearings should allow public to comment, commenting or questioning should happen after the public hearing is closed.

I would like to discuss these concepts with the City Council to see what role the Council as a whole would like me to play in the future City Council meetings. It is important that Council meetings are run effectively. Citizens need an opportunity to provide structured input on items that require public comment.

Other issues that need to be discussed are:

- Process for considering items not on the agenda.
- Public Hearing protocol.
- Taking formal action at work sessions.
- Not rushing to take action on items that have not been fully vetted by staff and Council.

Overall I look forward to discussing this issue with the Council Members and laying out a plan to most effectively utilize the time of the Council Members as well as addressing the various City policies and actions that the Council needs to make at each Council meeting. I appreciate everyone's willingness to share their thoughts, ideas and concerns with me over the past couple weeks and I am anxious to lay out a strategy for effectively managing the City of Newport as I initiate my career here.

Respectfully submitted,



Spencer Nebel
City Manager

December 16, 2013
6:06 P.M.
Newport, Oregon

The City Council of the City of Newport met on the above date in the Council Chambers of the Newport City Hall. On roll call, Roumagoux, Beemer, Allen, Busby, Swanson, Sawyer, and Saelens were present.

Staff present was City Manager Nebel, City Recorder Hawker, Library Director Smith, Community Development Director Tokos, Public Works Director Gross, Fire Chief Paige, Deputy Fire Chief Murphy, and Police Chief Miranda.

PLEDGE OF ALLEGIANCE

Council, staff, and the audience participated in the Pledge of Allegiance.

Roumagoux recognized Spencer Nebel and welcomed him to the city. Nebel thanked Council and noted that he looks forward to serving the City Council and citizens of Newport.

PROCLAMATIONS

Roumagoux proclaimed the month of January 2014 to be Jewelry Collection Month in the City of Newport. Nancy Smith accepted the proclamation and thanked Council and the community for its support.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of City Council minutes from the work session, executive session, and regular meeting of November 18, 2013, and the special meeting of December 9, 2013.

Allen and Saelens suggested changes to the minutes. MOTION was made by Beemer, seconded by Busby, to approve the consent calendar with the changes to the minutes as noted by Allen and Saelens. The motion carried unanimously in a voice vote.

OFFICER'S REPORTS

Mayor's Report. Roumagoux appointed Amanda Capri, Susan Hogg, and Marcia Eckelman to the Bicycle/Pedestrian Advisory Committee. MOTION was made by Saelens, seconded by Beemer, to ratify the Mayor's appointments. The motion carried unanimously in a voice vote. Saelens reported that the Bicycle/Pedestrian Advisory Committee interviewed four top-notch candidates.

Roumagoux appointed Sawyer as the city's representative to the Cascades West Area Commission on Transportation, and Busby as the alternate. MOTION was made

by Beemer, seconded by Saelens to ratify the Mayor's appointments. The motion carried unanimously in a voice vote.

City Manager's Report. Smith reported that the departmental reports are included in the packet. Allen thanked Smith for his six months of excellent service as Interim City Manager.

DISCUSSION ITEMS AND PRESENTATIONS

Presentation by PAADA. Don McDonald, Coalition Coordinator for PAADA, thanked Council for allowing time for his presentation. He explained the operations and work of PAADA, including: history; partnerships; mission; community change; marijuana issues; and City Council considerations relative to marijuana issues. He responded to Council questions.

Big Creek Road Discussion. Gross reported that the issue before Council relates to Big Creek Road between Frank Wade Park and NE Harney Street. He noted that the road has been closed since January of 2011 due to landslides associated with a winter storm that year. He stated that the city has recently completed a restoration project that repaired the slide areas. Gross added that the repair area encompassed approximately the northern half of the section of the road, and resulted in a road cross-section of between 16 to 20 feet in width. He noted that as Public Works staff began preparing Big Creek Road to be reopened, it became apparent that the entire length of Big Creek Road could be widened to accommodate a 16 to 20 foot width. He added that city staff, including the City Manager, Police Chief, Community Development Director, and Public Works Director agreed that it was both safe and in the best interests of the city and the Lakewood Hills neighborhood to reopen Big Creek Road as a two-way road. He explained the initial plan to extend Harney Street and the feasibility of such an extension. He added that with the additional planned development, safety issues could occur at 31st and 36th Streets and Highway 101. He noted that it is in the best interest of the city to provide a secondary access. Gross explained that an adequate transportation route is needed in and out of that neighborhood, and with the infeasibility of the extension of Harney Street, Big Creek Road appeared as a viable option. Gross stated that he recommends opening Big Creek Road as a two-way road. He added that it is not necessary to make the road two-way now, but added that if Slayden begins construction on a residential development in the area, the city needs to be ahead of the game. Gross added that Lakewood Hills developed faster than the infrastructure necessary to maintain the neighborhood. It was noted that the Fire Department included a letter in the packet which expresses its desire not to limit access.

Roumagoux asked for public comment.

Pat Cowan read a letter requesting that Big Creek Road remain one-way.

Jean Cowan supported leaving the road as one-way.

Sharon Lihou concurred with the Cowan's that Big Creek Road remain one-way.

Wayne Brunelle, president of the Lakewood Hills Neighborhood Association, reported that the opinions of his members are approximately split. He added that he simply wants the road open.

Doug Hoffman stated that he supports opening Big Creek Road as a two-way road due to the need for a second arterial.

David Boys stated that eventually the city will need an arterial, but that currently, the neighborhood and city are best served by having the road as one-way southbound.

Roumagoux referred the matter to staff. Nebel noted that staff will research the issue and report back to Council by the second meeting in January. He added that Council may take action after reviewing the staff report. Allen asked whether the road would be opened as a one-way road. He added that when the city took jurisdiction of the road from the county, it was one-way. He noted that the city probably took some affirmative action related to the installation of signs and police enforcement. He added that even though the road was not formally designated as one-way by the city, the city has taken affirmative steps to keep it one-way. Allen asked whether the decision to make the street two-way is a staff decision. Gross noted that if Council wants to keep Big Creek Road as a one-way road, a traffic order should be issued, as this would provide a paper trail and give the police the enforcement authority. Allen asked what needs to be done in the time between when the road is opened and the time of the staff report in order to maintain the status quo of the road. Gross asked whether Council had an opinion relative to the road. Beemer suggested opening the road, one-way, going south. Gross asked whether Council needed additional information. It was noted that everyone should be on notice that it will probably become a two-way road. Beemer noted that he would like to find a bicycle/pedestrian area off the road, but that building a trail or sidewalk next to road will not be easy. Saelens stated that he would support the decision to make the road one-way for now. He noted that when the original proposal for the Harney Street extension was presented with a 600-foot bridge crossing streams, there was citizen outcry to convert Big Creek Road into a bypass for Newport. He noted that a bypass could possibly be constructed east of Forest Park. Allen noted that Council has the authority, under the code, to reverse a staff decision. He added that Council could also direct staff to draft a proposed traffic order establishing Big Creek Road as a one-way, and recommending a process for moving forward which could be discussed as part of an action item at the next meeting. Gross noted that staff is waiting for delineators before opening the street. Nebel noted that if Council consensus is to open Big Creek Road as a one-way road going south, staff will draft a traffic order formalizing the status for Council consideration. Busby stated that he prefers the road to open as a two-way road as it provides more freedom of movement. Saelens suggested consideration of a speed bump near Sam Case School. Sawyer added that he remembers when Big Creek Road was a two-lane road, but that his preference is the one-way option. Gross noted that he believed this discussion important as it may be necessary to open the road in both directions in the future until an alternate arterial can be constructed. He stated that he will improve the road, open it as a one-way road, and move forward. MOTION was made by Allen, seconded by Beemer, that when Big Creek Road opens up that it be kept as a one-way road with traffic going south bound; with an allowance for emergency access going northbound; and in addition to opening the road as a one-way; direct staff to come back to Council with a staff report acknowledging the issues discussed tonight and incorporate the issues into a traffic order for Council consideration in January. The motion carried unanimously in a voice vote.

PUBLIC HEARINGS

Public Hearing on the Scheduled 10-Year Review of the Nye Beach Design Review District. Roumagoux opened the public hearing on the scheduled 10-year review of the Nye Beach Design Review District at 7:22 P.M. She asked for the staff report. Tokos reported that the issue before Council is to hold a public hearing to take testimony on whether the city should make changes to the Nye Beach Design Review District. He noted that this is a scheduled 10-year review required by Ordinance No. 1865.

Tokos stated that in 2003, the city created the Nye Beach Design Review District which enacted architectural design requirements and flexible development standards for new construction or areas of redevelopment in Nye Beach. He added that Ordinance No. 1865, which created the district, requires that within 10 years of the date of adoption, Council hold a hearing to consider whether changes need to be made to the district policies, boundaries, and implementing regulations, and that this hearing serves as the required 10-year review.

Tokos stated that on June 26, 2013, Nye Beach residents and business owners met with staff to relate concerns they have with the Design Review District. He noted that an e-mail summarizing those issues is included in the packet. He added that the need for the 10-year review was also discussed at the April 29, 2013 Town Hall meeting, and that information submitted to Council at that time is also included in the packet. He reported that the last project requiring a design review permit was the hotel formerly known as the Greenstone Inn, and that decision was issued in 2008.

Tokos reported that notice of this hearing was provided to all property owners within the boundary of the Nye Beach Design Review District; press releases were issued; and staff attended the recent Nye Beach Merchants holiday potluck to further advertise this opportunity for interested parties to weigh in on this issue.

Roumagoux asked for public testimony.

Doug Fitts reported that the bulb-outs make it difficult to turn corners without driving on the sidewalk. He added that the street lights on Beach Drive have been placed in the street eliminating several parking spaces.

Frances VanWert stated that Nye Beach has become a tourist destination partly due to its historical attributes and uniqueness. She suggested modifications to the district relative to size, height, mass, width, setbacks, and the solar aspect.

Kathy Cleary reported that her business does not get sun due to the three-story building across the street. She suggested that modifications to the district should include that development be done in a constructive and thoughtful way. She recommended sending the issue to the Planning Commission to work out the details, "put teeth" in the ordinances, and design something that is fair and just for everyone.

Norm Ferber reported that he has vacation homes in Nye Beach. He addressed potential zoning district changes. He noted that it is a unique community and urged Council to seriously consider any change it might consider making.

Wendy Engler distributed a map and photos to Council and the audience. She welcomed Nebel as City manager. She addressed the zoning district issues. She reported that the Glick Study and the Comprehensive Plan are the foundation for the overlay which was designed to enhance and preserve the historic feel of Nye Beach. She stated that she preferred the second motion in the staff report. She added that she does not think the ordinance needs much work, but recommended sending it to the

Planning Commission for review. When asked what the Planning Commission process would be, Tokos reported that it depends on the scope of what the Planning Commission has been asked to review. He added that it is a legislative process and a program would be established for public feedback. He added that if detailed architectural issues need to be addressed, the city might need outside resources. Tokos noted that it would be incumbent upon the Planning Commission to address any issues that are raised through the process. He added that this motion is designed to help focus the conversation so that the Planning Commission has some sidebars to start the conversation. Engler noted that emphasizing the history and maintaining the charm of the district is important. She reiterated that mass is the issue.

Allen noted that the packet contains an e-mail message between Tokos and Engler that lists eight bullet points. He added that motion two contains a blank for issues to be directed to the Planning Commission, and asked whether the eight bullet points could be used as a starting point. Allen asked how specific the motion needed to be in referring the matter to the Planning Commission. Tokos noted that specific issues of mass were brought up to try to illustrate concerns. It was noted that the issue would return to Council after the Planning Commission review. Saelens stated that the issues he tracked included: height; mass; setback; village character; consideration of taller buildings having stepped back roof lines; and open areas between buildings.

Roumagoux reported that she had received letters with good suggestions from Jody George and Mar Lehrman.

Saelens noted that if the matter is not referred back to the Planning Commission that history has indicated there is not much to stop another large mass project.

Frank DiFilippis reported that his concern is the height and mass of buildings. He added that open spaces are good.

Terry Obteshka stated that Engler clarified most of his concerns which relate to height and mass. He suggested keeping the good parts of the district and modifying it to make it better. He added that he is concerned about zoning on side streets where there are R-4's in R-1 zones. He suggested something in the building code that would encourage green building design. He also recommended requirements for making the area more bicycle and pedestrian friendly, and specifically suggested bike lockers. He summarized by stating that mass, height, and public safety are his main concerns.

Chuck Victory agreed with the previous speaker's comments relative to mass, height, size, structure, zoning, and parking.

Allen asked Tokos whether the Planning Commission could also look at the zoning issue or whether that would have to be dealt with separately from the design review issue. Tokos noted that if Council thinks that zoning should be addressed, it should be included in the motion. Allen noted that there is no formal check-in after this unless a provision is added to ordinance.

Jeff Bertuleit reported that he agrees that the issues of mass, size, sunshine, and zoning need to be addressed. He stated that he supports remanding the issue back to the Planning Commission.

Marletta Noe recommended leaving the residential areas alone and not dictating to residents what their homes should look like.

Allen noted that similar to the zoning issue, there was correspondence regarding the size of the district, and added that it may need to be adjusted. Tokos noted that the

boundaries are fair game, and the letters suggest that it might make sense to move the boundaries inward.

Roumagoux closed the public hearing for Council deliberation at 8:25 P.M.

Saelens noted that in his work with the Wayfinding Committee and the development of new tourist maps, it might make sense to more clearly define the boundaries of all districts.

MOTION was made by Saelens, seconded by Beemer, that, based upon the testimony provided this evening, the Council initiate proposed changes to the Nye Beach Design Review District to address the following issues but not limited to these issues: width, mass, setback, maintaining village character, height, size, zoning, boundaries, and direct the matter to the Newport Planning Commission to develop the necessary recommended amendments in accordance with the appropriate procedures contained in the Newport Zoning Ordinance. Allen recommended adding the word "proposed" before the word "changes" in the second line of the motion, and the word "recommended" before the word "amendments" in the fifth line of the motion. Both the motion maker and second agreed. The motion, as amended, carried unanimously in a voice vote.

Public Hearing on Resolution No. 3652 Adopting a Supplemental Budget and Making Appropriations Changes for Fiscal Year 2013/2014. Roumagoux opened the public hearing at 8:29 P.M. She asked for the staff report. Gazewood reported that the purpose of Resolution No. 3652 is to adopt a supplemental budget to increase appropriations in the General Fund and the Room Tax Fund. He added that this supplemental budget establishes a Reserve Fund for Future Capital Purchases. He noted that pursuant to Oregon Local Budget Law, a public hearing is required for this supplemental budget.

Gazewood reported that the General Fund was included in this supplemental budget as the General Fund is the primary source of funding for the establishment of the Reserve Fund for Future Capital Purchases. He stated that revenues for the Reserve Fund were provided by General Fund transfers to set aside monies for future Police, Fire, and Library capital purchases. He added that the General Fund's increased appropriation totals \$418,510, and is funded by beginning fund balance partial excess of \$65,000; transfer from the Room Tax Fund of \$72,900; and a transfer from the Newport Urban Renewal Agency - North Side District of \$280,610, and represents the District's close-out funds. He noted that the Urban Renewal Agency funds are the total of accumulated cash and receivables as of November 30, 2013, for debt payments on city held properties purchased with URA property tax collections.

Gazewood reported that the Reserve Fund for Future Capital Purchases is further financed by fire conflagration monies in the amount of \$25,000 directly allocated to the Reserve Fund. He noted that the revenue transferred to the Reserve Fund from the General Fund totals \$165,000. He stated that \$190,000 has been set aside in the Reserve Fund assigned to three accounts (Police, Fire, and Library) to be available for future capital purchases. He noted that the fire account has \$145,000 set aside in this supplemental budget. He added that this supplemental budget only creates the Reserve Fund and specifically states that available funds are not appropriated.

Gazewood reported that the Room Tax Fund has an appropriation increase of \$317,624 which is supported by an increase in the beginning fund balance of \$32,624;

revised estimate of transient room tax collections of \$135,000, and OCCA/PAC matching funds of \$150,000 for the new acoustic sound system for the PAC.

Roumagoux asked for public testimony. There was none.

Roumagoux closed the public hearing at 8:45 P.M. for Council deliberation. Allen asked whether this resolution formalizes information presented at a recent work session. Gazewood confirmed that once money is placed in the General Fund, it essentially gets lost in that Fund. He added that the only way to maintain a clear identity is to set up a reserve fund to save money for future capital purchases and designate accounts that you want in that fund. Allen noted that there were reserve funds for many years, but eventually staff started handling this internally in the General Fund. MOTION was made by Swanson, seconded by Beemer, to adopt Resolution No. 3652 with Attachment "A," a resolution adopting a supplemental budget for fiscal year 2013/2014 and making appropriation increases and changes for fiscal year 2013/2014. The motion carried unanimously in a voice vote.

ACTION ITEMS

Notice of Intent to Award the Bid for the Performing Arts Center Acoustic Sound System Project. Melissa Roman, Engineering Technician, reported that the issue before Council is the consideration of approval of the notice of intent to award the bid for the PAC acoustic sound system project. She noted that this project is one phase of the PAC remodel which is being coordinated by the Oregon Coast Council for the Arts (OCCA). She added that the cost for the acoustic sound system has been isolated from other construction costs included in the remodel project. Roman reported that OCCA received a \$250,000 Tourism Facilities Grant, funded by transient room tax, and OCCA wishes to use a portion of the grant toward the purchase of an acoustic sound system. She added that the city has required OCCA to have 50% of the project costs on hand before moving forward with the award of the proposal. She stated that OCCA wishes to pay more than 50% of the contract amount, using only \$20,000 in grant funds; leaving remaining grant funds available for other components of the remodel project. Roman reported that bids were opened on October 8, 2013, and one bid was received from Doug Wilson Construction, Inc., and this firm has been determined to be a responsive bidder. Allen asked whether Speer Hoyt had vetted the agreement, and Roman noted that the agreement had been reviewed by the legal team.

Mark McConnell read a statement and referenced a handout regarding the PAC.

MOTION was made by Swanson, seconded by Busby, to authorize the Public Works Department to issue a Notice of Intent to Award the PAC Acoustic Sound System Project to Doug Wilson Construction, Inc., in the amount of \$288,086.00, and contingent upon no protest, authorize award and direct the City Manager to execute this contract on behalf of the city. The motion carried unanimously in a voice vote.

Request from the Oregon Coast Council for the Arts to Place a Sculpture on City-Owned Property. Catherine Rickbone, executive director of the Oregon Coast Council for the Arts, noted that the city created a Public Arts Committee and Percent for the Arts Program. She reviewed the Committee's activities.

Rickbone reported that the late Mark Sponenburgh bequeathed \$50,000 to OCCA for the purchase, placement, and maintenance of a sculpture, entitled "Mother and

Child,” by sculptor Mary Lewis. She noted that the project was reviewed and endorsed by the Public Arts Committee. She reported that various locations for placement of the sculpture were considered, and a site was selected near the PAC and the intersection of Coast and Olive Streets and displayed a slide of the proposed installation. She added that Jerry Harpster, a trustee of the Sponenburgh estate, and an artist in his own right, has designed a tamper-resistant base for the sculpture which is planned to be placed on an oval concrete pad. She stated that the costs of installation and maintenance would be borne by OCCA.

MOTION was made by Busby, seconded by Saelens, to direct staff to prepare an agreement between the city and the Oregon Coast Council for the Arts allowing the placement of a sculpture on city-owned property near the Performing Arts Center, which should address maintenance, insurance, and other issues relative to the sculpture. The motion carried unanimously in a voice vote.

Consideration of a Request for a Special Event Fee Waiver from the Greater Newport Chamber of Commerce for the 2014 Seafood and Wine Festival. Lorna Davis, Executive Director of the Greater Newport Chamber of Commerce, reported that the issue before Council is consideration of a special event permit fee waiver request for the Greater Newport Chamber of Commerce for the 2014 Seafood and Wine Festival to be held on February 20, 21, 22, and 23, 2014. Busby asked whether there are changes to this year’s Festival. Davis reported that there will be no general admission on Saturday unless all e-tickets are not sold. Sawyer asked whether there have been clarifications regarding what the Festival ticket includes. Davis noted that it would be good to have a permanent structure, as the Festival costs exceed \$500,000 including some in-kind. She added that the net is part of the Chamber’s operating budget. Allen asked whether the net was increasing, and Davis reported that the larger tent has increased the cost of the event, and the Chamber nets approximately \$125,000 - \$130,000.

MOTION was made by Sawyer, seconded by Beemer, to approve the special event permit request for the Greater Newport Chamber of Commerce for its 37th annual Seafood and Wine Festival to occur on February 20, 21, 22, and 23, 2014, as the event complies with special event permit criteria and guidelines, and to transfer \$4,200 from the Transient Room Tax Fund to the General Fund representing a contribution by the city of 35% of the estimated total city costs, the balance of which will be invoiced to the Chamber. A condition of approval is that the Community Development Department authorizes the temporary structure permit, and the temporary signage request, and that signs not be placed to create a hazard to pedestrian or vehicular traffic such as obstructing sight distance or other views. A further condition is that where public or emergency access could be blocked or impeded, event organizers are required to consult with the Fire and Police Departments prior to the event. The motion carried unanimously in a voice vote. Allen asked whether the percentage of the waiver has been formalized in a policy, and Hawker noted that it had not.

Notice of Intent to Award a Bid for the 2013 Street Overlay Project. Gross reported that the issue before Council is the consideration of issuance of an intent to award the 2013 street overlay program bid to Road and Driveway Company in the amount of \$174,736.20.

MOTION was made by Beemer, seconded by Busby, that the City of Newport Public Works Department issue a Notice of Intent to Award the 2013 Street Overlay Program project to Road and Driveway Company in the amount of \$174,736.20, and contingent upon no protest, authorize award and direct the City Manager to execute the contract after seven days on behalf of the City of Newport. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3653 Providing for Budget Transfers and Making Appropriations Changes for the Fiscal Year 2013/2014. Gazewood reported that the issue before Council is consideration of Resolution No. 3653 which would provide for budget transfers and make appropriation changes consistent with Resolution No. 3634, the resolution adopting the fiscal year 2013/2014 budget and making appropriations. He noted that this resolution corrects entries in the budget document for various funds that caused out-of-balance conditions between funds and/or line item entries were transfer items that were allocated to inappropriate expenditure line items.

MOTION was made by Saelens, seconded by Beemer, to adopt Resolution No. 3653 with Attachment "A," a resolution providing for budget transfers and making appropriation changes for fiscal year 2013/2014. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3654 Providing for a Supplemental Budget and Making Appropriations Changes for Fiscal Year 2013/2014. Gazewood reported that the issue before Council is consideration of Resolution No. 3654 which would adopt a supplemental budget to increase appropriations in the General Fund for certain departments, and to decrease appropriations in the Public Works Administration Fund and the Airport Fund. He added that the resolution corrects entries in the budget document for the two funds that caused out-of-balance conditions between funds and/or insufficient funding.

Allen thanked Gazewood for his detailed investigative work and fixing a lot of these things.

MOTION as made by Beemer, seconded by Allen, to adopt Resolution No. 3654 with Attachment "A," a resolution adopting a supplemental budget for fiscal year 2013/2014 and making appropriation decreases and changes for fiscal year 2013/2014. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3659 Regarding the Annual Adjustment to the City's System Development Charge Rates. Tokos reported that the issue before Council is consideration of Resolution No. 3659 regarding the annual adjustment to the SDC rates. He noted that the adjustment is based on the difference in construction costs included in the Construction Cost Index published in the Engineering News Record.

Allen asked whether legal counsel has indicated that public comment is sufficient on this Resolution, as opposed to a public hearing, and Tokos noted that legal counsel concurs that public comment is sufficient.

MOTION was made by Saelens, seconded by Beemer, to adopt Resolution No 3659, amending the City of Newport System Development Charge rates to reflect annual changes in construction costs. The motion carried unanimously in a voice vote.

Consideration of Resolution No. 3651 Regarding the Closure of the Newport Urban Renewal Plan. Tokos reported that the issue before Council is consideration of Resolution No. 3651 regarding the closure of the Northside Urban Renewal District. He noted that the last debt obligation is with the City of Newport, pursuant to an intergovernmental agreement between the URA and the city, dated December 8, 2010. He stated that if the city accepts the debt obligation has been satisfied, the Newport Urban Renewal Plan will officially close.

MOTION was made by Allen, seconded by Sawyer, to adopt Resolution No. 3651 acknowledging that the Newport Urban Renewal Agency has satisfied the terms of its December 8, 2010 intergovernmental agreement with the City of Newport and that the Newport Urban Renewal Plan be terminated. The motion carried unanimously in a voice vote.

Initiation of Amendments to Ordinance No. 1931 and Associated Settlement Agreement Related to the Intersection of SE 40th Street and US 101 in South Beach.

Tokos reported that the issue before Council is consideration of whether it is in the public interest for the city to participate in amending a settlement agreement and to initiate revisions to Ordinance No. 1931, both of which relate to the 2007 annexation of the Oregon Coast Community College District, Landwaves, Inc., Emery Investments, Inc., and GVR Investments properties. He added that the proposed amendments lift restrictions on the number of vehicle trips that can be generated from development of the annexed parcels at the intersection of SE 40th Street and US 101. He noted that such restrictions were enacted to meet the state's Transportation Planning Rule, and will no longer be needed once the Oregon Transportation Commission accepts a program for improving the transportation network as outlined in recent city and country Transportation System Plan amendments and enacts more lenient mobility targets for US 101 in South Beach, as the Commission is scheduled to do on December 18, 2013. Allen asked for confirming e-mail regarding OTC action.

MOTION was made by Beemer, seconded by Saelens, to authorize the Mayor to enter into an amendment to the 2007 Annexation Settlement Agreement that is substantially similar to the draft presented this evening, and clarifies the intent to terminate the obligations and limitations in the 2007 Annexation Settlement Agreement. The motion carried unanimously in a voice vote.

A discussion ensued regarding the approval of the initiation of the amendments to Ordinance No. 1931 prior to action by the OTC. It was agreed to add a clause to the motion to indicate that the initiation of amendments is based on OTC approval of the settlement agreement which should occur on 12/18/13.

MOTION was made by Allen, seconded by Busby, that based on OTC approval of the settlement agreement which should come on 12/18/13, to initiate amendments to Ordinance No. 1931, an ordinance that approved the annexation and established zoning for the affected properties so that the vehicle trip caps and related limitations are removed. The motion carried unanimously in a voice vote.

Selection of Council Liaison to Group Supporting the VAC Re-Envisioning Process. Saelens reported that Swanson had a scheduling conflict with the first meeting of the VAC re-envisioning group, and that he had attended in her stead. He noted that the meeting was very well attended, constructive, and organized. He added that the next

meeting is scheduled for January 4, 2014, from 1:30 - 3:30 P.M. Swanson volunteered to be the liaison to the group supporting the VAC re-envisioning process, with Saelens as the alternate. Council concurred.

COUNCIL REPORTS AND COMMENTS

Swanson asked whether a Town Hall meeting was planned since December had a fifth Monday. Hawker noted that no Town Hall meeting had been planned due to the holidays.

Sawyer reported that he attended a recent meeting of the Destination Newport Committee. He noted that the Corvallis Knights, a minor league baseball team, has requested funding, and this would be great for the city as folks could attend the game and drive to the beach.

Saelens reported that he had attended the recent Bicycle/Pedestrian Advisory Committee meeting, and that the end results were covered at the work session held earlier today.

Saelens reported that the pool bond measure has been discussed at the Parks and Recreation Advisory Committee meeting.

Busby reported on a recent meeting of the Airport Committee, noting that Jim Hawley, chair and member for 15 years, had resigned. He added that the Committee is working on significant issues including Part 139 certification, minimum standards, and insurance requirements.

Beemer reported that he had attended a reception at the Port of Newport to meet the Port Manager candidates. He added that the Port intends to name a replacement for Oly Olson tomorrow night.

Allen noted that the employee awards banquet was nice.

Busby noted that when Smith got up to speak at the employee awards banquet, he received a round of applause, and that was the best evaluation he could have had.

Allen reported that he will give a detailed report on activities of the Oregon Marine Experiment Station Advisory Board at the next meeting. He noted that he has the annual report and will leave it in the Council office and provide a copy to Nebel and Hawker. He added that Bob Cowan, director of the HMSC, will provide an update on the marine studies campus at the next meeting.

PUBLIC COMMENT

Marletta Noe wished everyone a Merry Christmas and a more prosperous new year.

ADJOURNMENT

Having no further business, the meeting adjourned at 9:50 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor

December 16, 2013
11:00 A.M.
Newport, Oregon

CITY COUNCIL WORK SESSION

Councilors present: Roumagoux, Saelens, Beemer, Busby, Allen (arrived at 11:27 A.M.), and Swanson. Sawyer was excused.

Staff present: Nebel, Smith, Hawker, Tokos, Gazewood, Gross, and Miranda.

Media present: Larry Coonrod from the Lincoln County Dispatch, and Dave Morgan from News Lincoln County.

Others in attendance: Alisha Kerns, Maryann Bozza, and Bob Hein (arrived at 11:22 A.M.) from the Bicycle/Pedestrian Advisory Committee. Ken Dennis was also in attendance.

Roumagoux called the meeting to order and introduced Spencer Nebel, City Manager.

Roll was taken and individual audience members were introduced.

1. Members of the Bicycle/Pedestrian Advisory Committee were present to delineate the Committee's project priorities. Saelens reported that the Bicycle/Pedestrian Advisory Committee update to Council is a first step in the refocusing of the Committee. He added that he has an action item associated with this update. Maryann Bozza, Chair of the Committee, introduced Alisha Kern (Committee member). Bozza stated that the Committee has been very active. She gave a brief PowerPoint presentation that included: who we (the Committee) are; what we do; the fact that the Newport Pedestrian and Bicycle Plan is a part of the TSP; completed projects; and priorities for the coming year. Bozza reviewed the priorities: 1. Sharrows on city streets; 2. Trail - NW Nye Street to Oceanview Drive; 3. Trail connecting Agate Beach Wayside Trail to sidewalk on Highway 101 west; and 4. Sidewalks from the Bayfront to the hospital. With each project, she reviewed the problem, solution, status, and what is needed. Roumagoux asked about the bicycling events held at the Wilder development, and a brief discussion ensued about those events and their growing status among bicycle groups. Beemer provided an update on the Corvallis to Coast Trail. Saelens introduced and recognized Ken Dennis, former Chair of the Bicycle/Pedestrian Advisory Committee, who had recently resigned from the Committee. Saelens noted that a goal of this presentation was to get the Committee goals into a system of tracking and budgeting. He asked whether there is another source of funding that could be earmarked for this Committee. It was noted that there are vacancies on the Bicycle/Pedestrian Advisory Committee, and that the packet contains applications from three people that have been interviewed and forwarded to the Mayor for appointment. It was mentioned that the applicants represent the pedestrians in the community. Saelens noted that the goal is that it become a Committee that works on all aspects of multi-modal transportation issues. Ken Dennis reported that Council had

adopted a Complete Streets resolution in 2010, and that this resolution addresses multi-modal transportation, and could be used toward achieving Committee multi-modal goals. Kerns emphasized the importance of a north/south route through the city that allows bicyclists to avoid Highway 101. It was noted that Oceanview Drive is dangerous. Saelens reiterated that the goal is to find a way for the Committee to move forward more effectively with the city to accomplish priorities. He added that he would like a concept to be finalized so that the Committee and City Council and staff know how to move forward. Busby asked whether anyone had looked at SE Fogarty Street. Nebel suggested that the logical way to proceed would be to refer the matter to city administration and allow staff to develop a report and return to Council with information on how the Committee's priorities fit into the city's long range plans. He noted that this could be done by the first meeting in February. Bozza reported that the four projects identified by the Bicycle/Pedestrian Committee have been prioritized by number on the handout she distributed at the beginning of the meeting. She added that a Committee goal is to learn how to better interact with the city. She asked about the next step. Gross reported that part of the staff review will be to look at the proposed projects, challenges, and costs and report to the City Manager regarding implementation and how to proceed. Hein reported that the sharrow project and the sidewalk project are both projects that are ready to go, but that the other two prioritized projects are concepts at this time. Bozza noted that the Committee's frustration is that it is unsure where it fits in the city operation. She stated that she is pleased with the connection and looks forward to hearing from Council and staff. Kerns reiterated the need for a route to get bicyclists from one end of the city to the other, and noted that the sharrows stand out. Hein stated that he was pleased with a more established conduit for the Committee to work with. Saelens thanked the Committee, City Council, and staff.

2. A discussion ensued regarding the formation of a business license review task force. Busby reported that he had suggested a group to review the existing business license ordinance for several reasons, including: issuance process; inequalities in the types of businesses required to have a license; enforcement; inequality in rates as all businesses are charged the same regardless of size; the definition of business in general; and the ability to enforce the ordinance and measure compliance. Busby noted that he was looking for a consensus of Council to move forward. A discussion ensued regarding whether the group should be an official task force as authorized and defined by Council resolution, or a sub-group authorized by a Council motion. Busby suggested that the group be comprised of himself, Saelens, and enforcement, planning, finance staff, Rob Connell, and possibly a Planning Commissioner. Busby noted that the group could gather information by way of hearings and research of records, and ultimately make recommendations on amendments to the existing code. He added that he expected the work to take approximately six months. Allen suggested a sub-group of the City Council and noted that sub-groups have regularly noticed meetings that the public is allowed to attend. Nebel noted that a work group is a good start with staff involvement and hearings at the Council level. MOTION was made by Allen, seconded by Beemer, to form a sub-group of the City Council to consist of Busby and Saelens, along with staff designated by the City Manager, and perhaps a Planning Commission member to look at proposed revisions to the business license

ordinance and return to Council with recommendations. The motion carried unanimously in a voice vote.

3. Swanson asked about the status of the taxicab ordinance, and it was noted that the matter is on hold until City Attorney Connell returns to work.
4. Swanson asked about the traffic hazards that Warren Chopp addressed during the recent hearing on the Teevin Brothers Traffic Impact Analysis relative to the addition of a no passing zone on Yaquina Bay Road, and the possible relocation of mailboxes at Running Springs Drive and Yaquina Bay Road. Tokos reported that staff will be looking at potential solutions and returning to City Council with proposed next steps.
5. Beemer suggested adding the review and discussion of the sale of some of the city properties to an upcoming work session agenda.
6. Busby asked about the status of the suggestion to remove stop signs near the high school. Miranda reported that staff opted to leave the stop signs in place.
7. Gazewood reported that the city is in the final stages of closing on the general obligation bonds for the new municipal indoor swimming pool. He stated that the closing is scheduled for 9 A.M. on Thursday. He added that the bids were opened last Thursday and that there were four bids. He reviewed the bids noting that the winning bid was submitted by Janney, Montgomery, Scott, LLC, an investment house. He reported that the net proceeds to the city will be \$8.2 million, which will be in the city's account by 9 A.M. on Thursday. Gazewood noted that a good faith deposit, in the amount of \$790,000, was received last Friday. Allen asked whether Gazewood needed Council action relative to the reserves, and Gazewood noted that he did not as these funds would be deposited in the State Local Investment Pool. A discussion ensued regarding the possibility of grant funds that could offset the cost of the pool project. Nebel noted that bonds are for a specific project, and the remaining funds, and the fund reserve, should be used to help pay the debt. Gazewood added that grants could help reduce the property taxes, but he cautioned about jeopardizing the city's tax exempt status. Gazewood addressed the concern, expressed in a letter from Standard and Poors, about the city's projected ending fund balance as of June 30, 2013. He noted that if the city fails to maintain a proper fund balance, it could be subjected to further review. Nebel concurred that the city needs to keep its fund balances sound. He added that he wants to understand Oregon budget law, and he expects the budget process to be clearer, more helpful, and with meaningful numbers at the end of the process.

Having no further business, the meeting adjourned at 12:43 P.M.

Committee Re-Appointments 2014

Re-Appointments

*Planning Commission

(3 year terms-ending 12/31/16)

-Jim Patrick

*Budget Committee

(3 year terms-ending 12/31/16)

-Fred Springsteen

-Robert Smith

*Airport Committee

(2 year terms-ending 12/31/15)

-Mark Watkins

-Douglas Nebert

*Library Board

(4 year terms- ending 12/31/17)

-Carol Ruggeri

*Parks and Recreation Committee

(2 year term- ending 12/31/15)

-Jimmy Rodriguez

-Sandra Surber

-Nancy Steinberg

*Destination Newport

(1 year term-ending 12/31/14)

-Lil Patrick

-John Clark

-Ric Rabourn

-Lorna Davis

-Carrie Lewis

*Senior Advisory Committee

(2 year term- ending 12/31/15)

-Richard Reynolds

*Bike/Ped. Advisory Committee

(3 year term-ending 12/31/16)

-Alisha Kern

From: Councilor David Allen
To: Newport City Council and
Infrastructure Task Force
Re: Jan. 6, 2014 Council Meeting

The enclosed report is the result of a process undertaken by the task force over the past five months and 10 meetings, per the direction in the enclosed resolution that established the task force in June 2013.

Also enclosed is the 5-year plan to increase utility rates and fees the city implemented in 2012, but which the council and budget committee recognized in the last budget process “can create a financial hardship for residents and businesses,” as noted in the resolution.

As chair of the task force, I’d like to thank the task force members and city staff for the time and effort put into this process. Consensus was reached on all the bullet points in the report. The information used by the task force in developing the report can be accessed online at <http://www.thecityofnewport.net/citygov/comm/itf.asp>.

At the last task force meeting, it was noted the council and city staff would need to evaluate and determine any preference among the funding options listed in the report. Not only for the upcoming budget process with the budget committee, but also on an ongoing basis.

Enc: Task force report
Res. 3637
5-year plan

Report from the Newport Infrastructure Task Force – Jan. 6, 2014 Council Meeting

Newport Mission Statement

The City of Newport pledges to effectively manage essential community services for the well-being and public safety of residents and visitors. The City will encourage economic diversification, sustainable development, and livability (revised April 1, 2013).

General Assumptions

- City has a responsibility to fund the maintenance and improvements of its capital assets. Capital assets include city-owned infrastructure, facilities and other improvements that provide services to the public, usually with benefits to the community at-large as well as the direct user.

- Capital assets considered by the Task Force include:
 - Water Infrastructure
 - Wastewater Infrastructure
 - Stormwater Infrastructure
 - Streets
 - Rights-of-way (lighting, landscaping, incidental structures)
 - City facilities (buildings, parks, public parking lots, public piers, etc.)

The issue of rolling stock (fire engines, heavy equipment, police vehicles, etc.) was discussed, but is not factored into the Task Force recommendations.

- Assumed need for annual investments to upgrade capital assets moving forward:
 - Water – \$1.5 million (2013 dollars)
 - Wastewater – \$1.5 million (2013 dollars)
 - Stormwater – \$ Not available
 - Streets (including rights-of-way) – \$ Not available
 - City Facilities – \$ Not available

Where figures were not available, estimates will need to be prepared to inform upcoming budget discussions. The Task Force recommends that this take place no later than March 1, 2014. It is understood that such estimates will be subject to change as capital facility plans are prepared and updated.

Potential Near-Term (1-5yr) Recommendations:

- These potential recommendations were prepared with the understanding that funding capital project needs is necessary both in the near term and long term, with an eye toward minimizing financial hardship for residents and businesses and ensuring equitable contributions from both existing and future users.
- A number of options for funding capital project needs were discussed, including:
 - Consider continuing “pay as you go” approach that relies upon utility rate increases to pay for capital project needs. This includes continuing the 5-year plan to increase water and sewer rates that calls for water rate increases at 10% in FY15 and FY16, and an 8% increase in FY17, with 5% increases each year thereafter. Sewer rates would increase 15% in FY15, and 10% in FY16 and FY17, with 5% increases each year thereafter. Stormwater and Infrastructure fees would increase 5% each year.
 - Consider a budget strategy that leverages utility revenues to secure loans/revenue bonds for needed capital projects in lieu of the remaining years of the 5-year plan for rate increases. Future water and wastewater rate changes would be limited to inflationary adjustments and debt service requirements. Stormwater and Infrastructure fees would increase at least 5% each year.
 - Consider general obligation bonds as a potential financing option for discrete facilities that serve the broader community.
 - Continue to pursue grants to fund capital project needs, recognizing that these funding opportunities have administrative requirements that influence timelines and the scope of projects, and are not available for all types of work.
 - Evaluate whether or not a new tax is a viable funding option, if it can capture more tourism dollars to help pay for capital infrastructure needs. An example discussed is a food and beverage sales tax imposed by cities such as Ashland and Yachats.
 - Consider looking at annexation and urban renewal as opportunities to expand and grow the City’s tax base over time so that it is more capable of meeting its capital project needs with existing funding sources.

- Consider whether a policy option package should be prepared for Budget Committee and Council consideration that eliminates payment of the in lieu of franchise fees from the Water and Wastewater (Sewer) Funds into the General Fund, which started in FY03.
- Consider developing a comprehensive 10-year prospective debt schedule across all city departments to ensure viability of financing City's capital infrastructure needs.
- Consider reevaluating the City's reserve policy to ensure that it meets, but does not exceed, best management practices.
- Consider adjusting the City's utility rates to include a viable low-income assistance program.
- Consider adjusting the City's utility rates to ensure equitable cost sharing among all users.
- Consider developing incentives for water conservation.
- Pursue changes to the format of the City's utility bills to show more information about how the fees are used along with a glossary of terms.
- Consider developing level of service standards (e.g. extent to which streets are maintained, swept, etc.).
- Prioritizing services and associated funding should be considered as part of the Council goal setting process and should be informed by past decisions and also feedback from the public, staff and other stakeholders.
- Support efforts to complete the City's facility master plans where they haven't been developed so that the community has an accurate assessment of its near and long term capital infrastructure needs.
- Support efforts to map the location and assess the condition of the City's water, sewer, storm drainage and street infrastructure, so that the information can be used to inform service priorities.

Potential Long-Term (Ongoing) Recommendations:

- Support efforts to update the City's facility master plans so that the community has an accurate assessment of its near and long term capital infrastructure needs.
- Critically evaluate proposed projects in the City's facility master plans to ensure that they reflect what is realistically expected within the planning period as these plans serve as the foundation for future funding decisions.

- Comprehensively evaluate utilization of existing facilities to see if cost savings can be achieved through consolidating space usage, reduced utility expenses, etc.
- Support ongoing efforts to map the location and assess the condition of the City's water, sewer, storm drainage and street infrastructure, so that the information can be used to inform service priorities.
- Consider developing level of service standards (e.g. extent to which streets are maintained, swept, etc.).
- Explore opportunities to more equitably distribute costs and/or achieve organizational efficiencies for services that provide regional benefit (e.g. regional fire authority, regional airport authority, county street lighting district).
- Follow through with the policy and action items related to the provision of infrastructure contained in the Economic Opportunity Analysis that the City completed in 2012.
- Recognize that measures should be put in place to periodically check and verify that selected recommendations are achieving desired outcomes.

Appendices

The above recommendations were developed and informed by the following information, which can be accessed online at <http://www.thecityofnewport.net/citygov/comm/itf.asp>

12/19/2013	Mtg Handout-Water Rate and Cost Analysis
12/19/2013	Mtg Handout - Typical NW Residential Monthly Bill
12/19/2013	Option-2 Wastewater Fund Analysis
12/19/2013	Option-2 Water Fund Analysis
12/19/2013	Mtg Handout - OR Coast Water and Sewer Rate Comparison
12/19/2013	ITF-Draft Recommendations with attachments
12/5/2013	Mtg Material Gazewood email Regarding--S-P Rating
12/5/2013	Infrastructure Information Cities
11/21/2013	11-21-13 Mtg Material-Wastewater Option
11/21/2013	11-21-13 Mtg Material-Water Option
11/7/2013	ITF meeting discussion 11-07-13
10/31/2013	Discussion ITF 10-31-13
10/10/2013	Potential Funding Sources - Bullet List
10/10/2013	City Properties 2013
10/10/2013	Bond Rating and Debt Rpt-10-10-13
10/10/2013	Chase-Park PwrPt Oct-10-2013
9/19/2013	Mtg Material-Chase Park Monthly Rpt
9/19/2013	Mtg Material-List of Grants

9/19/2013 [Mtg Material-FY-14 5-year CIP APPROVED 6-17-13](#)
9/19/2013 [Mtg Material-Npt Strategic Funding Plan FYE2014-9.17.13](#)
9/19/2013 [Sched-A-Existing Revenues Sources- Bonded Indebtedness](#)
9/19/2013 [Sched-B-Existing Revenues Sources - Special Revenue](#)
9/19/2013 [Sched-C-Existing Revenues Sources - SDC Funds](#)
9/19/2013 [Sched-D-Existing Revenues Sources - Capital Projects Fund](#)
9/5/2013 [Mtg Materials City-Owned Properties Maps](#)
9/5/2013 [Mtg Material-2008 Water System Master Plan](#)
9/5/2013 [Mtg Material-Npt Ped-Bike Plan 7-2008](#)
9/5/2013 [Mtg Material-SB Strmwtr Master Plan 2004](#)
9/5/2013 [Mtg Material-TGM SB Peninsula Trans Refinement Plan](#)
9/5/2013 [Mtg Material-Wastewater Facilities Plan 1996](#)
9/5/2013 [Projects Under the TSP](#)
8/15/2013 [PowerPoint Presentation 8-15-13](#)

CITY OF NEWPORT
RESOLUTION NO. 3637

A RESOLUTION ESTABLISHING
AN INFRASTRUCTURE TASK FORCE

WHEREAS, the City Council and Budget Committee recognize the need for consistent and long-term public infrastructure investment; and

WHEREAS, the City Council and Budget Committee recognize that utility rates and fees can create a financial hardship for residents and businesses; and

WHEREAS, the City Council and Budget Committee desire to explore different and various funding options for public infrastructure investment; and

WHEREAS, the City Council, in consultation with the Budget Committee, has determined that a task force should be established to study this issue and forward recommendations to the City Council.

The City of Newport Resolves as follows:

Section 1. The City Council establishes an Infrastructure Task Force with the following members:

David Allen, City Councilor
Ralph Busby, City Councilor
Mark Saelens, City Councilor
Patricia Patrick-Joling, Budget Committee
Fred Springsteen, Budget Committee
Mark McConnell, former Mayor

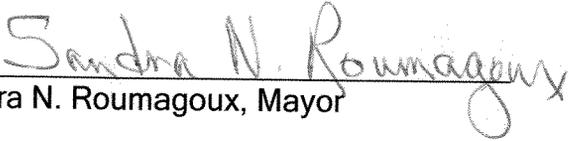
Section 2. The Task Force will consult with the Public Works Director, Finance Director, Community Development Director, and other city staff, as needed, in studying this issue.

Section 3. The Task Force will forward recommendations to the City Council for consideration and a potential plan of action.

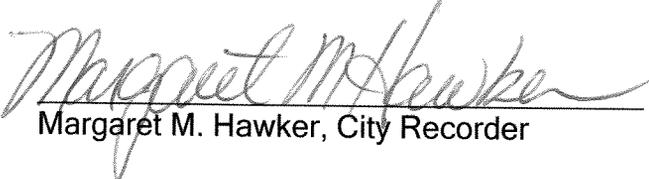
Section 4. The Task Force will complete its task by the regular City Council meeting of January 6, 2014.

Section 5. This resolution is effective upon adoption.

Adopted by the Newport City Council on June 17, 2013.


Sandra N. Roumagoux, Mayor

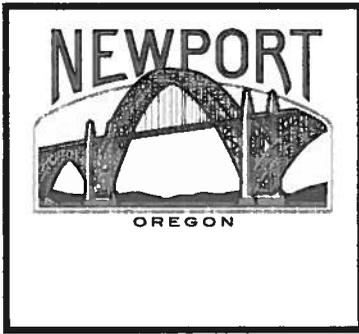
ATTEST:


Margaret M. Hawker, City Recorder

5 Year Scenario

Period	Example Monthly Bills*				Total Projected Utility Billing	Annual Rate Revenue Increases			Cost per gallon Water	Cost per gallon Wastewater
	Infrastructure Fee	Water	Sewer	Storm Water Fee		Water	Wastewater	Stormwater and Infrastructure Fee		
Current	\$5.65	\$24.70	\$37.35	\$0.00	\$67.70				\$0.004	\$0.006
FY2013	\$5.93	\$28.41	\$44.82	\$6.80	\$85.96	15%	20%	5%	\$0.005	\$0.007
FY2014	\$6.23	\$32.67	\$51.54	\$7.14	\$97.58	15%	15%	5%	\$0.005	\$0.009
FY2015	\$6.54	\$35.93	\$59.27	\$7.50	\$109.24	10%	15%	5%	\$0.006	\$0.010
FY2016	\$6.87	\$39.53	\$65.20	\$7.87	\$119.47	10%	10%	5%	\$0.007	\$0.011
FY2017	\$7.21	\$42.69	\$71.72	\$8.27	\$129.89	8%	10%	5%	\$0.007	\$0.012
FY2018	\$7.57	\$44.82	\$75.31	\$8.68	\$136.38	5%	5%	5%	\$0.007	\$0.013
FY2019	\$7.95	\$47.06	\$79.07	\$9.11	\$143.20	5%	5%	5%	\$0.008	\$0.013
FY2020	\$8.35	\$49.42	\$83.03	\$9.57	\$150.36	5%	5%	5%	\$0.008	\$0.014
FY2021	\$8.77	\$51.89	\$87.18	\$10.05	\$157.88	5%	5%	5%	\$0.009	\$0.015
FY2022	\$9.20	\$54.48	\$91.54	\$10.55	\$165.77	5%	5%	5%	\$0.009	\$0.015

* Residential Monthly Bill Example: 3/4" meter at 5000 GAL



Agenda Item # IX.A.

Meeting Date 1/6/14

CITY COUNCIL AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title Consideration of a Tourism Facilities Grant Agreement with the Newport Sea Lion Docks Foundation

Prepared By: Hawker Dept Head Approval: ph City Mgr Approval: [Signature]

Issue Before the Council: The issue before Council is consideration of approval of a tourism facilities grant agreement with the Newport Sea Lion Docks Foundation (NSLDF).

Staff Recommendation: This is a City Council decision.

Proposed Motions: I move that notwithstanding the general requirement in the city's adopted Tourism Facilities Grant Program that awardees enter into a grant agreement with the city within one month of the date of the award, which occurred on March 18, 2013, to extend the time for awardee Newport Sea Lion Docks Foundation to enter into a grant agreement with the city until January 10, 2014.

I move to approve the tourism facilities grant agreement with the Newport Sea Lion Docks Foundation, for a total of \$50,000, as outlined in the grant agreement.

Key Facts and Information Summary: The NSLDF applied for a \$50,000 tourism facilities grant that was vetted by the Tourism Facilities Grant Review Task Force and recommended to Council. Council approved the award of a \$50,000 grant to the NSLDF on March 18, 2013.

The Tourism Facilities Grant Program Policies provide that if the Grant Agreement has not been fully executed by all the parties within one month of Council approval, funding shall be terminated. In discussion with legal counsel, it was suggested that since Council made the award, it could extend the time for execution of the agreement. The extension of time to enter into the agreement is included in the first motion above and, if passed, would provide that the agreement be signed by January 10, 2014.

The agreement has been fully reviewed by Lauren Sommers, LGLG attorney. Changes recommended by legal staff have been incorporated into this agreement.

This is a matching grant, and the NSLDF advised staff that matching funds have been obtained for Phase One. The phases are described in Exhibit C of the agreement.

The Port of Newport will own the docks and supports the project.

Other Alternatives Considered: None.

City Council Goals: None.

Attachment List:

Grant agreement with the Newport Sea Lion Docks Foundation.
Letter of support for the project from the Port of Newport.

Fiscal Notes: \$50,000 is the total fiscal impact. Funding was appropriated in the 2013/2014 budget in the Room Tax Fund, "Other Capital Expenses, 403-4310-7030."

GRANT AGREEMENT

BETWEEN: City of Newport,
a municipal corporation of the State of Oregon, (City)

AND: Newport Sea Lion Docks Foundation
a nonprofit corporation incorporated in the State of Oregon (NSLDF)

EFFECTIVE DATE: The latest date signed by the parties.

RECITALS

- A. The City of Newport (City) is a municipal corporation with Home Rule authority pursuant to its Charter and the constitution of the State of Oregon.
- B. The Newport Sea Lion Docks Foundation (NSLDF) is a nonprofit corporation organized under section 501(c)(3) of the Internal Revenue Code and the Laws of the State of Oregon.
- C. Pursuant to state law and the Newport Municipal Code, the City collects transient room tax revenues from the occupants of transient lodging facilities located within the City.
- D. The City has created the Tourism Facilities Grant Program to facilitate grants of local transient room tax revenues (Grant Funds) to fund Tourism-Related Facilities.
- E. Tourism-Related Facilities are defined as a conference center, convention center or visitor information center, or other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- F. NSLDF submitted application materials to the City and was selected for an award of Grant Funds to be used by the NSLDF for replacement of the sea lion Docks, as described in the application materials attached to this Agreement as Exhibit A (Project).
- G. The Project is a Tourism-Related Facility because it is improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.
- H. The City wishes to grant and NSLDF wishes to accept Grant Funds totaling \$50,000 to be used for the Project.

- I. NSLDF wishes to proceed with the project in three phases. Phase One will begin in January of 2014, Phase Two will begin in July of 2014, and Phase Three will occur between November of 2014 and February of 2015. A description of the three phases and the overall project timeline is attached to this Agreement as Exhibit C.

AGREEMENT

1. The City agrees to grant and the NSLDF agrees to accept, Grant Funds in the amount of \$50,000 to be used to fund the Project described in the application materials attached as Exhibit A to this Agreement, subject to the terms and conditions of this Agreement.

2. DEFINITIONS.

- A. "Match" is any contribution to the Project made up of funds other than Grant Funds. Match may include:
 - i. Cash on hand or cash that is pledged to be on hand prior to commencement of the project;
 - ii. Secured funding commitments from other sources;
 - iii. Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in this Agreement;
 - iv. In-kind contributions (such as labor or materials) approved by the City; or
 - v. Subject to approval by the City, monies expended by NSLDF on the Project prior to the effective date of this Agreement.

3. TERM.

This Agreement takes effect on the date it is signed by all the parties, and expires June 30, 2017, unless earlier terminated pursuant to the terms of this Agreement.

4. NSLDF OBLIGATIONS.

- A. NSLDF will perform all work on the Project, subject to the approval of all design and engineering plans by the Port of Newport.
- B. NSLDF will obtain all required city, state, and federal permits prior to beginning work on the Project.

- C. NSLDF represents that the Project constitutes a Tourism-Related Facility as defined in the City's Tourism Facilities Grant Program Policies, attached to this Agreement as Exhibit B.
- D. NSLDF acknowledges and agrees that Grant Funds received by NSLDF from the City pursuant to this Agreement will be used exclusively to perform work on the Project as described in Exhibit A. NSLDF further acknowledges and agrees that Grant Funds may not be used to refinance existing debt.
- E. NSLDF acknowledges and agrees that NSLDF is responsible for all the expenses of operation and maintenance of the Project, including but not limited to adequate insurance and any taxes or special assessments applicable to the Project.
- F. NSLDF will comply with all federal, state, and local laws and regulations applicable to the Project, including but not limited to the City's Tourism Facilities Grant Program Policies and workers' compensation laws.
- G. NSLDF will provide, upon the City's request, any documents or information identified or referenced in NSLDF's application materials. This information may include, but is not limited to, information pertaining to Project schedule, budget and cash flow, feasibility, readiness to construct, permits, likelihood of completion within a planned time frame, and other items related to completion of proposed Project elements.
- H. Prior to distribution of Grant Funds for any phase of the Project, NSLDF will provide documentation acceptable to the City, which shows that NSLDF has secured, at a minimum, a dollar for dollar Match, for the Grant Funds to be used for that phase of the Project (Matching Funds). For example, since \$15,000 of the Grant Funds are to be allocated to Phase One of the Project, prior to distribution of those funds, NSLDF will need to show the City that NSLDF has raised at least \$15,000 in Matching Funds.
- I. During the term of this Agreement, NSLDF will maintain its status as a tax-exempt nonprofit corporation, duly organized and validly existing under the laws of the state of Oregon.
- J. NSLDF will indemnify, defend, save, and hold harmless the City and its officers, employees, and agents from any and all claims, suits, or actions of any nature arising out of the activities and due to the negligence and/or fault of NSLDF, its officers, employees, agents, contractors, and subcontractors pursuant to this Agreement.
- K. Notwithstanding NSLDF's defense obligations described in paragraph I of this section, neither NSLDF nor any attorney engaged by NSLDF shall defend any claim in the name of the City, nor purport to act as a legal representative of the City, without the prior written consent of the City's attorney. The City may, at any time, elect to assume its own defense and settlement. The City reserves all rights

to pursue any claims it may have against NSLDF if the City elects to assume its own defense.

- L. NSLDF acknowledges and agrees that the City shall have reasonable access to NSLDF's books, documents, papers and records related to this Agreement during the term of this Agreement and for a period of six years after termination of this Agreement. NSLDF will make copies of applicable records available to the City upon request.
- M. NSLDF acknowledges and agrees that this Agreement does not create an employment relationship between the City and NSLDF, its officials, employees, agents, or contractors. NSLDF further agrees that NSLDF is exclusively responsible for all costs and expenses related to NSLDF's employment of individuals to perform work related to the Project, including but not limited to retirement contributions, workers' compensation, unemployment taxes, and state and federal income tax withholdings.
- N. NSLDF will keep an accounting of Grant Funds received pursuant to this Agreement to ensure that the Grant Funds are used as required by this Agreement. NSLDF will provide the accounting required by this paragraph to the City annually during the term of this Agreement, as well as upon request by the City.
- O. Within 60 days of completion of Phase Two of the Project, NSLDF will submit a final project report to the City detailing each expenditure of Grant Funds, and requesting payment of the remaining Grant Funds.
- P. In the event of default by NSLDF under section 6 of this Agreement, NSLDF agrees, upon the City's demand, to return any unexpended Grant Funds to the City and to repay to the City any Grant Funds expended in violation of the terms and conditions of this Agreement or of the Tourism Facilities Grant Program Policies.

5. CITY OBLIGATIONS.

- A. Upon receipt of documentation satisfactory to the City showing that the Matching Funds required by section 4, paragraph H of this Agreement have been obtained for Phase One of the Project, and that a building permit has been issued for Phase One, the City agrees to pay NSLDF a lump sum payment of \$15,000 in January of 2014. Upon receipt of documentation satisfactory to the City showing that the Matching Funds required by section 4, paragraph H of this Agreement have been obtained, and that a building permit has been issued for the Phase Two of this project a second lump sum payment of \$30,000 will be paid to NSLDF in July of 2014. The remaining \$5,000 of Grant Funds will be paid to NSLDF upon approval of the final project report by the City, as provided in paragraph B of this section.

- B. Within 30 days of the date the final project report is submitted to the City as provided in section 4, paragraph O of this Agreement, the City will either approve the report or notify NSLDF of any concerns that must be addressed or information that must be submitted before the report is considered complete. Once the final project report has been approved by the City, the remaining Grant Funds will be promptly paid to NSLDF.
- C. Notwithstanding paragraphs A and B of this section, the City's payment obligations under this Agreement are contingent upon the availability of funds in the Tourism Grant Facilities Program.

6. DEFAULT.

A. The following constitute default by NSLDF under this Agreement:

- i. Failure to obtain the Matching Funds required by section 4, paragraph H of this Agreement for Phase One of the Project by January 1, 2014;
- ii. Failure to obtain the Matching Funds required by section 4, paragraph H of this Agreement for Phase Two of the Project by July 1, 2014;
- iii. Failure to substantially commence work on Phase One of the Project within one year of the effective date of this Agreement;
- iv. Failure to substantially commence work on Phase Two of the Project within two years of the effective date of this Agreement;
- v. Failure to complete the Project within five years of the effective date of this Agreement;
- vi. A determination by the City that material statements, information, or representations in the application materials attached as Exhibit A to this Agreement are false, misleading, fraudulent, or misrepresentations;
- vii. A change in circumstances such that material information provided in the application materials attached as Exhibit A and relied upon by the City in making the decision to award Grant Funds to NSLDF is no longer true or accurate;
- viii. Failure of the Project to meet the definition of a Tourism-Related Facility;
- ix. Violation of any of the terms or conditions of this Agreement;
- x. Dissolution of NSLDF; and
- xi. Appointment of a receiver, trustee, liquidator, or conservator for NSLDF or to take possession of all or substantially all of NSLDF's property; or the filing of a petition for bankruptcy, insolvency, dissolution, liquidation, or reorganization,

or order for relief in which NSLDF is named as debtor, by, against, or with respect to NSLDF pursuant to any federal or state statute, regulation or law for the protection of debtors; and, with respect to any such appointment or filing, failure of NSLDF to secure a stay or discharge thereof within 45 days after such appointment or filing.

- B. In the event of a default by NSLDF, the City will not exercise the remedies provided in paragraph C of this section unless and until the City notifies NSLDF in writing of the default and NSLDF fails to cure the default within 20 days of receipt of the notice; or if the default cannot reasonably be cured within 20 days, NSLDF commences action to cure the default within 10 days of receipt of the notice and diligently pursues the cure to completion. In no event will the time for opportunity to cure exceed 60 days from the date of receipt of notice of default. If the default is not cured within the time provided in this paragraph, the City may elect to pursue any of the remedies provided in paragraph C of this section.
- C. In the event of default or failure to cure within the time period provided in paragraph B of this section, the City may pursue any one or more of the following remedies:
 - i. City revocation of Grant Funds;
 - ii. City withholding of unexpended funds;
 - iii. Return of unexpended funds by NSLDF;
 - iv. Repayment of expended funds by NSLDF;
 - v. Termination of this Agreement.
- D. The remedies provided by paragraph C of this section are cumulative, not exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

7. TERMINATION.

- A. The City may terminate this Agreement effective upon delivery of written notice to NSLDF or at such later date as may be determined by the City upon the following conditions:
 - i. Default by NSLDF under this Agreement; or
 - ii. Lack of funding necessary to award Grant Funds to NSLDF.
- B. NSLDF may terminate this Agreement effective upon delivery of written notice to the City if the City fails to make payments due under this Agreement or fails to abide by the terms and conditions of this Agreement.

C. Termination of this Agreement will not prejudice any rights or obligations of the parties accrued prior to termination.

D. The City's entitlement to the remedies provided in section 6 of this Agreement survives termination of this Agreement.

8. NOTICE.

All notices given pursuant to this Agreement must be in writing and delivered to the parties at the following addresses. Notice given pursuant to this section will be deemed to have been received on the date of personal delivery, three calendar days after deposit in the United States mail postage prepaid, or on the date of confirmed delivery by: 1) facsimile; 2) registered mail, return receipt requested; or 3) overnight delivery. Either party may change its notice address under this section at any time by written notice to the other party.

CITY:
City of Newport
Spencer Nebel, City Manager
169 SW Coast Highway
Newport, Oregon 97365

NSLDF:
Newport Sea Lion Docks Foundation
Bob Ward, Director
525 NW 57th Street
Newport, Oregon 97365

9. ASSIGNMENT.

NSLDF may not assign any of its rights, interests, or obligations under this Agreement without the prior written consent of the City, which may be withheld in the City's sole discretion.

10. MODIFICATION.

No modification of this Agreement will be valid unless it is in writing and signed by both parties.

11. RELATIONSHIP OF PARTIES.

The parties acknowledge and agree that nothing in this Agreement is intended to nor shall be construed to create any form of partnership or joint venture relationship between the parties.

12. NO THIRD PARTY BENEFICIARIES.

This Agreement is entered into for the sole benefit of the City and NSLDF, and nothing contained herein is intended for the benefit of any other person or entity.

13. SEVERABILITY.

If any provision of this Agreement is held by any court of competent jurisdiction to be invalid, such invalidity will not affect any other provisions of this Agreement, and this Agreement will be construed as if the invalid provision had never been included in this Agreement.

14. WAIVER OF BREACH.

The waiver by either the City or NSLDF of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of the same provision of this Agreement.

15. GOVERNING LAW.

This Agreement is to be governed by and construed in accordance with the laws of the state of Oregon, without regard to conflicts of law principles.

16. VENUE.

Any legal action or proceeding arising out of or relating to this Agreement shall be commenced in the Circuit Court of the State of Oregon for Lincoln County. The parties hereby consent to the jurisdiction of that court, waive any objections to venue and waive any claim that the forum is an inconvenient forum.

17. ENTIRE AGREEMENT.

This Agreement and all attached exhibits constitute the entire agreement of the parties relating to the subject matter herein. There are no promises, terms, conditions, or obligations oral or written other than those contained herein. This Agreement supersedes all prior communications, representations or agreements, either oral or written, between the parties relating to the subject matter herein.

18. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same agreement.

19. PARAGRAPH HEADINGS.

Paragraph headings are used solely for convenience and are not to be used in construing or interpreting this Agreement.

20. AUTHORITY TO ENTER INTO AGREEMENT.

Each person executing this agreement on behalf of a party to this agreement hereby covenants that he or she is duly authorized by that party to bind that party to this agreement.

Spencer Nebel, City Manager
City of Newport

Bob Ward, Director
Newport Sea Lion Docks Foundation

Date

Date

**CITY OF NEWPORT
TOURISM FACILITIES GRANT APPLICATION**

EXHIBIT A

Name of Applicant/Organization : Newport Sea Lion Docks Foundation
Mailing Address & City: 525 NW 57 Street, Newport, Oregon 97365
Contact Person: Bob Ward
Contact Phone No.: 541-574-4475 Contact Fax No.: 541-574-4475
Contact E-Mail Address: wcml@live.com
Name of Project: Replacement of Sea Lion Docks
Total Project Budget: \$ 103,000
Amount Requested: \$ 50,000
Authorization Signature: 
Title: Director and Secretary

General

Simply check the appropriate boxes below. If there is a question as to whether the proposed project meets these qualifications, the question may be submitted to the task force for preliminary review. A preliminary review only answers the questions of whether the project appears to qualify. It is not the final decision nor does it mean the project will be funded. Submit the question by November 16, 2012, so the task force can reply by November 28, 2012. This will allow time to complete the application by January 18, 2013. The application deadline will not be extended by preliminary review requests.

Is the project proposed by a government agency? Yes No

OR

Is the project proposed by a non-profit organization? Yes No
(A non-profit agency is defined as a 501(c) organization)

Will the project encourage people to travel to Newport from more than 50 miles away? Yes No

Will the project encourage people to spend the night in Newport? Yes No

Is the reason the project encourages visitors due to one or more of the following? (Check all that apply):

- Business
- Pleasure
- Recreation
- Arts
- Heritage
- Culture

Are you requesting funding for improved real property with a useful life of at least ten years? Yes No

Project Description

In this section, describe the project and how it meets various qualifications. First review the heading and questions, then check all boxes that apply to the project or give short answers. Finally, provide a narrative explaining how the project addresses the questions. The length of the answer to any question is optional, however, the applicant should attempt to answer all questions. The total narrative should not exceed ten pages including application (excluding attachments).

Summary description of the project (summarize the project so that reviewers have a general sense of the project)

Sea lions have been using a set of floating docks adjacent to Pier Dock One on the Newport Bay Front for almost twenty years. The docks were originally built for use by small boats visiting Newport, but almost immediately were commandeered by sea lions. Pier Dock One allows members of the public a rare opportunity to view these interesting and amusing animals close up, and they soon became a key attraction for both tourists and Newport residents alike, and an integral feature of the Newport tourist industry.

Over the past few winters, storms have damaged the docks, and by spring of 2012, only a 40 foot section of the original 120 foot of dock was left, and this in very poor condition. At a meeting of stakeholders, including the Port of Newport, local business owners, Hatfield Marine Science Center and Oregon Sea Grant, it was agreed that the docks should be replaced, but the Port explained that it had no resources to apply to the project. A non-profit corporation, the Newport Sea Lion Docks Foundation, was formed in order to fund the replacement of the docks. IRS 501.c.3 status was achieved, and the Foundation started collecting public donations and applying to Funding Sources for the money. In October 2012, the final section of dock disintegrated. The Foundation has bought an 80 foot length of used dock from the Port, but this is unlikely to last much more than a year, and a long-term replacement is needed if this tourist attraction is to continue. The project has widespread support in the community. More details of the project, the Foundation and several letters of support can be viewed at www.newportsealiondocks.com, which also promotes Newport as a tourist destination.

Initially, the estimated cost to replace the docks was \$50,000 but in December 2012, the Port asked that public observation decks be installed inboard the pier in order to remove potential conflicts between the public and vehicles using the pier, which is still a working dock. This has doubled the cost of the project and extended the completion date to December 2013.



Going Going Gone !



The observation decks mean that the floating docks used by the sea lions have to be moved further from the pier and will need new pilings. Piling work can only be carried out being September and February, and requires permits that take some six months to acquire. The piling work therefore will not now be undertaken until the end of 2013, and so the project will not be completed until the early part of 2014. The exact timing will be dependent on weather conditions. The new docks and observation platforms will, however, be in place for the start of the 2014 tourist season, and hopefully the temporary dock will have lasted until then.

Incidentally, the docks facilitate the treatment of injured sea lions by accommodating a cage which enables the animal to be isolated and treated by the Marine Mammal Institute. Jim Rice, marine biologist for the Institute is the fifth member of the Foundation's Board of Directors.

Business Plan and Budget: (25 points) 20

What is the total cost of the project? \$103,000

<i>Purchase 160 foot of floating docks</i>	<i>\$ 26,000</i>
<i>Install 6 new pilings</i>	<i>\$ 30,000</i>
<i>Attach docks</i>	<i>\$ 3,000</i>
<i>Install observation platforms</i>	<i>\$ 44,000</i>

What is the amount requested from the city? \$ 50,000

What is the ratio of the request to the total cost? 48%

What funds have already been raised for the project? (Include the source of funds, i.e. cash on hand, grants awarded, grants committed.) *\$7,500 cash from public donations
\$8,000 recommended from County Community & Econ. Dev. Fund
(approval by the end of January)*

What funds remain to be raised for the project? *\$37,500 (excl. City Room Tax Funds)*

How are the remaining funds to be raised? (Other grants, pledges, etc.)

*\$6,000 request under review by Siletz Community Trust: decision end of January 2013
\$10,000 request under review by Meyer Memorial Trust: Decision February 2013
\$18,000 applied for from Collins Foundation: Decision by May 2013
\$3,500 to be collected from further public donations by April 2013*

Does the project provide a service that the city currently funds? Yes No

Does the project require continued support from the city? If yes, explain. Yes No

When do you anticipate completion of the project? End of January, 2014
(see attached Project Plan for details)

What is the plan for operations over a 3 - 5 year period?

After initially providing replacement sea lion docks and public observation platforms, the Foundation will provide funds for ongoing maintenance and for future damage replacement by collecting public donations via web-site and collection boxes. (Estimated income \$3,000 p.a.) The Foundation would also be able to apply to funding foundations

in the future if, for example, a major storm destroyed the docks before the Foundation had built up sufficient funds to replace them from its own reserves.

The Foundation is also going to promote the sea lion docks (and thus Newport) in the media and through signage on Highways 101 and 20: "This way to Sea Lion Docks" and "Newport, Home of the Sea Lion Docks!", etc., and through increased use of social media such as Facebook. None of the Room Tax funds will be used for such ongoing operating costs. In recent years, Newport has reduced its share of visitors to the central Oregon coast, and perhaps this will help redress that.

The Foundation has no staff and all Board members are unpaid volunteers, so there are currently no operating costs, other than very minor costs like that of providing collection boxes, paying for the web site (\$6 per month) and printing.

How does the project demonstrate financial stability?

The Foundation Board includes four experienced business people with successful track records, and the project has wide public appeal. The Foundation has achieved 501.c.3 status and collected \$7,500 in donations in just six months, and has also applied for enough funds to complete the project, despite the increase in scope. There are virtually no operating expenses, and lots of potential funding sources if additional costs are incurred in the future (e.g. if the new docks were destroyed prematurely by future storms or tsunamis), or if any of the current applications are rejected. This combination of factors suggests that the Foundation will be prudently managed so that its finances remain stable in the future.

Access to the sea lion docks is free (one of its attractions) and they have been attracting and entertaining members of the public for almost twenty years in their current location. The beneficiaries of the Foundation's investment are: (a) members of the public who get a rare close-up view of these interesting and entertaining wild animals, and (b) Newport businesses who will benefit from the tourists that the sea lions help to attract/retain.

How does the project demonstrate a viable business plan?

The replacement docks and the new observation decks are going to be funded out of public donations and a series of grants from funding sources that are mainly available because the Foundation is 501.c.3 approved. The cost of the new pilings and floating dock replacement is pretty well fixed, as they are similar to some the floating docks recently installed by NOAA and by two of the local Charter fishing companies. However, the requirement for the observation decks is relatively new, so the detailed design has not yet been finalized and the associated costs are still being developed. The costs currently included in the project plan and budget are for self-standing treated aluminum platforms similar to the ramp installed at Port Dock Five, and are reasonably accurate because they are easily defined. However, also under consideration is the possibility of wooden observation platforms cantilevered from the sides of Pier Dock One. This decision and the associated costing will be completed by March 2013. In the event that the cantilevered solution is preferred and turns out to have a higher cost, than the \$44,000 including in the current budget, then it may be necessary to seek further funding from another foundation, but no additional money will be requested from the City's Room Tax Fund.

There are 1,449 funding foundation recognized by the IRS in Oregon, and listed in the 2012 Oregon Foundation DataBook. Of these detailed profiles are provided for the largest 298 grant-making foundations, and the Sea Lion Docks Foundation is eligible to

apply to most of them. As the in-water work cannot start until mid-September and the actual dock sections cannot be put in place until the pilings have been driven, there is inadequate time to apply for the relatively small amount of funding that may be required if the cantilevered solution is preferred and is more expensive.

The Success of the sea lion docks does not depend on attracting paying customers, and there is about 18 years of history showing that the docks are a proven tourist attraction, so there is not really a risk associated with the replacement of the docks, nor a question mark over the viability of the project.

Incidentally, the 2012-13 window for in-water work was missed because the local contractor selected by the Foundation failed to apply for the necessary permits. That means that the in-water work cannot now be undertaken until 1st November, 2013, and must then be completed by 15th February, 2014. The Project Plan, which is included in the attachments, has several months of slack time built into it, so is very robust.

Economic Impact: (20 points) 11

Are project funds to be spent locally on:

Planning	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Design	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Construction	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/> (some will not be local)
Post-Completion	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

It was hoped that all aspects of the project would be sourced locally, but it has not been possible, so far, to find suitable local suppliers for the docks and their installation. A local company capable of doing the piling and installing the docks was identified and was selected to undertake the work, but this company eventually decided recently to withdraw from the project because of other commitments, to the regret of the Foundation. The Company was compensated for the funds it had spent on the preliminary design of the dock installation.

The planning and design of the project has all been undertaken on a voluntary basis to date, with some benefit to local businesses via printing, signage etc.

Interim temporary docks were also purchased from the Port of Newport and from the owner of a local private marina, with a value of over \$3,000.

Efforts will continue to find means of involving local companies in the construction of the docks and viewing platforms, once the design has been finally agreed, and the company doing the construction work, if not local, will be encouraged to use local labor, sub-contractors and material suppliers.

On-going maintenance of the docks, as has been the case for many years, will be undertaken using local labor and materials.

Of course, the major benefit to the local economy comes not from the spending of funds on the capital construction of the docks and viewing platforms, but from the spending of tourists who will have come to visit the sea lion docks during the various phases of the capital construction, and who will continue to do so for many years post-construction, as addressed in the next two sections.

How does the project create local jobs in all phases?

The replacement of the docks has, and will, generate income for local businesses by attracting and re-attracting tourists to Newport at each phase of the project and for many years after it has been completed. Even before the decision was made to replace the docks, there had been considerable publicity generated in the local and State-wide media about the damage to the docks and about the question of whether they were going to be replaced. This was followed by publicity about the plans to replace the docks and there has a constant stream of visitors, who have then also spent money in the local businesses, as well as donating to the cost of replacing the docks.

From June through to the end of September, a team of volunteer docents attended Pier Dock One each day, providing information to visitors about the sea lions and about the Newport working waterfront. This was organized by the Oregon Sea Grant Program, in conjunction with the Port of Newport and the Sea Lion Docks Foundation, and arose out of the stakeholder meetings held earlier this year. The docents reported that they had received nothing but positive feedback about the plans to replace the sea lion docks, and about the enjoyment that the sea lions provide for visitors. Docent organizer Chris Burns summarizes the feedback as follows:

"In the course of our interaction with people at Port Dock 1, our customary starting point is to ask visitors where they are from. With only rare exceptions, we discovered that visitors had come to Newport from all regions of Oregon (a sizeable number from the Portland metro area), the Pacific Northwest (many from Idaho and Washington), other US states, and a surprising percentage from overseas (Germany, Japan, South Korea, The Netherlands, Britain, Australia, even Russia). It should be noted that even local visitors from the Newport area usually had in-town friends or relatives from out of town who were brought to Port Dock 1 to look at the sea lions.

When asked why they traveled to Newport, the common response from all visitors could easily be paraphrased as: "We came to see the sea lions. This is such a unique opportunity to view these wild animals up close."

Our goal, after discussing the natural history of the sea lions, was to broaden visitors' understanding of Newport's working waterfront, and then point them to our other local attractions, from the Bayfront to Nye Beach and Agate Beach, to the marine-oriented facilities in South Beach, to Yaquina Bay State Park, and Yaquina Head Outstanding Natural Area. A common comment was, "Newport has so much more going on than other Oregon coast communities." Often this was followed by a pledge to stay for 'a couple more days' or that they'd return to Newport again soon to take it all in."

Collection boxes have been set up in more than twenty businesses on the Bay Front and these businesses also reported very positive feedback from customers, who also donated money for replacement of the docks. Many of the businesses report that they have repeat customers, year after year, who mention the importance of the sea lions. Indeed some businesses report that they now have visitors who originally came with their parents to see the sea lions, and are coming back with their own children.

Although this evidence is anecdotal rather than scientific, it is a fact that people have been visiting the sea lion docks in their present location for almost twenty years, and that those same people then go and spend money in the local shops and some in the local hotels. There is, therefore, every reason to assume that people will continue to visit the sea lion docks for many years in the future after the docks have been replaced, and will continue to spend money in local businesses for many years to come.

What is the projected economic impact?

According to the June 2012 "Travel Impacts" report prepared for the Newport Chamber of commerce by Dean Runyon Associates, Newport's tourist industry has been stable over the past six years, from 2006 to 2011. Spending by visitors in 2011 is estimated at \$123.4 million, with two thirds coming from people who stay overnight and one third by day visitors. The average overnight visitor is part of a party of three and stays for an average of just over two nights.

The sea lion docks average, conservatively, 1,000 visitors per day in the tourist season, and 150 per day in the off-season. This is an annual volume of over 250,000 people, making it one of the City's most popular attractions. Runyon estimates 427,000 overnight visitors in 2011, but does not estimate day visitors. Longwoods International "Oregon Visitor's Report 2009" reported that about 58% of visitors are day-trippers and the remaining 42% overnights. These two combined would suggest that Newport has just over a million visitors per year (1,017,000), and therefore about one quarter of them visit the sea lion docks during their stay.

Runyon reported that visitors in total spent \$123.4 million in Newport in 2011, an average of \$121 per visitor. The City has other tourist attractions, including the Aquarium, HMSC and the working waterfront, but there is no doubt that the sea lion docks are another strong attraction. Even if we attributed only 1% of the tourist volume to the sea lion docks, then that would account for \$1 million of tourist spend in the City each year, or \$15 - \$20 million over the anticipated life of the replacement docks. Even at one tenth of that level, attributing only one tenth of one percent to the sea lion docks, that would still represent double the return (\$100,000 additional spend) each year for the \$50,000 that the Foundation is requesting from the City's Room Tax Fund. The actual impact is probably much higher, to judge from the feedback we received from the docents and local shopkeepers, and this could be improved in the future by better publicity and marketing of the docks as an attraction.

Will the project create spin-off businesses?

The project will not create spin-off businesses per se, but will help existing and future local businesses to survive and be profitable in the future. Located in the heart of the Bay Front makes it likely that visitors to the dock will then customize the local shops and attractions, and may well be tempted to increase their observation of sea lions and other wildlife by taking marine tours or visiting the Oregon Coast Aquarium. The docents volunteering at the docks each day also encourage the public to explore more of the many other interesting aspects of a visit to Newport, and it is clear from their feedback, as reported earlier, that visitors go on to do so.

In the last ten years, Newport has lost tourist market share of visitors to the Central Oregon Coast. According to Runyon, the Central Oregon Coast as a whole now has 70% more lodging sales than it had in 2000, but Newport has only 20% more. In 2000, Newport had a 25% share of the lodging income, but in 2011 had less than 20%. The gap developed in the years 2006 and 2007 and has been maintained since. Perhaps better management/exploitation of the sea lion docks as a tourist attraction in future can help redress the balance.

Tourism Spending: (15 points)

How does the project encourage overnight stays?

Replacement of the sea lion docks will enable them to continue to attract visitors, who might be less inclined to visit the City if the opportunity to view these animals in the wild but close up was allowed to just disappear. For many people, the sea lion docks represent the quintessential Newport experience, and are a key element in the decision to visit Newport in the first place. This will increase as the Foundation plays a more proactive role in promoting the sea lion docks, and Newport as a whole. The Foundation's web-site already does this, but at this stage is just the tip of a potentially large iceberg. The volunteer docents, who are present at the docks each day during the tourist season, encourage visitors to explore other attractions in Newport, as explained earlier, and the feedback from the docents is that some visitors tell them that they are extending their stay.

How does the project encourage increased spending at local businesses?

The experience of seeing these interesting wild animals close up can itself spark an interest in exploring other similar experiences. For example, people might want to take marine tours, or visit the Aquarium, or HMSC, the Under Sea Gardens or other areas of interest. Some businesses actually overlook the docks and attract customers who want to refresh themselves while continuing to watch the sea lions. Other local businesses sell sea-lion related products, such as soft toys or T shirts. The longer a visitor spends in Newport, the more they are likely to spend in local businesses, whether it be retail, food or lodging.

How does the project increase the capacity for tourism?

The project is initially about replacing tourist capacity that would otherwise be lost. In addition, the forming of the non-profit Foundation provides a vehicle for interested parties such as the Board of Directors to extend their reach into promoting the sea lion docks as a Community Asset, to the benefit of both the local economy and local residents. The project is also building bridges between parts of the communities that have not always seen themselves as interwoven. For example, this is providing the opportunity for the Port of Newport and the Commercial Fishing Community to recognize their responsibility to the larger community, and to develop the benefits that will come from working cooperatively with the tourist economy.

Facility Usage: (Check all that apply) (10 points) 

Is the project open year round:	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If yes:				
Daily	<input checked="" type="checkbox"/>			(24 x 7 x 365)
Weekdays	<input type="checkbox"/>			
Weekends	<input type="checkbox"/>			
Once a week	<input type="checkbox"/>			
Is the project seasonal:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Daily	<input type="checkbox"/>			
Weekdays	<input type="checkbox"/>			
Weekends	<input type="checkbox"/>			
Once a week	<input type="checkbox"/>			
Is the project off-season:	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Daily _____
Weekdays _____
Weekends _____
Once a week _____

Is the project monthly: Yes No

Daily _____
Weekdays _____
Weekends _____
Once a week _____

Is the project open on holidays: Yes No Only

Other: _____

Who is the targeted tourist? (Check all that apply)

Children
Families
Adults 21+
Seniors
Groups
Business _____
Pleasure
Arts _____
Heritage _____
Cultural _____
Sports _____
Other (Nature, recreation and education)

Will the project attract repeat visits:

during a single stay? Yes No
during a single season? Yes No
over a single year? Yes No
over multiple years? Yes No

What is the potential for repeat business?

Anecdotal evidence in the form of feedback to docents and local businesses suggest that visitors visit and re-visit the sea lion docks while they are in Newport.

What is the regularity of usage?

There is no hard evidence to support this, but again feedback to the docents at Pier Dock One and to local businesses is that people visit the sea lion docks every time they visit Newport, and this is for some several times per year.

Does the project allow for multiple activities or uses? State size and types of events.

We think not, at this stage, though somebody has suggested a "Sea Lion Fair".

Is there a particular new demographic that the project is intended to reach?

No. The sea lion docks appeal to visitors of all demographic groups and is fully wheelchair accessible.

Who does the project attract?

Visitors of all ages and from all demographic groups

Other: (5 points) 4

How does the location relate to the current tourism hubs?

The sea lion docks are at the heart of the Bay Front tourist community, adjacent to the commercial fishing docks, and with buses offering complementary transportation to other tourist areas such as Nye Beach.

How is the project energy efficient or environmentally friendly?

The project consumes no energy whatsoever, and requires minimal maintenance, and is effectively a part of the surrounding natural environment, so is totally sustainable.

What is the effect of the project on local livability components?

The sea lion docks offer a unique opportunity to observe close up wild animals that are an integral element of the waterfront environment in which Newport is located. The experience is constantly varied and totally free, and epitomizes life in our Community.

Is there any additional information that you would like the committee to consider?

Only to say that the community and the local tourist economy will be much the worse for not having these sea lion docks replaced.

(Overall project 25 points)

Please consider also the Project Summary presented in pages 2 and 3 earlier.

20

The sea lion docks have been an integral part of Newport's Bay Front and local tourist economy for almost twenty years. For many they represent the quintessential Newport experience. In many ways, they have been taken for granted, but when the docks were all but destroyed by winter storms, their likely demise galvanized many people into realizing their importance, and out of a series of stakeholder meetings came a solution where an effective partnership was formed between the Port of Newport, local businesses, the Marine Mammal Institute, HMSC and the local community. The non-profit Newport Sea Lion Docks Foundation was formed to raise the funding for, and organize the replacement of, the docks, thus enabling them to continue to draw tourists.

At the request of the Port of Newport, the Foundation will also install observation platforms inboard of two sides of Pier Dock One, so that the public cannot be endangered by trucks driving onto the Pier to service ships moored there.

Layout of the new dock arrangement, a project plan, fund raising details, and further information about the project are included in the required attachments that follow.

End of ten page Grant Application

Required Attachments

1. IRS determination letter for 501(c)
2. Financial history of the project, if available: three years of year-end revenue/expense summaries, and current balance sheet; or feasibility study
3. Executive Summary of the business plan for the project, including a budget
4. Timeframe for fundraising
5. Timeframe for project construction/completion

Optional Attachments

1. Up to 5 pages of 8 ½ x 11 drawings of any facility and floor plan to be constructed or renovated with the requested funds

ATTACHMENT 1: IRS DETERMINATION LETTER FOR 501(c)3

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 30 2012**

NEWPORT SEA LION DOCKS FOUNDATION
C/O ROBERT WARD
525 NW 57 ST
NEWPORT, OR 97365

Employer Identification Number:
45-5170075
DLN:
17053200308022
Contact Person: GLENN W COLLINS ID# 31392
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
April 23, 2012
Contribution Deductibility:
Yes
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

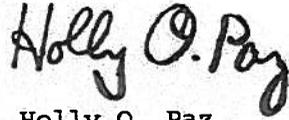
Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

NEWPORT SEA LION DOCKS FOUNDATION

Sincerely,

A handwritten signature in black ink that reads "Holly O. Paz". The signature is written in a cursive style with a large, looped "H" and "P".

Holly O. Paz
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-PC

2. FINANCIAL STATEMENT: Newport Sea Lion Docks Foundation

The Newport Sea Lion Docks was not incorporated until April 23, 2012, so is less than one year old. The year end for the Corporation is December 31 of each year.

Year End Financial Position as at 12.31.2012 is as follows:

<i>Income:</i>	<i>Public Donations received during the year</i>	<i>\$7448.89</i>
	<i>Total Income:</i>	<i>\$7448.89</i>
<i>Expenditure:</i>	<i>Fee to IRS for 501.c.3 application</i>	<i>\$ 400.00</i>
	<i>Cost of collection boxes</i>	<i>\$ 165.00</i>
	<i>Total Expenditure:</i>	<i>\$ 565.00</i>
<i>Balance :</i>	<i>Cash in Hand</i>	<i>\$6,883.89</i>
<i>Liabilities:</i>	<i>Invoice from Port of Newport for used dock</i>	<i>- \$2,800.00</i>
<i>Net Assets:</i>	<i>Cash in Hand</i>	<i>\$4,083.89</i>

This represents the complete financial history of the project as at 12.31.2012

*Robert Ward
Director and Secretary*

01.15.2013

3. EXECUTIVE SUMMARY OF BUSINESS PLAN and BUDGET

The Mission of the Newport Sea Lion Docks Foundation is to fund, and to organize, the replacement of the Sea Lion Docks adjacent to Pier Dock One on the Newport Bay Front, which were severely damaged over recent winters by stormy weather. At the recent (December 2012) request of the Port of Newport Board of Commissioners, the Foundation will also provide public observation platforms inboard of two sides of Pier Dock One, for use by the public when viewing the sea lions, and so reduce the possibility of suffering an accident by contact with the motor vehicles that occasionally use the Pier in order to access and service ships moored at the Pier.

The objective in replacing the docks is to provide an attraction for tourists, who have demonstrated over the past twenty years or so a liking for viewing these wild sea lions close up.

The winter storms had caused extensive damage to the 120 foot of floating docks, and had damaged three pilings securing the docks. Replacement of pilings requires Government permits and can only take place between November 1st and February 15th each year. The construction of the viewing platforms means that the floating docks need to be located 6 feet further away from the edges of the pier than they previously were, and makes three of the pilings redundant and in need of replacement.

The last section of the original docks finally disintegrated in October 2012, and a temporary replacement 60 foot long was bought from the Port of Newport for \$2,800 and secured temporarily in place until the long-term replacement docks can be put in place.

The new piling work cannot start until November 1st, 2013 and the process of obtaining the necessary permits might take up to six months. The design of the new docks has been decided, but the design of the viewing platforms are still being discussed with the Port of Newport. The Port asked for cantilevered wooden viewing platforms, but the age and state of the 50 year old Pier poses some issues, and the present budget reflects the placement of treated aluminum platforms adjacent to the Pier, with suitable safety rails. The cost of the two alternatives are likely to be similar, so it is a matter of aesthetics and practicality. If the cost of the design eventually selected is more than the amount currently budgeted, then application will be made to a suitable Funding Foundation for the difference.

The Project Plan presented as part of Attachment #5 shows the project being completed by the end of January 2014, but has a significant amount of slack because of the need to delay piling work until November. Also, it is not critical that the work be finished by the end of January 2014. The main objective is to have the new docks and viewing platforms in place by the time the main 2014 Tourist Season starts about the end of April.

The budget for the replacement docks and new viewing platforms is \$103,000 and is made up as follows:

<i>Purchase 160 foot of floating docks</i>	<i>\$ 26,000</i>
<i>Install 6 new pilings</i>	<i>\$ 30,000</i>
<i>Attach docks</i>	<i>\$ 3,000</i>
<i>Construct and Install observation platforms</i>	<i>\$ 44,000</i>
<i>Total</i>	<i>\$103,000</i>

4. TIMEFRAME FOR FUNDRAISING

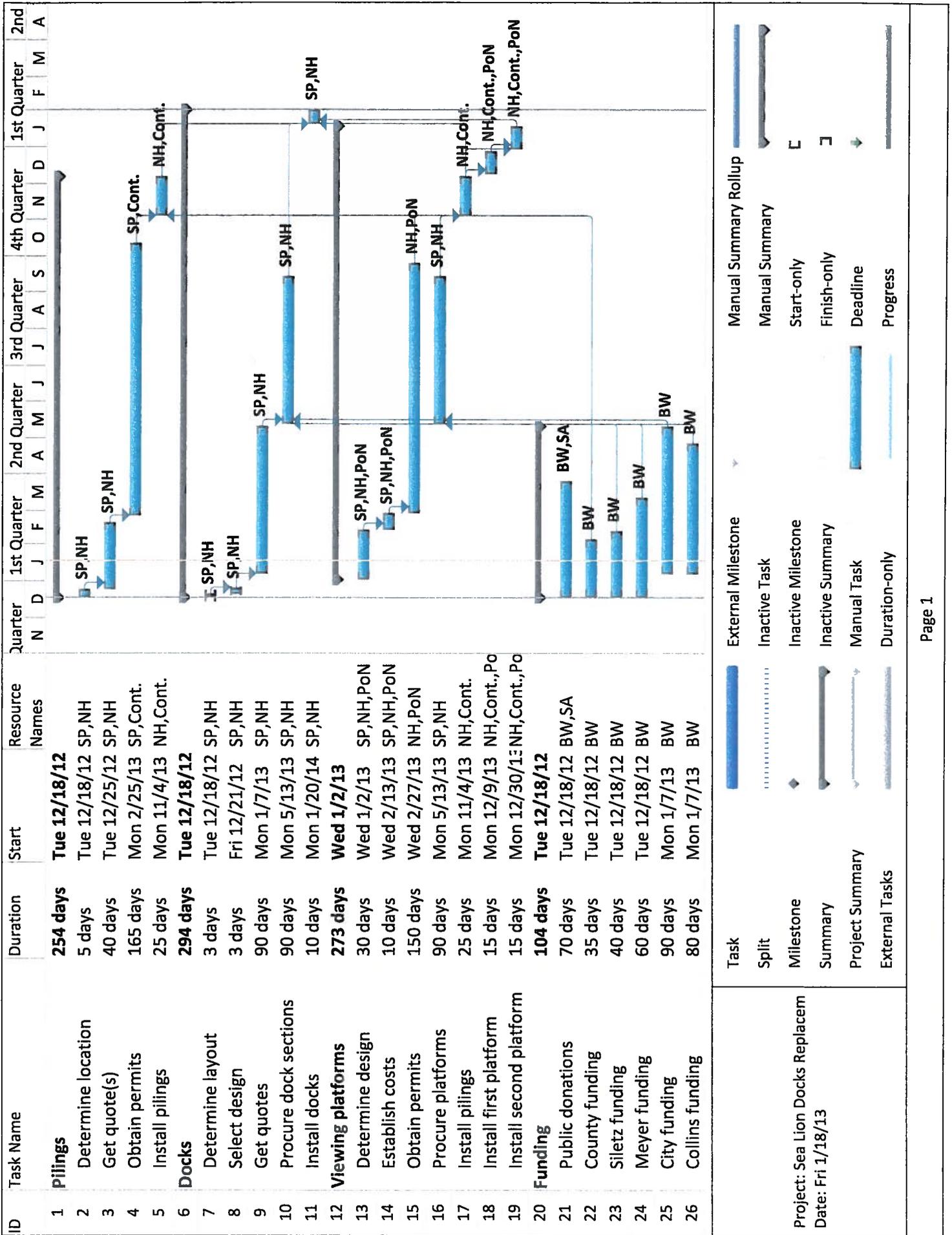
Because the 2012-2013 window for the piling work could not be achieved, the timeframe for fundraising is not as urgent as was anticipated. Funding has to be available to enable orders for the floating docks and the materials for the pilings and the observation decks to be placed in sufficient time, and for the cost of the piling work to be available for the work to start at the beginning of November, 2013.

The current anticipated timeframes for fundraising is as follows:

<i>In Hand</i>	
<i>Public donations available as cash in hand</i>	<i>\$ 7,500</i>
<i>Anticipated by August, 2013</i>	
<i>Further Public Donations</i>	<i>\$ 3,500</i>
<i>Recommended and Due in January 2013</i>	
<i>Grant from Lincoln County Comm. & Econ. Dev. Fund</i>	<i>\$ 8,000</i>
<i>Decision Due February 2013</i>	
<i>Grant from Siletz Tribal Community Fund</i>	<i>\$ 6,000</i>
<i>Grant from Meyer Memorial Trust Fund</i>	<i>\$10,000</i>
<i>Decision Due April 2013</i>	
<i>Grant from Collins Foundation</i>	<i>\$18,000</i>
	<i>Sub-Total</i>
	<i>\$53,000</i>
<i>Decision Due April 2013 (?)</i>	
<i>Matching Grant from City Tourist facilities Fund</i>	<i>\$50,000</i>
	<i>Total</i>
	<i>\$103,000</i>

Note: In the event of any application being refused or short-funded, Application for replacement funds will be made to an alternative Fund,

5. TIMEFRAME FOR PROJECT CONSTRUCTION.

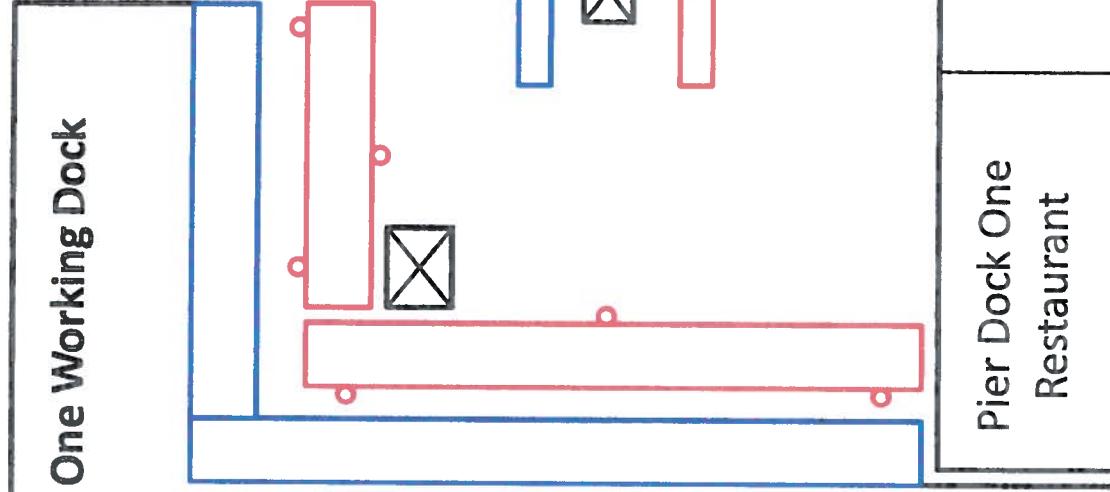


- Task
- Split
- Milestone
- Summary
- Project Summary
- External Tasks
- External Milestone
- Inactive Task
- Inactive Milestone
- Inactive Summary
- Manual Task
- Duration-only
- Manual Summary Rollup
- Manual Summary
- Start-only
- Finish-only
- Deadline
- Progress

Project: Sea Lion Docks Replacem
Date: Fri 1/18/13

Yaquina Bay

**PHASED REPLACEMENT
OF SEA LION DOCKS
WITH NEW PUBLIC
OBSERVATION DECKS
AT PIER DOCK ONE**



Note: Not to scale
Long dock is 80 foot
Short dock is 35 foot

Key

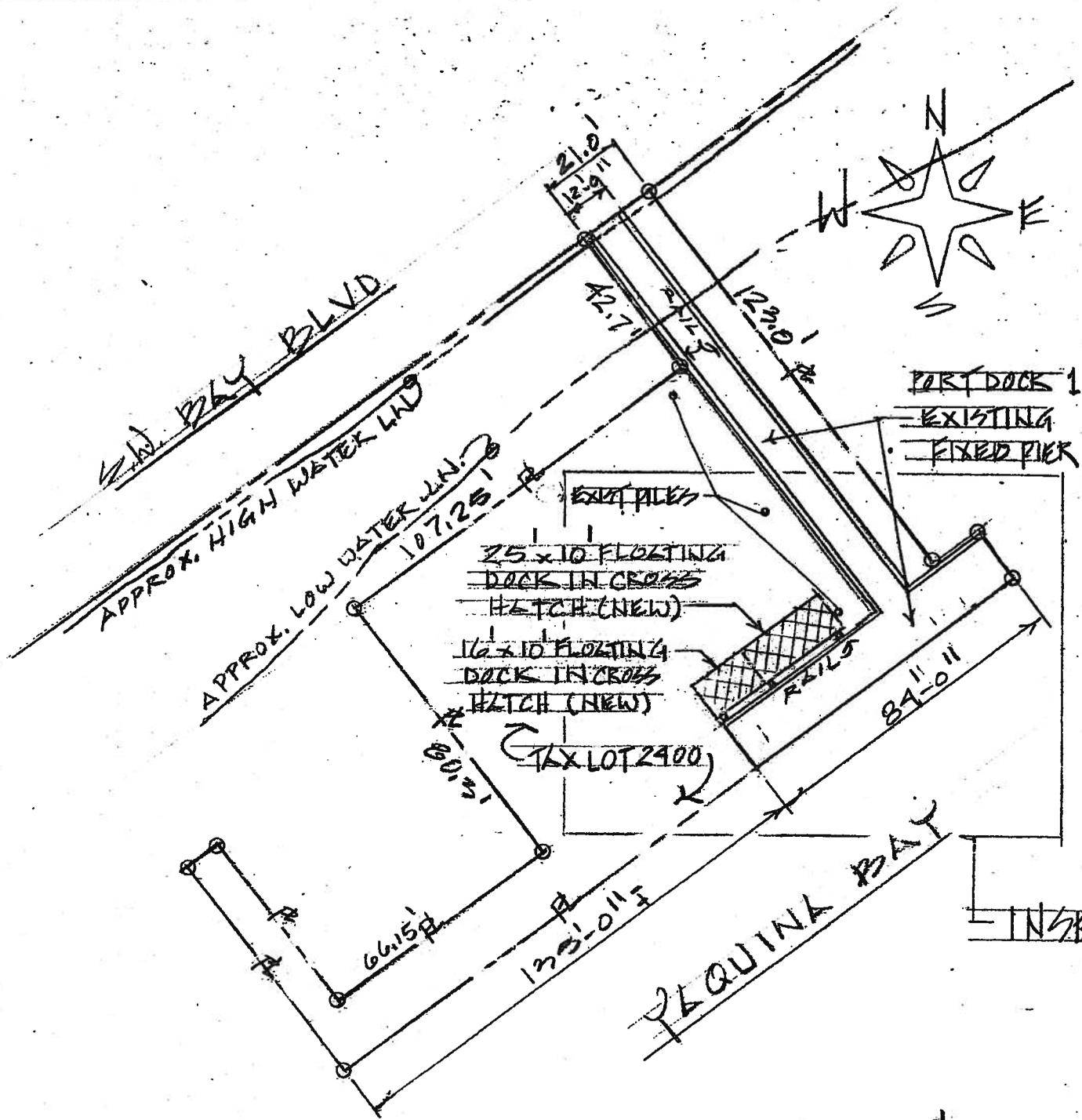
- New Observation Decks (Nov)
- Isolation Cage (Existing)
- Permanent New Docks (Dec)
- New Pilings (Nov)

Undersea
Gardens

Pier Dock One
Restaurant

Bayscapes
Gallery

SW Bay Boulevard



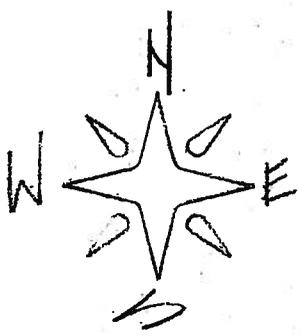
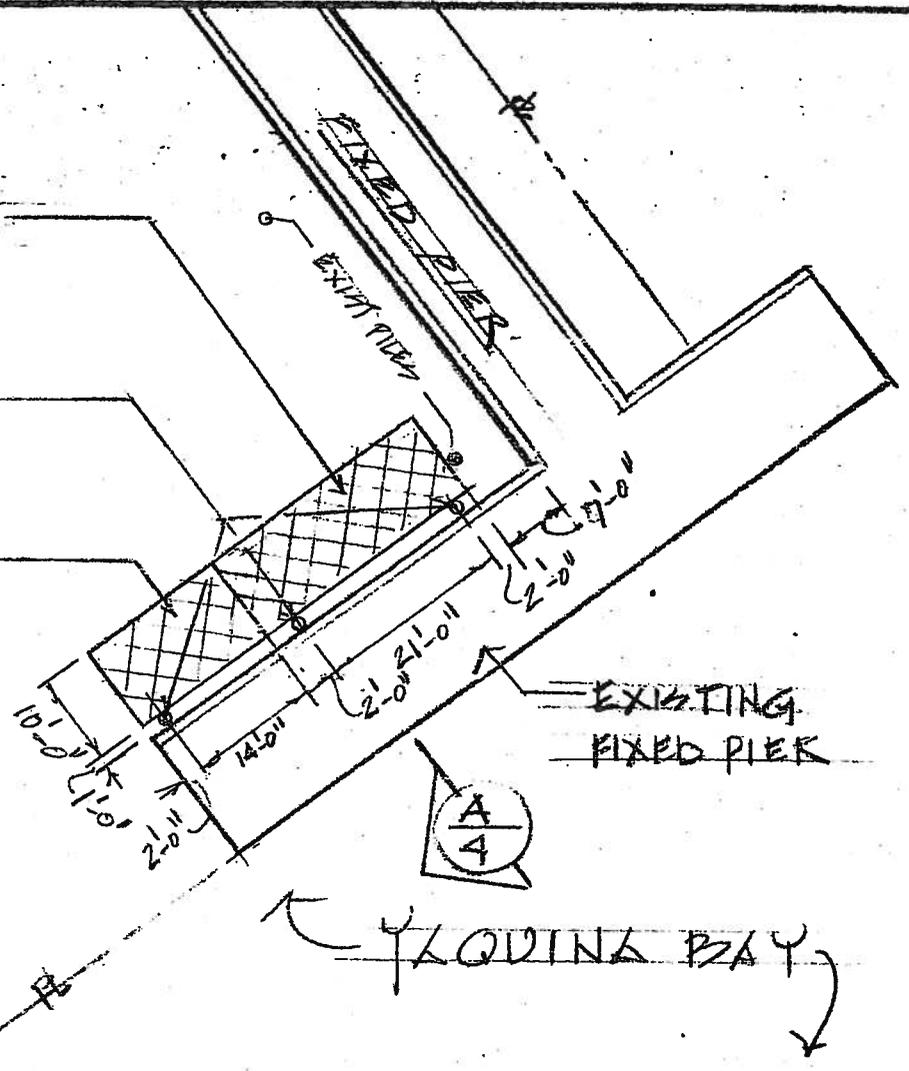
SITE PLAN
SCALE 1"=40.0'

SECTION FOUNDATION FLOATING DOCK AT
PORT OF NEWPORT PORT DOCK 1
TAX MAP NO. 11-11-08-DB LOT 2400

NEW 25' x 10' FLOATING DOCK IN CROSSHATCH

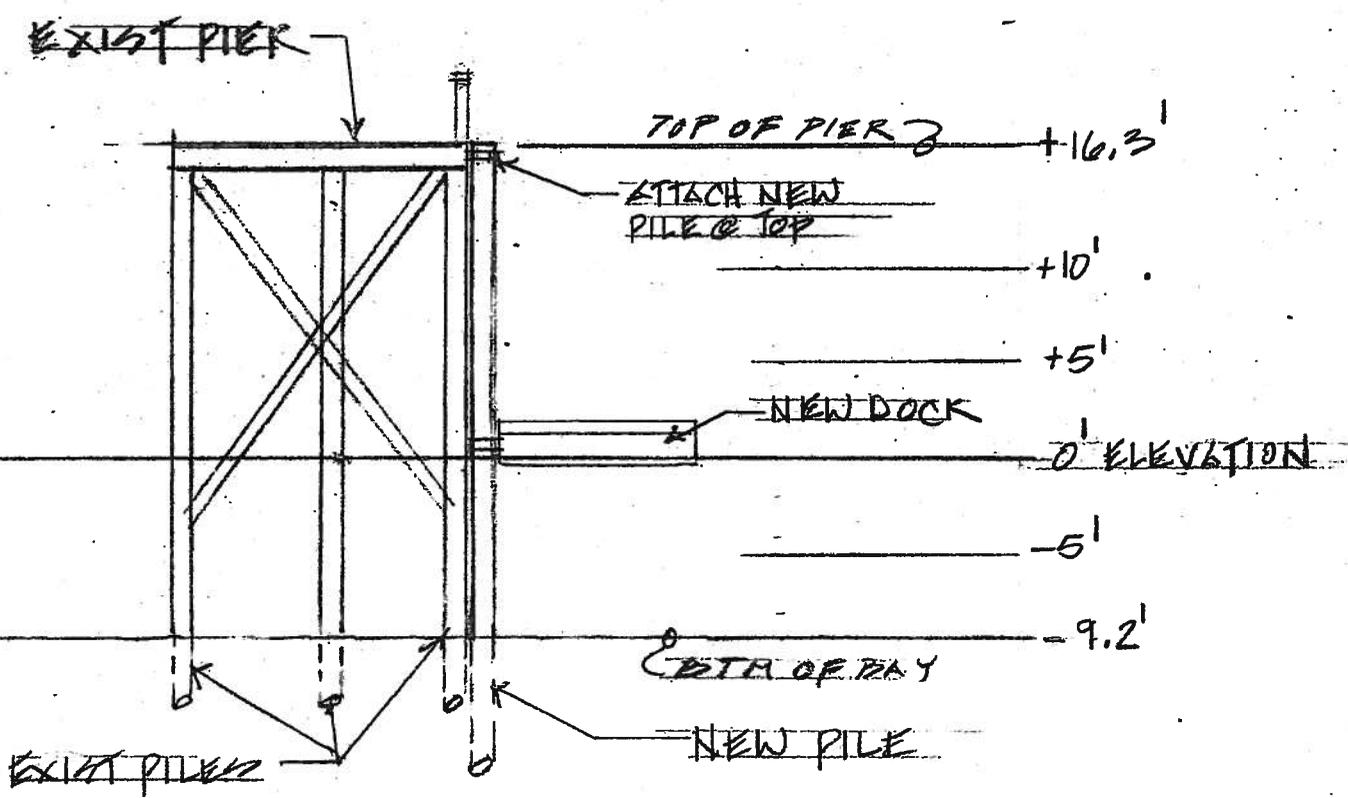
(3) NEW 12.750" PILES W/ TOP END SECURED TO PIER & BULKHEAD OR CAP

NEW 16' x 10' FLOATING DOCK W/ SEA LION CAGE



SITE PLAN INSET
SCALE 1" = 20.0'

SEA LION FOUNDATION FLOATING DOCK AT
 POINT OF NEWPORT PORT DOCK 1
 TX MAP NO. 11-11-03 DB LOT 2400



$\frac{A}{4}$
SECTION
SCALE 1" = 10.0'

SECTION FOUNDATION FLOATING DOCK AT
PORT OF NEWPORT PORT DOCK 1
PLX MAP NO. 11-11-08 DB LOT 2400

RESOLUTION NO. 3553

A RESOLUTION ESTABLISHING A
TOURISM FACILITIES GRANT REVIEW TASK FORCE
FOR THE CITY OF NEWPORT

FINDINGS:

1. The City of Newport has funds for tourism facilities for which the City Council desires to establish a grant program for distribution of the funds; and
2. The City of Newport recognizes the importance of allocating these funds to non-profit agencies for the improvement or construction of tourism facilities through a grant process.

NOW, THEREFORE, THE CITY OF NEWPORT RESOLVES:

Section 1. The City Council creates a Tourism Facilities Grant Review Task Force that will be comprised of seven members; two of which may be from outside the city with an interest in economic development.

Section 2. The Task Force will be responsible for developing criteria for distribution of tourism facilities funds.

Section 3. The Task Force will be responsible for reviewing grant applications for the tourism facilities funds.

Section 4. The Tourism Facilities Grant Review Task Force will be responsible for forwarding recommendations on the grant criteria and funding recommendations for tourism facilities funding to the City Council for approval.

Section 5. This resolution shall be effective immediately upon passage.

Adopted by the Newport City Council on July 18, 2011.

Signed on July 20, 2011.

CITY OF NEWPORT

Mark McConnell
Mark McConnell, Mayor

ATTEST:



Margaret M. Hawker, City Recorder

**CITY OF NEWPORT CITY COUNCIL
TOURISM FACILITIES GRANT INSTRUCTIONS**

EXHIBIT B(2)

**City of Newport
169 SW Coast Highway
Newport, Oregon 97365
541.574.0603**

Answer questions completely within the page limitations provided below. Applications will be considered based on project merits and according to the criteria approved by the City Council and attached to this application. Applicants may be contacted to provide more information. Hard copies of completed applications are due in the City Manager's Office by 5:00 P.M., on Friday, January 20, 2012 - NO EXCEPTIONS. E-mailed or faxed applications will NOT be accepted. Only one application per entity allowed.

Please Note:

- 1. These funds were created by transient room tax collections. There are legal restrictions on how the money may be spent, and if the project cannot meet the legal requirements, the project cannot be funded.**
- 2. The Newport City Council has established policies governing the Tourism Facilities Grant Program. A copy of those policies is attached to this application.**
- 3. Applicants will be selected for funding based on information included in the application materials, and oral presentations.**
- 4. At least a one-to-one funding match is required.**
- 5. Applicants are defined as any 501(c) organization or government entity.**

Currently there is a Contingency of \$1,000,000.00 in the Room Tax Fund of the City of Newport Budget. The existing funds do not need to be distributed in one fiscal year. The City Council and Tourism Facilities Task Force have established a process for distributing those funds to promote economic development and generate an increase in the Room Tax Fund in future years.

Once a grant has been awarded, the City of Newport will enter into an agreement with the Grantee that will spell out the terms of the grant and the time frame in which the grant funds will be released. Each agreement will be tailored to fit the Grantee's proposed project. The Grantee will be required to indemnify the City of Newport from financial liabilities incurred by the project. The grant funds will not be distributed until the matching dollars for a project have been raised or secured.

Each application will be considered on its own merits. Each application will be judged by the criteria attached to this the application form.

Submission of an application does not ensure funding. Funding decisions will be made based on the criteria attached to this application form. The City Council may elect to cancel the Tourism Facilities Grant Program and not fund any projects.

The Tourism Facilities Task Force will review and rate all applications. Applicants who submit qualifying applications will be invited to make an oral presentation to the Tourism Facilities Task Force Based on the application materials submitted and the Applicant's oral presentation, the Tourism Facilities Task Force will forward a recommendation to the Council as to which Applicants should be awarded Grant Funds, as well as the recommended amount of Grant Funds to be awarded to each Applicant. Applicants recommended to the Council by the Tourism Facilities Task Force will be

expected to make an oral presentation before the Council. The Council will make the final decision regarding which Applicants will be awarded Grant Funds, as well as the amount of Grant Funds to be awarded to each Applicant.

The applicant should respond in 12-point, single-spaced text. Ten double-sided hard copies of the complete application and one electronic copy on a flash drive must be delivered to the City Manager's Office by 5:00 P.M., on Friday, January 20, 2012.

PREVAILING WAGE

Please note that use of City funds in a public works project may subject your project to prevailing wage laws. You may wish to consider whether acceptance of Tourism Facilities Grant Funds will subject your project to prevailing wage and review the project budget in light of that determination.

**CITY OF NEWPORT
TOURISM FACILITIES GRANT APPLICATION**

Name of Applicant/Organization : _____
Mailing Address & City: _____
Contact Person: _____
Contact Phone No.: _____ Contact Fax No.: _____
Contact E-Mail Address: _____
Name of Project: _____
Total Project Budget: \$ _____
Amount Requested: \$ _____
Authorization Signature: _____

Title: _____

General

Simply check the appropriate boxes below. If there is a question as to whether the proposed project meets these qualifications, the question may be submitted to the task force for preliminary review. A preliminary review only answers the questions of whether the project appears to qualify. It is not the final decision nor does it mean the project will be funded. Submit the question by November 18, 2012, so the task force can reply by November 30, 2012. This will allow time to complete the application by January 20, 2012. The application deadline will not be extended by preliminary review requests.

Is the project proposed by a government agency? Yes No

OR
Is the project proposed by a non-profit organization? Yes No
(A non-profit agency is defined as a 501(c) organization)

Will the project encourage people to travel to Newport from more than 50 miles away? Yes No

Will the project encourage people to spend the night in Newport? Yes No

Is the reason the project encourages visitors due to one or more of the following? (Check all that apply):

- Business
- Pleasure
- Recreation
- Arts
- Heritage
- Culture

Are you requesting funding for improved real property with a useful life of at least ten years? Yes No

Project Description

In this section, describe the project and how it meets various qualifications. First review the heading and questions, then check all boxes that apply to the project or give short answers. Finally, provide a narrative explaining how the project addresses the questions. The length of the answer to any question is optional, however, the applicant should attempt to answer all questions. The total narrative should not exceed ten pages including application (excluding attachments).

Summary description of the project (summarize the project so that reviewers have a general sense of the project)

Business Plan and Budget: (25 points)

What is the total cost of the project?

What is the amount requested from the city?

What is the ratio of the request to the total cost?

What funds have already been raised for the project? (Include the source of funds, i.e., cash on hand, grants awarded, grants committed.)

What funds remain to be raised for the project?

How are the remaining funds to be raised? (Other grants, pledges, etc.)

Does the project provide a service that the city currently funds?

Yes No

Does the project require continued support from the city? If yes, explain.

Yes No

When do you anticipate completion of the project?

What is the plan for operations over a 3 - 5 year period?

How does the project demonstrate financial stability?

How does the project demonstrate a viable business plan?

Economic Impact: (20 points)

Are project funds to be spent locally on:

Planning	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Design	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Construction	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Post-Completion	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

How does the project create local jobs in all phases?

What is the projected economic impact?

Will the project create spin-off businesses?

Tourism Spending: (15 points)

How does the project encourage overnight stays?

How does the project encourage increased spending at local businesses?

How does the project increase the capacity for tourism?

Facility Usage: (Check all that apply) (10 points)

Is the project open year round: Yes No

If yes:

Daily _____

Weekdays _____

Weekends _____

Once a week _____

Is the project seasonal: Yes No

Daily _____

Weekdays _____

Weekends _____

Once a week _____

Is the project off-season: Yes No

Daily _____

Weekdays _____

Weekends _____

Once a week _____

Is the project monthly: Yes No

Daily _____
Weekdays _____
Weekends _____
Once a week _____

Is the project open on holidays: Yes No Only

Other: _____

Who is the targeted tourist? (Check all that apply)

Children _____
Families _____
Adults 21+ _____
Seniors _____
Groups _____
Business _____
Pleasure _____
Arts _____
Heritage _____
Cultural _____
Sports _____
Other _____

Will the project attract repeat visits:

during a single stay? Yes No
during a single season? Yes No
over a single year? Yes No
over multiple years? Yes No

What is the potential for repeat business?

What is the regularity of usage?

Does the project allow for multiple activities or uses? State size and types of events.

Is there a particular new demographic that the project is intended to reach?

Who does the project attract?

Other: (5 points)

How does the location relate to the current tourism hubs?

How is the project energy efficient or environmentally friendly?

What is the effect of the project on local livability components?

Is there any additional information that you would like the committee to consider?

(Overall project 25 points)

In responding to questions, use additional sheets as necessary, but not to exceed the ten page limit.

Required Attachments

1. IRS determination letter for 501(c) - if applicable
2. Financial history of the project, if available: three years of year-end revenue/expense summaries, and current balance sheet; or feasibility study
3. Executive Summary of the business plan for the project, including a budget
4. Timeframe for fundraising
5. Timeframe for project construction/completion

Optional Attachments

1. Up to 5 pages of 8 ½ x 11 drawings of any facility and floor plan to be constructed or renovated with the requested funds

TOURISM FACILITIES GRANT PROGRAM

Purpose

This policy is intended to guide the City of Newport in accepting applications and considering grant proposals for funding under the Tourism Facilities Grant Program established by the Newport City Council. The Tourism Facilities Grant Program is funded by local transient room tax revenues, so state law controls the types of projects to which grants may be provided. If a project cannot meet legal requirements, it will not be awarded a grant.

Title

The provisions adopted by this Resolution shall be known as the "Tourism Facilities Grant Program Rules."

Policy

It is the policy of the City to make Grant Funds available to qualified Applicants without regard to race, color, religion, sex, sexual orientation, national origin, marital status, age, disability or familial status.

Definitions

- (1) "Applicant" means any 501(c) organization or government entity may apply for a grant from the Tourism Grant Program.
- (2) "City" means the City of Newport.
- (3) "City Manager" means the City Manager of the City of Newport or the City Manager's designee.
- (4) "Council" means the City Council of the City of Newport.
- (5) "Grant Agreement" is the legally binding contract between the City and the grant recipient. The Grant Agreement consists of the conditions specified in these rules, special conditions enumerated in the agreement, if applicable, and the grant application approved by the Council.
- (6) "Grant Funds" means the funds requested by an Applicant and/or the funds delivered to a grantee through the Tourism Facilities Grant Program.
- (7) "Match" is any contribution to a project made up of funds other than Grant Funds. Match may include:
 - (a) Cash on hand or cash that is pledged to be on hand prior to commencement of the project;

- (b) Secured funding commitments from other sources; or
- (c) Pending or potential commitments of funding from other sources. In such instances, Tourism Grant Program funding will not be released prior to secured commitment of the other funds. Pending commitments of the funding must be secured within the time provided in the Grant Agreement.

(8) "Tourism Facilities Task Force" is a Task Force, consisting of 7 members, appointed by the Council in accordance with Resolution 3553.

Definitions for "Tourism-Related Facilities"

(1) "Conference center" means a facility that:

- (a) Is owned or partially owned by a unit of local government, a governmental agency or a nonprofit organization; and
- (b) Meets the current membership criteria of the International Association of Conference Centers.

(2) "Convention center" means a new or improved facility that:

- (a) Is capable of attracting and accommodating conventions and trade shows from international, national and regional markets requiring exhibition space, ballroom space, meeting rooms and any other associated space, including but not limited to banquet facilities, loading areas and lobby and registration areas;
- (b) Has a total meeting room and ballroom space between one-third and one-half of the total size of the center's exhibition space;
- (c) Generates a majority of its business income from tourists;
- (d) Has a room-block relationship with the local lodging industry; and
- (e) Is owned by a unit of local government, a governmental agency or a nonprofit organization.

(3) "Tourism" means economic activity resulting from tourists.

(4) "Tourism-related facility":

- (a) Means a conference center, convention center or visitor information center;
- (b) Means other improved real property that has a useful life of 10 or more years and has a substantial purpose of supporting tourism or accommodating tourist activities.

(5) "Tourist" means a person who, for business, pleasure, recreation or participation in events related to the arts, heritage or culture, travels from the community in which that person is a resident to a different community that is separate, distinct from and unrelated to the person's community of residence, and that trip:

- (a) Requires the person to travel more than 50 miles from the community of residence; or
- (b) Includes an overnight stay.

(6) "Visitor information center" means a building, or a portion of a building, the main purpose of which is to distribute or disseminate information to tourists.

Application Requirements

- (1) Applications that do not comply with the requirements in this section will not be considered.
- (2) Applications must be submitted on a form provided by the City.
- (3) Applications for the 2011/2012 grant cycle are due in the City Manager's office by 5:00 p.m. on Friday, January 20, 2012. Applicants must submit 10 hard copies of the application and one electronic copy on a flash drive or memory stick. Applications submitted by email or FAX will not be considered.
- (4) All Applicants shall supply the following information:
 - (a) Name of Applicant;
 - (b) Name, physical and email address, and FAX and telephone numbers of the Applicant's contact person(s) and, if applicable, the Applicant's fiscal officer(s);
 - (c) The name and a description of the proposed project;
 - (d) Estimated line item budget for the project;
 - (e) Identification of specific project elements for which Grant Funds will be used;
 - (f) A list of any non-Grant Funds, services or materials available or secured for the project and any conditions which may affect the completion of the project;
 - (g) If the project is part of a multi-year project, and a new funding request continues a previously City-funded activity, a description of the previous project accomplishments and results as well as an accounting of past expenditures and revenues for the project;
 - (i) A project schedule including times of project beginning and completion; and
 - (j) Any information requested by the Tourism Facilities Task Force or the Council in order to evaluate the project.
- (5) All Applicants shall demonstrate a dollar for dollar match, based on the total Grant Funds request, at the time of application.
- (6) All Applicants shall demonstrate that the Grant Funds requested will be used to fund Tourism-Related Facilities.
- (7) Applications must include the following attachments:
 - (a) If applicable, documentation from the Internal Revenue Service confirming that the Applicant is a 501(c) tax exempt organization;
 - (b) Three years of year-end revenue/expense summaries and current balance sheet, or feasibility study;
 - (c) An executive summary of the business plan for the project, including a budget;
 - (d) A time frame for fundraising, if applicable;
 - (e) A time frame for project completion.
- (8) Clarification of information submitted may be sought from the Applicant during the evaluation process.

Application Processing

(1) Submission of an application does not ensure funding. Decisions to award Grant Funds will be made based on the criteria and rating schedule attached to these rules as Exhibit A. The Council may elect to terminate the Tourism Facilities Grant Program and not award any Grant Funds.

(2) The Tourism Facilities Task Force will review all applications that comply with the application requirements included in these rules (qualifying applications). The Tourism Facilities Task Force will then rate the qualifying applications based on the criteria and rating schedule attached to these rules as Exhibit A.

(3) All Applicants who submit qualifying applications will be invited to make an oral presentation to the Tourism Facilities Task Force.

(4) Based on the application materials submitted and the Applicant's oral presentation, the Tourism Facilities Task Force will forward a recommendation to the Council as to which Applicants should be awarded Grant Funds, as well as the recommended amount of Grant Funds to be awarded to each Applicant.

(5) Applicants recommended to the Council by the Tourism Facilities Task Force will be expected to make an oral presentation before the Council.

(6) The Council is not bound by the Tourism Facilities Task Force recommendations.

(7) The Council will make its decision as to which Applicants should be awarded Grant Funds, as well as the amount of Grant Funds to be awarded to each Applicant based on the criteria and rating schedule attached as Exhibit A.

(8) The City may require additional information from the Applicant to aid in evaluating and considering a proposed project.

(9) Applicants will be notified in writing of award of a grant or denial of an application. Written notifications will be sent by first class mail to the address provided in the application. Notifications will be deemed received by the Applicant three calendar days after deposit by the City in the United States Mail.

Grant Agreement Conditions

(1) If a grant application is approved, the City Manager, on behalf of the City, will enter into a Grant Agreement with the grantee.

(2) If the Grant Agreement has not been fully executed by all the parties within one month of Council approval, funding shall be terminated. The money allocated to the grant shall be available for reallocation by the City.

(3) The terms of the Grant Agreement may be tailored to fit the project for which the Grant Funds are awarded. Grantees shall comply with all Grant Agreement conditions.

(4) Obligations of the City under the Grant Agreement are contingent upon the availability of monies for use in the Tourism Facilities Grant Program.

(5) The grantee shall comply with all federal, state and local laws and ordinances applicable to the work to be done under the agreement.

(6) Grant Funds may not be used to refinance existing debt.

(7) The grantee is responsible for all the expenses of the operation and maintenance of the project, including but not limited to adequate insurance, and any taxes or special assessments applicable to the project.

(8) The grantee shall comply with all prevailing wage laws if they are applicable to the project.

(9) The Applicant's total financial resources must be adequate to ensure completion of the project.

(10) Upon notice to the grantee in writing, the City Manager may terminate funding for projects not in compliance with the terms of the Grant Agreement. The money allocated to the project but not used will be available for reallocation by the Council.

(11) The grantee will obtain all required permits and licenses from local, state or federal government entities.

(12) The City may place additional conditions in the Grant Agreement as necessary to carry out the purpose of the Tourism Facilities Grant Program, including any provisions that the City Manager considers necessary to ensure the expenditure of funds for the purposes set forth in the application.

Distribution of Funds

(1) The City will not reimburse the grantee for any expenditures incurred prior to the signing of the Grant Agreement by all parties.

(2) Prior to disbursement of Grant Funds, the grantee must provide proof that the dollar for dollar required Match, based on the total Grant Funds awarded, has been secured.

(3) Funds shall not be disbursed until the City Manager receives satisfactory evidence that necessary permits and licenses have been granted and documents required by the City have been submitted.

(4) The City shall retain ten percent of the Grant Funds until the final project report, as required by the Grant Agreement, has been approved by the City. Final reports are due within 60 days of project completion. Any unexpended Grant Funds must be returned to the City with the final report. Upon receipt of the final report, the City shall have 90 days to approve the completed report or notify the grantee of any concerns that must be addressed or missing information that must be submitted before the report is considered complete and reviewed for approval. Once the final report has been approved the final payment shall be promptly provided to the grantee.

Appeals

(1) If the Tourism Facilities Task Force or the Council denies a grant application, the Applicant may appeal the denial to the Council by submitting a written notice of appeal to the City Manager's office within 5 business days of the receipt of the denial.

(2) Within 20 calendar days of the City's receipt of the written appeal, the Council will review the denial on the record of the application. No new information will be accepted for review.

(3) The Applicant is not entitled to an appeal hearing.

(4) The Council's decision on the appeal is final.

(5) The Council's decision regarding the appeal will be transmitted to the Applicant at the address provided in the application, by first class mail.

EXHIBIT C

The Sea Lion Docks project will be carried out in three phases, as follows:

Phase One Purchase and install five steel pilings to support the floating docks.

Phase One is planned to be completed in January 2014.

Phase Two Purchase and install three sections of floating docks, each six feet wide by 32 feet long, arranged in a "T" formation.

Phase Two is planned to be completed by July 2014.

Phase Three Construct and install a self-standing public viewing platform abutting Port Dock 1, and approximately 80 feet long and 6 feet wide.

Phase Three is planned to be completed by February 2015.



800 S.E. BAY BOULEVARD NEWPORT, OREGON 97365 (541) 265-7758 FAX (541) 265-4285

March 12, 2013

The Honorable Sandra Roumagoux, Mayor of Newport
City of Newport Council Members
169 SW Coast Highway
Newport, OR 97365

Subject: Replacement of Sea Lion Docks at Port Dock One

Dear Mayor Roumagoux and City Council Members:

As you are aware, the Port of Newport has been working with the Newport Sea Lion Dock Foundation to achieve improvements to the Port Dock One sea lion viewing area and the floating sea lion docks. Many hours have been spent in meetings with Foundation members and surrounding bayfront businesses discussing a long-term solution and viable plan for this project.

Sea lions have been using a set of floating docks adjacent to Port Dock One on the Newport bayfront for almost twenty years. The docks were originally built for use by small boats visiting Newport, but were almost immediately commandeered by sea lions. Port Dock One allows members of the public a rare opportunity to view these interesting and amusing animals up close, and they soon became a key attraction for both tourists and Newport residents alike, and an integral feature of the Newport tourist industry.

Over the past few winters, storms have damaged the docks, and by spring of 2012, only a 40-foot section of the original 120-feet of dock remained, and this in very poor condition. At a meeting of stakeholders, including the Port of Newport, local business owners, Hatfield Marine Science Center, and Oregon Sea Grant, it was agreed that the docks should be replaced, but the Port explained that it had no resources to apply to the project. A non-profit corporation, the Newport Sea Lion Docks Foundation, was formed in order to fund the replacement of the docks. IRS 501.c.3 status was achieved and the Foundation started collecting public donations and applying to funding sources for the money. In October 2012, the final section of the dock disintegrated. The Foundation has bought an 80-foot length of used dock from the Port but this is unlikely to last much more than a year, and a long-term replacement is needed if this tourist attraction is to continue. The project has widespread support in the community. More details of the project, the Foundation, and several letters of support can be viewed at www.newportsealionsdocks.com, which also promotes Newport as a tourist destination.

The Port of Newport supports the Newport Sea Lion Dock Foundation's application to the City of Newport Tourism Facilities Grant Program for funding. The Port will continue to work with the Foundation towards the mutual goal of maintaining a working dock for our fishing industry at Port Dock One and providing a safe platform for visitors and local residents to view the sea lions and our working waterfront.

It will be incumbent on the Sea Lion Dock Foundation to provide the Port of Newport with a complete package of design and engineering plans prior to proceeding with their project. We look forward to a positive project conclusion.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Mann". The signature is written in a cursive, flowing style.

Don Mann
General Manager

C: Port of Newport Board of Commissioners
Newport Sea Lion Docks Foundation

Port of Newport

January 3, 2014

Mayor Sandra Roumagoux
Newport City Council
169 SW Coast Highway
Newport, OR 97365

Dear Mayor Roumagoux and City Council Members:

This letter is to provide an update and hopefully resolve any questions on the Port Dock One Sea Lion Float Project.

The Port of Newport and the Sea Lion Dock Foundation continue to work together to achieve safe access and opportunities to allow the public to view the sea lions in this area.

The Port of Newport appreciates the collaboration and funding opportunity allotted for the Foundation to move forward with this project.

As a result of the funding opportunity granted from the City of Newport, the Port would like to assure the Mayor and City Council that the City will not be expected to assume any maintenance or repair responsibilities for this project. All future maintenance and repair for the proposed improvements are the responsibility of the Sea Lion Dock Foundation in collaboration with the Port of Newport.

Thank you again for your support of this community project.

Sincerely,



Don Mann
General Manager

C: Port of Newport Board of Commissioners
Bob Ward, Sea Lion Dock Foundation
Stan Pickens, Sea Lion Dock Foundation



Agenda Item # IX.B.
Meeting Date January 6, 2014

CITY OF NEWPORT AGENDA ITEM SUMMARY
City Of Newport, Oregon

Issue/Agenda Title: Resolution regarding Tax-Exempt Bond Post-Issuance Compliance Policy
Prepared By: Gazewood Dept Head Approval: _____ City Mgr Approval: _____

Issue Before the Council: After issuance of Bonds, an issuer is required under Federal law to continually monitor the actual investment and expenditure of the proceeds of the Bonds and the use of the facilities financed with such proceeds. The monitoring process and collection of information must be maintained as long as tax-exempt bonds, including refunding bonds, are outstanding plus three (3) years after the last bond is retired. Some of the ongoing monitoring requirements include:

- Retaining a nationally-recognized bond counsel law firm to assist in issuing Bonds and provide legal opinion on such Bonds.
- Adherence to tax requirements as set forth in the Tax Certificate executed in connection with the Bond issue.
- Monitor the use and timely expenditure of Bond proceeds.
- Ensure that the Project is owned and operated by the Issuer for the life of the Bond issue.
- Monitor and track investment earnings on Bond proceeds to comply with applicable yield restrictions and/or rebate requirements.
- Ensure that all relevant documents and records will be maintained by the issuer for the term of the Bond issue (including refunding Bonds) plus three (3) years. (Three (3) years after the final maturity or redemption date of any issue of Bonds).

Bond Counsel (Hawkins Delafield & Wood LLP) has suggested that the City adopt written procedures to assist in this monitoring process. While post-issuance compliance procedures are not mandated by the IRS, Bond Counsel has advised that the IRS has provided an incentive in the form of reduced penalties in the event that there is an inadvertent tax violation after issuance of Bonds if written procedures are in place.

The Tax-Exempt Bond Post-Issuance Compliance Policy presented to you as Exhibit A to the Resolution herewith requires the City Manager to assign to the Finance Director or identify the officer or other employee(s) of the City the responsibility of monitoring the post-issuance compliance procedures and taking the appropriate actions to ensure compliance. Such responsible employee(s) is designated as the "Bond Compliance Officer" pursuant to the Policy. This Policy provides for the required annual compliance reporting to the IRS on or before December 31st of each annual period.

Staff Recommendation: Staff recommends adoption of this resolution.

Proposed Motion: I move to adopt Resolution No. 3661, a resolution adopting a tax-exempt bond post-issuance compliance policy.

Other Alternatives Considered:

Continue the present practice of informal and unwritten

procedures.

Fiscal Notes: If written procedures are in place, and “if there is a change in use of a bond-financed facility in a way that causes tax issues, an issuer who discovered the problematic change in use pursuant to its post-issuance procedures is entitled to pay a reduced amount if the change is such that a monetary settlement to the IRS is required to resolve the tax issue.” The foregoing quote has been provided by Bond Counsel.

RESOLUTION NO. 3661
A RESOLUTION ADOPTING TAX-EXEMPT BOND
POST-ISSUANCE COMPLIANCE POLICY

WHEREAS, after issuance of Bonds, the City is required under Federal Law to continually monitor the actual investment and expenditure of the proceeds of the Bonds (including refunding Bonds) and the use of the facilities financed with such proceeds; and

WHEREAS, the City currently has an informal and unwritten monitoring process; and

WHEREAS, Bond Counsel has recommended that the City adopt a formal and written policy on monitoring the actual investment and expenditure of the proceeds of the Bonds (including refunding Bonds) and the use of the facilities financed with such proceeds; and

WHEREAS, Bond Counsel has advised that the IRS has provided an incentive in the form of reduced penalties in the event that there is an inadvertent tax violation after issuance of Bonds if written procedures are in place.

THE CITY OF NEWPORT RESOLVES AS FOLLOWS: The attached Tax-Exempt Bond Post-Issuance Compliance Policy (Exhibit A) is hereby adopted.

This resolution will become effective immediately upon passage.

Adopted by the Newport City Council on _____, 2014.

Sandra N. Roumagoux, Mayor

ATTEST:

Margaret M. Hawker, City Recorder

CITY OF NEWPORT, OREGON

TAX-EXEMPT BOND POST-ISSUANCE COMPLIANCE POLICY

ADOPTED JANUARY 6, 2014

I.

PURPOSE.

The purpose of this Policy is to ensure that the City of Newport (the “Issuer”) complies with applicable requirements of federal tax law necessary to preserve the tax status of interest on tax-exempt obligations issued by the Issuer. This Policy is designed to set forth compliance procedures so that the Issuer utilizes the proceeds of all issues of bonds, certificates of participation, bond anticipation notes, and tax and revenue anticipation notes (collectively referred to as “Bonds”) in accordance with applicable federal tax requirements, and complies with all other applicable federal requirements with respect to outstanding Bonds.

To comply with applicable federal tax requirements, the Issuer must confirm that the requirements are met at the time each Bond issue is issued and throughout the term of the Bonds (until maturity or redemption). Generally, compliance should include retention of records relating to the expenditure of the proceeds of each Bond issue, the investment of the proceeds of each Bond issue, and any allocations made with respect to the use of the proceeds of each Bond issue, sufficient to establish compliance with applicable federal tax requirements, including records related to periods before the Bonds are issued (*e.g.*, in the case of reimbursement of prior expenditures) until three (3) years after the final maturity or redemption date of any issue of Bonds.

II.

PROCEDURES.

A. Responsible Official. The *City Manager* of the Issuer will assign to the *Finance Director* or identify the officer or other employee(s) of the Issuer (the “Bond Compliance Officer”) who will be responsible for each of the procedures listed below, notify the current holder of that office of the responsibilities, and provide that person a copy of these procedures. Upon employee transitions, the *City Manager* of the Issuer will advise any newly-designated Bond Compliance Officer of his/her responsibilities under these procedures and will ensure the Bond Compliance Officer understands the

importance of these procedures. If employee positions are restructured or eliminated, the *City Manager* of the Issuer will reassign responsibilities as necessary.

B. Issuance of Bonds.

Bond Counsel. The Issuer will retain a nationally-recognized bond counsel law firm (“Bond Counsel”) to assist the Issuer in issuing Bonds. In connection with any tax-exempt Bond issue, Bond Counsel will deliver a legal opinion which will be based in part on covenants and representations set forth in the Issuer’s Tax Certificate (or other closing documents containing the tax representation) (the “Tax Certificate”) and other certificates relating to the Bonds, including covenants and representations concerning compliance with post-issuance federal tax law requirements that must be satisfied to preserve the tax-exempt status of tax-exempt Bonds. As described more fully below, the Issuer will also consult with Bond Counsel and other legal counsel and advisors, as needed, following issuance of each Bond issue to ensure that applicable post-issuance requirements in fact are met, so that tax-exempt status of interest will be maintained for federal income tax purposes so long as any Bonds remain outstanding.

The Bond Compliance Officer and/or other designated Issuer personnel will consult with Bond Counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that that tax-exempt status of interest will be maintained. Those requirements and procedures shall be documented in a Tax Certificate and other certificates and/or other documents finalized at or before issuance of the Bonds. If there is no document in the transcript titled “Tax Certificate,” the Bond Compliance Officer and/or other designated Issuer personnel will consult with Bond Counsel prior to the closing of the financing to understand which document(s) in the transcript contain the tax representations and covenants. The requirements and procedures in the Tax Certificate shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

Documentation of Tax Requirements. The federal tax requirements relating to each Bond issue will be set forth in the Tax Certificate executed in connection with the Bond issue, which will be included in the closing transcript. The certifications, representations, expectations, covenants and factual statements in the Tax Certificate relate primarily to the restriction on use of the Bond-financed facilities by persons or entities other than the Issuer, changes in use of assets financed or refinanced with Bond proceeds, restrictions applicable to the investment of Bond proceeds and other moneys relating to the Bonds, arbitrage rebate requirements, and economic life of the Bond-financed assets.

Information Reporting. The Bond Compliance Officer and/or other designated Issuer personnel will assure filing of information returns on IRS Form 8038-G no later than the 15th day of the second calendar month in the calendar quarter following the calendar quarter in which an issue of Bonds is issued. The Issuer will confirm that the IRS Form 8038-G is accurate and is filed in a timely manner with respect to all Bond issues, including any required schedules and attachments. The IRS Form 8038-G filed with the IRS, together with an acknowledgement copy (if available) or IRS Notice CP152, will be included as part of the closing transcript for each Bond issue, or kept in the records related to the appropriate issue of Bonds.

C. Application of Bond Proceeds.

Use of Bond Proceeds. The Bond Compliance Officer and/or other designated Issuer personnel shall:

- * monitor the use of Bond proceeds and the use of the Bond-financed assets (*e.g.*, facilities, furnishings or equipment) throughout the term of the Bonds (and in some cases beyond the term of the Bonds) to ensure compliance with covenants and restrictions set forth in the applicable Tax Certificate;
- * maintain records identifying the assets or portion of assets that were financed or refinanced with proceeds of each issue of Bonds;
- * consult with Bond Counsel and other legal counsel as needed in the review of any contracts or arrangements involving use of Bond-financed facilities to ensure compliance with all covenants and restrictions set forth in the applicable Tax Certificate;
- * maintain records for any contracts or arrangements involving the use of Bond-financed facilities as might be necessary or appropriate to document compliance with all covenants and restrictions set forth in the applicable Tax Certificate; and
- * communicate as necessary and appropriate with personnel responsible for the Bond-financed assets to identify and discuss any existing or planned use of the Bond-financed assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the applicable Tax Certificate.

Timely Expenditure of Bond Proceeds. At the time of issuance of any Bonds issued to fund original expenditures, the Issuer must reasonably expect to spend at least 85% of all proceeds expected to be used to finance such expenditures (which proceeds would exclude proceeds in a reasonably required reserve fund) within three (3) years after issuance of such Bonds.¹ In addition, for such Bonds, the Issuer must have incurred or expect to incur within six months after issuance original expenditures of not less than 5% of such amount of proceeds, and must expect to complete the Bond-financed project (the “Project”) and allocate Bond proceeds to costs with due diligence.² Satisfaction of these requirements allows Project-related Bond proceeds to be invested at an unrestricted yield for three (3) years.³ Bonds issued to refinance outstanding obligations are subject to separate expenditure requirements, which shall be outlined in the Tax Certificate relating to such Bonds. The Issuer’s finance staff will monitor the appropriate capital project accounts (and, to the extent applicable, working capital expenditures and/or refunding escrow accounts) and ensure that Bond proceeds are spent within the applicable time period(s) required under federal tax law.

Capital Expenditures. In general, proceeds (including earnings on original sale proceeds) of Bonds issued to fund original expenditures, other than proceeds deposited in a reasonably required reserve fund or used to pay costs of issuance, should be spent on capital expenditures.⁴ For this purpose, capital expenditures generally mean costs to acquire, construct, or improve property (land, buildings and equipment), or to adapt the property to a new or different use. The property financed or refinanced must have a useful life longer than one (1) year. Capital Expenditures include design and planning costs related to the Project, and include architectural, engineering, surveying, soil testing, environmental, and other similar costs incurred in the process of acquiring, constructing, improving or adapting the property. Capital Expenditures do not include operating expenses of the Project or incidental or routine repair or maintenance of the Project, even if the repair or maintenance will have a useful life longer than one (1) year.

¹ In the case of short-term working capital financings (*e.g.*, TRANs), the Issuer’s actual maximum cumulative cash flow deficit as of the close of the six-month period commencing on the issue date must be at least equal to 100% of the issue price of the notes (under the six-month rebate exception, excluding the reasonable working capital reserve) or 90% of the issue price of the notes (under the statutory safe harbor exception) in order for the notes to be exempt from the rebate requirements.

² These requirements do not apply to short-term working capital financings (*e.g.*, TRANs).

³ Proceeds of working capital financings (*e.g.*, TRANs) may be invested at an unrestricted yield for thirteen (13) months.

⁴ Proceeds of working capital financings (*e.g.*, TRANs) need not be spent for capital expenditures.

D. Use of Bond-Financed Assets.

Ownership and Use of Project. For the life of a Bond issue, the Project must be owned and operated by the Issuer (or another state or local governmental entity). At all times while the Bond issue is outstanding, no more than 10% (or \$15,000,000, if less) of the Bond proceeds or the Project may used, directly or indirectly, in a trade or business carried on by a person other than a state or local governmental unit (“Private Use”).⁵ In addition, not more than 5% (or \$5 million, if less) of the proceeds of any Bond issue may be used, directly or indirectly, to make a loan to any person other than governmental persons. Generally, Private Use consists of any contract or other arrangement, including leases, management contracts, operating agreements, guarantee contracts, take or pay contracts, output contracts or research contracts, which provides for use by a person who is not a state or local government on a basis different than the general public. The Project may be used by any person or entity, including any person or entity carrying on any trade or business, if such use constitutes “General Public Use”. General Public Use is any arrangement providing for use that is available to the general public at either no charge or on the basis of rates that are generally applicable and uniformly applied.

Management or Operating Agreements. Any management, operating or service contracts whereby a non-exempt entity is using assets financed or refinanced with Bond proceeds (such as bookstore, cafeteria or dining facility, externally-managed parking facilities, gift shops, etc.) must relate to portions of the Project that fit within the allowable private use limitations or the contracts must meet the IRS safe harbor for management contracts. Any replacements of or changes to such contracts relating to Bond-financed assets or facilities, or leases of such assets or facilities, should be reviewed by Bond Counsel. The Bond Compliance Officer shall contact Bond Counsel if there may be a lease, sale, disposition or other change in use of assets financed or refinanced with Bond proceeds.

Useful Life Limitation. The weighted average maturity of the Bond issue cannot exceed 120% of the weighted average economic life of the Bond-financed assets. In other words, the weighted average economic life of the Project must be at least 80% of the weighted average maturity of the Bond issue. Additional state law limitations may apply as well.

⁵ This 10% limitation is limited to 5% in cases in which the Private Use is either unrelated or disproportionate to the governmental use of the financed facility.

G. Investment Restrictions; Arbitrage Yield Calculations; Rebate.

Investment Restrictions. Investment restrictions relating to Bond proceeds and other moneys relating to the Bonds are set forth in the Tax Certificate. The Issuer's finance staff will monitor the investment of Bond proceeds to ensure compliance with applicable yield restriction rules.

Use and Control of Bond Proceeds. Unexpended Bond proceeds (including reserves) may be held directly by the Issuer or by the trustee for the Bond issue under an indenture or trust agreement. The investment of Bond proceeds shall be managed by the Issuer. The Issuer shall maintain appropriate records regarding investments and transactions involving Bond proceeds. The trustee, if appropriate, shall provide regular statements to the Issuer regarding investments and transactions involving Bond proceeds.

Arbitrage Yield Calculations. Investment earnings on Bond proceeds should be tracked and monitored to comply with applicable yield restrictions and/or rebate requirements. Any funds of the Issuer set aside or otherwise pledged or earmarked to pay debt service on Bonds should be analyzed to assure compliance with the tax law rules on arbitrage, invested sinking funds, and pledged funds (including gifts or donations linked or earmarked to the Bond-financed assets).

Rebate. The Issuer is responsible for calculating (or causing the calculation of) rebate liability for each Bond issue, and for making any required rebate payments. Unless Bond Counsel has advised the Issuer that the Bonds are exempt from the rebate requirements described in this section, the Issuer will retain an arbitrage rebate consultant to perform rebate calculations that may be required to be made from time to time with respect to any Bond issue. The Issuer is responsible for providing the arbitrage rebate consultant with requested documents and information on a prompt basis, reviewing applicable rebate reports and other calculations and generally interacting with the arbitrage rebate consultant to ensure the timely preparation of rebate reports and payment of any rebate.

The reports and calculations provided by the arbitrage rebate consultant are intended to assure compliance with rebate requirements, which require the Issuer to make rebate payments, if any, no later than the fifth (5th) anniversary date and each fifth (5th) anniversary date thereafter through the final maturity or redemption date of a Bond issue. A final rebate payment must be made within sixty (60) days of the final maturity or redemption date of a Bond issue.

The Issuer will confer and consult with the arbitrage rebate consultant to determine whether any rebate spending exceptions may be met. Rebate spending exceptions are available for periods of 6 months, 18 months and 2 years. The Issuer will review the Tax Certificate and/or consult with the arbitrage rebate consultant or Bond Counsel for more details regarding the rebate spending exceptions.

In the case of short-term working capital financings, such as tax and revenue anticipation notes, if there is concern as to whether or not the Issuer has met its requisite maximum cumulative cash flow deficit with respect to its short-term working capital notes, the services of a rebate analyst should be engaged to determine whether either the six-month spending exception or the statutory safe harbor exception to the rebate rules is met (in which case no rebate would be owed) or whether the proceeds of the notes are subject, in whole or in part, to rebate.

Copies of all arbitrage rebate reports, related return filings with the IRS (*i.e.*, IRS Form 8038-T), copies of cancelled checks with respect to any rebate payments, and information statements must be retained as described below. The responsible official of the Issuer described in Subsection A of this Part II will follow the procedures set forth in the Tax Certificate entered into with respect to any Bond issue that relate to compliance with the rebate requirements.

F. Record Retention.

Allocation of Bond Proceeds to Expenditures. The Issuer shall allocate Bond proceeds to expenditures for assets, and shall trace and keep track of the use of Bond proceeds and property financed or refinanced therewith.

Record Keeping Requirements. Copies of all relevant documents and records sufficient to support an assertion that the tax requirements relating to a Bond issue have been satisfied will be maintained by the Issuer for the term of a Bond issue (including refunding Bonds, if any) plus three (3) years, including the following documents and records:

- Bond closing transcripts;
- Copies of records of investments, investment agreements, credit enhancement transactions, financial derivatives (*e.g.*, an interest rate swap), arbitrage reports and underlying documents, including trustee statements;
- Copies of material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) purchase orders, invoices, trustee

requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds;

- All contracts and arrangements involving private use, or changes in use, of the Bond-financed property;
- All reports and documents relating to the allocation of Bond proceeds and private use of Bond-financed property; and
- Itemization of property financed with Bond proceeds, including placed in service dates.
- In the case of short-term working capital financings, such as tax and revenue anticipation notes, information regarding the Issuer's revenue, expenditures and available balances sufficient to support the Issuer's maximum cumulative cash flow deficit.

III.

POST-ISSUANCE COMPLIANCE.

A. In General. The Issuer will conduct periodic reviews of compliance with these procedures to determine whether any violations have occurred so that such violations can be remedied through the "remedial action" regulations (Treas. Reg. Section 1.141-12) or the Voluntary Closing Agreement Program (VCAP) described in IRS Notice 2008-31 (or successor guidance). If any changes or modifications to the terms or provisions of a Bond issue are contemplated, the Issuer will consult Bond Counsel. The Issuer recognizes and acknowledges that such modifications could result in a "reissuance" of the Bonds for federal tax purposes (*i.e.*, a deemed refunding) and thereby jeopardize the tax-exempt status of the Bonds after the modifications.

The Bond Compliance Officer and/or other designated Issuer personnel will consult with Bond Counsel and other legal counsel and advisors, as needed, following issuance of each issue of the Bonds to ensure that all applicable post-issuance requirements in fact are met, so that interest on the Bonds will be excluded from gross income for federal income tax purposes so long as any Bonds remain outstanding. This will include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed assets and future contracts with respect to the use of output or throughput of Bond-financed assets.

Whenever necessary or appropriate, the Issuer will engage an expert advisor as arbitrage rebate consultant to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds.

B. Monitoring Private or Other Use of Financed Assets. The Issuer will maintain records identifying the assets or portion of assets that are financed or refinanced with proceeds of a Bond issue, including the uses and the users thereof (including terms of use and type of use). Such records may be kept in any combination of paper or electronic form. In the event the use of Bond proceeds or the assets financed or refinanced with Bond proceeds is different from the covenants, representations or factual statements in the Tax Certificate, the Issuer will promptly contact and consult with Bond Counsel to ensure that there is no adverse effect on the tax-exempt status of the Bond issue and, where appropriate, will remedy any violations through the “remedial action” regulations (Treas. Reg. Section 1.141-12), the Voluntary Closing Agreement Program (VCAP) described in IRS Notice 2008-31 (or successor guidance), or as otherwise prescribed by Bond Counsel.

C. Ongoing Training

Training shall be made available to the Compliance Officer to support the Compliance Officer’s understanding of the tax requirements applicable to the Bonds. Such training may include, but would not be limited to, attending training sessions at local conferences such as OMFOA and/or OASBO, participation in IRS teleconferences, reading technical guidance materials provided by educational organizations, the IRS, and/or Bond Counsel, and discussing questions and issues with the Issuer’s Bond Counsel and/or arbitrage rebate consultant.

D. Annual Checklist of Tax-Exempt Bond Compliance Checklist. The Bond Compliance Officer will complete the attached “Annual Tax-Exempt Bond Compliance Checklist” with respect to all outstanding Bonds on or before *December 31st* of each annual period. The Bond Compliance Officer will retain a copy of each completed and signed checklist in a file that is retained in accordance with the document retention requirements described in Section II.F., above.

Form of Annual Tax-Exempt Bond Compliance Checklist

(to be completed by the “Bond Compliance Officer” as described in the Tax-Exempt Bond Post-Issuance Compliance Policy)

Date Completed: _____

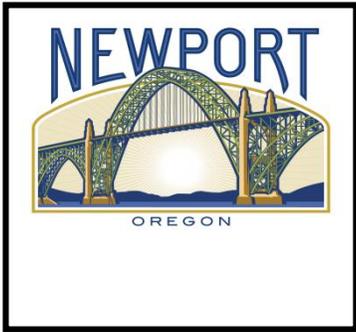
	Yes	No
Has there been a sale of all or any portion of a facility financed with tax-exempt bonds (a “Project”)?		
Has there been a lease of all or any portion of a Project to any party other than a state or local government?		
Has the Issuer entered into a new, or amended an already existing, management or service contract related to a Project?		
Has the Issuer entered into a naming rights agreement relating to all or any portion of a Project?		
Has the Issuer entered into any other arrangement with an entity, other than a state or local government, that provided legal rights to that entity with respect to a Project?		
Will there be a rebate/yield restriction arbitrage computation date during the upcoming annual period?		
Is the Issuer out of compliance with the record retention requirements as described in Section IV of the Tax-Exempt Bond Compliance Procedures?		

If an answer to any question above is “Yes”, or the answer is unclear, the Bond Compliance Officer shall consult with the Issuer’s bond counsel to determine (i) if the event could adversely impact the tax-exemption of the Issuer’s outstanding tax-exempt bonds and/or (ii) whether any action needs to be taken during the upcoming annual period to ensure compliance with the tax-exempt bond restrictions.

The undersigned is the “Bond Compliance Officer” as described in the Tax-Exempt Bond Compliance Procedures and has completed the above checklist to the best of the knowledge of the undersigned.

Signature of _____

Print Name of _____ - Bond Compliance Officer



Agenda Item IX.C.
Meeting Date January 6, 2014

CITY COUNCIL AGENDA ITEM SUMMARY
City of Newport, Oregon

Issue/Agenda Title Annual adjustment to City of Newport Fees for the Review of Land Use Actions

Prepared By: Derrick Tokos Dept Head Approval: DT City Mgr Approval: _____

ISSUE BEFORE THE COUNCIL: A resolution adjusting fees for land use actions to account for annual inflation using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U). If adopted, the changes will become effective immediately upon passage.

STAFF RECOMMENDATION: Staff recommends the Council adopt the resolution.

PROPOSED MOTION: I move to adopt Resolution No. 3662, a resolution that makes annual inflationary adjustments to fees the City of Newport charges applicants for the review of land use actions.

KEY FACTS AND INFORMATION SUMMARY: The City of Newport has established fees for land use actions to cover expenses incidental to the cost of reviewing such requests, including costs related to publishing notices for hearings, mailing notices to affected property owners/agencies, preparing and copying staff reports, and other responsibilities as required by state law and city ordinances.

In 2009, the City hired the consulting firm FCS Group to conduct a Comprehensive Use Fee Study. The study, released in September of 2009, considered the direct and indirect costs the city incurs in reviewing land use requests and found that the city was recovering about 15% of its direct costs through land use fees. The study further provided guidance for establishing a cost recovery policy, including weighing the public benefit versus private benefit when determining the level of full cost of services that should be recovered through fees. Considering this guidance, and the direct and indirect costs detailed in the FCS Study, the City Council determined that it is appropriate to set a target of collecting 50% of the direct cost of administering land use actions through fees.

Given the length of time since the city had last amended its fees, and the amount of increase needed to achieve 50% recovery of direct costs, the Council elected to phase in fee adjustments over a four (4) year period beginning in January 2010 (Resolution No. 3486). Direct costs were adjusted for inflation during the phase in period using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U). Now that the four (4) year phase in period is complete, it is necessary to annually adjust the fees to account for changes in the CPI-U. This ensures that the city will continue to meet its objective of 50% recovery of direct costs.

The CPI-U in effect in November of 2012 is the “base case” or denominator used in calculating fee adjustments. The numerator is the CPI-U available on November of 2013, and the result from the calculation is a multiplier that can be applied against the existing fees to tabulate the new rates. The multiplier was derived as follows:

$$233.069 \div 230.221 = 1.012$$

Proposed fees for 2014 are listed in the fee schedule attached as Exhibit A to the draft resolution. Fees for 2010 through 2013 are included with Resolution No. 3486. In 2012, the city adopted fees for the review of Vacation Rental and Bed & Breakfast Endorsements (Resolution No. 3585) and Traffic Impact Analysis Reports (Resolution No. 3616). For ease of administration, those fees have been incorporated into the proposed fee schedule.

Fees for temporary signs and uses have not been adjusted to achieve 50% recovery of direct costs because doing so may be overly burdensome given the modest investment typically associated with these activities. New fees are included in the resolution for the demolition of signs and for mural signs with dimensions that exceed the area allowed for wall signs. In both cases, the fees are required by ordinance but have never been established by the city. The amounts listed for the two fees reflect the anticipated level of review considering the city’s cost recovery objectives.

OTHER ALTERNATIVES CONSIDERED: None. Resolution No. 3486 sets out that annual adjustments are to be made to land use fees to account for inflationary impacts.

CITY COUNCIL GOALS: Adjusting land use fees in this manner is consistent with the city's objective of maintaining fiscal responsibility and encouraging sustainable development.

ATTACHMENT LIST:

- Proposed Resolution
- Resolution No. 3486
- Resolution No. 3585
- Resolution No. 3616
- Bureau of Labor Statistics CPI-U Table (relevant figures highlighted)

FISCAL NOTES: The city typically collects somewhere between \$15,000 and \$25,000 a year in land use fees, which is a very modest impact on the overall General Fund.

**CITY OF NEWPORT
RESOLUTION 3662**

**RESOLUTION AMENDING CITY OF NEWPORT
FEES FOR REVIEW OF LAND USE ACTIONS**

Findings:

1. The City of Newport has established fees for land use actions to cover expenses incidental to the cost of reviewing such requests, including costs related to publishing notices for hearings, mailing notices to affected property owners/agencies, preparing and copying staff reports, and other responsibilities as required by state law and city ordinances.
2. A Comprehensive Use Fee Study for the City of Newport, by FCS Group, dated September of 2009, considered the direct and indirect costs the city incurs in reviewing land use requests and found that the city was recovering about 15% of its direct costs through land use fees.
4. The FCS Study provides guidance for establishing a cost recovery policy, including weighing the public benefit versus private benefit when determining the level of full cost of services that should be recovered through fees. Considering this guidance, and the direct and indirect costs detailed in the FCS Study, the City Council determined that it is appropriate to set a target of collecting 50% of the direct cost of administering land use actions through fees.
5. Given the length of time since the city had last amended its fees, and the amount of increase needed to achieve 50% recovery of direct costs, the Council elected to phase in fee adjustments over a four (4) year period beginning in January 2010 (Resolution No. 3486). Direct costs were adjusted for inflation during the phase in period using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U).
6. As called for in Resolution No. 3486, and consistent with Chapter 14.60 of the Newport Municipal Code (NMC), it is necessary to annually adjust fees once the phase in period is complete to account for changes in the CPI-U, with calendar year 2014 being the first year that such annual adjustments will take place. This ensures that the city will continue to meet its objective of 50% recovery of direct costs.
7. For ease of administration, fees for the review of Vacation Rental and Bed & Breakfast Endorsements created with Resolution No. 3585, effective July 1, 2012, and fees related to the review of Traffic Impact Analysis Reports created with Resolution No. 3616, effective December 5, 2012 are incorporated into this resolution and fee schedule.
8. Fees for temporary signs and uses have not been adjusted to achieve 50% recovery of direct costs because doing so may be overly burdensome given the modest investment typically associated with these activities. New fees are included in the resolution for the demolition of signs and for

mural signs with dimensions that exceed the area allowed for wall signs. In both cases, the fees are required by ordinance but have never been established by the city. The amounts listed for the two fees reflect the anticipated level of review considering the cost recovery objectives discussed herein.

9. Sections from prior land use fee resolutions addressing charges that are subject to alternative methods of being calculated, either by law or because of the unique nature of the fee, have been incorporated into this resolution.

Based on these findings,

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Land Use Fees. Fees for land use actions shall be as reflected in Exhibit A to this resolution.

Section 2. Annual Fee Adjustments. Consistent with NMC Chapter 14.60, the fees established herein shall be reviewed annually and adjusted as needed effective January of each year to account for inflation using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U).

Section 3. Fees Relating to ORS 227.186 Notifications. The applicant for a land use application requiring notification under ORS 227.186 (Measure 56 notification) shall pay, in addition to the land use application fee, the cost of preparing and mailing the notification. The city shall prepare an estimate of the cost and shall notify the applicant of the estimated cost. The estimated cost shall be paid within five (5) business days after notification of such determination or the application shall be subject to dismissal. In the event that actual costs exceed estimated costs, the applicant shall be billed the difference and payment of the difference is due within 30 days after notice is provided to the applicant. In the event that the amount of such estimated payment exceeds the actual cost of notification, the difference shall be refunded to the applicant.

Section 4. Fees Relating to Appeal Transcripts. For appeals of land use actions, the appellant shall pay the actual cost of preparing a verbatim written transcript up to \$500. If there is more than one appellant, each such appellant shall pay an appeal fee and the cost of preparing a written transcript. All of the appellants shall be jointly and severally liable for the cost and charges of such transcripts, and any or all appeals pending in any matters may be dismissed by the Newport City Council in the event of failure to make payment of the transcript fees. Upon filing an appeal, the city shall determine the estimated cost of such transcript, and the amount of such estimated cost shall be paid to the city within five (5) business days after notification of such determination, or the appeal shall be subject to dismissal. In the event that actual costs of preparing the transcript exceed the amount of the estimate, the appellant(s) shall be billed the difference and payment of the difference is due within 30 days after notice is provided. Failure of appellant(s) to make payment within 30 days will subject the appeal to dismissal. In the event that the amount of such estimated payment exceeds the actual cost of the transcript, the amount so paid shall be refunded, prorated, to those parties actually having paid

them. As provided by ORS 227.180, in lieu of a transcript prepared by the city and the fee thereof, parties to an appeal held on the record may prepare a transcript of relevant portions of the proceedings conducted at a lower level at the party's own expense. If an appellant prevails at a hearing or on appeal, the transcript fee shall be refunded.

Section 5. Fees Relating to Withdrawal of Annexations. Withdrawals are administered as annexations. In addition to the filing fee, the owner of each parcel of property to be so withdrawn shall, as a condition of such withdrawal action, and prior thereto, pay or make arrangements satisfactory to the city for the payment of any bonded indebtedness or any other charges attributable to such property which may become a debt, obligation, or liability of the City of Newport by reason of such withdrawal. Nothing herein contained shall be construed to prevent the Newport City Council from initiating and carrying out the withdrawal proceedings on its own motion and the assumption of such obligations pursuant to the applicable state law if the City Council determines that to do so is in the best interest of the city.

Section 6. Inspection Fees for Vacation Rental and Bed & Breakfast Facilities. The application fee for Vacation Rental and Bed & Breakfast Facilities contained in Exhibit A includes an initial inspection of the dwelling unit by the Building Official. The fee for each subsequent Building Official inspection shall be \$75.

Section 7. Repeal of Prior Fees. All previously adopted resolutions or enactments establishing fees for land use actions, including Resolution No. 3486, Resolution No. 3585, and Resolution No. 3616, are hereby repealed to the extent that their provisions conflict with the fees set by this resolution.

Section 8: Effective Date. This resolution shall be effective upon passage.

Adopted by a _____ vote of the Newport City Council on _____, 2014.

Approved by the Mayor on _____, 2014.

Sandra Roumagoux
Mayor

ATTEST:

Margaret M. Hawker
City Recorder

CITY OF NEWPORT
LAND USE FEES

Permit Type	Fee Amount
Annexation	\$708
Each additional parcel in separate ownership	\$44
Appeal (First Hearing)	\$250
Appeal (Second Hearing)*	\$295
Comprehensive Plan Amendment:	
Text	\$1,192
Map	\$1,192
Conditional Use Permit:	
Planning Commission	\$758
Staff	\$607
Estuarine Use Permit	\$584
Design Review - Nye Beach	\$610
Encroachment - right-of-way	\$471
Exception to Statewide Goal	\$373
Geologic Permit	\$204
Interpretation	\$419
Land Use Compatibility Signoff	\$54
Minor Replat	\$315
Nonconforming Use Permit	\$758
Partition	\$315
Planned Destination Resort:	
Conceptual Master Plan	\$1,322
per acre charge	\$48
Preliminary Development Plan	\$1,147
charge per each lot	\$48
Final Development Plan	\$1,043
Planned Unit Development:	
Tentative Plan	\$1,147
charge per each unit	\$48
Final Plan	\$1,043
charge per each unit	\$48
Property Line Adjustment	\$303
Shoreland Impact Permit	\$503
Signs:	
one temporary/portable sign**	\$30
each additional portable sign	\$10
other signs (new, replacement, or reconstruction)	\$120
sign demolition	\$10
surcharge for mural sign in excess of wall sign limits***	\$100
Subdivisions:	
Tentative Plan	\$958
charge per each unit	\$48
Final Plat	\$418

**CITY OF NEWPORT
LAND USE FEES**

Permit Type	Fee Amount
charge per each unit	\$48
Temporary Structures Permit	\$40
Traffic Impact Analysis (w/no other land use)	\$607
Trip Assessment or Vesting Letter	\$54
Trip Reserve Fund	\$758
Urban Growth Boundary Amendment	\$1,432
Vacations (streets and plats)****	\$766
Vacation Rentals & B&B Endorsements (includes initial inspection)	\$127
follow-up inspection fee	\$75
Variances/Adjustments:	
Planning Commission	\$584
Staff	\$503
Zoning Ordinance Amendments:	
Text	\$1,192
Map	\$1,192
Other staff level permits requiring public notice	\$477

*Plus cost of producing a verbatim transcript of the initial evidentiary hearing (\$500 cap).

**Plus \$25 per month that the temporary signs remain within the right-of-way, not to exceed \$100 per calendar year. Nonprofit organizations are exempt from fees for temporary signs.

***Nonprofit organizations are exempt from this surcharge fee.

****Plus appraisal cost and damages.

**CITY OF NEWPORT
RESOLUTION 3486**

**RESOLUTION SETTING FEES FOR LAND USE ACTIONS
AND REPEAL THE PREVIOUS LAND USE FEE RESOLUTION**

Findings:

1. The City of Newport has established fees for land use actions to cover expenses incidental to the cost of reviewing such requests, including costs related to publishing notices for hearings, mailing notices to affected property owners/agencies, preparing and copying staff reports, and other responsibilities as required by state law and city ordinances.
2. Fees for land use actions were last updated in August of 2003 (Resolution No. 3319) and were not established for the purpose of recovering a specific percentage of the costs incurred by the city.
3. A Comprehensive Use Fee Study for the City of Newport, by FCS Group, dated September of 2009, considered the direct and indirect costs the City incurs in reviewing land use requests, including estimates for each permit type in today's dollars. The FCS Study found that the city is currently recovering about 15% of its direct costs through land use fees.
4. The FCS Study provides guidance for establishing a cost recovery policy, including weighing the public benefit versus private benefit when determining the level of full cost of services that should be recovered through fees. Considering this guidance, and the direct and indirect costs detailed in the FCS Study, it is appropriate to set a target of collecting 50% of the direct cost of administering land use actions through fees.
5. Given the length of time since the city last amended its fees, and the amount of increase needed to achieve 50% recovery of direct costs, it is appropriate to phase in fee adjustments over a four (4) year period, adjusted for inflation using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U).
6. Once the fees increases are phased in, land use fees shall be adjusted annually effective January 1st of each year to account for changes in the CPI-U, and such adjustments are to be placed in a resolution on the consent calendar of the Newport City Council at a December meeting to allow for public awareness of the fee changes.
7. A cost recovery policy for land use fees was considered by the City of Newport Planning Commission at an October 12, 2009 public meeting, and the approach outlined herein is consistent with their recommendation. The Newport City Council considered the Commission's recommendation on December 7, 2009. Appropriate public notification was provided for both the Planning Commission and City Council meetings.

8. The prior land use fee ordinance (Resolution No. 3319), being no longer current, should be repealed. Those sections of Resolution No. 3319, which are still applicable, have been incorporated into this ordinance.

Based on these findings,

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Land Use Fees. Fees for land use actions shall be increased over a four (4) year period as reflected in Exhibit A, beginning on January 1, 2010.

Section 2. Annual Fee Adjustments. Once the fee increases in Exhibit A have been implemented, land use fees shall be adjusted annually on January 1st of each year. Fee adjustments are to be calculated by multiplying the fee as of November 2013 by a fraction, the numerator of which is the CPI Index Figure for the month of November proceeding the January in which the fee is to be adjusted and the denominator of which is to be the "Base CPI Index Figure." As used in this section, "Index" refers to the All Urban Consumers (CPI-U), U.S. City Average, CPI Index published by the Bureau of Labor Statistics of the United States Department of Labor. The Base CPI Figure will be the index figure for the month of November 2012.

Section 3. Fees Relating to ORS 227.186 Notifications. The applicant for a land use application requiring notification under ORS 227.186 (Measure 56 notification) shall pay, in addition to the land use application fee, the cost of preparing and mailing the notification. The city shall prepare an estimate of the cost and shall notify the applicant of the estimated cost. The estimated cost shall be paid within five (5) business days after notification of such determination or the application shall be subject to dismissal. In the event that actual costs exceed estimated costs, the applicant shall be billed the difference and payment of the difference is due within 30 days after notice is provided to the applicant. In the event that the amount of such estimated payment exceeds the actual cost of notification, the difference shall be refunded to the applicant.

Section 4. Fees Relating to Appeal Transcripts. For appeals of land use actions, the appellant shall pay the actual cost of preparing a verbatim written transcript up to \$500. If there is more than one appellant, each such appellant shall pay an appeal fee and the cost of preparing a written transcript. All of the appellants shall be jointly and severally liable for the cost and charges of such transcripts, and any or all appeals pending in any matters may be dismissed by the Newport City Council in the event of failure to make payment of the transcript fees. Upon filing an appeal, the city shall determine the estimated cost of such transcript, and the amount of such estimated cost shall be paid to the city within five (5) business days after notification of such determination, or the appeal shall be subject to dismissal. In the event that actual costs of preparing the transcript exceed the amount of the estimate, the appellant(s) shall be billed the difference and payment of the difference is due within 30 days after notice is provided. Failure of appellant(s) to make payment within 30 days will subject the appeal to dismissal. In the event that the amount of such estimated payment exceeds the actual cost of the transcript, the amount so paid shall be refunded, prorated, to those parties actually having paid

them. As provided by ORS 227.180, in lieu of a transcript prepared by the city and the fee thereof, parties to an appeal held on the record may prepare a transcript of relevant portions of the proceedings conducted at a lower level at the party's own expense. If an appellant prevails at a hearing or on appeal, the transcript fee shall be refunded.

Section 5. Fees Relating to Withdrawal of Annexations. Withdrawals are administered as annexations. In addition to the filing fee, the owner of each parcel of property to be so withdrawn shall, as a condition of such withdrawal action, and prior thereto, pay or make arrangements satisfactory to the city for the payment of any bonded indebtedness or any other charges attributable to such property which may become a debt, obligation, or liability of the City of Newport by reason of such withdrawal. Nothing herein contained shall be construed to prevent the Newport City Council from initiating and carrying out the withdrawal proceedings on its own motion and the assumption of such obligations pursuant to the applicable state law if the City Council determines that to do so is in the best interest of the city.

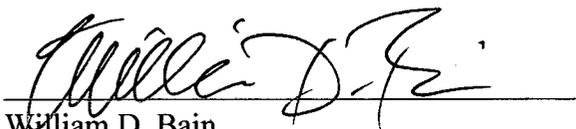
Section 6. Additions or Amendments to Land Use Fee Categories. In the event there is a need to make changes to the categories of fees charged for land use actions, the city may put such changes into effect by amending Exhibit A to this resolution. For new fees, the Base CPI Figure will be the index figure for the month of November proceeding the date the fee was adopted.

Section 7. Repeal of Prior Resolution. Resolution No. 3319 is repealed in its entirety.

Section 8: Effective Date. The effective date of this resolution is January 1, 2010.

Adopted by a 7 – 0 vote of the Newport City Council on , 2009.

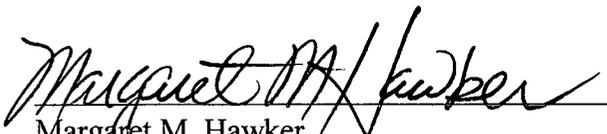
Approved by the Mayor on 12/22, 2009.



William D. Bain

Mayor

ATTEST:



Margaret M. Hawker

City Recorder

Permit Type	Current Fee	Direct Unit Cost	50% of Direct Cost	50% Cost Adjusted	Fees Effective:				
					1/1/10	1/1/11	1/1/12	1/1/13	
Annexation	\$700	\$1,126	\$563	\$638	\$700	\$700	\$700	\$700	
Each additional parcel in separate ownership	\$20	\$77	\$39	\$44	\$26	\$32	\$38	\$44	
Appeals*	\$150	\$515	\$258	\$292	\$185	\$221	\$256	\$292	
Comprehensive Plan Amendment:									
Text	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Map	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Conditional Use Permit:									
Planning Commission	\$195	\$1,322	\$661	\$749	\$334	\$472	\$611	\$749	
Staff	\$150	\$1,058	\$529	\$600	\$262	\$375	\$487	\$600	
Estuarine Use Permit	\$0	\$1,018	\$509	\$577	\$144	\$288	\$433	\$577	
Design Review - Nye Beach	\$0	\$1,064	\$532	\$603	\$151	\$301	\$452	\$603	
Encroachment - right-of-way	\$100	\$822	\$411	\$466	\$191	\$283	\$374	\$466	
Exception to Statewide Goal	\$325	\$0	\$325	\$368	\$336	\$347	\$358	\$368	
Geologic Permit	\$65	\$355	\$178	\$201	\$99	\$133	\$167	\$201	
Interpretation	\$150	\$730	\$365	\$414	\$216	\$282	\$348	\$414	
Land Use Compatibility Signoff	\$0	\$94	\$47	\$53	\$13	\$27	\$40	\$53	
Minor Partition	\$50	\$550	\$275	\$312	\$115	\$181	\$246	\$312	
Nonconforming Use Permit	\$195	\$1,322	\$661	\$749	\$334	\$472	\$611	\$749	
Partition	\$50	\$550	\$275	\$312	\$115	\$181	\$246	\$312	
Planned Destination Resort:									
Conceptual Master Plan	\$325	\$2,306	\$1,153	\$1,307	\$570	\$816	\$1,061	\$1,307	
per acre charge	\$2	\$83	\$42	\$47	\$13	\$25	\$36	\$47	
Preliminary Development Plan	\$130	\$2,000	\$1,000	\$1,133	\$381	\$632	\$883	\$1,133	
per charge per each lot	\$13	\$83	\$42	\$47	\$22	\$30	\$39	\$47	
Final Development Plan	\$130	\$1,818	\$909	\$1,030	\$355	\$580	\$805	\$1,030	
Planned Unit Development:									
Tentative Plan	\$260	\$2,000	\$1,000	\$1,133	\$478	\$697	\$915	\$1,133	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Final Plan	\$260	\$1,818	\$909	\$1,030	\$453	\$645	\$838	\$1,030	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Property Line Adjustment	\$50	\$528	\$264	\$299	\$112	\$175	\$237	\$299	
Shoreland Impact Permit	\$0	\$877	\$439	\$497	\$124	\$248	\$373	\$497	
Signs:									
One temporary/portable sign	\$25	\$119	\$60	\$67	\$36	\$46	\$57	\$67	
each additional	\$10	\$0	\$10	\$11	\$10	\$10	\$10	\$10	
Other signs	\$100	\$205	\$103	\$116	\$104	\$108	\$112	\$116	

Exhibit A to Resolution 3486

Permit Type	Current Fee	Direct Unit Cost	50% of Direct Cost	50% Cost Adjusted	Fees Effective:				
					1/1/10	1/1/11	1/1/12	1/1/13	
Subdivisions:									
Tentative Plan	\$230	\$1,670	\$835	\$946	\$409	\$588	\$767	\$946	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Final Plat	\$230	\$728	\$364	\$413	\$276	\$321	\$367	\$413	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Urban Growth Boundary Amendment	\$325	\$2,497	\$1,249	\$1,415	\$598	\$870	\$1,143	\$1,415	
Vacations**	\$500	\$1,335	\$668	\$757	\$564	\$628	\$692	\$757	
Variances/Adjustments:									
Planning Commission	\$195	\$1,018	\$509	\$577	\$290	\$386	\$481	\$577	
Staff	\$150	\$877	\$439	\$497	\$237	\$323	\$410	\$497	
Zoning Ordinance Amendments:									
Text	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Map	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Other staff level permits requiring public notice	\$50	\$831	\$416	\$471	\$155	\$260	\$366	\$471	

* plus cost of producing a verbatim transcript.

** plus appraisal cost and damages.