

April 20, 2015
6:00 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, Allen, Sawyer, Engler, Saelens, Busby, and Roumagoux were present. Swanson was excused.

Staff present was Acting City Manager (Library Director) Smith, City Recorder Hawker, Community Development Director Tokos, Public Works Director Gross, Fire Chief Murphy, Parks and Recreation Director Protiva, and Police Chief Miranda.

MOTION was made by Allen, seconded by Saelens, to excuse City Attorney Rich from this meeting. The motion carried unanimously in a voice vote.

PLEDGE OF ALLEGIANCE

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

PUBLIC COMMENT

Jenny Stokes addressed Council regarding the possibility of continued ocean monitoring of the Georgia-Pacific effluent.

PROCLAMATIONS, PRESENTATIONS, AND SPECIAL RECOGNITIONS

Oath of Office - Firefighter Jonathon Anderson. Hawker administered the oath of office to Firefighter Jonathon Anderson.

Lifesaving Medal Awarded to Police Department Members: Chief Mark Miranda, Officer Kraig Mitchell, and Officer Brad Purdom. Hawker introduced the agenda item. Lieutenant Malloy reviewed the efforts of Police Chief Mark Miranda, and Police Officers Mitchell and Purdom in saving a suicidal person on the bridge. Roumagoux presented the medals.

Proclamation Recognizing Police Officer Steve Kittson on his Retirement. Hawker introduced the agenda item. Roumagoux read a proclamation recognizing Police Officer Steve Kittson on his retirement.

Proclamation - National Library Week. Hawker introduced the agenda item. Roumagoux proclaimed the week of April 12 - 18, 2015 as National Library Week in the City of Newport. Former Library Director, Wyma Rogers, accepted the proclamation.

Recognition of Staff. Roumagoux recognized Library Director Smith for receiving the Oregon Library Association Library Director of the Year Award. Former Library Director, Wyma Rogers, addressed Council regarding the award.

CONSENT CALENDAR

The consent calendar consisted of the following:

- A. Approval of minutes from the work session and regular meeting of April 6, 2015;
- B. Acceptance of the resignation of Eldon Miller from the Senior Advisory Committee whose term expires December 31, 2015;
- C. Authorization for the administrative approval of OLCC license renewals.

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

PUBLIC HEARING

Public Hearing and Possible Adoption of Ordinance No. 2079 Annexing Property Owned by Newport Memory Care, LLC, and Withdrawing Said Property from the Newport Rural Fire Protection District and Lincoln County Library District. Hawker introduced the agenda item. Smith reported that on February 9, 2015, Newport Memory Care, LLC (John Pariani of Pariani Land Surveying, LLC, authorized agent) submitted an application to annex property into the city limits, withdraw property from several districts, and to amend the Newport Zoning Map to adopt a city zone designation for the annexed property of R-4/“High Density Multi-Family” zoning designation with an Iron Mountain Impact Area Zoning Overlay.

Smith reported that the applicant is pursuing the annexation so that they can construct a 48-bed, long-term memory care wing adjacent to the existing Oceanview Senior Living facility. He stated that the property is located at the northeast end of NE 71st Street, and a 50-foot strip of city-owned land along the south border of the property is included so that NE 71st Street can be extended in the future.

Smith reported that criteria for an annexation are listed in Newport Municipal Code Section 14.37.040, which provides that the owners must consent in writing to the annexation, that the affected territory be within the acknowledged urban growth boundary, and that the territory to be annexed is contiguous to the existing city limits. He stated that the criteria for a zoning map amendment are listed in the Newport Municipal Code Section 14.36.010. He added that they require findings that the proposed zoning is consistent with the Comprehensive Plan Map, furthers a public necessity, and promotes the general welfare.

Smith reported that the Planning Commission held a public hearing on the proposal on March 23, 2015 and voted unanimously to recommend approval. He stated that the required notice was provided to the Department of Land Conservation and Development on February 17, 2015. He added that for the Planning Commission public hearing, notification requirements included mailing notice to surrounding property owners, city departments, other public agencies and utilities, and other individuals on February 23, 2015. He noted that a corrected notice was mailed on March 4, 2015, and that the notice of public hearing in the Newport News-Times was published on March 13, 2015.

Smith reported that in accordance with Oregon Revised Statutes 222.120(3), notice of the April 20, 2015 City Council public hearing was published in the Newport News-Times

once each week for two successive weeks prior to the day of the hearing. He stated that notice of the hearing was also posted at the Newport City Hall, Lincoln County Courthouse, Newport Public Library, and Newport Recreation Center for this same period of time. He added that no comments have been received in response to this notice.

Roumagoux opened the public hearing at 6:34 P.M. She called for public comment. John Pariani appeared on behalf of Newport Memory Care. Roumagoux closed the public hearing at 6:36 P.M., for Council deliberation.

MOTION was made by Sawyer, seconded by Saelens, to read Ordinance No. 2079, an ordinance annexing territory to the City of Newport, withdrawing the annexed territory from the Newport Rural Fire Protection District and Lincoln County Library District, and establishing zoning for the annexed territory, by title only and place for final passage. Allen stated that this is an important service that he is glad to see in Newport. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2079. Voting aye on the adoption of Ordinance No. 2079 were Allen, Busby, Engler, Sawyer, Saelens, and Roumagoux.

COMMUNICATIONS

From Pacific Communities Health District on its Bond Issue. Hawker introduced the agenda item. Smith reported that representatives from the Pacific Communities Health District will attend the City Council meeting to discuss its bond issue that will be on the May 2015 ballot. He stated that the District is seeking voter approval to issue general obligation bonds not exceeding \$57,000,000 for new and updated hospital facilities.

Smith reported that the packet contains the following information was obtained from the Pacific Communities Health District website: "If the bond measure is approved, the District reports that the proceeds would finance capital costs, including: construct a modern hospital building to provide inpatient and outpatient services; construct modern offices to accommodate additional specialty and primary care physicians, more clinical services and additional imaging and treatment capabilities; remodel and update existing buildings to provide additional and improved clinical and support functions and to comply with ADA, seismic, and safety standards; make other site improvements, including demolition of older structures, and pay issuance costs."

Smith reported that the District expects the proposed projects to: provide space for increased services, modern medical technology, increased patient privacy through more private rooms, and improved safety; improve the efficiency of and access to services by co-locating inpatient, outpatient and physician offices in a single structure; and optimize building energy use, which will lower building operational costs.

Smith reported that the District estimates the tax impact to result in a tax of \$0.98 per \$1,000 of assessed value per year, or approximately \$147 per year on property assessed at \$150,000."

Smith reported that additional printed information, provided by the Pacific Communities Health District, and entitled, "Pacific Communities Health District General Obligation Bond Authorization for Hospital - Measure 21 - 163 - Frequently Asked Questions," is included in the packet.

Smith read Rich' memo regarding what Council and staff can do related to bond issues.

David Bigelow, CEO of Pacific Communities Hospital, Ralph Breitenstein, MD, Board Member, and Dr. Scott Grupas, Emergency Department Medical Director, were in attendance representing the Pacific Communities Health District Foundation. Bigelow made a PowerPoint presentation regarding the district's bond issue, and responded to Council questions.

Busby stated that he does not disagree with the need, but is concerned about the cost. He added that while there are no fiscal effects to city, there are fiscal effects to the people. He noted that people will be paying \$1.30 per thousand dollars of assessed property value. He stated that more than 90% of people in Oregon do not pay support for hospitals. He asked what financing alternatives were looked at related to this issue. Bigelow reported that his team had consulted a financial advisor about debt and concluded that debt financing would compete with dollars that could be used for providing services. Busby asked whether district residents receive a benefit, and Bigelow noted that the charge will be the same for every patient. He added that perhaps Samaritan could provide a break on the patient responsibility. Busby asked whether there are alternate plans if the measure fails, and Bigelow noted that if the measure fails, and the election is close, the plan is to bring the measure back in November.

Allen asked why the east county is not included in the district, and whether those communities might be included after the election if the measure passes. Allen asked how many users of the hospital are from outside the district, and Bigelow noted that users are fairly proportional to their place of residence. It was noted that some valley hospitals own buildings, and those in Lincoln City and Newport are district-owned hospitals affiliated with Samaritan. Allen reviewed the process that the city utilized in determining a mechanism to minimize utility rate increases. He noted that the city used revenue bonds and low interest loans.

Roumagoux noted that keeping the hospital in the district, with local control, is critical to maintaining a hospital long-term.

From the Greater Newport Chamber of Commerce - Annual Report to the City Council by Executive Director Lorna Davis. Hawker introduced the agenda item. Smith reported that Lorna Davis, Executive Director of the Greater Newport Chamber of Commerce, is in attendance and will present the Chamber's annual report on tourism promotion services.

Smith reported that the current agreement with the Chamber for tourism promotion services will expire on July 1, 2015. The agreement allows for two one-year extensions of the agreement by mutual agreement of the parties. He added that the Chamber is requesting an extension of the contract at the same level of funding, \$172,500, for the 2015/2016 fiscal year.

Davis distributed a handout entitled, "Newport - Travel Impacts, 1991 - 2013p." She made a PowerPoint presentation regarding statistics. She discussed future trends, overseas markets, conferences, beautification, and the bookings that are already coming for the solar eclipse on August 21, 2017.

From the Parks and Recreation Advisory Committee on the Proposed Bicycle Pump Track. Hawker introduced the agenda item. Smith reported that Protiva is in attendance to update Council on the efforts of the bicycling community to obtain a suitable piece of property for the installation of a bicycle pump track for public use.

Smith reported that many different locations have been explored with various levels of issues or concerns raised by neighbors. He stated that while there is still considerable interest in the Harney and 7th Streets parcel, it appears that the Public Works Department will be utilizing that area for some time.

Smith reported that the search for an accessible location has now focused on the Wilder subdivision. He stated that the principals of Wilder are very open to providing this opportunity under the same type of agreement as the disc golf course. He added that a preliminary location is being explored in the proximity of the dog park and disc golf course. He stated that the challenges have been that the site may cross PUD right-of-way and Lincoln County property. He noted that currently, all parties have been contacted and have agreed to the installation of a bicycle pump track at this location. He added that the Yaquina Wheels Bike Club is contacting the contractor constructing the new coffee shop to see if they can clear some brush and make sure the ground is level. He stated that the Yaquina Wheels Bike Club has agreed to construct and maintain the track in the future. He added that this location is ideal because of the proximity to the start/finish line of the Coast Hills Classic Mountain Bike Race that occurs in early May.

Smith reported that if this project proves feasible, then a follow-up report, including a preliminary agreement, will be developed, and a public hearing, with notice to adjacent property owners, will be requested on this matter.

Protiva addressed Council regarding the proposal and responded to Council questions.

CITY MANAGER'S REPORT

Approval of an Intergovernmental Agreement with ODOT for Shared Lane Markings (Sharrows) on the Yaquina Bay Bridge. Hawker introduced the agenda item. Smith reported that city staff, at the request of the Bicycle and Pedestrian Advisory Committee, has been working with ODOT to install shared lane markings, or sharrows, on the Yaquina Bay Bridge. He stated that there are currently flashing lights on either end of the bridge that, when activated by a button, flash to indicate that cyclists are on the bridge. He noted that often cyclists either do not press the button, or vehicles do not see the signs, causing hazards to cyclists crossing the bridge. He added that since the Yaquina Bay Bridge is the only viable means for cyclists to cross the bay, and the sidewalks across the bridge are too narrow to ride on, cyclists are forced to share the traffic lane. He stated that the purpose of sharrows is to indicate to cyclists where it is appropriate to ride and to indicate to motorists that cyclists are sharing the lane.

Smith reported that the state will be performing the initial installation of the sharrows. He stated that the city will perform maintenance on the lane markings thereafter for the life of the markings, estimated at 20 years. He noted that the markings will be thermoplastic which is highly wear resistant, and should be straddled by the vehicle tires, and maintenance should be fairly minimal.

Smith reported that the IGA has been reviewed by the City Attorney with no comments, and Nebel recommended approval of the intergovernmental agreement.

Busby stated that he is opposed to the installation of sharrows because the detriment to traffic could be noticeable. He added that there is no reason that the majority of bicyclists cannot use the sidewalk. He noted that the sharrows would encourage more bicyclists to use the roadway and less to use the sidewalk. Allen asked

Gross for his perspective regarding safety. Gross agreed with Busby. Gross added that although the state has installed sharrows on bridges in the past, and this issue was a request from the Bicycle/Pedestrian Advisory Committee, it does not make it any safer for bicyclists to install sharrows on the bridge. He added that it might encourage bicyclists to ride on the roadway. Allen asked whether Gross has heard about the use of sharrows on bridges in other areas. Gross reported that there are at least one or two in Portland that stimulated this request. Allen asked how the request originated, and Saelens noted that the Bicycle/Pedestrian Advisory Committee has been interested in this issue for quite a while. He added that not all members of the Committee agree as to whether it is safer to use the sidewalk or the roadway, but it was the consensus of the Committee that the installation of sharrows is the best way moving forward. Miranda noted that riding on the roadway blocks traffic and creates congestion, but added that he could not recall any bicycle crashes on the bridge. Allen asked whether the "walk" sign and the sharrows would present a mixed message. It was noted that walking bicycles on the sidewalk is encouraged due to the narrowness of the sidewalk. Saelens stated that people have to make a personal choice now, and added that ODOT will be mandating sharrows on future projects. Allen stated that he was asking questions to gather enough information to make a decision. Roumagoux noted that the sharrows are confusing in Portland, and Saelens added that is because we are not exposed to them. Allen asked why the city would want to encourage additional riders on deck by having sharrows. Engler noted that she would like to have sharrows on a trial basis, and to apply them with regular paint. She added that if the use of sharrows is successful, thermoplastic sharrows could be applied at a later date.

MOTION was made by Saelens, seconded by Engler, to approve the intergovernmental agreement, number 30509, with the Oregon Department of Transportation to install shared lane markings (sharrows) on the Yaquina Bay Bridge, and authorize the City Manager to execute the agreement on behalf of the City of Newport. Gross stated that he did not presume to speak for ODOT, but that sharrows technically meet the criteria for installation in that location which is why the state did not reject the request. Voting aye in a voice vote were Saelens, Engler, and Sawyer. Voting no in a voice vote were Allen, Busby, and Roumagoux. The motion failed.

Approval of an Intergovernmental Agreement with the State of Oregon for a Local Improvement District Implementation Plan. Hawker introduced the agenda item. Smith reported that on June 14, 2014, the Newport City Council adopted Resolution No. 3678, seeking assistance from the TGM program to help the city review the use of LIDs as a tool for financing some of its infrastructure needs. He stated that the city was successful in getting the project funded, and a consultant has been selected and a statement of work has been prepared. He added that the project will focus on (a) developing effective policy language for how the city can best utilize LIDs as a financing tool for funding planned transportation improvements; (b) preparing "model code" language to ensure the city's LID financing strategies are properly integrated with the land use and transportation standards it uses to evaluate new development; (c) developing a framework for cost effective administration of an LID program; (d) conducting financial analysis of two "case study" candidate areas to position needed transportation improvements in those areas for future LID financing; and (e) developing informational materials that can be used for public education and outreach regarding the benefits, costs, and mechanics of forming a local

improvement district. He noted that deliverables listed in the IGA are in line with the statement of work that was presented to the City Council for discussion on March 2, 2015. He stated that the project will kick-off once this agreement is in place and must be completed no later than June 30, 2016. He added that a technical advisory committee will be formed to assist the consultants. He recommended approval of the intergovernmental agreement.

MOTION was made by Allen, seconded by Saelens, to approve the intergovernmental agreement with the State of Oregon for a Local Improvement District Implementation Plan, as presented, and authorize the Mayor to sign the agreement. The motion carried unanimously in a voice vote.

Approval of Amendment No. 1 to the Wilder Off-Leash Dog Park License Agreement.

Hawker introduced the agenda item. Smith reported that the city entered into a Park License Agreement with Landwaves, Inc. on August 20, 2010 for an off-leash dog park in the Wilder Planned Development. He stated that the agreement called for Landwaves to construct the park with the city responsible for maintaining the facility. He noted that the park is located on commercially zoned property at the northwest corner of SE Harborton Street and SE College Way. He added that both parties recognized that the location would be temporary, and provisions were drafted into the agreement that Landwaves could move the park, at its expense, once plans were in place to develop the commercial property. He stated that the agreement identified an alternate site, on the opposite side of SE Harborton Street underneath the high-voltage power lines, as the future location of the dog park.

Smith reported that Landwaves is now ready to develop the commercial property and they have determined that they would like to relocate the dog park to a new location that was not identified in the original agreement. He stated that the new location is the southwest corner of the intersection of SE College Way and SE Harborton Street. He noted that this necessitates an amendment to Section 5 of the original agreement, which spells out the terms for relocating the park.

Smith reported that the new location of the dog park is commercially zoned, and it is likely that the dog park will have to be relocated again in the future so that the property can be developed as planned. He stated that the proposed amendment will allow the City Manager to approve future changes to the park's location. He added that Landwaves is covering the cost of moving the park fencing and other appurtenances. He noted that the city will continue to be responsible for maintaining the facility. He recommended approval of Amendment No. 1 to the Park License Agreement with Landwaves.

MOTION was made by Engler, seconded by Busby, to approve Amendment No. 1 to the Park License Agreement, dated August 20, 2010, with Landwaves, Inc., and authorize the City Manager to sign the document as presented. The motion carried unanimously in a voice vote.

Initiation of a Twelve-Month Extension to the Nye Beach Parking District. Hawker introduced the agenda item. Smith reported that at the request of area business owners, the City Council adopted Ordinance No. 1993 establishing the Nye Beach Commercial Parking District to generate funding to pay for parking system improvements. He stated that the parking district is an economic improvement district, funded through a business license surcharge, and was authorized for a five-year period beginning July 1, 2010.

Smith reported that many of the businesses in Nye Beach rely upon public parking assets to meet their parking needs, and there is no dedicated source of funding to maintain or enhance these facilities. He stated that the parking district was created as an alternative to a program that allowed developers to pay a fee in lieu of providing new off-street parking spaces to address the impacts attributed to their projects - a program that proved to be unwieldy. He added that if the parking district expires, the "payment in lieu" option would become available again. He noted that the Planning Commission is taking steps to eliminate that option from the zoning code with such an amendment being subject to City Council approval at a future meeting. He stated that without a parking district of some sort or a payment in lieu option, development in Nye Beach will be restricted to those projects that can provide the parking they need outside of the public rights-of-way.

Smith reported that a citizen advisory committee provides oversight regarding the use of parking district funds and a memo is included in the packet showing the improvements that have been funded since the district was established. He added that also included in the packet is an outline of the scope of work for the parking study.

Smith reported that an economic improvement district that is funded through a business license surcharge may be extended by ordinance provided the affected business owners are given an opportunity to testify in favor or opposition to the proposal (ORS 223.147(2)(b) to (d)). He stated that the notice must be provided at least 30 days prior to the date of the public hearing. He added that if more than 33 percent of the affected businesses object, then the district will not be extended and will expire effective July 1, 2015.

Smith reported that Council is being asked, at this meeting, to consider whether or not to set a date for a public hearing to consider an ordinance that would extend the Nye Beach Commercial Parking District for a period of 12-months. He stated that this would allow the business license surcharge established with Ordinance No. 1993 to be collected for the sixth consecutive year.

Smith reported that the Parking District Advisory Committee supports the extension as it will provide sufficient time for a parking study to be performed to establish whether the parking district should continue in its current form or whether an alternative approach should be pursued to address the areas parking needs. He stated that it will also provide additional funding to pay for a portion of the cost of reconstructing and enhancing the Nye Beach turnaround should that project be funded next year. Smith recommended setting a public hearing date on June 1, 2015 to consider an ordinance that would extend the parking district for twelve months.

MOTION was made by Busby, seconded by Saelens, to set June 1, 2015, at 6:00 P.M. or soon thereafter, as the date and time for a public hearing at which the City Council will consider an ordinance that will extend the Nye Beach Commercial Parking District for a period of 12-months and further direct staff to provide the affected business owners with notice of the hearing as provided in ORS 223.154. The motion carried unanimously in a voice vote.

REPORTS FROM MAYOR AND COUNCIL

Roumagoux reported that she attended the first half of the city's harassment training on April 7.

Roumagoux reported that on April 8, she participated in the selection of the Joann Hamilton scholarships awardees.

Roumagoux reported that, on April 9, she participated in the ribbon cutting for the Rolling Thunder Barrel Works, Rogue Ales and Spirits new barrel making facility.

Roumagoux reported that, on April 10, she delivered a welcome address at the state radiologist's conference.

Roumagoux reported that, on April 10, she participated in an LOC webinar regarding legislation. She noted that the transportation bill had been reshuffled to the end, and that information on vaping was discussed. She added that there are no vaping guidelines at this time.

Roumagoux reported that she participated in the groundbreaking for the OMSI camp on April 12.

Roumagoux reported that she participated in a Budget Committee meeting at OCCC on April 15. She added that this is her fifth year as a member of the Budget Committee.

Roumagoux reported that she attended the April 17 opening of Rick Bartow's Retrospective at the University of Oregon Schnitzer Museum.

Roumagoux reported that she attended the federal court hearing, earlier today, regarding the lawsuit filed against the U.S. Coast Guard in an effort to retain the air facility in Newport. She noted that a ruling is expected in approximately two weeks.

Roumagoux reported that she attended a reception for Keiko Kobayashi, who was visiting from Mombetsu, Newport's Sister City.

Allen reported that he attended an OCZMA meeting on April 10. He noted that the staff is transitioning, and the group discussed how to move forward with limited revenues and a new structure. He added that legislation regarding coastal issues was discussed including wave energy, renewable energy, and wind on water. He noted that there are projects proposed off Coos Bay in federal waters. He added that there is a committee hearing tomorrow on one of the bills, and that he will e-mail that information to the City Council.

Engler reported that she attended a recent meeting of the Solid Waste Advisory Committee where the debris management plan was discussed. She noted that the haulers prefer something simple, and that Gross may be asked to attend the next meeting.

Engler reported that she attended the recent groundbreaking for the OMSI camp. She noted that OMSI had high praise for the city and staff. She added that she had an opportunity to talk with OMSI's landscape architect.

Engler reported that she and Hawker had participated in an LOC workshop entitled, "Connect with your Community: Communication Strategies that Work." She noted that it included information on social media and generational communication.

Engler reported that she attended a recent meeting of the Nye Beach Merchants Association, and the group is working on a new brochure.

Engler reported that the Nye Beach Overlay Design Review meeting had been postponed. Tokos noted that he would schedule a meeting once he has the draft documents.

Engler asked Gross about the status of the parking study for the pool. Gross stated that he will schedule meetings later this week.

Busby reported that the Volunteer Appreciation Dinner is tomorrow night.

Busby reported that he attended a recent meeting of the Airport Committee. He noted that the city had issued a request for expressions of interest for operating the FBO, and that three written and one oral submission was received. He stated that the Committee

agreed to continue with the development of an RFP. Sawyer asked whether there was a discussion regarding what would happen to the existing airport employees, and Busby noted that this is subject to negotiation, but that there could not be a contractual provision to hire the city's employees.

Busby reported that he attended a recent meeting of the Public Arts Committee. He noted that the Committee reviewed 24 Bayfront murals, and that a discussion ensued regarding the value of the murals to the city and condition issues associated with them. He stated that one of the Council goals is beautification, and that he expects the Public Arts Committee to request beautification funding for the restoration of murals.

Allen asked about the status of the Airport Advisory Task Force. Roumagoux reported that it will begin meeting after the budget process, and that Mayor Williams from Lincoln City and Mayor Mattila from Depoe Bay have been added to the group.

Sawyer reported that he attended a recent meeting of the Destination Newport Committee at which the Committee reviewed a number of advertising proposals. He added that most of them were denied due to the budget. He noted that three Committee members, who own or manage lodging establishments, requested additional Symphony tickets for packages. He stated that the Committee is considering a Newport video that would be produced by the News-Times.

PUBLIC COMMENT

Roumagoux read a note of apology from Marlette Noe regarding comments that she had made earlier in the meeting.

ADJOURNMENT

Having no further business, the meeting adjourned at 8:43 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor