



## **AGENDA & Notice of Planning Commission Work Session Meeting**

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The Planning Commission of the City of Newport will hold a work session meeting at **6:00 p.m., Monday, May 9, 2011**, at the Newport City Hall, Council Chambers, 169 SW Coast Hwy., Newport, OR 97365. A copy of the meeting agenda follows.

The meeting location is 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.

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### **NEWPORT PLANNING COMMISSION Monday, May 9, 2011, 6:00 P.M.**

#### **AGENDA**

**A. Unfinished Business.**

1. Review the TAC's final recommendations on housing policies.

**B. New Business.**

1. Discussion regarding a joint work session with the City Council to discuss planning goals and objectives.

**C. Adjournment.**



# Memo

To: Planning Commission/Commission Citizen Advisory Committee  
From: Derrick Tokos, Community Development Director   
Date: May 5, 2011  
Re: Draft Population and Housing Elements of the Comprehensive Plan

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Attached are draft copies of the new Population and Housing elements of the Comprehensive Plan. For this work session, I am hoping you can review the documents and identify any needed changes so that revisions can be made in advance of the public hearing, which is scheduled for May 25, 2011.

Also, I would appreciate your thoughts on whether or not the City should invest in having the population projections adjusted to align with the new census. That will run about \$2,000, and while we can cover that amount with budgeted funds, it is not clear that it is necessary given that these are projections. What the City would get from adjusting the tables is a set of data that cleanly aligns with the "official" census, which might be more credible to persons/organizations we share the information with. Highlighted language has been added to page 3 of the population forecast which summarizes the issue, and this may be adequate as an alternative to amending the tables.



# POPULATION GROWTH AND CHARACTERISTICS

## BACKGROUND

The study and understanding of population characteristics is essential to any planning work. Such characteristics help determine the types and levels of city services, land use requirements, social programs, and capital expenditures.

Counties are required to coordinate population forecasts among the cities and unincorporated areas within the County (ORS 195.036). As of 2011, Lincoln County did not have a coordinated, adopted population forecast for the cities within the County. As a result, Newport developed a population forecast for the urban growth boundary (UGB).

OAR 660-024 provides “safe harbor” approaches for forecasting population in cities that do not have a coordinated, adopted population forecast. A city may adopt a 20-year population forecast based on the Oregon Office of Economic Analysis’s (OEA) population forecast for the County, assuming that the urban area’s share of the forecast population will remain constant over the planning period (OAR 660-024-0030(4)(b)).

## POPULATION FORECAST

Newport’s population has grown over the last two decades. Table 1 shows population change in selected areas in Newport, Lincoln County, and Oregon between 1990 and 2010. Over the 20-year Newport added over 2,000 people, a 26% increase in population, at an average annual rate of 1.4%. Newport grew at a slower rate (1.8% per year) than Oregon (1.9% per year), but faster than Lincoln County (0.8% per year).

**Table 1. Population change, Oregon, Lincoln County, and Newport, 1990 to 2010**

Area	Population			Change 1990 to 2010		
	1990	2000	2010	Number	Percent	AAGR
U.S.	248,709,873	281,421,906	301,461,533	52,751,660	21%	1.1%
Oregon	2,842,321	3,421,399	3,844,195	1,001,874	35%	1.9%
Lincoln County	38,889	44,479	44,620	5,731	15%	0.8%
Newport	8,437	9,532	10,605	2,168	26%	1.4%

Source: U.S. Census 1990 SF1 P001, U.S. Census 2000 SF1 P1, Portland State University Population Research Center 2010 Certified Oregon Population Estimates.

Note: AAGR is average annual growth rate.

Table 2 shows annual population figures estimates for the City of Newport for the period 1990 through 2010. The data are from the Population Research Center (PRC) at Portland State University. The figures are annual population estimates. The PRC uses the decennial census conducted by the U.S. Census Bureau as a baseline and generates estimates using a methodology that considers residential building permits and other data.

**Table 2. Annual Population Growth, Lincoln County and Newport, 1990 to 2010**

Year	Lincoln County	Newport	Newport's Share of County Pop.
1990	38,889	8,437	21.7%
1991	39,880	8,540	21.4%
1992	40,730	8,675	21.3%
1993	41,900	8,885	21.2%
1994	42,940	9,075	21.1%
1995	43,940	9,495	21.6%
1996	44,500	9,785	22.0%
1997	45,050	9,960	22.1%
1998	44,840	10,240	22.8%
1999	44,500	10,290	23.1%
2000	44,479	9,532	21.4%
2001	44,650	9,660	21.6%
2002	44,700	9,650	21.6%
2003	45,000	9,740	21.6%
2004	44,400	9,760	22.0%
2005	44,405	9,925	22.4%
2006	44,520	10,240	23.0%
2007	44,630	10,455	23.4%
2008	44,713	10,580	23.7%
2009	44,700	10,600	23.7%
2010	44,620	10,605	23.8%
<b>Change 1990 to 2010</b>			
Number	5,731	2,168	
Percent	15%	26%	
AAGR	0.7%	1.2%	
<b>Change 1990 to 2010</b>			
Number	5,731	2,168	
Percent	15%	26%	
AAGR	0.7%	1.2%	
<b>Change 2000 to 2010</b>			
Number	141	1,073	
Percent	0%	11%	
AAGR	0.0%	1.1%	

Source: Portland State University Population Research Center;  
Calculations by ECONorthwest

Table 3 shows the Oregon Department of Administrative Service's Office of Economic Analysis (OEA) forecast for population between 2000 and 2030 in Lincoln County. The forecast projects that Lincoln County's population will grow from nearly 47,000 people in 2010 to about 53,700 people in 2030, an increase of 6,765 people or 14% over the 20-year period. The figures are extrapolated for the 2011 to 2031 period to correspond with the requirement for a 20-year forecast.

**Table 3. Population forecast, Lincoln County, 2000 to 2030**

Year	Lincoln County
2000	44,600
2010	46,945
<b>2011</b>	<b>47,306</b>
2030	53,710
<b>2031</b>	<b>54,051</b>
Change 2010 to 2030	
Number	6,765
Percent	14%
AAGR	0.68%
Change 2020 to 2030	
Number	3,331
Percent	7%
AAGR	0.64%

Source: Oregon Office of Economic Analysis;  
 Calculations by ECONorthwest  
 Note: Population for 2011 and 2031 was extrapolated based on the growth rates used between 2010-2015 (for 2011) and 2030-2035 (for 2031).  
 Note: AAGR is average annual growth rate

Newport's 2010 population accounted for 23.8% of Lincoln County's population, based on the Portland State University Population Research Center's estimate of population in 2010 (Supplemental Data, Table 4). Table 3 shows a population forecast for Newport for the 2011 to 2031 period based on the assumption that Newport continues to account for 23.8% of Lincoln County's population over the 20-year period. Table 4 shows that Newport's population would grow by about 1,600 people over the 20-year period.

**Table 4. Population forecast, Newport, 2011 to 2031**

Year	Lincoln County (OEA)	Newport
2011	47,306	11,243
2031	54,051	12,846
Change 2011 to 2031		
Number	6,745	1,603
Percent	14%	14%
AAGR	0.7%	0.7%

Source: ECONorthwest, based on the Office of Economic Analysis forecast for Lincoln County  
 Note: Population for 2011 and 2031 was extrapolated based on the growth rates used between 2010-2015 (for 2011) and 2030-2035 (for 2031).  
 Note: AAGR is average annual growth rate

Data from the 2010 Census of Population and Housing was just becoming available at the time the population element was being updated. It is notable that the 2010 Census count for the City of Newport was 9,989 – or 616 persons less than the 2010 population estimate

developed by Portland State University. If one assumes the Census count is correct, then the PSU estimates have overestimated population in Newport since 2005 (or earlier).

The new Census data have potential implications for the population forecast. If the 2010 Census figure is used to forecast Newport's population, the 2031 forecast is for 12,100—or 746 persons less than the figure presented in Table 4. This results in a 2011-2031 growth increment of 1,510 or 97 fewer persons than shown in Table 4.

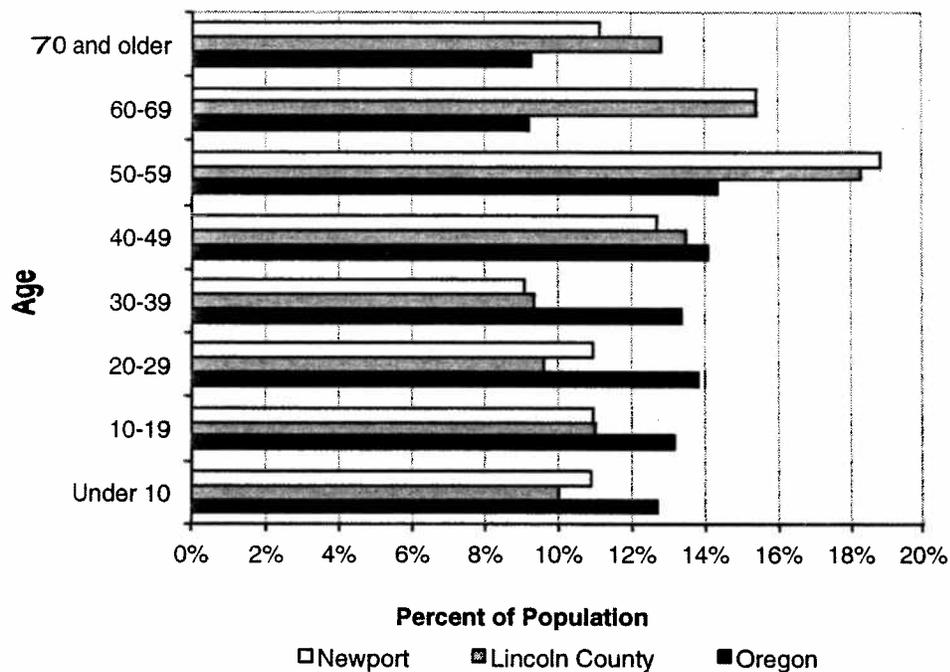
## DEMOGRAPHIC TRENDS

Demographic and housing trends are important to a thorough understanding of the dynamics of the Newport housing market. Newport exists in a regional economy; trends in the region impact the local housing market. Demographic trends also provide a broader context for growth in a region; factors such as age, income, migration and other trends show how communities have grown and shape future growth.

### Age

Figure 1 shows the age distribution in Newport, compared to Lincoln County and Oregon, for the 2005-2009 period. Newport has a higher proportion of its population aged 50 or older (45%) than State (33%) averages. Newport has comparatively fewer residents below age 39 (42%) than the State (53%), but more than the County (40%). The affect of Newport's age distribution for housing need is described later in this section.

**Figure 1. Population distribution by age, Oregon, Lincoln County, and Newport, 2005-2009**



Source: American Community Survey 2005-2009 5-year estimates B01001

In comparison to nearby communities, Newport has a smaller share of children and people over 65 years but a larger share of working-aged persons:

- Nineteen percent of Newport households have one or more people under the age of 18. Nearby cities generally have a larger percentage of households with one or more people under the age of 18, including Siletz (25%) and Toledo (35%).
- Nineteen of the city's residents were over the age of 65. Outlying communities with the largest percent of persons 65 and over were Yachats (42%), Waldport (29%) and Depoe Bay (21%).
- Just over fifty percent of the city's residents are of working age (20-60 years old)<sup>1</sup>

Table 5 shows population by age for Newport for 2000 and the 2005-2009 period. The data show that Newport grew by 329 people between 2000 and 2005-2009, a 3% increase. The age breakdown shows that the fastest growing age groups in Newport were aged 45 to 64 years and 65 and over, consistent with County and State trends. The number of people under 44 years old decreased in Newport.

<sup>1</sup> Based on information from the U.S. Census 2005-2009 American Community Survey.

**Table 5. Population by age, Newport, 2000 and 2005-2009**

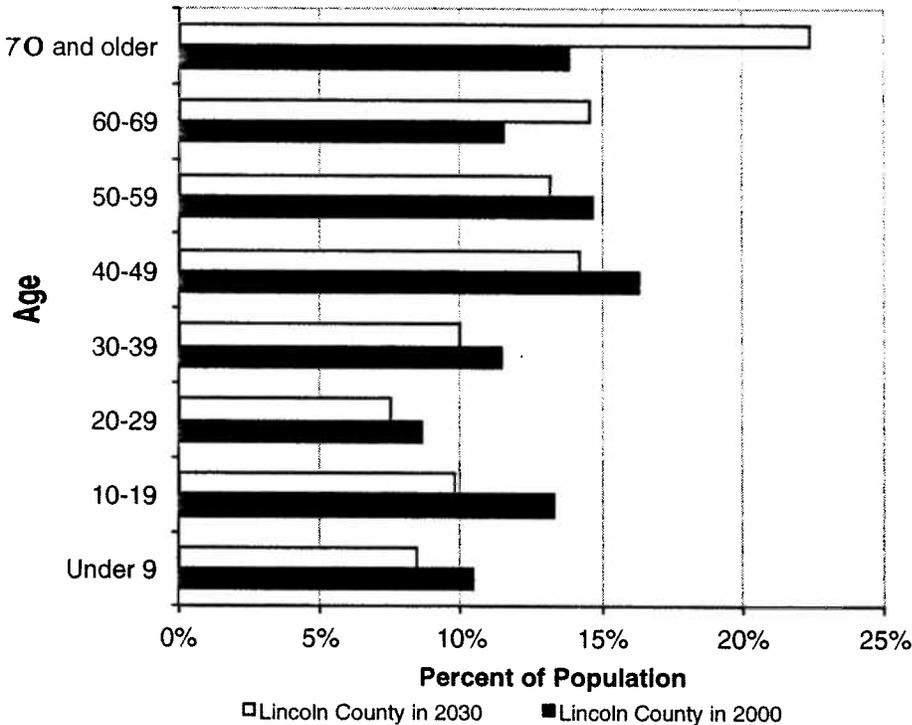
Age Group	2000		2005-2009		Change 2000 to 2005-2009		
	Number	Percent	Number	Percent	Number	Percent	Share
Under 5	533	6%	476	5%	-57	-11%	-1%
5-17	1,590	17%	1,497	15%	-93	-6%	-1%
18-24	770	8%	656	7%	-114	-15%	-1%
25-44	2,452	26%	2,087	21%	-365	-15%	-5%
45-64	2,548	27%	3,245	33%	697	27%	6%
65 and over	1,639	17%	1,900	19%	261	16%	2%
<b>Total</b>	<b>9,532</b>	<b>100%</b>	<b>9,861</b>	<b>100%</b>	<b>329</b>	<b>3%</b>	<b>0%</b>

Source: U.S. Census 2000 P12, American Community Survey 2005-2009 B01001

The data in Table 5 suggests that Newport's population is aging and that the City is attracting older people and with growth concentrated in people 45 years and older. This trend is consistent with State and national trends.

Figure 2 shows the Office of Economic Analysis's (OEA) forecast of population by age group for 2000 to 2030 for Lincoln County. The OEA forecasts that Lincoln County will experience growth in younger age groups. The share of population in people 60 years and older is forecast to increase from 25% of the population in 2000 to 37% of the population in 2030. The share of population 29 years and younger is forecast to decrease from 32% in 2000 to 26% in 2030.

**Figure 2. Change in population distribution by age, Lincoln County, 2000-2030**



Source: Oregon Office of Economic Analysis. [http://www.oregon.gov/DAS/OEA/docs/demographic/pop\\_by\\_ageandsex.xls](http://www.oregon.gov/DAS/OEA/docs/demographic/pop_by_ageandsex.xls)

## Ethnicity

Newport has grown more ethnically diverse since 1990. Table 6 shows the number of persons of Hispanic or Latino origin for Oregon, Lincoln County, and Newport for 1990, 2000, and the 2005-2009 period. In the 2005-2009 period, Newport's population was 8% Hispanic/Latino, compared with 7% of residents of Lincoln County and 11% of residents of Oregon.

The Hispanic/Latino population in Lincoln County grew faster than the State as a whole from 1990 to 2005-2009. Newport's Hispanic/Latino population grew by 385% between 1990 and 2005-2009, adding 650 new Hispanic/Latino residents. During the same period, Lincoln County's Hispanic/Latino population grew by 455% and Oregon's Hispanic/Latino population grew by 249%.

**Table 6. Persons of Hispanic or Latino origin, Oregon, Lincoln County, and Newport, 1990, 2000, and 2005-2009**

	Oregon	Lincoln County	Newport
<b>1990</b>			
Total Population	2,842,321	38,889	8,437
Hispanic or Latino	112,707	598	169
Percent Hispanic or Latino	4%	2%	2%
<b>2000</b>			
Total Population	3,421,399	44,479	9,532
Hispanic or Latino	275,314	2,119	854
Percent Hispanic or Latino	8%	5%	9%
<b>2008</b>			
Total Population	3,727,407	45,892	9,861
Hispanic or Latino	393,466	3,316	819
Percent Hispanic or Latino	11%	7%	8%
<b>Change 1990 to 2008</b>			
Hispanic or Latino	280,759	2,718	650
Percent Hispanic or Latino	249%	455%	385%

Source: U.S. Census 1990 STF1 P009, U.S. Census 2000 P4, American Community Survey 2005-2009 B03002

## **GOALS/POLICIES: POPULATION GROWTH AND CHARACTERISTICS**

**Goal:** To use the population numbers and characteristics to evaluate and help assure that land use and other city services recognize the diverse needs of the residents of Newport.

**Policy 1:** The city should review the population forecast every five years in conjunction with the review of housing needs (Housing Policy 1, Implementation Measure 1.1). That description should include not only the quantitative but the qualitative components of the general population.

**Policy 2:** The City of Newport shall cooperate with other governmental agencies and public and private entities in the development of a county coordinated population forecast as required by ORS 195.036.

# **HOUSING ELEMENT**

## **BACKGROUND**

The Housing Element presents the results a housing needs analysis for the City of Newport.<sup>1</sup> Consistent with statewide planning Goal 10 and OAR 660-008, the primary goals of the housing needs analysis are to (1) project the amount of land needed to accommodate the future housing needs of all types within the Newport Urban Growth Boundary (UGB), (2) evaluate the existing residential land supply within the Newport UGB to determine if it is adequate to meet that need, (3) to fulfill state planning requirements for a twenty-year supply of residential land, and (4) identify policy and programmatic options for the City to meet identified housing needs.

## **Purpose**

The purpose of the Newport Housing Element is to meet the requirements of Statewide Planning Goal 10 and its Administrative Rule (OAR 660-008). State policy requires the Housing Element identify local housing needs. The goals of the Housing Element are to:

- (1) Describe characteristics of the existing mix and density of housing in Junction City
- (2) Describe recent residential development trends in the City,
- (3) Evaluate housing affordability, and
- (4) Project future need for housing in Junction.

This chapter evaluates the existing residential land supply within the Newport Urban Growth Boundary to determine if it is adequate to meet present and future housing needs. The methods used for this study generally follow the Planning for Residential Growth guidebook, published by the Oregon Transportation and Growth Management Program (1996).

## **Policy Framework and Methods for the Housing Needs Analysis**

Statewide Planning Goal 10 addresses housing in Oregon and provides guidelines for local governments to follow in developing local comprehensive land use plans and implementing policies. At a minimum, local housing policies must meet the requirements of Goal 10. Goal 10 requires incorporated cities to complete an inventory of buildable residential lands and to encourage the availability of adequate numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines housing needs as “housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels.” In addition to other housing types, this definition includes government-assisted housing and mobile home or manufactured dwelling parks as provided in ORS 197.303 and ORS 197.475 to 197.490. For communities with populations greater than 2,500 and counties with populations greater than 15,000, needed housing types include (but are not limited to):

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<sup>1</sup> *Newport Housing Needs Analysis*, prepared by ECONorthwest, May 2011

- Attached and detached single family housing and multiple-family housing for both owner and renter occupancy;
- Manufactured homes on individual lots planned and zoned for single-family residential use; and
- Government-assisted housing.

The Newport Housing Element used the following process and methods:

1. **Population forecast.** The housing needs analysis used a safe harbor methodology to forecasting population growth in which a city may adopt a 20-year population forecast based on the Oregon Office of Economic Analysis's (OEA) population forecast for the County, assuming that the urban area's share of the forecast population will remain constant over the planning period (OAR 660-024-0030(4)(b)).
2. **Housing Needs Analysis.** The housing needs analysis is based on the requirements of Goal 10 and OAR 660-008. The housing types that used in the housing needs analysis included those defined in ORS 197.303: single-family detached, single-family attached, multifamily, mobile or manufactured housing in parks and on lots, and government assisted housing. The HNA uses the following aggregations housing types: single-family detached (including manufactured home), single-family attached dwellings, and multifamily housing (including duplexes, tri- and quad-plexes, and structures with more than five units. Additionally, the HNA evaluates secondary dwellings (e.g., vacation units) and government assisted housing. The housing needs analysis includes the following components:
  - A) **Project new housing units needed.** We projected needed housing units based on forecast population growth for the Newport UGB between 2011 and 2031. The analysis considered other factors such as number of people expected to live in group quarters, household size, housing mix, and vacancy rates.
  - B) **Identify trends that may affect housing mix and density.** The analysis includes a review national, state, and local demographic and economic trends that may affect housing mix and density. These trends include: changes in housing tenure, changes in housing mix, changes in the region's age structure, changes in ethnicity, changes in housing prices and recent increases in mortgage foreclosures, and other trends.
  - C) **Determine types of housing that are likely to be affordable.** The analysis includes a review of trends in housing affordability, such as changes in income, changes in housing price, changes in rental costs, rate of cost-burden, and housing affordability by type of housing for households of different incomes.
  - D) **Estimate the number of units needed by housing type.** The estimate of the number of units needed by housing type will be based on the information described in the steps above (A through C).
3. **Determine actual mix and density of existing housing.** The analysis of housing mix and density of existing housing is based on analysis of building permits and land that was developed since 2000.

4. **Determine average density and mix of needed housing.** The housing needs projection documents “needed” density and mix for future housing needs based on the conclusions about housing need from the housing needs analysis.
5. **Determine residential land sufficiency.** The analysis compared the needed acres of residential land with the inventory of residential land in each Plan Designation to determine whether there is enough land within the UGB to accommodate 20-years worth of growth.
6. **Policies and implementation measures to facilitate development of needed housing.** The types of policy measures considered as part of this project relate to affordable housing and ways to improve residential land use in Newport. The analysis included a review of policies in the Newport Comprehensive Plan and Zoning Ordinance, as well as programs and partnerships.

## **Organization of the Housing Element**

The remainder of the Housing Element is organized as follows:

- **Residential Buildable Lands Inventory** presents the results of an inventory of lands designated for residential uses in the Newport Urban Growth Boundary
- **Housing Development Trends** describes the mix and density of dwelling units developed during the 2000-2010 period.
- **Housing Needs Analysis** presents the results of the analysis of housing needs in Newport for the 2011 to 2031 period.
- **Housing Goals, Policies, and Implementation Measures** summarizes actions the City is committed to take to address identified housing needs.

## RESIDENTIAL BUILDABLE LANDS INVENTORY

The residential lands inventory is intended to identify lands that are available for development within the UGB. The inventory is sometimes characterized as *supply* of land to accommodate growth. Population and employment growth drive *demand* for land. The amount of land needed depends on the density of development.

This section presents the *residential* buildable lands inventory for the City of Newport. The results are based on analysis of Geographic Information System data provided by City of Newport staff and Lincoln County Tax Assessment data. The analysis also used aerial orthophotographs for verification.

The general structure of the buildable land (supply) analysis is based on the DLCD workbook "*Planning for Residential Growth – A Workbook for Oregon's Urban Areas*," which specifically addresses residential lands. The buildable lands inventory uses methods and definitions that are consistent with OAR 660-008 and OAR 660-024. The steps in the supply inventory were:

1. **Generate residential "land base."** The land base includes tax lots or portions of tax lots that are within residential plan designations (LDR or HDR) in the Newport UGB.
2. **Classify lands.** Each tax lot was classified into one of the following categories:
  - Vacant land
  - Partially vacant land
  - Undevelopable land
  - Developed land
  - Public land
  - Right-of-way
  - Destination resort
  - Privately dedicated open space or common areas
3. **Identify development constraints.** The City identifies areas in steep slopes (over 25%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. These areas were deducted from lands that were identified as vacant or partially vacant.
4. **Tabulation and mapping.** The results are presented in tabular and map format with accompanying narrative.

## Definitions

The first step in the buildable inventory was to develop working definitions and assumptions. The buildable lands analysis was developed with a tax lot database provided by the City's GIS Department. The tax lot database was current as of December 2010. The supply analysis builds from the tax lot-level database to estimates of buildable land by plan designation.

A key step in the buildable lands analysis was to classify each tax lot into a set of mutually exclusive categories. Consistent with the DLCD *Residential Lands Workbook*, as well as

applicable administrative rules, all tax lots in the UGB are classified into one of the following categories:

- *Vacant land.* Tax lots that have no structures or have buildings with very little value. For the purpose of this inventory, residential lands with improvement values under \$10,000 are considered vacant (not including lands that are identified as having mobile homes which were considered developed).
- *Partially vacant land.* Partially vacant tax lots are those occupied by a use but which contain enough land to be further subdivided without need of rezoning. The inventory uses the safe harbor methodology described in OAR 660-024-0050(2):
  - (a) The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;
  - (b) Existing lots of less than one-half acre that are currently occupied by a residence may be assumed to be fully developed.
- *Undevelopable land.* Land that has no access or potential access, land that is already committed to other uses by policy, or tax lots that are more than 90% constrained. The majority of undevelopable land identified in the inventory is located in the active beach zone within the UGB.
- *Developed land.* Land that is developed at densities consistent with zoning with improvements that make it unlikely to redevelop during the analysis period. Lands not classified as vacant, partially-vacant, or undevelopable are considered developed.
- *Public land.* Lands in public ownership are considered unavailable for residential development. This includes lands in Federal, State, County, or City ownership. Public lands were identified using the Lincoln County Assessment property tax exemption codes. This category only includes public lands that are located in residential plan designations.
- *Private open space.* Review of assessment data shows that Newport has many developments with private open space. This includes common areas around condominiums and dedicated open space owned by subdivisions. These areas were identified by reviewing maps and aerial photos. Classification was determined by ownership.
- *Destination resort.* Lands identified in the Newport Comprehensive Plan as designated for the proposed Wolf Tree destination resort.
- *Right of way.* Some tax lots in the database are dedicated to private right of way. These tax lots were identified by reviewing maps; most of them are paved streets.

## Development constraints

State guidance on buildable lands inventories (OAR 660-008-0005(2)), suggests that some lands be deducted from the inventory due to development constraints:

“Buildable Land” means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered “suitable and available” unless it:

- (a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;
- (b) Is subject to natural resource protection measures determined under statewide Planning Goals 5, 15, 16, 17, or 18;
- (c) Has slopes of 25 percent or greater;
- (d) Is within the 100-year flood plain; or
- (e) Cannot be provided with public facilities.<sup>2</sup>

Based on the Division 8 rule and data provided by the City of Newport, the following constraints were deducted from the residential lands inventory.

- *Land constrained by natural hazards.* The City provided three GIS datasets that map the extent of Goal 7 hazards:
  - Active hazard zone region
  - Active landslide hazards
  - Bluff erosion hazard zones
  - Dune hazard zones

The inventory classified portions of residential taxlots considered that fall within areas considered “high risk” as constrained (unbuildable).

- *Land within natural resource protection areas.* Areas within the local wetlands inventory (LWI), Ocean Shorelands Overlay were deducted from the buildable lands inventory.

## SUMMARY OF RESIDENTIAL LAND SUPPLY

Table 1 shows acres within the Newport UGB and city limits in 2011. According to the City GIS data, Newport has about 8,179 acres in 7,668 tax lots within its UGB. The UGB includes areas within Yaquina Bay that are not developable. Newport has about 7,151 acres within its City Limits. Additionally, the City has about 1,028 acres between the City Limits and Urban Growth Boundary (the UGA).

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<sup>2</sup> OAR 660-008-0005(2)

**Table 1. Acres in Newport UGB and City Limit, 2011**

<b>Area</b>	<b>Tax Lots</b>	<b>Total Acres</b>	<b>Acres in Tax Lots</b>
City Limits	7,066	7,151	8,060
Urban Growth Area	602	1,028	3,808
<b>Total</b>	<b>7,668</b>	<b>8,179</b>	<b>11,868</b>

Source: City of Newport GIS data; analysis by ECONorthwest

Note: Table includes all areas within the UGB, including non-residential areas  
Urban Growth Area is the unincorporated area between the City Limits  
and Urban Growth Boundary

Table 1 summarizes all land in the Newport UGB. The next step was to identify the residential land base (e.g., lands with plan designations that allow housing or “residential lands”). The land base includes traditional residential designations—Low-Density Residential and High-Density Residential.

Table 2 shows that about 3,240 acres within the Newport UGB is included in the residential land base. Thus, about 39% of land within the Newport UGB is included in the residential land base. The land base includes all land in tax lots that have any portion that is in a residential plan designation.

**Table 2. Lands designated for residential uses, Newport UGB, 2011**

<b>Area</b>	<b>Value</b>
Newport UGB	
Number of Tax Lots	7,668
Acres in UGB	8,179
Newport Residential Land	
Tax Lots in Residential Designations	5,114
Acres in Land Base in Residential Designations	3,240

Source: City of Newport GIS data; analysis by ECONorthwest

Table 3 shows all residential land in the Newport UGB by classification and plan designation. The results show that of the 3,241 acres in the UGB, about 1,204 are in classifications with no development capacity, and the remaining 2,035 have development capacity.

Further analysis by plan designation shows that about 55% (1,772 acres) of the residential land in the Newport UGB is designated low-density residential, and the remaining 45% (1,469 acres) high-density residential. About 38% of lands in low-density designations are classified as committed or unbuildable, while about 36% in high-density designations are in similar classifications. Note that this does not include deductions for physical constraints to development (e.g., areas of geologic hazard, wetlands, etc.)

**Table 3. Residential acres by classification and plan designation, Newport UGB, 2011**

Classification	Plan Designation					
	Low Density Res		High Density Res		Total	
	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac
<b>Land with no development capacity</b>						
Developed	2,011	545	1,759	333	3,770	878
Public	59	36	68	97	127	133
Unbuildable	79	87	31	74	110	161
Right of Way	6	4	14	9	20	13
Private Open Space	0	0	20	19	20	19
<b>Subtotal</b>	<b>2,155</b>	<b>672</b>	<b>1,892</b>	<b>532</b>	<b>4,047</b>	<b>1,204</b>
<b>Land with development capacity</b>						
Vacant	544	878	339	225	883	1,103
Partially Vacant	129	222	24	43	153	265
Destination Resort	0	0	31	668	31	668
<b>Subtotal</b>	<b>673</b>	<b>1,100</b>	<b>394</b>	<b>936</b>	<b>1,067</b>	<b>2,036</b>
<b>Total</b>	<b>2,828</b>	<b>1,772</b>	<b>2,286</b>	<b>1,469</b>	<b>5,114</b>	<b>3,241</b>

Source: City of Newport data; analysis by ECONorthwest

Table 4 shows residential acres by classification and constraint status for the Newport UGB in 2011. Analysis by constraint status (the table columns) shows that about 935 acres are classified as built or committed (e.g., unavailable for development), 541 acres were classified as constrained, and 1,764 were classified as vacant buildable. Of the 1,764 acres, 575 are within the Wolf Tree Destination Resort area, 202 are partially vacant, and 988 are vacant. Note that Table 4 does not make any adjustments for slope constraints.

DERRICK: LET'S DISCUSS HOW TO REFERENCE MAPS IN THE HOUSING ELEMENT

**Table 4. Residential acres by classification, Newport UGB, 2011**

Classification	Tax Lots	Total Ac	Land not available for housing		Land available for housing
			Developed Ac	Constrained Ac	Buildable Ac
<b>Land with no development capacity</b>					
Developed	3,770	878	780	97	0
Public	127	133	78	54	0
Unbuildable	110	161	13	148	0
Right of Way	20	13	12	2	0
Private Open Space	20	19	16	3	0
<b>Subtotal</b>	<b>4,027</b>	<b>1,185</b>	<b>899</b>	<b>305</b>	<b>0</b>
<b>Land with development capacity</b>					
Vacant	883	1,103	0	116	988
Partially Vacant	153	265	36	28	202
Destination Resort	31	668	0	93	575
<b>Subtotal</b>	<b>1,067</b>	<b>2,036</b>	<b>36</b>	<b>237</b>	<b>1,764</b>
<b>Total</b>	<b>5,094</b>	<b>3,222</b>	<b>935</b>	<b>541</b>	<b>1,764</b>

Source: City of Newport data; analysis by ECONorthwest  
 Note: Constraints do not include any deductions related to slope.

Table 5 shows land with development capacity by constraint status. The data show that about 36 acres within tax lots with development capacity are developed. An additional 237 acres have development constraints that are unbuildable, leaving about 1,764 buildable residential acres within the UGB.

**Table 5. Residential land with development capacity by constraint status, Newport UGB, 2011**

Plan Designation	Tax Lots	Total Acres in Tax Lots	Developed Acres	Constrained Acres	Buildable Acres
<b>Low Density Residential</b>					
Partially Vacant	129	222	30	20	172
Vacant	544	878	0	52	826
<b>Subtotal</b>	<b>673</b>	<b>1,100</b>	<b>30</b>	<b>72</b>	<b>998</b>
<b>High Density Residential</b>					
Destination Resort	31	668	0	93	575
Partially Vacant	24	43	6	8	29
Vacant	339	225	0	64	162
<b>Subtotal</b>	<b>394</b>	<b>936</b>	<b>6</b>	<b>165</b>	<b>765</b>
<b>Total</b>	<b>1,067</b>	<b>2,036</b>	<b>36</b>	<b>237</b>	<b>1,764</b>

Source: City of Newport GIS data; analysis by ECONorthwest  
 Note: Constraints do not make any deductions for slope

## HOUSING DEVELOPMENT TRENDS

Analysis of historical development trends in Newport provides insights into how the local housing market functions. The intent of the analysis is to understand how local market dynamics may affect future housing—particularly the mix and density of housing by type. The housing mix and density by type are also key variables in forecasting future land need. The specific steps are described below:

1. Determine the time period for which the data must be gathered
2. Identify types of housing to address (at a minimum, all needed housing types identified in ORS 197.303)
3. Evaluate permit/subdivision data to calculate the actual mix, average actual gross density, and average actual net density of all housing types

The analysis of housing mix and density in Newport is based on building permits issued between 2000 and 2010. Analysis of building permit activity over the prior decade provides sufficient information to describe recent residential development trends and includes both times of high housing production and times of low housing production.

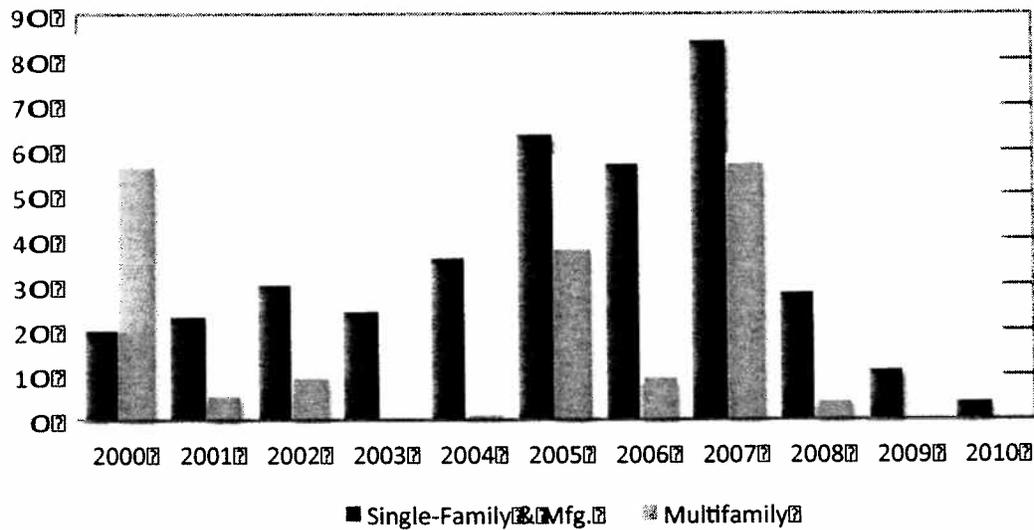
The housing needs analysis presents information about residential development by housing types. For the purposes of this study, housing types are grouped based on: (1) whether the structure is stand-alone or attached to another structure and (2) the number of dwelling units in each structure. The housing types used in this analysis are:

- **Single-family detached** includes single-family detached units, single-family attached units, and manufactured homes on lots and in mobile home parks.
- **Multifamily** is all attached structures, ranging from duplexes to structures with more than five units.

## RESIDENTIAL DEVELOPMENT TRENDS

Figure 1 shows residential building permits issued in Newport between January 1, 2000 and December 31, 2010. During this period, a total of 412 building permits for new residential construction that allowed 572 dwelling units. Figure 1 shows that the number of dwelling units approved varies from year to year and peaked at about 150 units in 2007 and decreased to four units in 2010.

**Figure 1. Dwelling units approved through building permits issued for new residential construction, Newport UGB, January 1, 2000 and December 31, 2010**



Source: City of Newport Building Permit Database and Lincoln County Assessor's Database, 2010  
 Analysis by ECONorthwest

Note: Figure 3-1 does not include 13 permits issued for single-family dwellings in Newport in 2007 that were never acted on as a result in changes to the City's system development charges in 2007.

### TRENDS IN HOUSING MIX

Housing mix is the share or distribution of housing (structure) by type (e.g., single-family detached or apartments) within a city. The housing mix by type (i.e., percentage of single family or multi-family units) is an important variable in any housing needs assessment. Distribution of housing types is influenced by a variety of factors, including the cost of new home construction, area economic and employment trends, demographic characteristics, and amount of land zoned to allow different housing types and densities.

Several ways exist to look at change in housing mix over time, each of which shows a slightly different mix of housing.

- **Building permit data.** Table 6 shows the mix of building permits issued in the Newport UGB between 2000 and 2010.
- **Census data.** Table 7 shows changes in the mix of housing stock in the Newport over the 1990 to 2009 period, based on Census data.

The information about housing mix for building permits issues and for dwelling units built over the last few years (Tables 6) provides useful information about recent trends in housing mix, which may be useful in forecasting changes in housing mix. Longer term information about the mix of the entire housing stock in Newport (Table 7) also provides useful information for forecasting changes in housing mix over the 20-year planning period.

Table 6 shows permits issued for new residential construction between January 2000 and December 2010 in Newport. Table 6 shows that 559 dwelling units were permitted, at an average of 51 dwellings permitted annually. Sixty-eight percent of permitted units were single-family housing types (including single-family detached, single-family attached, and manufactured) and 32% were multifamily.

**Table 6. Dwelling units approved through building permits issued for new residential construction, Newport UGB, January 1, 2000 and December 31, 2010**

<b>Year</b>	<b>Single-Family &amp; Mfg.</b>	<b>Multifamily</b>	<b>Total</b>
2000	20	56	76
2001	23	5	28
2002	30	9	39
2003	24	0	24
2004	36	1	37
2005	63	38	101
2006	57	9	66
2007	84	57	141
2008	28	4	32
2009	11	0	11
2010	4	0	4
<b>Total</b>	<b>380</b>	<b>179</b>	<b>559</b>
<b>Percent of total</b>	<b>68%</b>	<b>32%</b>	
<b>Annual average</b>	<b>35</b>	<b>16</b>	<b>51</b>

Source: City of Newport Building Permit Database and Lincoln County Assessor's Database, 2010  
Analysis by ECONorthwest

Note: Table 3-1 does not include 13 permits issued for single-family dwellings in Newport in 2007 that were never acted on as a result in changes to the City's system development charges in 2007.

Table 7 shows changes in Newport's housing mix from 1990 to 2009, based on U.S. Census data. Between 1990 and 2009<sup>3</sup>, Newport increased its housing stock by 35%, adding 1,423 dwelling units. The mix of housing did not change substantially between 1990 and the 2005-2009 period. The share of single-family detached units (e.g., single-family houses and manufactured homes) remained nearly 70% over the 17-year period, with more than 800 single-family units built.

About 30% of new dwellings built in Newport over the 1990 to 2005-2009 period were multi-family housing types (e.g., structures with two or more units), accounting for 419 new units built. The share of attached structures did not change substantially, accounting for 5% of new dwellings built in Newport over the 1990 to 2005-2009 period.

<sup>3</sup> Census Data used for this analysis include 1990 and 2000 decennial census results and the 5-year American Community Survey (ACS) estimates for 2005-2009. The 2005-2009 ACS employs a continuous measurement methodology that uses a monthly sample of the U.S. population. By pooling several years of survey responses, the ACS can generate detailed statistical portraits of small geographies, such as Newport. The 2005-2009 ACS provides estimates of information, based on responses to the ACS from households in Newport over the 2005 to 2009 period. The results of the 2005-2009 ACS are not results for one year but an estimate for the five year period.

**Table 7. Dwelling units by type, Newport city limits, 1990, 2000, and 2005-2009**

	1990		2000		2005-2009		Change 1990 to 2005-2009		
	Units	Percent	Units	Percent	Units	Percent	Units	% of total	% increase
Single-family detached	2,864	70%	3,226	64%	3,803	69%	939	66%	53%
Single-family attached	149	4%	188	4%	214	4%	65	5%	44%
Two to four units	589	14%	795	16%	612	11%	23	2%	4%
Five or more units	503	12%	810	16%	899	16%	396	28%	79%
<b>Total</b>	<b>4,105</b>	<b>100%</b>	<b>5,019</b>	<b>100%</b>	<b>5,528</b>	<b>100%</b>	<b>1,423</b>	<b>100%</b>	<b>35%</b>

Source: U.S. Census 1990 SF3 H020, U.S. Census 2000, SF3 H30, American Community Survey 2005-2009 B25024

Note: Single-family detached housing includes manufactured homes. The Census does not distinguish between manufactured homes in parks or on single lots.

Note: The number of dwelling units in Newport shown in Tables 3-2, 3-3 and 3-4 differ because the tables show different information and are based on different data sources. Table 3-2 shows all units, Table 3-3 shows occupied units, and Table 3-4 shows occupied units where housing type is known.

This analysis shows that the mix of housing types over the 1990 to 2009 period was similar to the mix of housing permitted over the 2000 to 2010 period. Seventy-three percent of Newport's housing stock was single-family housing types (single-family detached, single-family attached, and manufactured homes) during the 2005 to 2009 period. During the 2000 to 2010 period, a smaller share of permits issued by Newport (68%) were single-family housing types.

## TRENDS IN TENURE

Table 8 shows changes in Newport's tenure (e.g., whether the home is owner or renter occupied) for occupied units from 1990 and the 2005-2009 period. Newport's tenure shifted over the period, with a 9% increase in homeownership. About 58% of occupied housing in Newport was owner-occupied in 2005-2009, up from 54% in 1990. In comparison, Lincoln County's homeownership rate was 67% and the State average of 64% in the 2005-2009 period. Table 8 does not include the more than 1,000 dwelling units that were vacant, the majority of which were vacant for recreational or seasonal use.

**Table 8. Change in tenure, occupied units, Newport, 1990 and 2005-2009**

	1990		2005-2009		Change 1990 to 2005-2009	
	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	1,905	54%	2,579	58%	674	35%
Renter Occupied	1,640	46%	1,874	42%	234	14%
<b>Total</b>	<b>3,545</b>	<b>100%</b>	<b>4,453</b>	<b>100%</b>	<b>908</b>	<b>26%</b>

Source: U.S. Census 1990 SF3 H008, American Community Survey 2005-2009 B25003

Note: The number of dwelling units in Newport shown in Tables B-2, 3-3 and 3-4 differ because the tables show different information. Table B-2 shows all units, Table 3-3 shows occupied units, and Table 3-4 shows occupied units where housing type is known.

Table 9 shows type of dwelling by tenure (owner or renter-occupied) in Newport over the 2005-2009 period. The results show that single-family detached housing types have a higher ownership rate than other housing types—about 92% of owner-occupied units were single-family detached. By contrast, 17% of renter-occupied housing was single-family detached units. Renter-occupied units were generally two to four unit structured (31%) or structures with five or more units (47%).

**Table 9. Housing units by type and tenure, occupied dwelling units, Newport, 2005-2009**

Housing type	Owner Occupied		Renter Occupied	
	Number	Percent	Number	Percent
Single-family detached	2,295	92%	208	17%
Single-family attached	83	3%	72	6%
Two to four units	36	1%	380	31%
Five or more units	82	3%	576	47%
<b>Total</b>	<b>2,496</b>	<b>100%</b>	<b>1,236</b>	<b>100%</b>

Source: American Community Survey 2005-2009 B25032

Note: Single-family detached includes manufactured homes.

Note: The number of dwelling units in Newport shown in Tables B-2, 3-3 and 3-4 differ because the tables show different information. Table B-2 shows all units, Table 3-3 shows occupied units, and Table 3-4 shows occupied units where housing type is known.

Table 10 shows that vacancy rates in Newport and reasons for vacancy for 1990, 2000, and the 2005-2009 period. Vacancy rates ranged from about 14% in 1990 to 18% in 2000, and 19% in the 2005-2009 period. Table 10 shows that the main reason for vacancy was seasonal (or recreational) use. Houses vacant for seasonal uses increased from 260 units in 1990 to 885 units in the 2005-2009 period. The increase in vacancy rates in Newport is the result, in large part, of increases in the number of seasonal units.

**Table 10. Vacancy Status for Newport, 1990, 2000, 2005-2009**

	1990		2000		2005-2009	
	Units	Percent	Units	Percent	Units	Percent
Occupied	3,545	86%	4,112	82%	4,453	81%
Vacant	560	14%	922	18%	1,075	19%
For Sale	31	1%	108	2%	28	1%
For Rent	96	2%	277	6%	71	1%
Rented or Sold	35	1%	30	1%	50	1%
Seasonal	260	6%	437	9%	885	16%
Other	138	3%	70	1%	41	1%

Source: U.S. Census 1990 SF3 H003 and H005, 2000 SF 3 H3 and H5, and American Community Survey 2005-2009 B25002 and B25004

The long-term market outlook shows that homeownership is still the preferred tenure. While further homeownership gains are likely during the next decade, they are not assured. Additional increases depend, in part, on the effect of foreclosures on potential owner's ability to purchase homes in the future, as well as whether the conditions that have led to homeownership growth can be sustained. The Urban Land Institute forecasts that homeownership will decline to the low 60 percent range by 2015.<sup>4</sup>

The Joint Center for Housing Studies at Harvard University indicates that demand for new homes could total as many as 17 million units nationally between 2010 and 2020. The location of these homes may be different than recent trends, which favored lower-density development on the urban fringe and suburban areas. The Urban Land Institute identifies the markets that have the most growth potential are "global gateway, 24-hour markets," which are primary coastal cities with international airport hubs (e.g., Washington D.C., New

<sup>4</sup>John McIlwain, "Housing in America: The Next Decade," Urban Land Institute

York City, or San Francisco). Development in these areas may be nearer city centers, with denser infill types of development.<sup>5</sup>

## RESIDENTIAL DEVELOPMENT DENSITY

Table 11 shows residential density achieved in Newport over the 2000 to 2010 period. Some of the dwellings permitted during the 10-year period were located on lots with existing dwelling units. This is most frequently the case for manufactured dwellings (often in manufactured home parks) or apartments. Accounting for the newly permitted and existing dwellings on the lots is important for accurately calculating the density of development on the lots.

Table 11 shows that Newport's average residential density achieved over the 10-year period was 8.8 dwelling units (DU) per net acre. Single-family housing types averaged 7.0 du per net acre and multifamily housing types averaged 18.7 du per net acre.

**Table 11. Density of dwelling units approved through building permits issued for new residential construction, dwelling units per net acre, Newport UGB, January 1, 2000 and December 31, 2010**

	DU Permitted 2000 to 2010	Total DU, Lots with a Permit Issued 2000 to 2010	Acres of Land	Density (DU/Acre)
<b>Single-family types</b>				
Single-Family	343	344	52	6.6
Manufactured	50	121	14	8.7
<b>Single-family subtotal</b>	<b>393</b>	<b>465</b>	<b>66</b>	<b>7.0</b>
<b>Multifamily</b>				
Duplex, Triplex, and Quad	9	10	0	21.7
Condo	157	157	8	19.3
Apartment	13	59	3	17.0
<b>Multifamily subtotal</b>	<b>179</b>	<b>226</b>	<b>12</b>	<b>18.7</b>
<b>Total</b>	<b>572</b>	<b>691</b>	<b>78</b>	<b>8.8</b>

Source: City of Newport Building Permit Database and Lincoln County Assessor's Database, 2010

Analysis by ECONorthwest

Note: DU is dwelling units

Note: "Total DU, Lots with a Permit Issued 2000 to 2010" shows the number of dwelling units on lots where a permit was issued during the 10-year period. Accounting for the newly permitted and existing dwellings on the lots is important for accurately calculating the density of development on the lots.

Note: Density was calculated based on Total DU divided by acres of land. Although some of the total dwellings were not developed over the 10-year period, accurately calculating residential density requires accounting for existing dwelling units.

Table 12 shows residential density achieved in Newport over the 2000 to 2010 period by housing type and plan designation. Table 12 shows:

- The average density of residential permits in Low Density Residential (LDR) was 5.3 du per net acre.
- The average density of residential permits in High Density Residential (HDR) was 9.9 du per net acre.

<sup>5</sup> Urban Land Institute, "2011 Emerging Trends in Real Estate"

- Nearly half of development was single-family (detached and attached), with the majority in HDR (210 du) at an average of 8.2 du per net acre and most of the remaining single-family development in LDR (128 du) at 4.8 du per net acre.
- Most high density multifamily development was in HDR or Commercial Plan Designations
  - In HDR condos and apartments averaged 14.2 and 16.4 du per net acre respectively
  - In Commercial Plan Designations condos average 32.6 du per net acre

**Table 12. Density of dwelling units approved through building permits issued for new residential construction, dwelling units per net acre by Comprehensive Plan Designation, Newport UGB, January 1, 2000 and December 31, 2010**

	Total DU, Lots with a Permit Issued 2000 to 2010	Percent of DU	Acres of Land	Density (DU/Acre)
<b>Low Density Residential</b>				
Single-Family	128	19%	26.5	4.8
Manufactured	34	5%	4.2	8.2
Dup/TrSF/Quad	2	0%	0.2	12.5
Condo	2	0%	0.2	8.7
<b>LDR Subtotal</b>	<b>166</b>	<b>24%</b>	<b>31</b>	<b>5.3</b>
<b>High Density Residential</b>				
		0%		
Single-Family	210	30%	25.5	8.2
Manufactured	86	12%	9.6	9.0
Dup/TrSF/Quad	4	1%	0.2	25.0
Condo	81	12%	5.6	14.4
Apartment	56	8%	3.4	16.4
<b>HDR Subtotal</b>	<b>437</b>	<b>63%</b>	<b>44</b>	<b>9.9</b>
<b>Commercial Plan Designation</b>				
		0%		
Single-Family	6	1%	0.4	14.0
Manufactured	1	0%	0.1	9.1
Dup/TrSF/Quad	4	1%	0.1	28.6
Condo	74	11%	2.3	32.6
Apartment	3	0%	0.1	42.9
<b>Commercial Subtotal</b>	<b>88</b>	<b>13%</b>	<b>3</b>	<b>29.1</b>

Source: City of Newport Building Permit Database and Lincoln County Assessor's Database, 2010

Analysis by ECONorthwest

Note: DU is dwelling units

Note: "Total DU, Lots with a Permit Issued 2000 to 2010" shows the number of dwelling units on lots where a permit was issued during the 10-year period. Accounting for the newly permitted and existing dwellings on the lots is important for accurately calculating the density of development on the lots

Note: Density was calculated based on Total DU divided by acres of land. Although some of the total dwellings were not developed over the 10-year period, accurately calculating residential density requires accounting for existing dwelling units.

The Joint Center for Housing Studies indicates that demand for higher density housing types exists among certain demographics. They conclude that because of persistent income disparities, as well as the movement of the echo boomers into young adulthood, housing demand may shift away from single-family detached homes toward more affordable multifamily apartments, town homes, and manufactured homes.

## HOUSING NEEDS ANALYSIS

This section presents an evaluation of housing needs for the City of Newport for the 2011-2031 period. Much of the analysis is based on the OAR 660-024 “safe harbor” assumptions. The housing needs analysis makes a determination of the sufficiency of vacant residential land within the Newport UGB to accommodate expected residential growth over the 2011 to 2031 period.

A 20-year population forecast (in this instance, 2011 to 2031) is the foundation for estimating needed new dwelling units. Table 13 shows that Newport’s population is forecast to grow by about 1,600 people over the 20-year period.

**Table 13. Population forecast, Newport, 2011 to 2031**

Year	Lincoln County (OEA)	Newport
2011	47,306	11,243
2031	54,051	12,846
<b>Change 2011 to 2031</b>		
Number	6,745	1,603
Percent	14%	14%
AAGR	0.7%	0.7%

Source: ECONorthwest, based on the Office of Economic Analysis forecast for Lincoln County

Note: Population for 2011 and 2031 was extrapolated based on the growth rates used between 2010-2015 (for 2011) and 2030-2035 (for 2031).

Note: AAGR is average annual growth rate

Table 15 shows an estimate of needed housing in the Newport UGB during the 2011 to 2031 period, based on recent data. The projection is based on the following assumptions about the Newport UGB:

- Population will increase by 1,603 people from 2011 to 2031 in the Newport UGB.
- About 2.9% percent of the new population in the Newport UGB, or 47 people, will locate in group quarters. This assumption is based on the share of population in group quarters from the 2000 Census.
- The average household size within the UGB will be 2.19 people per household, based on information from the 2005-2009 Census, a “safe harbor” assumption established in OAR 660-024-0040(7)(a).
- Vacancy rates for all housing types within the UGB will be 19% based on recent vacancy rates in Newport.
- The assumed mix of housing for the UGB is 60% single-family detached housing (including manufactured housing) and 40% multi-family housing types (including single-family attached). This mix is roughly equivalent to the mix of housing stock in Newport in 2000 and assumes that a smaller share of new housing will be single-family detached housing.

Based on the assumptions shown in Table 13, the Newport UGB will need 846 new dwelling units to accommodate population growth between 2011 and 2031, not including new group quarters. The results indicate that the Newport will need to issue permits for an average annual total of 42 new dwelling units during the planning period. This figure represents a decrease over the average of 51 permits issued annually over the 2000 to 2010 period.

**Table 13. Forecast of demand for new housing units, Newport, 2011-2031**

<b>Variable</b>	<b>Estimate of Housing Units (2011-2031)</b>
Change in persons	1,603
<i>minus</i> Change in persons in group quarters	47
<i>equals</i> Persons in households	1,556
Average household size	2.19
New occupied DU	711
<i>times</i> Aggregate vacancy rate	19.0%
<i>equals</i> Vacant dwelling units	135
<b>Total new dwelling units (2011-2031)</b>	<b>846</b>
Dwelling units by structure type	
Single-family detached	
Percent single-family detached DU	60%
<i>equals</i> Total new single-family detached DU	<b>508</b>
Single-family attached	
Percent single-family attached DU	4%
<i>equals</i> Total new single-family attached DU	<b>33</b>
Multifamily	
Percent multifamily detached DU	36%
Total new multifamily DU	<b>305</b>
<i>equals</i> Total new dwelling units (2011-2031)	<b>846</b>
Dwelling units needed annually	42

Source: Calculations by ECONorthwest

## Summary of demographic and economic trends

Demographic and housing trends are important to a thorough understanding of the dynamics of the Newport housing market. Newport exists in a regional economy; trends in the region impact the local housing market. This section demographic and housing trends relevant to Newport and the mid-Oregon Coast region..

### Homeownership rates increased in Newport

- Owner-occupied units in Newport increased from 54% of the housing stock in 1990 to over 63% in the 2005-2009 average. This increase was consistent with State and National trends in ownership.
- Single-family housing types had a higher ownership rate (92%) than multi-family (11%).

### The average vacancy rate for Newport was higher than the State average

- Newport's vacancy rate in 2005-2009 (19%) was higher than the State average (9%).

- The most common cause for vacancy in Newport was seasonal or recreational use at 16% in 2005-2009, compared to the State average of 3%.

#### **Commuting is common for workers in Newport**

- Commuting is typical throughout the region: Newport's workforce lives in Lincoln County, but two-thirds do not reside in the City of Newport.

#### **The population in Newport and Lincoln County was older than the State average.**

- Forty-five percent of Newport's households were 50 years or older during the 2005-2009 period, compared with 33% of the State's population.
- Households residing in Newport were less likely to have children (19%) than the average State household (28%).
- The OEA forecasts that 37% of Lincoln County's population will be 60 years or older by 2030, compared with the State average of 25%.

#### **Newport's households were generally smaller than the State average.**

- Newport had fewer people per household in the 2005-2009 period, with an average household size of 2.19 people, compared to the County average of 2.27 and State average of 2.49 people per household.

#### **Newport had a larger share of non-family households and smaller share of households with children than Lincoln County or the State.**

- Newport had a larger share of non-family households (44%) than the Lincoln County average (29%) or State average (36%).
- Newport had a smaller share of households with married couples (43%) than the State (50%) or County (47%).
- Newport had a slightly larger share of households with children (19%) compared to Lincoln County (18%), but a smaller share than the State as a whole (28%).

#### **Homeownership and household size are related with age in Newport, which is consistent with State and national trends.**

- More than half of householders aged 35 and older were homeowners (61%). Homeownership increases with age until it starts to decrease at age 75.
- Householders younger than 44 years were more likely to be renters in households with two or more persons.

#### **Newport became more ethnically diverse.**

- Hispanic and Latino population accounted for 8% of Newport's population during the 2005-2009 period, up from 2% of the population in 1990. In comparison, Hispanic and Latino population accounted for 7% of Lincoln County's population and 11% of Oregon's population during the 2005-2009 period.
- Newport's Hispanic/Latino population grew by 385% (650 people) between 1990 and the 2005-2009 period.

### **Newport's housing affordability decreased**

- In 2010, a household must earn \$14.60 an hour to afford a two-bedroom rental unit in Newport, an increase of \$5 or nearly 50% from 2000.
- More than one-third of Newport households could not afford a two-bedroom apartment at HUD's fair market rent level of \$759 in the 2005-2009 period.
- Newport had a deficit of nearly 500 affordable housing units for households that earned less than \$25,000.
- About 39% of Newport's households were cost-burdened, with 51% of renters and 30% of owners cost-burdened.
- Average annual household expenditures for necessities (e.g., food, transportation, clothing, utilities, health care, other necessities) in Newport are similar to larger cities in the Willamette Valley (e.g., Eugene or Salem) and are higher than smaller cities in the Willamette Valley (e.g., Cottage Grove or Lebanon). The types of expenses that are most frequently higher in Newport than in the smaller cities in the Willamette Valley are transportation (including gasoline), food, utilities, and health care. The higher cost of living in Newport (relative to small Willamette Valley cities) magnifies the problem of decreased housing affordability.

### **Newport's housing costs increased substantially**

- Newport's median housing value doubled between 2000 and the 2005-2009 period. Lincoln County's housing prices increased by 71% over the same period.
- The average sale price for single-family dwellings increased by 47% between 2000 and 2010, from about \$159,000 in 2000 to \$233,000 in 2010. Single-family sales prices peaked in 2007 at an average of nearly \$350,000.
- Condominium sale prices increased 71% between 2000 and 2010.
- Newport had a smaller share of housing valued under \$200,000 than the State, and a larger share of housing valued more than \$400,000 for the 2005-2009 period.
- Rents increased at a slower pace than housing prices, increasing by 14% (\$74) between 2000 and the 2005-2009 period.

### **Housing costs are increasing much faster than rents and incomes.**

- Since 2000, median owner value increased 77%, compared to a 31% increase in median household income, and a 14% increase in median rents.
- The ratio of housing value to household income increased from 2.8 in 1989 to 6.3 during the 2005-2009 period. Across the state, the ratio increased from 2.5 to 5.0.

### **Trends affecting housing mix**

The previous section described the three household characteristics that are most closely correlated with household choice. This section describes the demographic and socioeconomic trends in Newport and Lincoln County related to these characteristics by describing the characteristics of households currently in Newport. The majority of Newport's

population growth, however, is expected to be the result of in-migration.<sup>6</sup> It is difficult (if not impossible) to accurately project the characteristics of households that may move to Newport over the next 20 years, beyond the projections for changes in population by age group. To some degree, projecting future housing preference relies on estimating the ways that the characteristics of new households in Newport will be different and make different housing choices than existing households.

The national demographic trends that will affect housing demand across the U.S., as well as Oregon and Newport are:

- **Aging of the baby boomers.** By 2029, the youngest baby boomers will be 65 years old. By 2030, people 65 years and older are projected to account for about 20% of the U.S. population, up from about 12% of the population in 2000. The State forecast that people over 60 years will grow from 25% of Lincoln County's population in 2000 to 37% in 2030, an addition of 8,500 people over age 60.
- **Growth in echo boomers.** Echo boomers are a large group of people born from the late-1970's to early 2000's, with the largest concentration born between 1982 and 1995. By 2030, echo boomers will all be older than 25 years old, with the majority between the ages of 35 to 48 years old. The echo boomers will form households and enter their prime earnings years during the 20 year planning period.
- **Growth of immigrants.** One of the fastest growing groups in the U.S. will be immigrants, with Hispanics the fastest growing groups. By 2030, Hispanics are projected account for about 20% of the U.S. population, an increase from about 13% of the U.S. population in 2000.
- **Increase in diversity.** One of the fastest growing ethnic groups in the U.S. are Hispanics and Latinos. By 2030, Hispanics and Latinos are projected account for about 20% of the U.S. population, an increase from about 13% of the U.S. population in 2000. Growth in Hispanics and Latinos will be the result of natural increase (more births than deaths) and immigration from other countries.
- **Change in household composition.** The composition of households is changing, in part as a result of the aging of the population, growth of immigrants, and increase in diversity. Traditional household composition (e.g., households with children and married couples) are becoming less common and non-traditional household composition (e.g., single-family households and non-family households) are becoming more common.

### Land needed for housing: 2011-2031

This section summarizes the forecast of new housing units in Newport for the period 2011 to 2031. The forecast of needed housing units (Table 14) uses the following assumptions, based on recent data:

- **Housing mix will be 60% single-family detached units and 40% multifamily units (including single-family attached).**

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<sup>6</sup> The Portland State University Population Research Center's annual estimate of population shows that all of Lincoln County's population growth between 1990 and 2009 is the result of in-migration. We assume that in-migration will continue to account for the majority of growth in Lincoln County over the planning period.

- **Residential density** will be the same as achieved densities over the 2000 to 2010 period: 7.0 dwelling per net acre for single-family detached and 18.7 dwelling units per net acre for multifamily.<sup>7</sup> The average density is 9.3 dwelling units per net acre, which is consistent with the OAR 660-024 housing density safe harbor.<sup>8</sup>
- **The net to gross factor**, which converts from net acres to gross acres, will be 20% for single-family housing types and 15% for multifamily types. These net-to-gross assumptions are consistent with previous empirical analysis of net-to-gross conversions in other cities.

Table 14 shows the results. The forecast assumes an average density of 9.3 dwelling units per net acre (about 7.6 dwelling units per gross acre). Based on the mix and density assumptions, Newport will need about 112 gross residential acres to accommodate new housing between 2011 and 2031.

**Table 14. Forecast of new housing by type and density, Newport, 2011-2031**

Housing Type	New Dwelling Units (DU)	Percent	Net Acres		Net to Gross Factor	Gross Acres	
			Density (DU/net ac)	Net Res. Acres		Gross Res. Acres	Density (DU/gross res ac)
Single-Family	508	60%	7.0	73	20%	91	5.6
Multi-family	338	40%	18.7	18	15%	21	16.1
<b>Total</b>	<b>846</b>	<b>100%</b>	<b>9.3</b>	<b>91</b>		<b>112</b>	<b>7.6</b>

Source: ECONorthwest

Note: Multifamily includes single-family attached.

Table 15 allocations needed new housing units to Newport's residential and commercial plan designations. Dwelling units were allocated to plan designations based, in part, on recent development trends within each plan designation and on the type of development allowed in each plan destination. Table 15 also provides an estimate of the gross acres required in each designation to accommodate needed housing units for the 2011-2031 period. The acreages are based on the gross density assumptions shown in Table 14. The residential land needs presented in Table 15 may change based on adjustments to the assumptions or based on policy decisions. Based on the housing needs analysis, dwellings were allocated by plan designation and type:

- The overall needed housing mix is 60% single-family detached housing types and 40% multifamily attached housing types (including single-family attached).

<sup>7</sup> OAR 660-024-0010(6) uses the following definition of net buildable acre. "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

<sup>8</sup> OAR 660-024, Table 1, establishes housing density safe harbors for cities forecast to be between 10,001 and 25,000 during the planning period. The density safe harbors are: required overall minimum of 5 dwelling units per net buildable acre, assume for UGB analysis 7 dwelling units per net buildable acre, and zone to allow 9 dwelling units per net buildable acre. Newport's housing needs analysis meets these standards.

- Forty-two percent of needed dwelling units will locate in the Low Density Residential designation.
- Forty-seven percent of needed dwellings will locate in the High Density Residential designation.
- Eleven percent of needed dwelling units will locate in commercial plan designations.

**Table 15. Allocation of new housing units by plan designation, Newport, 2011-2031**

Housing Type	Plan Designation						Total	
	Low Density Residential		High Density Residential		Commercial Designations			
	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac	DU	Gross Ac
Single-family detached	339	69	169	21	0	0	508	91
Multifamily	17	2	229	14	93	6	339	21
<b>Total</b>	<b>356</b>	<b>71</b>	<b>398</b>	<b>35</b>	<b>93</b>	<b>6</b>	<b>847</b>	<b>112</b>
<b>Percent of Acres and Units</b>								
Single-family detached	40%	62%	20%	19%	0%	0%	60%	81%
Multifamily	2%	2%	27%	12%	11%	5%	40%	19%
<b>Total</b>	<b>42%</b>	<b>64%</b>	<b>47%</b>	<b>31%</b>	<b>11%</b>	<b>5%</b>	<b>100%</b>	<b>100%</b>

Source: ECONorthwest

Note: Multifamily includes single-family attached.

The final step of the housing needs analysis is an evaluation of the sufficiency of vacant residential land with the Newport UGB to accommodate expected residential growth over the 2011 to 2031 period. This section includes an estimate of Newport's residential land sufficiency, based on the analysis in the housing needs analysis.

Table 16 shows a comparison of buildable residential land with demand for residential land to determine the sufficiency of residential land in the Newport UGB to accommodate growth over the 2011 to 2031 period. Table 16 shows:

- **Land Supply.** Newport has more than 1,700 acres of vacant and partially vacant buildable land.
- **Land Demand.** Newport will have demand for about 106 gross acres of residential land.
- **Land Sufficiency.** Newport has enough land to accommodate residential growth over the 20-year period, with a surplus of about 1,650 gross acres of residential land.

**Table 16. Comparison of buildable residential and with demand for residential land, gross acres, Newport, 2011-2031**

	Vacant and Partially Vacant Land (buildable acres)	Demand for Residential land (gross acres)	Residential Land Surplus or (Deficit) (gross acres)
Low Density Residential	998	71	927
High Density Residential	765	35	730
<b>Total</b>	<b>1,763</b>	<b>106</b>	<b>1,657</b>

Source: ECONorthwest

## Key housing issues

Following are several key issues identified in the housing needs analysis:

- **Newport has experienced limited multifamily apartment development.** While 32% of the new dwellings permitted in Newport during the 2000-2010 period were multifamily, the vast majority of multifamily housing was intended as vacation rentals. In short, the market is producing virtually no multifamily dwellings for local residents and workers.
- **Land designated for higher-density housing is located in areas that are less desirable for high density housing types.** Desirable locations for multifamily housing are places with services and retail close by and with easy transportation linkages. While Newport has a large inventory of land designated for higher density housing, very little is in locations that are ideal for workers. This issue is not new—it was identified in the 1989 Housing Element.
- **Ageing housing stock.** Nearly 20% of the city's housing stock was built before 1950. Data collected as part of the housing needs analysis suggests that the condition of rental housing in Newport is poor. The condition of rental housing combined with the higher rental costs (relative to nearby communities) negatively affects potential renters' willingness to rent in Newport.
- **Lack of affordable workforce housing in Newport.** Housing in Newport became much less affordable between 2000 and 2010—particularly to working households:
  - In 2010, a household needed to earn \$14.60 an hour to afford a two-bedroom rental unit in Newport, an increase of \$5 or nearly 50% from 2000.
  - More than one-third of Newport households could not afford a two-bedroom apartment at HUD's fair market rent level of \$759 in the 2005-2009 period.
  - Newport had a deficit of nearly 500 affordable housing units for households that earned less than \$25,000.
  - About 39% of Newport's households were cost-burdened, with 51% of renters and 30% of owners cost-burdened.
  - The average sale price for single-family dwellings increased by 47% between 2000 and 2010, from about \$159,000 in 2000 to \$233,000 in 2010. Single-family sales prices peaked in 2007 at an average of nearly \$350,000.
  - Condominium sale prices increased 71% between 2000 and 2010.

- Newport had a smaller share of housing valued under \$200,000 than the State, and a larger share of housing valued more than \$400,000 for the 2005-2009 period.
- Rents increased at a slower pace than housing prices, increasing by 14% (\$74) between 2000 and the 2005-2009 period.
- **Substantial in-commuting by workers at Newport businesses who live in outlying areas.** Evidence suggests that housing costs are forcing some households to live in nearby communities. In 2008, 68% of residents of Newport worked in Lincoln County, with 50% working in Newport.

Draft

## **HOUSING GOALS, POLICIES, AND IMPLEMENTATION MEASURES**

### **Goals:**

**Goal 1: To provide for the housing needs of the citizens of Newport in adequate numbers, price ranges, and rent levels which are commensurate with the financial capabilities of Newport households.**

**Goal 2: To provide adequate housing that is affordable to Newport workers at all wage levels.**

Policy 1: The City of Newport shall assess the housing needs and desires of Newport residents to formulate or refine specific action programs to meet those needs.

Implementation Measure 1.1: The City of Newport shall establish a set of verifiable and empirically measurable metrics to track trends in housing development and affordability. The metrics should be based on readily available data sets that are available on an annual basis and should include income and housing cost trends, housing sales, building permits by type and value, as well as others.

Implementation Measure 1.2: The Community Development Department shall prepare annual housing activity reports that include data on residential building permits issued, residential land consumption, and other indicators relevant to housing activity.

Implementation Measure 1.3: The Community Development Department shall conduct an assessment of the housing needs of Newport residents and workforce every five years. This assessment shall focus on the implementation measures and related housing programs as described in the Housing Element of the Newport Comprehensive Plan.

Implementation Measure 1.4: The City of Newport shall assess the use of creative funding and land use tools to facilitate the development of government-assisted housing and workforce housing. Tools to be evaluated include urban renewal, lodging tax revenues, system development charge structures, in lieu fees, and others.

Policy 2: The city shall cooperate with private developers, nonprofits, and federal, state, and local government agencies in the provision and improvement of government assisted and workforce housing.

Implementation Measure 2.1: The City shall establish a residential land bank program with the intent of facilitating the development of government-assisted and workforce housing.

Policy 3: The city shall encourage diversity and innovation in residential design, development and redevelopment that is consistent with community goals.

Implementation Measure 3.1: The City shall review the potential for establishing policies and locations for transitional housing in ORS 446.265.

Implementation Measure 3.2: The City shall review options for allowing innovative housing design including pre-approved housing plans. The review shall consider impacts on government assisted or workforce housing on innovative design and should include consideration of options that would result in workforce or government-assisted housing.

Implementation Measure 3.3: The City shall evaluate zoning code modifications that would create more flexibility – including form-based code options, modifications to the conditional use process, and other approaches that flexibility for innovative housing design.

Policy 4: The City of Newport shall designate and zone land for different housing types in appropriate locations. Higher density housing types shall be located in areas that are close to major transportation corridors and services.

Implementation Measure 4.1: The City of Newport shall review the comprehensive plan and zoning maps to ensure that low- and high-density residential lands are located in areas that appropriate to associated housing types.

Implementation Measure 4.2: The City of Newport shall review the Newport Zoning Code to identify potential amendments related to facilitating the development of needed housing types. The review shall, at a minimum, include the following elements: (1) reduced minimum lot size in the R-1 and R-2 zones; (2) allowing small homes under certain circumstances; (3) adoption of an accessory dwelling unit ordinance; and (4) street width standards.

Policy 5: The City of Newport shall coordinate planning for housing with provision of infrastructure. The Community Development Department shall coordinate with other city departments and state agencies to ensure the provision of adequate and cost-effective infrastructure to support housing development.

Implementation Measure 5.1: The Community Development Department shall review functional plans (e.g., water, wastewater, transportation, etc.) to identify areas that have service constraints or will be more expensive to service. This review shall occur in conjunction with the five-year housing needs evaluation described in Implementation Measure 1.3.

Policy 6: The City of Newport shall discourage, and in some cases, prohibit the development of residences in known environmentally hazardous or sensitive areas where legal and appropriately engineered modifications cannot be successfully made. In support of this policy, the city shall inventory, and to the greatest extent possible, specifically designate areas that are not buildable or required special building techniques.

**Policy 7:** As much as possible, the City of Newport shall protect residential development from impacts that arise from incompatible commercial and industrial uses; however, the city also recognizes that some land use conflicts are inevitable and cannot be eliminated. Where such conflicts occur, the uses shall be buffered, where possible, to eliminate or reduce adverse affects. Residences that develop next to objectionable uses are assumed to be cognizant of their actions, so no special effort by the adjacent use is required. The residential development will, therefore, be responsible for the amelioration of harmful affects.

**Implementation Measure 7.1:** The City of Newport shall investigate and evaluate housing programs that may reduce the costs on renters and home buyers.

**Implementation Measure 7.2:** The City of Newport shall eliminate any unnecessary review processes.

**Policy 8:** The City of Newport recognizes that mobile homes and manufactured dwellings provide an affordable alternative to the housing needs of the citizens of Newport. The city shall provide for those types of housing units through appropriate zoning provisions.

**Implementation Measure 8.1:** The City of Newport shall review the mobile home park inventory maintained by the Oregon Department of Housing and Community Services to identify parks that may be at risk of transition to commercial uses.

**Implementation Measure 8.2:** Review the Newport Zoning code to allow and encourage "park model" RVs as a viable housing type. This review should include establishing appropriate definitions for Park Model RVs, establishing appropriate development standards, reviewing minimum lot sizes, and establishing a set of pre-approved Park Model plans.

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– IMPORTANT NOTICE –

**JULY 1, 2010 CERTIFIED POPULATION ESTIMATE *revised***

March 31, 2011

To: **Newport City**

Listed below is the revised population estimate for July 1, 2010. This revised estimate incorporates Census 2010 counts and is certified on March 31, 2011. If your city experienced annexation after July 1, 2010, the March 31 certification includes the annexed population.

**REVISED CERTIFIED POPULATION ESTIMATE:**

JULY 1, 2010: **10,030**

JULY 1, 2010 POPULATION ESTIMATE PLUS  
ANNEXATION THROUGH MARCH 31, 2011: **NO ANNEXATIONS**

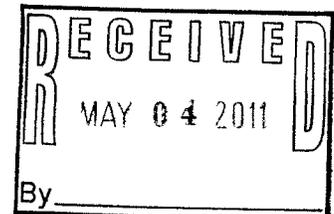
**CERTIFIED CENSUS FIGURE:**

APRIL 1, 2010: **9,989**

If you have any questions, please contact:

Risa S. Proehl  
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Portland, OR 97207-0751

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- CENSUS 2010 -  
**2010 Population and Housing Unit Counts**

April 1, 2010

To: **Newport city**

Listed below are the April 1, 2010 Census counts for population and housing units. Also included for your information are population separated by household and group quarters residence, and housing vacancy rates. These numbers are from the U.S. Census Bureau's 2010 decennial Census and will serve as the new foundation for estimating annual population in the current decade.

**APRIL 1, 2010:**

TOTAL POPULATION: **9,989**

HOUSEHOLD POPULATION: **9,673**

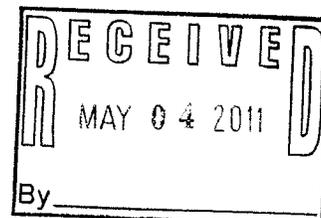
GROUP QUARTERS POPULATION: **316**

HOUSING UNITS: **5,540**

VACANCY RATE: **21.4%**

If you have any questions, please contact:

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## Derrick Tokos

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**From:** Bob Parker [parker@eugene.econw.com]  
**ent:** Wednesday, May 04, 2011 7:39 PM  
**o:** Derrick Tokos; Beth Goodman  
**Subject:** Population and Housing Elements  
**Attachments:** Dft Newport Housing Element V1.doc; Dft Newport Population Element V2.doc

Derrick -

Attached are the population and housing elements. I added a discussion (highlighted in yellow) in the population element about the 2010 Census. The bottom line is that it results in growth of 97 fewer persons than the figures in the HNA. My sense is that it is probably not a big enough change to justify changing all of the tables in the housing needs assessment.

Call me if you have any questions or changes you need.

--

Bob Parker, AICP  
ECONorthwest  
99 W. 10th Ave, Suite 400  
Eugene, Oregon 97401  
541.554.1509





## AGENDA & NOTICE OF PLANNING COMMISSION MEETING

The Planning Commission of the City of Newport will hold a meeting at **7:00 p.m., Monday, May 9, 2011**, at the Newport City Hall, Council Chambers, 169 SW Coast Hwy., Newport, OR 97365. A copy of the meeting agenda follows.

The meeting location is 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.

### NEWPORT PLANNING COMMISSION Monday, May 9, 2011, 7:00 p.m.

#### AGENDA

**A. Approval of Minutes.**

1. Approval of the Planning Commission work session and regular session meeting minutes of April 25, 2011.

**B. Citizens/Public Comment.**

1. A Public Comment Roster is available immediately inside the Council Chambers. Anyone who would like to address the Planning Commission on any matter not on the agenda will be given the opportunity after signing the Roster. Each speaker should limit comments to three minutes. The normal disposition of these items will be at the next scheduled Planning Commission meeting.

**C. Consent Calendar.**

1. Final Order for File No. 3-CUP-11. Approval of a request submitted by First Presbyterian Church (James Gamb, authorized agent) for approval of a conditional use permit for a storage building on church property at 227 NE 12<sup>th</sup> Street to house the Newport community food pantry. The Planning Commission held a public hearing on this matter on April 25, 2011.
2. Final Order for File No. 4-CUP-11. Approval of a request submitted by Oregon Brewing Co., Inc. (Dennis Bartoldus, authorized agent) (Port of Newport, property owner) for approval of a conditional use permit in order to expand the building for increased production capacity and primarily for warehouse storage use at the brewery located at 2320 SE Marine Science (OSU) Dr. The Planning Commission held a public hearing on this matter on April 25, 2011.

**D. Unfinished Business.**

**E. New Business.**

**F. Public Hearings.**

**G. Director Comments.**

**H. Adjournment.**

Please Note: The order of the agenda may change without notice.

Please Note: ORS197.763(6): "Unless there is a continuance, if a participant so requests before the conclusion of the initial evidentiary hearing, the record shall remain open for at least seven days after the hearing." (applicable only to quasi-judicial public hearings)



**Draft MINUTES**  
**City of Newport**  
**Planning Commission Work Session**  
**City Hall Conference Room "A"**  
**Monday, April 25, 2011**

**Planning Commissioners Present:** Jim Patrick, Mark Fisher, Melanie Sarazin, Glen Small, Gary East, and John Rehfuss (arrived 6:20 p.m.).

**Planning Commissioners Absent:** Rod Croteau (excused).

**Citizens Advisory Committee Members Present:** Lisa Mulcahy and Dustin Capri.

**Citizens Advisory Committee Members Absent:** Bill Branigan (excused).

**City Staff Present:** Community Development Director (CDD) Derrick Tokos and Executive Assistant Wanda Haney.

Chair Patrick called the Planning Commission work session to order at 6:00 p.m. and turned the meeting over to CDD Tokos.

**A. Unfinished Business.**

1. Review the TAC's final recommendations on housing policies. Tokos noted that he had included in the packet an April 21<sup>st</sup> memo that ECONorthwest put together regarding the housing needs and buildable lands study. The TAC will be meeting one last time this Thursday. They got through about half of the memo at their last meeting. Tokos wanted to pass this by the Commission to take a look to see if there is something glaring that stands out that they want the TAC to look at before they complete their work. He said essentially what you are looking at in terms of recommendation are a series of changes to the Comprehensive Plan housing section, which hasn't been amended since the late 80s, involving changes to the policies and very specific implementation measures. We will want to see progress on these policies. Tokos explained that what they would see in terms of recommendations up front, like on Policy 1 measures 1.1 through 1.4, are very specific direction as to how frequently the City should be looking at housing issues and implementation measures dealing with definitions, grant funding, and things of that nature. There is a recommendation that the City get involved in facilitating workforce housing through the implementation of a land bank. That is something the TAC is behind. We don't know the whole framework for how that would be implemented; it would be flushed out at that point. The recommendation just provided direction. This would involve a partnership with the land trust or the housing authority for workforce housing. There is a recommendation that a housing fund be created; which can be financed through different mechanisms, such as room tax, general fund, or in-lieu-of fees. There won't be a recommendation in terms of a specific dollar amount. The TAC came to the agreement that it is best to leave the recommendation that a fund be created and leave it to the policy-makers to determine how much can be put in there. With partners like the housing authority and the land trust, profit goes a long way. The sale of city-owned property could serve as seed money. There are targeted revisions to the zoning ordinance, such as reducing minimum lot size. The TAC will discuss at their next meeting if part of this should be a correlation with a reduction in maximum building coverage, which is 57% in R-2, for example, under the existing code. We don't typically see coverage that uses all that up. With a drop down in lot size, we are likely to see that entire lot coverage, which will look and feel different. The TAC will discuss if that is a desirable outcome, or whether we want smaller structures on smaller lots. Maybe correlating that reduction should go along with this. ADUs and narrow streets could be implemented. Tokos said that he wanted to get these concepts in front of the Commission to see if there was anything that was alarming or something for the TAC at their last meeting. East wondered if private developers would be able to take advantage of these programs as well. He thought it would be nice if besides just non-profits, local developers could contribute also. Tokos said he sees this likely as a three-way dance. The land trust would be involved with holding the property and they would have a private developer actually build the home. He said he's certain that if the Council goes with a land bank, they will not want the City to be in the housing business and will want the partners holding that property. The TAC looked at SDCs. They looked at adjusting the equivalent dwelling unit (edu). Now using the edu methodology, a dwelling is a dwelling is a dwelling. There was discussion about a 15,000-18,000 square-foot home having lower fees than a 24,000-28,000 square-foot home, for example. In terms of schedule, Tokos' sense is that the TAC will meet Thursday, the Planning Commission will have one more work session with the actual draft policy language, and it should be brought at the end of May to public hearing. The May 23<sup>rd</sup> meeting, which is when this hearing would be held, will have to be moved to an alternate date because the budget committee will be meeting on Mondays in that room. Fisher commented that this is a very lengthy and very important document that needs a lot of digesting of what is in it. The consensus was that this is going in the right direction. Tokos said the land bank may be where we get immediate traction on this. Some of the rest will take some time. The Commission can plug away on the zoning code side of it.

2. Status on the vacation rental code update process. Tokos wanted to give a progress report on the ad hoc vacation rental group. They made it through to where they actually have some direction in terms of what they would like to see. Tokos is preparing a code for their review at their next meeting on May 18<sup>th</sup>. Tokos wanted to run through the PowerPoint in terms of what the work group looked at. It covers how other jurisdictions tackle vacation rentals. First, they covered the Planning Commission's desired outcomes. Then he identified what other jurisdictions they were using that would be useful in Newport. He drew in a few from the coast and a couple of others. The rationale for regulating vacation rentals is to address safety and convenience to renters, owners, and neighbors. Also to address issues such as noise, litter, parking, etc. Locations allowed, took the group two meetings to sort through. It got tabled in the first meeting. After establishing regulations, the committee came back to it. All jurisdictions take different approaches; some cap the number, some allow in all residential and commercial areas, and some in just residential or just commercial. The committee suggested taking Lincoln City's approach to allow them in all residential and commercial. What he got from the group was that the general sense is that the market will only support so many vacation rentals, and the criteria they are proposing gets to the impacts. Tokos went over the different approaches to density limitations. They were ownership based where owners of multiple properties can only have one vacation rental, proximity based where they are trying to keep separate from each other, and ratio based which utilizes a cap. The group did not choose to go with density limitations. For maximum overnight occupancy, the group went with two per bedroom plus two, subject to available off-street parking. The committee had no desire to go with tenancy limits, which is something like can rent only every two weeks as in Cannon Beach. For maximum overnight occupancy, the committee went consistent with the fire code of 200 square feet per person, the same as for hotels and motels. Off-street parking requirements are one space per bedroom, not less than two off-street, and no triple stacking. Use of on-street parking would be prohibited overnight. Regarding waste management, service must be maintained, dumpsters are prohibited, there must be regular removal, and trash cans cannot be stored in plain view of the street. For landscaping maintenance, the committee chose the fixed percentage approach so front yards don't get ripped out for parking. For noise, the committee chose to rely on the City's nuisance ordinance. Regarding safety requirements, the committee felt that a number of the points were appropriate. Once these go from single-family use to commercial use, there is a higher bar. There is certification with the building codes with an upfront inspection to make sure there are no code issues. There are periodic inspections like for other temporary lodging establishments. In Newport, the Fire Department inspects hotels and motels one to two times a year. Because of absentee owners, inspections of vacation rentals are more 50/50. Emergency information and equipment must be available to guests. The committee agreed on a guest registry log of the people and vehicles. Regarding contact information, the committee more or less chose the Manzanita approach; available 24 hours a day, have a key, and respond to inquiries in thirty minutes. The committee liked the idea of postings. It's something that hotels and motels do. Post next to the door. It gives fair warning to people staying there. For signage, we will stick with what the code allows for single-family residences. The term of the license and permits, which are specific to owners and is non-transferable, will be renewed annually. Two people on this committee are working on the business license and room tax committees. They will look at cross linking so this will automatically renew with those. Tokos noted that they talked about outreach because this will make it more permissible. Fisher wondered how many vacation rentals were licensed. Tokos had distributed a list of vacation rentals that have been permitted. He said there is not a great number; he would be surprised if there were more than forty total. There will be some in R-1 and R-2 that rent less than ten times. Looking at the list, it showed forty some. As far as the effect on existing rentals, the committee didn't want to go down the path of nonconforming. All current rentals would transfer over to this code. Under enforcement, the operator's local contact is the first point of contact. If the City gets a call, we will have the caller contact the local contact. If they don't know that, we will provide them with that information. There may be contact without the City knowing about it. The contact must keep a complaint log. If there is an issue and the City gets involved, it usually not the first complaint. With the log, we can see what the complaint is and how it was resolved. Having that log is going to help figure out what is working and what is not. If they are not maintaining the complaint log, that is a violation of the code and gives leverage. The committee liked the concept of scaled penalty with warning, fine, and suspension. For the process, the committee liked a ministerial, over-the-counter, checklist type. The permit is released once the up-front inspection is completed. The City then sends out notice to surrounding property owners that the permit has been issued and providing the local contact if they ever need it. The committee liked the concept of a failsafe. If someone can't meet those fixed standards, they could submit for a conditional use permit and go to the Planning Commission. The decision was that we can't anticipate every circumstance so there should be an outlet. Under other regulations, they must tell us if there is an HOA so we can include them in the notice mailing. They must provide consent if there is a joint driveway or private beach access. Room tax reporting and business license will be cross-referenced in the code.

Tokos will be pulling the code together and getting it back to the work group, and if they are okay with it, then he will bring it to the Planning Commission for work session and then hearing. The work group gave Tokos ideas for outreach like meeting with the lodging association and the Chamber so that when we get to hearing, people will know about the code. Fisher thought this was a good report. Patrick said he worries about only getting one side of the story. To increase outreach, he said that maybe we should send notice to everybody that has ever testified against vacation rentals. Fisher said that if this is in the newspaper, we will have a lot of people. Mulcahy asked for clarification about HOAs. She asked that someone can get a permit whether or not you get permission from the HOA. Tokos said they need to give us HOA contact information, and we make sure the HOA receives notification. It's up to the HOA to enforce covenants. The City can't enforce CC&Rs. We are doing ministerial review, where there is no up-front notice before issuing the permit.

3. Update on OPAC outreach process for territorial sea planning process. Tokos said that he just received an email from David Allen that the May 13<sup>th</sup> date is changing because of a conflict. That is when Newport meeting was to be held. Tokos said from attending one of their meetings, the fishing industry is well plugged into this and have been for some time. The natural resource people are going to be plugged in as well. Those not plugged into this are the tourism folks or the property owners, until a large structure pops up in their view shed. Tokos' sense is that it would be good to send a flyer to the lodging folks and the real estate industry to get word out once they settle on a date so that it is not just fishing, habitat, and wave energy that are attending. We hope to get feedback from this process that they need to think about this. Rehfuss suggested notifying the Chamber of Commerce, too. Tokos said that he would send notice to the Chamber, real estate companies, the lodging association, and service clubs. Sarazin suggested surf shops, too.

4. Status of the geologic code update. Tokos informed the Commission that the Council has re-opened the record and set a public hearing for June 14<sup>th</sup>. We will be sending direct mailing notice at the Council's request to everybody that received the original notice. Written comments must be received by May 27<sup>th</sup>. Tokos noted that there are four new Council members. They didn't ask for a joint meeting. He thought the Planning Commission might think about whether they want to have Patrick show up to reiterate what the Commission's recommendation was and so they can visualize that we have a Planning Commission. Small said he was all for it. East thought all of the Commissioners that are available that evening should show up.

**B. Adjournment.** Having no further business to discuss, the work session meeting adjourned at 6:54 p.m.

Respectfully submitted,

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Wanda Haney  
Executive Assistant



**Draft Minutes**  
**City of Newport Planning Commission Regular Session**  
**Monday, April 25, 2011**

**Commissioners Present:** Jim Patrick, Mark Fisher, Melanie Sarazin, Glen Small, Gary East, and John Rehfuss.

**Commissioners Absent:** Rod Croteau (excused).

**City Staff Present:** Community Development Director (CDD) Derrick Tokos and Senior Administrative Assistant Wanda Haney.

Chair Patrick called the meeting to order in the Council Chambers of Newport City Hall at 7:00 p.m.

**A. Approval of Minutes.**

1. Approval of the regular session Planning Commission meeting minutes of April 11, 2011.

**MOTION** was made by Commissioner Fisher, seconded by Commissioner Sarazin, to approve the Planning Commission minutes as presented. The motion carried unanimously in a voice vote.

**B. Citizen/Public Comment.** No comments regarding non-agenda items.

**C. Consent Calendar.** Nothing on the consent calendar.

**D. New Business.** No new business to discuss.

**E. Public Hearings.**

Patrick opened the public hearing portion of the meeting at 7:02 p.m. by reading the statement of rights and relevance. He asked the Commissioners for declarations of conflicts of interest, ex parte contact, bias, or site visits. Rehfuss declared that he was a member of the First Presbyterian Church and wouldn't participate in that hearing. Patrick called for objections to any of the Planning Commissioners or the Commission as a whole hearing this matter; and no objections were raised

**Quasi-Judicial Actions:**

1. **File No. 3-CUP-11.** A request submitted by First Presbyterian Church (James Gamb, authorized agent) for approval of a conditional use permit per Section 2-2-1.025/"Residential Uses" of the Newport Zoning Ordinance (NZO) (No. 1308, as amended), in order to construct a storage building on church property at 227 NE 12<sup>th</sup> Street to house the Newport community food pantry. Per NZO Section 2-2-1.025(D)(8), church uses are permitted in the R-1 zone following the issuance of a conditional use permit.

Commissioner Rehfuss recused himself and stepped down from the dais for this hearing. Patrick opened the hearing for File No. 3-CUP-11 at 7:03 p.m. by reading the summary from the agenda. He asked for a staff report. Tokos noted that the application is for a conditional use permit from the Presbyterian Church for a food pantry building for Food Share of Lincoln County. Tokos gave the criteria from the zoning ordinance. He noted that the staff report goes through each of these criteria in detail. The applicant provided findings. The analysis establishes that the public facilities are adequate. The applicant provided a site plan that shows there is plenty of parking on the property. There are no overlay zones. The activity itself is ancillary to the church. The site plan shows that the structure will be substantially buffered. The church property is almost a 4-acre site and has vegetation all around it. Most of the adjacent property owners won't be able to see the building. There are only a couple of conditions staff is recommending. First, that the approval is based on what has been provided in terms of the site plan. Second, that the applicant is required to adhere to building codes and safety and health related codes.

**Proponents:** Jim Meyers, who is a member working with Food Share, came forward to speak in favor. He said that Food Share has had a pantry for twenty-five years. Other cities have independent pantries, but partner with Food Share. He said this new facility will be a great community outreach.

Joyce Thompson-Graham, who works with Food Share, came forward to testify. She said that with approval to go ahead and move into that location, they can provide a great service to their clients. She noted that the current space does not allow for handicap accessibility. They currently have three parking spaces and one handicapped space. Many clients have to park a block away and haul boxes of food to their rides. It doesn't serve clients well. They are trying to do the best for the community. They are delighted to be working with the church. The space, the parking, the site, and the barrier with the vegetation make this an

ideal site. She said they are looking forward to moving ahead with the Commission's okay. Small wondered how many visits they would have in the three days they say they will be open. Thompson-Graham said they served about 375 families in 2010. The average would be about twenty families (householders) coming through the pantry. Their intentions are that it will be open about eight hours a week, and they would expect to see about 75-90 households served during those eight hours spread over three or four days. She noted that pantries throughout the county are all volunteer-driven; and, because of that, most shifts are two or three hours at a time. There were no other proponents present wishing to testify.

**Opponents or Interested Parties:** There were no opponents or interested parties present wishing to testify.

Patrick closed the hearing at 7:10 p.m. for deliberation. Small thought in the first place, the church should be commended for housing this facility. He said that it's obviously something that is needed in this community. His only concern would be it having a greater adverse impact with seventy more trips a week. The back parking lot exit might become bothersome; but it wouldn't discourage him from approving this request. Fisher felt the same. He said the church will have to judge if it becomes too much. If neighbors didn't complain, he thought it was a good project. East agreed. He said that as long as there is adequate parking and access in and out, he is all for it. Sarazin agreed with Fisher. She thought the church went above and beyond in notifying neighbors. Patrick agreed. He thought it met criteria.

**MOTION** was made by Commissioner Small, seconded by Commissioner East, to approve the conditional use request in File No. 3-CUP-11 with the conditions recommended by staff. The motion carried unanimously in a voice vote. Commissioner Rehfuess returned to the dais.

2. File No. 4-CUP-11. A request submitted by Oregon Brewing Co., Inc. (Dennis Bartoldus, authorized agent) (Port of Newport, property owner) for approval, per Section 2-2-1.040/"Water-Dependant and Water-Related Uses" of the Newport Zoning Ordinance, for a conditional use permit in order to expand the building for increased production capacity and primarily for warehouse storage use at the brewery located in a W-2/"Water-Related" zone at 2320 SE Marine Science (OSU) Dr. (Lincoln County Assessor's Map 11-11-17; Tax Lots 111 & 296).

Patrick opened the hearing for File No. 4-CUP-11 at 7:12 p.m. by reading the summary from the agenda. He asked for a staff report. Tokos noted that this is a conditional use request filed by Oregon Brewing for a 20,000 square-foot expansion to the existing Rogue Brewery. He read the applicable criteria from the zoning code. He noted that the applicant, through their representative, submitted findings explaining how they satisfy the criteria, which was included in the packet and was incorporated in the staff report. The expansion is for brewery and warehouse space. They list the elements included with that expansion. Going through the criteria, the public facilities are adequate. There are storm water and water lines within where they will be expanding the footprint, and the applicant will have to identify where those lines are. The Public Works Director thought the storm water line might not be properly identified. They will have to make sure and designate on the plans. There is a public water line where there is an easement. Port of Newport will need to work with the City on that in terms of releasing the easement and rededicating another one. Tokos said that can be done and has been drafted into a condition of approval. Regarding the underlying zone, in prior approvals, the applicant established that they are an eating and drinking establishment. This application would be consistent with that direction. From previous approvals, any time they do any expansion, they have to come back to the Planning Commission; so they are addressing that original condition of approval. With the 2006 application, they accounted for 44 dedicated parking spaces. It was determined that the brewery operation and warehouse would be combined and treated as warehouse space. They would need ten additional spaces with the expansion, for a total of 54. The 2006 plans show ample area for that south of the building. Some parking will have to be redone. Tokos said this is a large part of the property and has adequate area to the east should they lose space south of the building. He said findings can be made that it is feasible for them to provide the required number of parking spaces, and that is all you have to do to find for approval. The City is making changes to Marine Science Drive to improve the overall traffic flow. That realigns with a new left turn lane for Rogue access. The last criterion regards building size being consistent with that in the area. Tokos said this is a large building that will get bigger. It's in an industrial area and is not out of the norm. The applicant's proposal would be consistent with what is seen in that area. Four conditions of approval were recommended: 1) The standard condition that approval is based on information provided; 2) That they comply with health and safety codes; 3) That they provide scaled parking and circulation to provide 54 spaces and drive aisles to meet the zoning code. Landscaped islands shall be replaced with the same size; 4) That they identify utilities in the footprint of the expansion and work with Public Works in the relocation and rededicating easements as needed. Tokos noted that with the Port signing the application, it is their signature saying that the 54 spaces our code requires will be available to this facility. Small had a question about the third proposed condition regarding their parking and circulation plan. He wondered with the work the City is doing in the street, if the entrance is being moved if we know where that is going to be. Tokos said that entrance has been relocated, constructed, and paved. They haven't done the striping yet. He said that we have the final plans showing that. Fisher was bothered by the fact that the Port of Newport owns the land and the building and is responsible for everything that happens or doesn't happen there. They could build it to the specs of Oregon Brewing, but he believed the Port should be the applicant. He doesn't believe they should go through third parties. He said because it's the Port's building and property, they should be responsible for what is being done. He would much rather have that change made. Tokos said our code simply requires owner consents; and a third party can apply. He noted that would require a code change.

**Proponents:** Dennis Bartoldus, PO Box 1510, Newport, representing Rogue Brewery, the applicant. Bartoldus wanted to address right off that the Port had signed the application. He said that they understand what the issue is. The Rogue Brewery has been working closely with the Port on this project. They know they will need design and engineering specs, so Rogue has retained an engineer. This will involve leasing more property from the Port. Bartoldus noted that this matter has come before the Port Commission to get approval to sign the application and submit it. He said this is the sixth time since 1992 that they have had to make applications. The first action approved by the Planning Commission was an interpretation that this could be done in the W-2 zone. There have been previous expansions as well. Using the photo he had submitted, Bartoldus explained that the darker gray roof is the area of the proposed expansion. There will be approximately 20,000 square feet built on to the existing building at that point. In order to accommodate this construction in this location, he said there are a couple of things they have to do. One is locating and moving utilities to the satisfaction of the City and the Port. The engineers are helping with that. They will be locating all lines during the course of this process. They also will provide access down to the docks. Marine Discovery Tours use the dock closest to the building to load people there. Under the supervision of the Port, the Rogue will move that access ramp down easterly where the dark lines are shown on the photo. They know where the new entrance and exit is at the end of Ferry Slip Road. The access will be moved about 150-200 feet further east than it presently is. They will be working with the Port to make sure the circulation is good through there. He noted that the photo has the actual delivery door on the northwest corner of the building. That could be changed to the southeast corner if that provides better circulation. They also provided a survey that Russ Johnson previously did and drew the new construction on that. It gives the actual dimensions and acreage for the present Rogue use. The staff report listed what the expansion will be used for. It's primarily warehouse use. Bartoldus went through the criteria. They feel the first criterion has been met. All utilities are available. Some relocation is required, and they will be taking care of that in accordance with the Port's and the City's wishes and with proper engineering to their satisfaction. The second criterion regarding the underlying zone, Bartoldus said there are no special requirements that apply to this application. There was a previous determination that this is an appropriate use in the W-2 zone. The third criterion requires that the proposed use does not have adverse impacts. He said that Tokos already addressed this. He said there is the internal issue of traffic management on site, and they are working on that with the Port. The Port will be providing 54 parking spaces designated for this use. The parking islands there now will need to be moved. He recalls they also had to be in 2006. He said these changes should work well with the other work taking place there. The fourth criterion is that the building is consistent with the development character. As Tokos noted, this is one of the larger buildings in town. It sits in an area where other large buildings sit, such as hotels, NOAA, and HMSC. Bartoldus said it is interesting to note that Rogue is the only manufacturing industry we have in the area providing living wage jobs. It provides an employment base. The expansion can be seen as a healthy sign of the economy. It will provide jobs. It will be a real benefit. He said it is consistent with the neighborhood. Rogue is working with other users in the area. They are trying to contact interested parties. A few things need to be relocated, and they know they are responsible for the engineering and the cost of that. Bartoldus said that they don't have any problem with the conditions in the staff report. He said they are here before the Commission to ask for approval of this conditional use. In answer to Rehfluss about the survey, Bartoldus explained that this was drawn for the application in 2006. The area labeled "new construction" was the last addition that was put on. The proposed addition for this application is outlined in pink. He said the amount of square footage is important because whatever is leased by the Rogue gets added to the tax rolls. In the past when there was an expansion, there has been an actual survey to count the square footage so it can be reported to the assessor.

Don Mann, Port Manager, 600 SE Bay Boulevard, Newport. Mann assured the Planning Commission that the Commission and the Rogue have met several times regarding the project. The Port Commission received the staff report and will continue to monitor the project as outlined. They want to go on record as supporting the request. He said the Port is asking for approval. There were no other proponents present wishing to testify.

**Opponents or Interested Parties:** There were no opponents or interested parties present wishing to testify.

Patrick closed the hearing at 7:35 p.m. for deliberation. Sarazin felt that the criteria have been, or can be, met. She believed that the Rogue is an excellent neighbor, and she welcomed the growth. She understood the requirement for 54 parking spaces, but it's been her experience that more than half are not being used for Rogue's purpose. She said it's really not fair to them, but they are meeting that. She said she would be in favor. East agreed. He was in favor. Fisher concurred. Rehfluss thought it was a good development and meets criteria. He was in agreement. Small felt the same and agreed that it met criteria. Patrick agreed also.

**MOTION** was made by Commissioner Fisher, seconded by Commissioner Sarazin, to approve the conditional use request in File No. 4-CUP-11 with the conditions recommended by staff. The motion carried unanimously in a voice vote.

#### Legislative Actions:

1. File No. 5-Z-10. A request submitted by the City of Newport for approval of legislative text amendments to the Newport Zoning Ordinance (NZO) (Ordinance No. 1308, as amended) as part of a comprehensive Zoning Code update that proposes revisions to Section 2-2-1 (Zoning Districts), consolidating the I-2/"Medium Industrial" and I-3/"Heavy Industrial" zone districts under an I-2/"General Industrial" designation and replacing the land use classification for commercial and industrial zoning districts from one that is based upon "Standard Industrial Classifications" (SICs) to one that is based upon use categories. The Planning Commission will forward a recommendation on this matter to the City Council.

Patrick opened the hearing for File No. 5-Z-11 at 7:37 p.m. by reading the summary from the agenda. He asked for a staff report. Tokos noted that, as discussed in work session, this hearing is talking about a proposed amendment to the zoning ordinance. The Planning Commission has worked on this at different work sessions. This is the first time the general public has an opportunity to weigh in on it. Tokos said he didn't have an ordinance prepared for approval tonight; this session is just to get public input. Then we can make any adjustments we need to before it's brought for formal recommendation. For the benefit of the audience, Tokos walked through a brief PowerPoint about why the City is doing this and what the changes mean. He said he would talk briefly about letters that came in recently and were not in the packets. He noted that this is part of the Planning Commission's effort to streamline the zoning code dealing with uses permitted outright in commercial and industrial zones by creating use categories that can be readily understood. The matrix we have now is 23 pages long and difficult to navigate. The proposed code structure doesn't require constant updates. Currently, when industries change and new uses come up, we have to maintain the list. Also a component of this is that we are trying to simplify industrial zones. There is only one I-2 district in the City. This is an opportunity to do away with some code language. The current approach for SIC is if it's not listed in that category, it has to go to the Planning Commission for interpretation. Also, the SIC system we are using is 1972-based. That has been replaced. If the City wants to continue with SIC codes and list every use, we would have had to have identified the more modern code. He noted that very few jurisdictions do this. Most do uses or list out by district. By grouping in categories, you are basically listing characteristics and not trying to list every feasible use. It gives flexibility. It would be the characteristics of an office versus sales or manufacturing. We just figure which group it fits in and don't have to go through the matrix. As changes come up, they will fit into one of those descriptions. There is staff-level review rather than full-out review by the Planning Commission. When Tokos did the groups, he looked at how to group some 400 industries into uses without impacts. The Planning Commission had said to be as permissive as possible without causing too much impact. Using the PowerPoint, Tokos went over the different zones and how these changes would affect them. He covered what was more permissive and what was more restrictive in each zoning district. He noted that C-2 was more challenging because of the way it was handled in the current code; certain ones were picked out. I-2 and I-3 will be combined into general industrial. In merging the two, industrial uses are gained, but some commercial uses are lost. Tokos presented a map showing industrial properties. He pointed out the areas that would fall under the general industrial zones. The first two are currently I-3-zoned properties that include the natural gas storage facilities east of the Port and the Tryon property on SE 40<sup>th</sup>. The third is the 26-acre Lawson property on the north side of town that is currently zoned I-2. Immediately to the west is a large block of I-1. To the north is the transfer station under public zoning. Tokos noted that these are draft concepts. In grouping these, we tried to come up with use categories as opposed to 400 uses and still minimize impacts. The Planning Commission is looking for feedback. He noted that the Commission can continue the hearing to date certain where he can bring back a revised package in ordinance format addressing the feedback received tonight. Tokos noted that three pieces of correspondence had come in after the packets were distributed. One was from Wendy Engler with a series of questions. He's provided a number of responses, but he can follow up with Wendy in writing. A letter from Dennis Bartoldus who was representing the GVR site off 40<sup>th</sup> Street. This letter basically says that they would be amicable to this consolidation if the City designated the larger portion of their property to I-1. The smaller piece would be under the new I-2 designation. Tokos spoke to ODOT about this because his one reservation was if this would open a transportation analysis. ODOT is not going to have an issue with this because this area is already under a settlement agreement for transportation impacts, and what GVR is trying to do will not impact that settlement agreement. Tokos thinks that making the map change would be a reasonable accommodation. The last letter was from Landwaves indicating that they are generally in favor of the simplification effort. They just want to make sure their industrial properties are not going to be adversely impacted. They have light industrial, which is getting generally more permissible. Landwaves provided a bench overlay concept; but Tokos said that he doesn't know what they would get with that that they don't get with light industrial. He doesn't know if creating another overlay is going to gain anything. They just threw that out as a concept.

Rehfuss had a question about administrator-level decisions. Tokos said 99% of the time there won't be much of a decision because the use will fit in cleanly enough. If it doesn't fit neatly into a use category, it would be staff-level interpretation. The Planning Commission would only hear it if there was an appeal of the staff-level determination.

**Parties Testifying:** Eileen Obteshka, 105 NW Coast St. Obteshka said it is going on nine years that she has lived here. She said it looks like the consolidation would be good for the rest of the City, but she is concerned about the Nye Beach district. She noted that, even though they are zoned C-2 (tourist commercial), they are a neighborhood. She said that it gives her concern that by putting uses into categories, it is taking away the people's opportunity to give input on conditional uses. She noted in C-2 they were mandated that the main level had to be a business, and you could live up above. Three years ago, they worked to amend that because it was unrealistic for the City to expect there would be that many businesses. She said it is nice just to allow residents to live there. She believes they need to maintain that and not go into such a commercial designation. Nye Beach has a unique character. Lumping into categories might not be what is right for Nye Beach. The Nye Beach residents don't want to give up the right to speak on what might affect them in a non-positive way.

Paul Lawson, 5535 E Evergreen #7305, Vancouver, WA 98661. Lawson noted that he is the owner of the only I-2 zoned property, which is approximately 26 acres; and he also owns 4 acres of I-3. His I-3 property has a rock deposit like the State's property, and it was determined that I-3 was the best zone for a quarry. He said that is part of the plan. In 2005, he entered into a purchase agreement; and he examined the permitted uses at that time, some of which were commercial uses. Referring to the map that Tokos had on the overhead showing the area of his property, Lawson noted that the I-2 is next to the landfill to the

north. The property to the east is ODOT's rock quarry. When the property was annexed, he believed it was ready for industrial development; but then they found wetlands on the property. He was involved in a 4-year process of mitigating wetlands. He received a "no further action" letter from DEQ. Early into the project, he contacted the Governor's office, and it was determined this would be a good candidate for Oregon Industrial Classification (shovel-ready program). To qualify, the State had a meeting with the city planner, city engineer, and city manager. As a result of this meeting, the City Council, on February 6, 2006, agreed to co-sponsor the application for the shovel-ready program. Lawson had to submit permitted uses as part of the application. He has been working on this process since then. Lawson is against the proposal to change permitted uses. Right now he has industrial and some commercial uses allowed. As far as the annexation process, a traffic study was commissioned for the intersection of 101 and 73<sup>rd</sup>. As part of the agreement and previous annexation, the properties involved had to have the owner's consents to be part of a finance district to pay for a traffic light when needed. Also, his property is burdened by Iron Mountain overlay, which protects the State's quarry. Any use of the land has to recognize it would not interfere with the Iron Mountain operation. Even though he is permitted several commercial uses, because the quarry is there it limits some of the uses. So he already has some restrictions there. He said that he is now about two months away from getting certification for the shovel-ready program. Part of the certification program is that the City gets national exposure. The State has a marketing program. They put together a profile of the City, and the City gets marketed. Shovel ready requires all issues be taken care of so a permit can be issued within six months of applying for a permit. The land has to be graded, and there are several ravines on the property. Before State Lands would give a permit to grade, they required that final use be determined and be ready to apply for a building permit. Shovel-ready said all issues had to be resolved before it could be certified. They held him up for a year before they said he could mitigate the wetlands, do the grading, and be ready for a permit six months out. He feels the City has an obligation with the State and the shovel-ready application to continue permitted uses that were disclosed at the time of the application. He said when you restrict the use of the property, you pull in your net. Right now he has 30 acres. He doesn't think there is another piece that large in Newport. When you restrict the use of the property it will cut down on the potential uses. That is one of the reasons he is objecting cutting down on commercial uses. Commissioner Small asked how long Lawson had been working on this process, and Lawson said since 2005. Originally, when he sent a letter to Fish and Wildlife, they said there were no wetlands on inventory. But, he has been working with State Lands. It has been a long process. Also, we had a change in the economy during that time. He said there is local potential for use of the land. In 2008, Central Lincoln PUD sent out an RFP for another site, and he responded to it; but he couldn't resolve all of the issues at that time. He has another prospect that would bring in a lot of jobs; but it wouldn't be permitted if the City goes through with the proposed revisions of uses.

Rich Richmond, 914 SW Coast Hwy, Ste 101, Newport. Richmond noted that the east line on the map is incorrect on Lawson's property. It matches up with Thompson's Sanitary property. Richmond noted that one of the things Lawson was talking about was economic impact. Richmond said that when the City was a co-applicant and when the property was annexed in, there was a great deal of work done with what would be permitted and what wouldn't. If the City changes the rules on Lawson, that could jeopardize him. The City says they don't want to impact anybody too much; but Richmond's question is what is too much. Richmond said that he has history with the City. When the PAC was being built, they asked him to be the agent. He said that he has worked with the City a great deal. When the City needed easements, he gave them to the City. He had a great working relationship on the north side also in times past. He said it is important to remember we are in a recession. He came here in 1976 and has lived here ever since. He hasn't seen the vacancy we have today. He thinks we have an incredible obligation to maintain our reputation as an "I can do" city, not an "I can't". In the 70s recession, Newport was one of the brightest shining stars of our coastal economy. We are in a deeper situation than then. He thinks the timing and the impact are horribly wrong. The impact is horribly wrong. The State requires the City have these zones because we need it for a healthy community. If we tighten up with all conditional uses, it will stifle development. We will be known as the "I can't do" city. He said he appreciates the Commission's attention because this is incredibly important. He asked as they mull this over and drive up and down the streets and see the results of the economy, that they put this on the back burner until we can recover economically. He said there are more than Mr. Lawson that will be affected. Some people have their life's savings in their properties. He hoped that he was communicating that during this economic time we have now not to do anything that would cause it to be harder for people to come to town. He noted that looking south of the bridge; when Home Depot couldn't accomplish what ODOT wanted, we lost those jobs. The City would like to have the jobs that there could be on Mr. Lawson's property. It's taken Lawson 5-10 years to get through the pre-development process. It is a long-term investment. Don't hinder him.

Dennis Bartoldus, PO Box 1510, Newport. Bartoldus was representing GVR, which is the Tryon family, who own the industrial property on 40<sup>th</sup> Street that is presently zoned I-3. Bartoldus said that they are not taking a real strong position that they don't want this to happen. Their concern was if they can maintain the same uses with the new designations. Bartoldus said that, after reading through the material, they feel satisfied that if their property were rezoned I-2 on the upper portion (about 3 acres) and the lower portion (about 10 acres) would be I-2, they could live with that. They made plans for the property based on zoning at the time of annexation. That is what they needed to be zoned when they annexed in for future uses. One idea was to relocate their cement plant. The other thing they have considered is putting in some kind of storage units or some type of retail. Larger retailers have made inquiries. GVR, just like others, wants to keep their options open. Having the most flexibility in the zoning ordinance is beneficial. They believe as I-2 and I-1 zoning, this could be met. One of the concerns when talking with Tokos was ODOT's requirements. There is already a settlement agreement. Whether or not the zoning is changed doesn't matter. Bartoldus thought the larger issue that the Planning Commission should think about is what Lawson detailed about all the work he has done to get his property shovel-ready. If costs are added, there is no site in Newport that would be ready for something like Lowes, Home Depot, Target, or Bi-Mart to locate without going through the approval process. He thinks that is one of the

things the City should keep in mind as they work through this. What can the City as a whole do if they have a desirable business wanting to locate here in order to have the property ready for them. Bartoldus said that Tokos had said what GVR is requesting could be done. Their zoning will change. There won't be I-3. That is why they are asking for a split of I-2 and I-1.

In response to a question from Commissioner Rehffuss, Tokos explained that in merging I-2 and I-3, you basically end up with the existing I-2 going away. What Lawson loses are commercial uses. What impacts the existing I-3 is that I-3 still has allowance for bulk retail, but it will be conditional. What GVR is requesting is to get I-1 on the bulk of their property; which, in his opinion, gives more flexibility in terms of retail uses on the bigger property (more than in I-3). The consolidation would meet the City's objective of simplifying the code; and, in their case, would meet GVR's needs. It's true that Lawson would gain an expanded range of industrial, but would lose a lot of commercial uses. That is what he is objecting to.

Ulrike Bremer, 727 NW 3<sup>rd</sup> St, Newport. Bremer said many of her questions had been answered, but she read from a letter she had written. Her letter expressed her fears that this would lead to undesirable results in her neighborhood. She is in C-2, which would be most impacted. She asked what the reasons were for such extensive realigning, and who proposed it. She asked if it common to abandon SIC codes. What will change immediately; and what in the long-term? What will be the benefit? Will it impact the character of her neighborhood? How does it relate to the Nye Beach overlay? How does used books and dog training and boarding fit in? She hoped that this was the first of several hearings. Bremer entered her letter into the record.

Chuck Victory, NW High Street. He said it was great that the City is looking at rezoning anything. He said that Nye Beach has become a village. They are trying to maintain a neighborhood, not just tourist-oriented uses. He has been living there for seven years. He has been listening to zoning changes for I-1 and I-2 and is hearing a whole lot of variances. His concern is that it won't be conducive to his neighborhood. He talked about a vacation rental that recently was approved on High Street, which is a dead-end street. All homes on there are single-family; five of which were owned by the person asking for the vacation rental. He said it's zoned R-4, but it's actually R-1 and doesn't fit vacation rentals. Victory noted that since it's been approved, the vacation rental has been used three times. The parking on site has never been used, and the last renter threw trash on the street that the neighbors picked up. He said the City has to understand who lives there and what it's conducive to. City staff simply says it fits the neighborhood; but you actually have to walk the neighborhood to see why that use doesn't fit. It's not just going by someone's say so on paper. He said that Newport is a nice city and has room to grow. He said let's be something more than a series of lines in the book. Let's have a general plan about what we want the city to be. He's seen it splitting apart more and more.

Wendy Engler. Engler noted that Mr. Lawson had mentioned Mr. Davis, who was a visionary. She had submitted an email with her concerns. In addition to those, she wondered what the significance of these changes were; and in particular, with the Nye Beach overlay. She noted that in the January 13<sup>th</sup> work session, it was discussed, "so Nye Beach wouldn't be caught off guard" and "that is where most of the changes are taking place". She thought the overlay took precedence over what is happening right now. Nye Beach is more about design than restricting uses. The concern here is that by simplifying and grouping uses, it may be introducing undesirable uses. The overlay is a way of checking that. This would only apply to C-2. She needs help in figuring out what these issues are with uses that folks are concerned about allowing in C-2. Her email raised a lot of those. She said there are a lot of small-scale businesses that would fit in, and it looks like they will fall out in the proposed code. Tokos said that a lot would fall out now and not by this code. If it is a retail establishment, it would be allowed. If it's a small-scale shop where they are manufacturing and selling, it would be allowed under current C-2 rules and would be under the proposed. If it's just manufacturing without retail, it would not be allowed under the current code and not under the proposed rules. Engler said that, getting back to the design overlay, originally Don Davis's concept was to be an urban village. Don Davis always promoted artists. That was always part of the concept. Engler thought that Chuck Victory actually brought up what we really need to look at. All R-4 in Nye Beach is on tiny lots that now have cottages. That is a zoning issue that is urgent. She said that when Bill Bain was Mayor, he had talked about it. Tokos said that he could either answer Engler's questions now or could distribute a written response. Tokos went through her questions. Schools, including photography and jewelry, are not allowed. This doesn't change how schools are handled. He said the thought about restricting schools in commercial is that there are a lot of children present, so it's frowned upon. If you think vocational schools should be allowed in C-2, he doesn't see why that would be a problem. They're not currently allowed. Regarding offices, currently most office uses (outside of medical) are not allowed right now. If the office use is ancillary to retail, it would be fine. This is talking about primary uses. When this was structured, the thought probably was that office uses are not oriented toward tourism and are not attracting business, so they are not appropriate in C-2. It would continue to be so. Her question regarding entertainment was what is permitted and why. Tokos noted that for some reason certain uses were picked out at some point (like bowling alleys). There isn't an explanation of how that was set up. Some were conditional, and some were outright. With the proposal, entertainment uses would be pretty much allowed. Repair-oriented uses such as bicycle or shoe repair are not currently allowed, and there will be no change from that. They're not tourism-related. They would be more appropriate in C-1 for example. Tokos said to explain membership lodging, it for the exclusive use of members. That goes from conditional to outright. Major entertainment is more restrictive. The Planning Commission discussed that if this is talking about large-scale entertainment centers like a stadium (all over 20,000 square feet), they likely would have impact on the neighborhood. There needs to be discussion rather than allowing it outright. For manufacturing and production such as a small brewery, the rationale is if it's similar to Oregon Brewing where there is significant food, it would be retail and permitted in C-2 versus just a straight brewery. She had asked why waste and recycling was conditional, and Tokos explained it's because it smells, is dusty, and is noisy. It is conditional under the current code and

under the proposed. The next question was about the implications of adding basic utilities and roads. Tokos said it just clarifies existing practices. That is what we do even though it's not written. Engler had asked what the implications of changes in local service would be to people in the community, and if it were more permissive in C-2. Tokos said some of the more permissive in C-2 probably won't come to fruition anyway because of where it is located. It's not on the highway. Nye Beach has a particular look and feel. There are small parcels. He can't see large retail there. For that reason, there likely will be limited implications in these changes. He said what we gain really is that we simplify the code. It's more understandable than the 23 page matrix is now. Engler had presented a question about communications and whether electronic reader boards would be allowed on 101. Tokos said that is a sign code question and not a function of these changes. Regarding her question of whether commercial or industrial zones will be rezoned now or in the future, Tokos said that is always a possibility. Engler had questioned what the zoning was for the National Guard Armory, and Tokos explained that it is P-1 and is not changing. Engler had a question about how this code impacts the Nye Beach overlay, which Tokos had already discussed. She asked how vacation rentals are addressed in commercial zones. Tokos explained that there is a vacation rental work group working on a code for vacation rentals. Vacation rentals are allowed in commercial zones right now. The work group working on this issue at this point would not change that; although they would put in standards. That group is working through its own kind of changes specific to vacation rentals. Engler asked if sidewalk issues are addressed in this code. Tokos said that no because they are outside the context of uses. Engler asked Tokos if, when he is saying conditional use, that would mean staff decision with notification, or would it be public hearings for conditional uses. She asked if the criteria change. Tokos said the trigger would not change. If the use generates fifty or more trips or the parcel is more than an acre in size, it goes to the Planning Commission. Other than that, it's staff level. That wouldn't change. Tokos said that most vacation rentals are handled by staff because there are not enough trips, and the size is smaller than an acre. Patrick added that the decision could be appealed to the Planning Commission. Engler said that she would appreciate looking at the Nye Beach overlay and see how that will work with the proposal.

Kathy Cleary, Nye Beach businesses owner. Cleary thought that streamlining is a good idea, but she didn't know if now would be the right time. She didn't think member-based lodging should be changed from conditional to permitted outright. She said that makes her blood run cold. Her thought is that this would be something like Archway Place, on which they lost. She said that they won on Moon Shadow because that didn't meet all criteria. In her idea, this could mean that a World Mark could go on the corner of Coast and Olive. She doesn't want Nye Beach to get a World Mark or some kind of timeshare. She said that Nye Beach is not always about tourism; they are a neighborhood. It shouldn't be that anything allowed must be tourist-based. It shouldn't have to have retail. She said the urban renewal project several years ago helped a lot. Cleary cautioned putting too much emphasis on tourism. She noted that Mr. Victory talked about High Street. She was one of the others that wrote letters. She said this is kind of the same package you are looking at. She said to make appropriate zoning changes. She thought some of the things in C-2 could be detrimental to Nye Beach. She said this bears looking at seriously and thoughtfully. She asked if a copy of the chart Tokos had displayed could be made available. She said she would love to have a copy.

Terry Obtshka, 105 NW Coast St, Newport, co-owner of a bed and breakfast in Nye Beach. He said they have built a neighborhood. They spent a lot of money in marketing to bring people to Newport. It's a magnet for tourists. They come to Nye Beach because they don't want to go to Cannon Beach or Lincoln City. In Nye Beach there are substandard lots. A lot of uses that can go into other areas can't fit well in Nye Beach. He warned that you have to be careful. He noted that you don't want to exacerbate the current parking problem they are having. He suggests not rushing to judgment. For any amendments made to regulations, take Nye Beach into consideration. He said it is different than other areas of the city, and we don't want to ruin the character. He said that character is why a lot of people come here. He wanted clarification if Nye Beach will stay C-2, and Tokos confirmed that. Obtshka's recommendation is to be careful of what is allowed.

There were no other parties present wishing to testify.

Fisher said that he is having a problem because he is torn both ways. He said it's tough to make everybody happy. Eileen Obtshka clarified that what they want is to keep having the option for conditional uses where they have a say on new development that comes in. There was talk about Moon Shadow. That is why they want to have conditional in there. Staff doesn't see the neighborhood as they see it. They want the opportunity to have a say.

Tokos suggested keeping the record open and set a new hearing date out a ways. This wasn't a decision-making night anyway. Four to six weeks out would provide an opportunity for specific concerns to be heard. He said that is something that can be resolved in Nye Beach through the Nye Beach overlay; streamlining C-2 and addressing their concerns through the Nye Beach overlay. The Commission will need their feedback. The Commission needs to keep the record open to do that. The Commission could pick this up at work session before having a hearing again. Patrick said he would like another work session or two. Fisher said that the Commission would have to, as a group, believe that what we are proposing is an improvement. If it isn't an improvement, we shouldn't do it. We have put a lot of time into it. There must be a way we could make it easier to use and still protect concerns. Patrick agreed the Commission needs to keep the record open. It was discussed that June 13<sup>th</sup> is six weeks out. Tokos said he will get the information posted to the website. We will get additional, more-targeted input in the meantime. He said we are making progress. Engler asked if there could be a work session looking at the Nye Beach overlay. She said that would be helpful with what they have been talking about. She would like to have that available in advance so they are not responding to something on the fly. Tokos said that it would be helpful if there is anything that is changing in the C-2 zone that folks have issues with to let him know. He said that is something that can be worked into the Nye Beach overlay draft.

Tokos noted that the markup of the code has been posted on the website. He said he is also happy to meet with people individually to talk through these issues. Lawson asked if the Commission could break the session up into the different zones. Tokos noted that the C-2 and the combination of the two industrial zones seem to be the areas of concern.

**MOTION** was made by Commissioner Fisher, seconded by Commissioner Sarazin, to continue the hearing to June 13<sup>th</sup>, with a couple of work sessions set up by staff prior.

**F. Unfinished Business.** No unfinished business to discuss.

**G. Adjournment.** There being no further business to come before the Planning Commission, the meeting adjourned at 9:18 p.m.

Respectfully submitted,

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Wanda Haney  
Executive Assistant

**BEFORE THE PLANNING COMMISSION  
OF THE CITY OF NEWPORT,  
COUNTY OF LINCOLN, STATE OF OREGON**

**IN THE MATTER OF PLANNING COMMISSION )  
FILE #3-CUP-11, APPLICATION FOR A )  
CONDITIONAL USE PERMIT AS SUBMITTED BY ) FINAL  
FIRST PRESBYTERIAN CHURCH (JAMES GAMB, ) ORDER  
AUTHORIZED REPRESENTATIVE) )**

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**ORDER APPROVING A CONDITIONAL USE PERMIT** per Section 2-2-1.025/ "Residential Uses" of the Newport Zoning Ordinance (NZO) (No. 1308, as amended), in order to construct a prefabricated storage building on church property to house the Newport community food pantry. The subject property is located in an R-1/"Low Density Single-Family Residential" zoning district. Per NZO Section 2-2-1.025(D)(8), church uses are permitted in the R-1 zone following the issuance of a conditional use permit.

**WHEREAS:**

- 1.) The Planning Commission has duly accepted the application filed consistent with the Newport Zoning Ordinance (No. 1308, as amended); and
- 2.) The Planning Commission has duly held a public hearing on the request, with a public hearing a matter of record of the Planning Commission on April 25, 2011; and
- 3.) At the public hearing on said application, the Planning Commission received testimony and evidence; and
- 4.) At the conclusion of said public hearing, after consideration and discussion, upon a motion duly seconded, the Planning Commission **APPROVED** the request.

**THEREFORE, LET IT BE RESOLVED** by the City of Newport Planning Commission that the attached findings of fact and conclusions (Exhibit "A") support the approval of the requested conditional use permit with the following condition(s):

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to the Staff Report. No work shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the property owner to comply with these documents and the limitations of approval described herein.
2. The applicant/owner shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety

and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use.

**BASED UPON THE ABOVE**, the Planning Commission determines that the request for a Conditional Use Permit to construct a prefabricated storage building on church property within the R-1 zoning district is in conformance with the provisions of the Comprehensive Plan and the Zoning Ordinance of the City of Newport, and the request is therefore granted.

Accepted and approved this 9<sup>th</sup> day of May, 2011.

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James Patrick, Chair  
Newport Planning Commission

Attest:

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Derrick I. Tokos, AICP  
Community Development Director

## EXHIBIT "A"

Case File # 3-CUP-11

### FINDINGS OF FACT

1. The First Presbyterian Church (James Gamb, authorized representative) submitted an application on March 9, 2011, for approval of a Conditional Use Permit, per Section 2-2-1.025/"Residential Uses" of the Newport Zoning Ordinance (NZO) (No. 1308, as amended), in order to construct a storage building on church property to house the Newport community food pantry. The subject property is located in an R-1/"Low Density Single-Family Residential" zoning district. Per NZO Section 2-2-1.025(D)(8), church uses are permitted in the R-1 zone following the issuance of a conditional use permit.
2. The subject property is Tax Lot 4400 of Lincoln County Assessor's Tax Map 11-11-05-AC. The lot size is approximately 172,472.6 square feet (3.96 acres) (per Assessor's Map).
3. Staff reports the following facts in connection with the application:
  - a. Plan Designation: Low Density Residential.
  - b. Zone Designation: R-1/"Low Density Single-Family Residential".
  - c. Surrounding Land Uses: Uses include a mixture of public land, educational facilities, single-and multi-family residences, and commercial uses.
  - d. Topography and Vegetation: Generally level and landscaped, wooded with mature trees and moderate slope on west and northwest portions.
  - e. Existing Structures: Church building.
  - f. Utilities: All are available to the site.
  - g. Development Constraints: None known.
  - h. Past Land Use Actions:
    - File No. 1-CUP-05/16-VAR-05, a request to expand a conditional use permit to allow an addition to the sanctuary and storage rooms and allow a height variance for the sanctuary addition. Approved by Final Order adopted 10/10/05.
    - File No. 6-CUP-00, a request for a conditional use permit to allow the operation of a child care/preschool program at the church. Approved by Final Order adopted 12/19/00.
    - File No. 9-CU-88, a request for a conditional use permit for a storage room addition to the church. Approved by Final Order adopted 8/8/88.
4. Upon acceptance of the application, the Community Development (Planning) Department mailed notice of the proposed action on April 11, 2011, to affected property owners required to receive such notice by the Newport Zoning Ordinance, and to various city departments, agencies, and public utilities. The notice referenced the criteria by which the application was to be assessed. The notice required that written comments on the application be submitted by 5:00 p.m., April 25, 2011, or be submitted in person at the hearing. The notice was also published in the Newport News-Times on April 15, 2011. Prior to the hearing, no written comments were received.

5. A public hearing was held on April 25, 2011. At the hearing, the Planning Commission received the staff report and heard testimony in support from Jim Meyers and Joyce Thompson-Graham. The minutes of the April 25, 2011, meeting are hereby incorporated by reference. The Planning Staff Report with Attachments is hereby incorporated by reference into the findings. The Planning Staff Report Attachments included the following:

- Attachment "A" – Applicant's Written Findings of Fact
- Attachment "A-1" – Site Plan showing new storage building
- Attachment "A-2" – Storage Building elevations
- Attachment "A-3" – Storage Building floor plan
- Attachment "A-4" – Church letter to neighbors
- Attachment "B" – Public Hearing Notice and Map
- Attachment "C" – Zoning Map of Area
- Attachment "D" – Aerial Photograph of the Property

6. Pursuant to NZO Section 2-2-1.025(D)(8)/"Residential Uses" of the Zoning Ordinance, church uses are permitted in the R-1/"Low Density Single-Family Residential" zone district with the issuance of a conditional use permit. The church is applying for a conditional use permit in order to construct a 40 foot by 24 foot storage building on church property to house the Newport community food pantry. Because the church property exceeds one (1) acre in size, Planning Commission approval is required in order for the conditional use to be granted (NZO 2-5-3.015(A)).

7. The applicant notes that, for 25 years, Food Share of Lincoln County has led community efforts in awareness and elimination of hunger in Lincoln County through affiliated pantries. Since its operation began, the food pantry for Newport has been located in a small space at the main Lincoln County Food Share warehouse on NE 1<sup>st</sup> St. Now the First Presbyterian Church is offering to add to its campus a portable building to house the Newport food pantry, thus allowing for more room and better emergency food distribution. The Newport food pantry is designed to offer emergency food supplies to working poor families, the unemployed, and the needy. It is not designed to feed the homeless. The food pantry would be open three days a week for two to three hours each day. All activity, including parking, would take place on church property.

8. The applicable criteria for the conditional use request are found in NZO Section 2-5-3.025:

- a. The public facilities can adequately accommodate the proposed use.
- b. The request complies with the requirements of the underlying zone or overlay zone.
- c. The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.
- d. A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.

## CONCLUSIONS

Regarding the applicable criteria for the conditional use request, the following conclusions can be made.

A. *Criterion #1. The public facilities can adequately accommodate the proposed use.*

1. Public facilities are defined in the Zoning Ordinance as sanitary sewer, water, streets, and electricity. The applicant's findings indicate that utilities are in place at the First Presbyterian Church property, including sewer line, water, and electrical.

2. The applicant explains that all activity, including parking, would take place within the church campus. Furthermore, in response to the notice of the hearing, the Newport Public Works Department stated that they had no comments on the application.

3. Given the above, the Planning Commission finds that the public facilities can adequately accommodate the new food pantry storage building.

B. *Criterion #2. The request complies with the requirements of the underlying zone or overlay zone.*

1. This criterion addresses special requirements of the underlying or overlay zone beyond the standard zoning ordinance requirements.

2. The applicant notes that in the R-1 zone, churches and uses on church property, such as the pantry, are permitted subject to conditional use approval. The applicant's site plan and building elevations establish that the food pantry building will satisfy the setback and height requirements of the district. There are no special provisions that apply to the use and the property is not within an overlay zone.

3. Based on the above, the Planning Commission concludes that this criterion is satisfied.

C. *Criterion #3. The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.*

1. This criterion relates to the issue of whether or not the proposed use has potential "adverse impacts" greater than existing uses and whether conditions may be attached to ameliorate those "adverse impacts." Impacts are defined in the Zoning Ordinance as the effect of nuisances such as dust, smoke, noise, glare, vibration, safety, and odors on a neighborhood.

2. The applicant's findings indicate that all activities, including parking, would take place on church property and will have very little impact on traffic, noise, and other environmental concerns. The facility will operate three days a week for two to three hours each day.

3. As the applicant notes that the food pantry is designed to offer emergency food supplies to

working poor families, the unemployed, and the needy; not to feed the homeless. Many of these people are our friends and neighbors who sometimes need help with groceries for their families. A letter from the church to neighbors indicates that only about 5% of clients served are homeless, so it will not be a gathering place where homeless loiter.

4. The site plan shows that the proposed building will be located to the north side of the church adjacent to the parking lot.

5. Given the above, the Planning Commission finds that the new food pantry facility will not have an adverse impact greater than existing uses on nearby properties. With respect to the availability of parking, the required number of off-street spaces for a church use far exceed that of the pantry so there is no need for additional spaces (ref: NZO 2-3-6.015). To ensure that there are no nuisance impacts, the Commission finds that it is necessary to impose a condition requiring that construction of the food pantry comply with applicable building, fire and other life safety standards.

D. *Criterion #4. A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.*

1. The applicant submitted a site plan and drawings of the building elevations. According to the site plan, the 28' x 40' building will be located 8 feet to the north of the church building and adjacent to an existing parking area. The building will be a prefabricated storage unit 12' 6" high with a porch and ADA ramp. Further, the site plan shows that the property is heavily landscaped to the south, east and west. This substantially screens the development as viewed from these vantage points.

2. Given the above, the Planning Commission finds that the food pantry storage facility will be consistent with the overall development character of the neighborhood.

### **OVERALL CONCLUSION**

Based on the application material, the Planning Staff Report, and other evidence and testimony in the record, the Planning Commission concludes that the above findings of fact and conclusions demonstrate compliance with the criteria for a conditional use permit found in Section 2-5-3.025 of the Newport Zoning Ordinance (NZO) (No. 1308, as amended); and, therefore, the requested conditional use permit to construct a prefabricated food pantry storage building on church property within the R-1 zoning district can satisfy the approval criteria for a Conditional Use and is hereby approved with the imposition of the following conditions of approval:

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to the Staff Report. No work shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the property owner to comply with these documents and the limitations of approval described herein.

2. The applicant/owner shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use.



**BEFORE THE PLANNING COMMISSION  
OF THE CITY OF NEWPORT,  
COUNTY OF LINCOLN, STATE OF OREGON**

**IN THE MATTER OF PLANNING COMMISSION )  
FILE #4-CUP-11, APPLICATION FOR A )  
CONDITIONAL USE PERMIT AS SUBMITTED BY ) FINAL  
OREGON BREWING CO, INC (DENNIS BARTOLDUS ) ORDER  
AUTHORIZED REPRESENTATIVE) )**

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**ORDER APPROVING A CONDITIONAL USE PERMIT** per Section 2-2-1.040/ "Water-Dependant and Water-Related Uses" of the Newport Zoning Ordinance (NZO) (No. 1308, as amended), in order to expand the existing brewery by approximately 20,000 square feet for increased production capacity and storage.

**WHEREAS:**

- 1.) The Planning Commission has duly accepted the application filed consistent with the Newport Zoning Ordinance (No. 1308, as amended); and
- 2.) The Planning Commission has duly held a public hearing on the request, with a public hearing a matter of record of the Planning Commission on April 25, 2011; and
- 3.) At the public hearing on said application, the Planning Commission received testimony and evidence; and
- 4.) At the conclusion of said public hearing, after consideration and discussion, upon a motion duly seconded, the Planning Commission **APPROVED** the request.

**THEREFORE, LET IT BE RESOLVED** by the City of Newport Planning Commission that the attached findings of fact and conclusions (Exhibit "A") support the approval of the requested conditional use permit with the following condition(s):

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to this report. No work shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the property owner to comply with these documents and the limitations of approval described herein.
2. The applicant/owner shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use.

3. The applicant/owner shall provide a scaled parking and circulation plan for the expanded facility demonstrating that at least 54 off-street spaces will be available for the use. Drive isles, parking stalls, and loading areas shall conform to the dimensional standards of the Newport Zoning Ordinance (NZO 2-3-6.045, 2-3-6.050). Landscape islands that are being relocated shall be replaced with planted islands of the same size.
4. The applicant/owner shall identify utilities located within the footprint of the expansion area and coordinate with the Public Works Department on relocating them such that they will not be underneath the new structure. This includes vacating and dedicating easements as needed for the City to maintain its utility lines.

**BASED UPON THE ABOVE**, the Planning Commission determines that the request for a Conditional Use Permit to expand the existing brewery is in conformance with the provisions of the Comprehensive Plan and the Zoning Ordinance of the City of Newport, and the request is therefore granted.

Accepted and approved this 9<sup>th</sup> day of May, 2011.

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James Patrick, Chair  
Newport Planning Commission

Attest:

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Derrick I. Tokos, AICP  
Community Development Director

## EXHIBIT "A"

Case File No. 4-CUP-11

### FINDINGS OF FACT

1. Oregon Brewing Company, Inc. (Dennis Bartoldus, authorized agent) submitted an application on April 1, 2011 for approval of a Conditional Use Permit, per Section 2-2-1.040 ("Water-Dependent and Water-Related Uses") of the Newport Zoning Ordinance (NZO) (No.1308, as amended), in order to expand the existing brewery by approximately 20,000 square feet for increased production capacity and storage.
2. The subject property is located at 2320 SE Marine Science (OSU) Drive (a portion of Lincoln County Assessor's Tax Map 11-11-17, Tax Lot 111 and 296). The entire parcel is approximately 2,637,558 square feet (60.55 acres) per the Assessor's map.
3. Staff reports the following facts in connection with the application:
  - a. Plan Designation: Shoreland.
  - b. Zone Designation: W-2/"Water-Related".
  - c. Surrounding Land Uses: Uses include a mixture of public land, educational facilities, and commercial uses.
  - d. Topography and Vegetation: Basically level and largely paved with landscaping islands.
  - e. Existing Structures: Building consisting of brewery, restaurant, and warehouse.
  - f. Utilities: All are available to the site.
  - g. Development Constraints: None known.
  - h. Past Land Use Actions (related to the Oregon Brewing Company operations):
    - File No. 7-CUP-05, a request for amendment of a conditional use permit to expand the restaurant to the lower floor of the brewery. The warehouse capacity was also expanded at this time. Approved by Final Order adopted 10/10/05.
    - File No. 4-CUP-99, a request for amendment of a conditional use permit to allow construction of a second floor deck within the pub to increase seating capacity. Approved by Final Order adopted 9/13/99.
    - File No. 6-CUP-96, request for amendment of conditional use permit to allow the relocation of the brewery tasting room. Approved by Final Order adopted 5/29/96.
    - File No. 2-INT-94, an interpretation concurring with the applicant that the warehousing use of the property by the Oregon Brewing Company is a use permitted outright in the W-2 zone and finding that the office use is a permitted accessory use to the warehouse operation of the Oregon Brewing Company.

- File No. 2-CU-92, request for a conditional use permit to allow the operation of a micro-brewery and tasting room in a W-2 zoning district. Approved by Final Order adopted 4/13/92.

4. Upon acceptance of the application, the Community Development (Planning) Department mailed notice of the proposed action on April 5, 2011, to affected property owners required to receive such notice by the Newport Zoning Ordinance, and to various city departments, agencies, and public utilities. The notice referenced the criteria by which the application was to be assessed. The notice required that written comments on the application be submitted by 5:00 p.m., April 25, 2011, or be submitted in person at the hearing. The notice was also published in the Newport News-Times on April 15, 2011. The only written comment received prior to the hearing was from the Newport Public Works Department in which Lee Ritzman recommended that the location of the Port's storm drainage line be identified to assure that the proposed building expansion does not extend over the top of it; or if the proposed expansion occurs over the drainage line, the line should be relocated.

5. A public hearing was held on April 25, 2011. At the hearing, the Planning Commission received the staff report and heard testimony from the applicant's agent and the Port of Newport General Manager. The minutes of the April 25, 2011, hearing are hereby incorporated by reference. The Planning Staff Report with Attachments is hereby incorporated by reference into the findings. The Planning Staff Report Attachments included the following:

- Attachment "A" – Applicant's Written Findings of Fact
- Attachment "A-1" – Site Plan showing location of expansion
- Attachment "A-2" – Aerial Photo showing location of expansion
- Attachment "B" – Public Hearing Notice and Map
- Attachment "C" – Zoning Map of Area
- Attachment "D" – Aerial Photograph of the Property
- Attachment "E" – April 11<sup>th</sup> Email from Public Works Director
- Attachment "F" – Sheets A0 – A2 of 2006 Brewery Expansion (reduced)
- Attachment "G" – Parking Calculations & Utility Diagram for 2006 Brewery Expansion

6. Pursuant to Section 2-2-1.040(18) "Water-dependent and Water-related Uses" of the Zoning Ordinance, a use that is permitted outright in a C-2/"Tourist Commercial" zoning district requires a conditional use permit to be located in a W-2/"Water-Related" zoning district. Eating and drinking establishments are allowed as outright uses in the C-2 zone under NZO Section 2-2-1.035 (SIC 581). Likewise, beer sales and gift shops are allowed outright in the C-2 zone under NZO Section 2-2-1.035 (SIC 592 and SIC 594). The proposed use includes expansion of the brewery, and its capacity for beer sales. This is allowed conditionally. As the applicant notes, a warehouse use is permitted outright. This is an additional component of the proposal. The original conditional use permit authorizing a brewery and restaurant at this location includes a condition that any major structural changes or major exterior changes shall be brought back to the Planning Commission for review prior to the work being done (Condition #2, File No. 2-CU-92). This application satisfies that condition.

7. The 20,000+/- square foot expansion to the brewery will include the following improvements:

- 2, 50 barrel Oak Foedors (tanks)
- 4-6, 200 barrel fermenters (the big ones)
- 1-2, 100-200 barrel brite tanks
- Additional room for storing finished beer
- Additional room for storing unfilled bottles
- Ability to expand the cold storage cooler
- Installation of a new keg filling station
- Ability to expand the wood barrel aging storage
- Construction of a loading area

Additionally, a portion of the dock adjoining the existing building will be reconstructed and parking and drive isles will be reconfigured.

8. The applicable criteria for the conditional use request is found in NZO Section 2-5-3.025:

- a. The public facilities can adequately accommodate the proposed use.
- b. The request complies with the requirements of the underlying zone or overlay zone.
- c. The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.
- d. A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.

## CONCLUSIONS

Regarding the applicable criteria for the conditional use request, the following conclusions can be made:

A. Criterion #1. *The public facilities can adequately accommodate the proposed use.*

1. Public facilities are defined in the Zoning Ordinance as sanitary sewer, water, streets and electricity. The applicant's findings indicate that public facilities are available and serve the site and existing building. They do not believe that the proposed changes will necessitate an expansion of service, but acknowledge that existing water and drain lines will be impacted and may need to be relocated to accommodate the proposed building envelope. The applicant notes that their engineer will coordinate with the City and Port of Newport to address these issues.

2. Lee Ritzman, the Newport Public Works Director, indicates in an April 11, 2011 email that the Port of Newport placed fill material in the project area in the past to facilitate construction of the existing brewery and installed a storm drainage line so that the area would drain properly

(Attachment "E"). He recommends that the line be located prior to construction. If the line is within the building envelope, then he recommends it be relocated so the line is not underneath the structure. Mr. Ritzman had no other concerns related to servicing the development.

3. Rogue Brewery completed its last significant structural expansion in 2006. When comparing the applicant's site plan with the utility plans for that expansion, it is evident that storm drain and water lines will need to be relocated to accommodate the proposed expansion (ref: Attachments A-1 and G). It appears that the drain line referenced by the Public Works Director is a 21" storm sewer and related branch lines that were installed with the 2006 expansion. The applicant's site plan shows that there is ample area on the property for these lines to be relocated. The same applies to the City water line and associated easement.

4. The brewery property is accessed off of SE Marine Science Drive, which is a minor arterial roadway. The Newport Urban Renewal Agency is in the process of constructing a number of traffic circulation improvements, including re-aligning Rogue's access with Ferry Slip and installing left turn lanes. These improvements will be completed prior to Rogue Brewery initiating their current expansion plans, and access from this street is more than adequate to serve the subject site.

5. Given the above, the Planning Commission finds that the public facilities can adequately accommodate the expansion provided utilities are relocated such that they will not be underneath the new structure.

B. *Criterion #2. The request complies with the requirements of the underlying zone or overlay zone.*

1. This criterion addresses special requirements of the underlying or overlay zone beyond the standard zoning ordinance requirements. There are no special requirements in the underlying zone that apply to this application.

2. The applicant notes that the Planning Commission has previously made a determination that the proposed use complies with the underlying zone; specifically, that a brewery constitutes an eating and drinking establishment which is an outright use in the C-2 zone. Outright uses in the C-2 zone are allowed conditionally in the W-2 zone. Additionally, the applicant notes that more than 50 percent of the proposed expansion will be used for warehouse space and warehouses are allowed outright in the W-2 zone.

3. Based on the above, the Planning Commissions concludes that this criterion is satisfied.

C. *Criterion #3. The proposed use does not have an adverse impact greater than existing uses on nearby properties; or impacts can be ameliorated through imposition of conditions of approval.*

1. This criterion relates to the issue of whether or not the proposed use has potential "adverse impacts" greater than existing uses and whether conditions may be attached to ameliorate those "adverse impacts." Impacts are defined in the Zoning Ordinance as the effect of nuisances such as dust, smoke, noise, glare, vibration, safety, and odors on a neighborhood.

2. The applicant asserts that the existing use of the property demonstrates that there will be no adverse impact on the neighborhood. Since moving to the location in 1992 and through various expansions, the use has been very compatible. It is recognized that the expansion will impact the present parking pattern currently existing on the site. However, this issue will be addressed by reconfiguring the parking at the site. The City is in the process of realigning access to the Port property from SE Marine Science Drive. The entrance is being moved further east to align with Ferry Slip Road. Also, modification of the landscape isles in the parking lot was already discussed as a result of the change of access to Marine Science Drive. The applicant indicates that Rogue will work with the City and Port to locate the isles to facilitate safe access, and the relocated isles will be landscaped. The applicant also points out that with Hatfield Marine Science Center, the Oregon Coast Aquarium and the new NOAA facility the area is experiencing growth and the public streets have been designed to serve such growth. As a significant amount of the space being added to Rogue is for warehouse use, there will not be a significant increase in traffic associated with the use.

3. The applicant explains that since the added space is primarily for warehouse use, the parking requirement is one space for each 2,000 square feet of additional space. They note that there is more than adequate parking to meet this requirement to the south and east of the Rogue building.

4. The applicant states that the facility has already established a track record of no unreasonable noise, dust or loss of air quality and that this will not change with the expansion.

5. Following the 2006 expansion, Rogue was required to provide 44 parking spaces (Attachment "G"). With the proposed expansion, the required amount of parking will increase to 54 spaces (ref: NZO 2-3-6.015(17)). Plans from the 2006 expansion identify 62 spaces in the vicinity of the brewery building (Attachment "F"). Some will be impacted by the expansion; however, there are additional spaces to the east that can be utilized. Considering this information, the Planning Commission finds that it is feasible for the applicant to provide adequate off-street parking and traffic movement provided they prepare a parking and circulation plan, consistent with the dimensional standards of the Zoning Ordinance.

6. To ensure that there are no adverse impacts that could create a nuisance, a condition of approval can be imposed requiring the applicant comply with building, fire, zoning and other public health and safety regulations to ensure the use will not be detrimental to the surrounding neighborhood.

7. Given the above, the Planning Commission concludes that this criterion has been satisfied.

D. *Criterion #4. A proposed building or building modification is consistent with the overall development character of the neighborhood with regard to building size and height, considering both existing buildings and potential buildings allowable as uses permitted outright.*

1. The applicant states that the building height will not exceed the allowable height in the zone. In terms of building size and height, nothing is being proposed that would not be allowed outright in a W-2 zone. The applicant states that the size and height of the building is totally compatible with other buildings already existing or being built in the area (motels, Hatfield Marine Science Center, EPA building and NOAA).

2. It is relevant to note that the W-2 zone is an industrial zone where it is common to have large warehouse structures such as what is proposed, and as the applicant points out the building in terms of its mass will not be out of character with other structures in the area.

3. Given the above, the Planning Commission finds that the Rogue brewery expansion will be consistent with the overall development character of the neighborhood.

### **OVERALL CONCLUSION**

Based on the application material, the Planning Staff Report, and other evidence and testimony in the record, the Planning Commission concludes that the above findings of fact and conclusions demonstrate compliance with the criteria for a conditional use permit found in Section 2-5-3.025 of the Newport Zoning Ordinance (NZO) (No. 1308, as amended); and, therefore, the requested conditional use permit to construct a 20,000 square foot expansion to the Rogue brewery can satisfy the approval criteria for a conditional use and is hereby approved with the imposition of the following conditions of approval:

1. Approval of this land use permit is based on the submitted written narrative and plans listed as Attachments to this report. No work shall occur under this permit other than that which is specified within these documents. It shall be the responsibility of the property owner to comply with these documents and the limitations of approval described herein.
2. The applicant/owner shall comply with all applicable building codes, fire codes, and other public health and safety regulations to ensure that the use will not be detrimental to the safety and health of persons in the neighborhood. The applicant is responsible for obtaining the necessary approvals and permits pertaining to the proposed use.
3. The applicant/owner shall provide a scaled parking and circulation plan for the expanded facility demonstrating that at least 54 off-street spaces will be available for the use. Drive isles, parking stalls, and loading areas shall conform to the dimensional standards of the Newport Zoning Ordinance (NZO 2-3-6.045, 2-3-6.050). Landscape islands that are being relocated shall be replaced with planted islands of the same size.
4. The applicant/owner shall identify utilities located within the footprint of the expansion area and coordinate with the Public Works Department on relocating them such that they will not be underneath the new structure. This includes vacating and dedicating easements as needed for the City to maintain its utility lines.