

**MINUTES**  
**City of Newport Planning Commission**  
**Regular Session**  
**Newport City Hall Council Chambers**  
**Monday, September 14, 2015**

**Commissioners Present:** Jim Patrick, Rod Croteau, Lee Hardy, Bob Berman, and Mike Franklin.

**Commissioners Absent:** Gary East and Bill Branigan (*excused*).

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

A. **Roll Call:** Chair Patrick called the meeting to order in the City Hall Council Chambers at 7:00 p.m. On roll call, Hardy, Berman, Croteau, Patrick, and Franklin were present; Branigan was absent but excused, and East was absent.

B. **Approval of Minutes.**

1. Approval of the Planning Commission regular session meeting minutes of August 10, 2015, and the work session minutes of August 24, 2015.

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

C. **Citizen/Public Comment.** No public comment.

D. **Consent Calendar.** Nothing on the Consent Calendar.

E. **Action Items.** No items requiring action to be taken.

F. **Public Hearings.** Patrick opened the public hearing portion of the meeting at 7:01 p.m. by reading the statement of rights and relevance. He asked the Commissioners for declarations of conflicts of interest, ex parte contacts, bias, or site visits; with nothing being declared. Patrick called for objections to any member of the Planning Commission or the Commission as a whole hearing this matter; and none were heard.

1. **Consideration of the proposed Newport Northside and the McLean Point Urban Renewal Plans.** The Planning Commission will review the proposed Urban Renewal Plans, including the relationship to the City's Comprehensive Plan, and make a recommendation to the Newport City Council. The Commission will take public testimony and consider such testimony before providing a recommendation.

At 7:02 p.m. Patrick read the summary of the file from the agenda and called for the staff report. Tokos noted that the Planning Commission had an opportunity to discuss what they needed to do at tonight's meeting at their work session on August 24<sup>th</sup>. At that time, they had an opportunity to look at the Plans. There are two Urban Renewal Plans. The Newport Northside picks up portions of Highways 20 and 101 and the Agate Beach area. The McLean Point is primarily undeveloped industrial land around the Port's International Terminal. Tokos explained that this hearing and the City Council hearing on the 21<sup>st</sup> were noticed according to Statute. When considering the adoption of an Urban Renewal District, one form of notice is to include the notice in the utility billing. So, some 4400 notices were sent out citywide with the utility billing on August 31<sup>st</sup>. As with the open houses, we also sent out an additional 860 notices to those who own property within the proposed boundaries. We could have doubled up on some; but we wanted to make sure we were picking up everybody. There were press releases as well. Tokos noted that there were two open houses; July 27<sup>th</sup> and August 31<sup>st</sup>. An Urban Renewal Advisory Committee was formed to assist in the preparation of the Plans. Following the open houses, the Advisory Committee asked the consultant to make some changes; and the Commission had a copy of her memo outlining those. The Committee met seven times and participated in the open houses. Tokos said, as the Commission is aware, this planning work towards creating new Urban Renewal Districts was initiated in 2012 after a group of stakeholders in the community assisted in reworking the goals and assisted in

moving ahead with economic activities. The feasibility study was done in 2014. The Planning Commission had a key role in creating that. The taxing entities participated; and each one had a representative on the advisory committee. The City had meetings with each of the entities and held some public briefings with them; the Port on August 18<sup>th</sup>, and the Board of Commissioners on September 2<sup>nd</sup>. He said the reason they were engaged is that, if these districts are formed, it doesn't create a new tax; it takes a portion of the tax that otherwise would be paid to them and moving forward would redirect it for the type of projects that are listed in the Plan. The taxing entities including the City will receive less money. Tokos said as these are long-lasting plans, over a 25-year period for the Northside and 20 years for McLean Point, the nature of the projects is somewhat general at this point and will be further defined as we move forward. Much of them are infrastructure-related. In the core area, the projects are designed to help traffic circulation and assist business owners in redevelopment. In Agate Beach, the projects are providing needed funding to do infrastructure improvements; assisting developed areas lacking things like sidewalks and storm drainage, and to provide access to a couple of large vacant residential areas so they can develop and help increase our housing supply. The McLean Point Area is much smaller than the Northside. It contains targeted improvements allowing those properties to develop by extending sewer, water, utilities, and doing street and stormwater improvements. That allows those properties to develop in a manner that will complement the International Terminal, which has been renovated over the last couple of years. He said that to sync that up just makes sense.

Tokos said under Statute, the Planning Commission has a role to play; the key one being to review the Plans to confirm that the projects and objectives outlined are consistent with the Comprehensive Plan and will make a recommendation to the City Council who will hold a hearing on September 21<sup>st</sup>. He said the Commission is not limited to that issue, but that is the key issue. Those findings have to be made by the City Council; and they rely on the Planning Commission as their advisory body on these plans, which are part of the Comprehensive Plan. At the end of the day, the City Council will make findings that one, there are conditions that warrant the formation of these Urban Renewal Districts; by Statute that's considered blight, which means they are in need of redevelopment, and projects of this nature will help to revitalize them. Secondly, a finding is needed that the projects identified conform to the Comprehensive Plan; and third, that the Plans are financially viable. He said those are the key findings.

Tokos said throughout the public engagement process, we talked about the potential projects that will be studied further; the couplet as an alternative, the widening of 101. There was discussion about different streets in Agate Beach that may need to be surfaced; such as 55<sup>th</sup>. This plan does not call out specific projects of that nature; it puts a funding structure in place to do these projects and puts in place priority planning projects that will happen in the first years of the Plan. Agate Beach will likely be a nine to twelve month timeframe; and he anticipates that will be something like 2017-2018. Through that planning process is where we would engage the public and figure out exactly what kind of infrastructure improvements are needed, the costs at least at the planning level, and their relative priority. That process would involve public hearings before both the Planning Commission and the City Council. The other planning is for the commercial core area, and that is looking hard at Highways 20 and 101. That will also include ODOT since those are state facilities. ODOT has reserved funding to initiate that work in the 2016-2017 timeframe. The Plan calls for Urban Renewal funds to be brought to bear in about the same amount. That is where decisions will be made about what are the appropriate solutions along 101 and 20. The state is putting together a model and have been conducting traffic data; so there will be actual data as part of that process. That conversation will also involve the future of the bridge and an alternative to its existing location. He anticipates that process will be a two-and-a-half to three year timeframe.

Tokos noted that the Comprehensive Plan provisions, which is one of the priority pieces, is covered in detail in each of the Plans. It's centered on the Economic policies; redevelopment and revitalization on the highway corridors and improve traffic flow. Those are captured in the Comprehensive Plan. Also, Housing. There was much discussion about the lack of affordable housing. Those policies are captured in the Plans. There are opportunities to address affordable housing through the projects in the Plans. For McLean Point, we heard from those that want it to stay natural habitat where they can walk their dogs. There is an Estuary goal in the Comprehensive Plan. It calls for that area to be for development to support the Port's infrastructure. There are other areas in the Bay that are natural areas or conservation areas. From the Terminal to the bridge on the north side of the Bay is considered development area. This is the type of development envisioned at this location. Should there be in-water work, other agencies step in to assure that it doesn't have an adverse impact on habitat. That's another package of Comprehensive Plan policies that are addressed in the Plan.

Tokos encouraged the Planning Commission to take testimony and ask any questions of him or those who come forward and then deliberate about how to move this matter forward.

**Testimony:** Darrell Clark, 439 SE 130<sup>th</sup> Drive, South Beach. Clark noted that the last meeting he attended was on September 8<sup>th</sup> where it was presented at the City Council, and there was a conversation that it was really important that an advisory committee be set forth because of closed plans that a lot of people have come and complained about. So, you're having to make amendments to closed plans.

Tokos explained that the chair of our Urban Renewal Agency, David Allen, at the September 8<sup>th</sup> meeting expressed very clearly a desire and that he was encouraged to see language in the Plans that includes an advisory committee, the Planning Commission in some cases, serving in an advisory capacity but also an ad hoc work group or advisory committee would need to be involved on any major changes to ensure that there is full public vetting. At least in his mind, a desire to make that as robust as possible and add additional people. In the Planning Commission's case, a desire to see that the Planning Commission Advisory Committee has a role along with the Planning Commission proper so that the Plans have full public vetting and views from a variety of perspectives and informing them before the Urban Renewal Agency has to make decisions on future changes to the Plans.

Clark said his concern is if South Beach is still an open venue, the idea of an advisory committee not being set forth as such to go out and reach the public to understand what was going on. The people he talked to and several businesses like in Aquarium Village and others don't have a clue of what's going on. He said there was not an extensive reach to these people; and it just happened. He wondered if South Beach is still an open venue. Are there still amendments for that Plan? He has some definite concerns.

Tokos said the Plan itself is still alive. The Plan has a number of projects that are either under construction now, and there's one more phase coming in 2017-2020, and then the Plan closes. An ad hoc committee or an advisory committee was formed to create the 10-year plan that we've been working through. There was also the Coho/Brant Neighborhood Plan that was a public outreach plan that went through a hearings process, and the Planning Commission and City Council were involved with. Transportation System Plan updates also had public hearings and matters that went before both the Planning Commission and the City Council and were noticed to property owners. He said at some point you go through a planning process, and decisions are made, and you're financially committed. So, there are some projects that aren't really open for revisiting at this point because they're actually under binding intergovernmental agreements. There are other projects that are earlier on that certainly could be revisited; and there will probably be some actual additional work done before the final phase is initiated in the 2017-2020 timeframe when we define what that should look like. The stuff that's under construction now and under design now has gone through a public hearings process and is kind of past the point of no return at this point.

Clark said those are some things he doesn't understand; and he thinks some things are reversible if they don't make sense. He asked to read a letter that he had written; and Patrick told him to proceed. He read the points he doesn't understand regarding South Beach: Traveling an extra 680 feet and passing 32<sup>nd</sup> because we're removing the 32<sup>nd</sup> Street stoplights. Now going to 35<sup>th</sup> means tourists are by the shops and hotels, and human nature says they're not going back. Secondly, by removing the 32<sup>nd</sup> signal, you've stated that the traffic flow on and off 101 is improved; and he doesn't understand that. You have eliminated the left turn off, plus you could design a right turn off using the old drive-in theater road behind Toby Murry's. Now you've wanted to get access off Highway 101, but you've eliminated two ways off 101. Third, by moving the 32<sup>nd</sup> Street signal, the state has lifted limits on the amount of traffic it will accept on 101; and where will this increased traffic flow. Yaquina Bay Bridge stands in the way; no matter what you do north or south for traffic flow, there will always be the bridge. Why are you not taking on the bridge first? Fourth, the statement is made that when the 32<sup>nd</sup> Street signals are gone, there's good visibility on the affected businesses before reaching 35<sup>th</sup>. He said there's no way you can see Pirate's Plunder, Fish Tails, or the Aquarium Village, or even the marine fish building there, especially at an increased downhill speed. When people reach 35<sup>th</sup>, they will continue on. Human nature; passed it, move on. They're not coming back. Fifth, it has been stated no left turn signal at 32<sup>nd</sup> will have a chilling effect on the Rogue and Hatfield; and in what way is that? How about the concern of the chilling effects to the two hotels, the candy shop, Pirates Plunder, Fish Tails, and the Aquarium Village when no left turn is allowed and no one knows they are there. Once by them; gone. It seems to him that the only one that benefits from this is the property owner who receives \$1.5 million for their property. He thanked the Commissioners for listening to his opinion.

Robert Heida, 109 SE Coos Street, Newport. Heida's biggest concern is the lack of oversight. We're talking \$42 million, and to him it looks like they basically figured out the maximum amount of money they could get away with. He's sure everyone tried to figure out what would do the most good. But now the City Council and the Urban Renewal Committee, which are the same thing, are going to make decisions on what projects go ahead because like they've been told, these are intentionally vague descriptions so we can better decide in the future what projects are actually going to happen. So, it comes down to one group of people making these decisions; and it just doesn't seem like that's enough.

John Rairgh, South Beach. He has attended several meetings recently regarding the fairgrounds. He's heard at those meetings that the fairgrounds is going to be put into the Urban Renewal boundary; and he sees from this meeting that it has been. He strongly encouraged the Commission to challenge that. Don't put the fairgrounds in. Let the fairgrounds stand on its own two feet. Make it work. Don't be giving it billions and billions of Newport tax money as part of the Urban Renewal District. Make the fair be self-sustaining. Do not support it as an entity that is struggling. Make it work.

Ellen Bristow, 128 SE Coos Street, Newport. She became involved in watching the Urban Renewal program from July 14<sup>th</sup>, which is the first she knew about it. She was curious about who owns the fairgrounds; and is it contingent on it being a fair. If there is not a fair there, who does that property divert to? Patrick said she would have to ask the County that because it's the County's fairgrounds, not the City's. Bristow said \$3 million of Urban Renewal is going into that piece of property, so she thought we'd be interested in knowing a little bit about its history. She said, aside from that, she took a look at the fairground diagram. She went to the fair the last time it was there; and she said it was very sad. The new plans eliminate the horse barns. It eliminates animals generally, except maybe under a tented area at the end of a long building, which looks like it's designed very well for the Seafood and Wine Festival. She said like the gentleman had just said, make it work like a fair; and if the fair can't handle it on its own, let's find out who the property goes to.

Jane Heida, 109 SE Coos Street, Newport. She said that she understood the Urban Renewal Project; and it's a good idea. She said that Newport is a struggling, stagnant town. She understands that is why they came up with the Urban Renewal idea. But the fact that it is an open venue, we the people have no say about the real oversight of it such as the gentleman's concern about South Beach. If we are looking to make this town grow, why are we just taking one stop sign and moving it over here? Why not put a second stop sign in down further, which creates growth in that area; not tying our hands. Again, the oversight with the new Urban Renewal project. We're giving you \$42 million to make this town better; but whose idea of making this town better? Putting a couplet in? She said to look at downtown; it's concrete and metal. She asked if they've gone to any other town and really looked at how their towns look. Our infrastructure; how long has it been since we've done good plumbing and wiring throughout this town? She asked if that isn't a real need. She understands that we invested in a new school and a new hospital. We want to put fluoridation in water, which she doesn't agree with. Her concern is, did Newport win the lottery? Where is all this money coming from? We have a hospital, a school, fluoridation. You want to put a swimming pool in an area where we already have traffic and parking issues as well as construction issues with the facility that's there. You want to put a swimming pool and event center right smack dab in the middle of that, tying this town's hands where if you have two events, you don't have the facilities for two events to happen. She asked where the open mindedness of this Planning Commission is on how to make this town better and actually make it grow for the benefit of all and not just one or two of the property owners. She thanked the Commissioners for listening.

For clarification, Berman asked, this list of projects we have, and some people have talked about specific pieces of that, when these individual projects are decided on through the planning process, will each or in groups have a full public hearing before both the Planning Commission and the Urban Renewal Agency before they are approved. Tokos said there will be full public hearings on the large items. The Agate Beach stuff is going to require public hearings to identify what those specific projects will be before the Planning Commission and the City Council before they're put in there. There will be full public hearings on anything that happens in the 20 and 101 corridors. He expects that the City Council is going to look for any changes to infrastructure to support fairground redevelopment would involve full public hearings before the Planning Commission and the City Council. There may be through the life of the Plan some smaller stuff that doesn't involve full public hearings because it would be considered minor amendments in the context of the Plan.

Patrick wanted to address some of the comments that had been raised. He said as far as borrowing the maximum amount of money, we actually didn't. The City Council actually came to the Planning Commission and told us that they wanted to max it at \$42 million. They could have borrowed a lot more than that; they could have set that a lot higher. As they told us, it had to do with their budgetary needs; there's only so much they are willing to give up to Urban Renewal. It's all the same pot of money. All you're basically doing is taking a piece of it and setting it aside and reserving it for these projects. Regarding the South Beach stuff, Patrick sat in on a lot of those hearings on the Transportation Plan and whatnot. That stuff was decided a long time ago. We're not the only player in that. ODOT has a really big say. As far as the bridge is concerned, we've been hammering ODOT for years and finally got them to at least tell us if they're going to fix the bridge, where's it going to be because there are some options about putting it someplace else. We don't want to do all this work and find out they're going to build the bridge inland someplace. One of the things the Urban Renewal funds are going to go to is to nail down what the plan is for the bridge. He said ODOT is not going to touch anything on that bridge for the next 50 years. They said that bridge is good for 50 years; they don't plan on rebuilding it or doing anything for a long time, and they don't have the money either. Regarding the fairgrounds, Patrick said we don't necessarily have to get the County to agree to this; but we want them to be on our side as far as Urban Renewal and taking their tax money away. He said one of the reasons the fairgrounds got tossed into that was because that was the piece that got the County to be happy about it. If they're not going to get anything out of it, they're not really enthused about doing this.

From the audience, Bristow asked if he was saying that compliance with the County for going to Urban Renewal is how we got the addition of the fairgrounds. Patrick said, no. They don't have a say if we're under the \$50 million. We prefer them to be happy about it. It's easier to get things done if you get all of the players to agree on something. Bristow said this is part of what caught her attention about this Urban Renewal; the phrase "Derrick went around shopping the idea." She's quick to jump to cynicism; but she was taken with that phrase. She hasn't actually asked. She assumed there were persuasions. The County could come back and say they're not interested in this. She agrees that it's nice to have them go along. Patrick said the fairgrounds is something they requested. We went along because it makes sense for us.

From the audience, Clark asked if he understood that no matter the venue and the policies of the City Council and the Planning Commission, whatever ODOT decides that is what we have to do no matter how much that affects us. Patrick said we fight really hard to get things done through ODOT. It took seven years to get them off our case in South Beach. They were going to lock South Beach down to where we couldn't do anything; you couldn't develop anything in South Beach; and they have the tools to be able to do that. Tokos explained that we got relief from a standard that the state has for the maximum amount of congestion they will allow on a highway. The way we did that was because we recognized and they recognized that nothing was going to happen for that bridge for a long period of time. That is in fact a choke point. We ended up going through a long very public process of trying to figure out what all could be done to improve mobility on that highway short of replacing the bridge. They did a lot of detailed traffic analysis on terms of how the existing system was working. One of the projects that was identified as a priority was getting that signal relocated so that vehicles could get up to speed a little bit easier as they approach that incline on the bridge; particularly big vehicles such as large RVs and truck traffic. That's one of a number of different projects that we were able to work through in a very public forum over a number of years and work it into an Urban Renewal Plan. That last amendment to South Beach happened in 2008 for a ten-year extension in South Beach so we could have some funding to do some of this work and match it up with state resources. He said you can debate whether or not it's the best thing in the world, but one thing for certain it has done is it got us an alternate mobility standard that allows a whole bunch of different properties in South Beach to develop to their full potential; not the least of which is Hatfield, OMSI, and Wilder for example was under a trip cap where they couldn't develop fully. There were a number of things that we did get out of that deal. Is it ideal for every property; no. Any change that's made to a major transportation system is going to have its pros and cons. But it was fully vetted through a very public process.

Tokos said, with respect to the fairgrounds, the fairgrounds process the County was going through happened about the same time that we were undertaking the feasibility study. The County is looking at redeveloping the fairgrounds, and there is an event venue that they've been looking at. He doesn't know if they're fully done with their planning work. He's not sure where they're at on that right now at all. It was clear that for that to be a successful redevelopment project and that it has potential of reshaping that US 20 entrance to the community, that there would need to be infrastructure changes made such as widening Harney between 20 and he believes 3<sup>rd</sup> where it's very narrow there by the asphalt batch plant. Those are things that Urban Renewal is good at. There may be other things as well. There was an opportunity for a partnership. Anytime you're engaging with taxing entities that are going to be impacted, if

there's a partnership that makes sense, you want to talk about it. That's what was done; and that's why in large part this found its way into the Plan. It's a potential redevelopment gamechanger on US 20 just like a number of these other projects can be gamechangers in Agate Beach or along 101. He said what ultimately happens down the road, as Planning Commission members or if you're familiar with the South Beach Plan or the original Newport Plan, what we put in here today may look very different in fifteen years because some projects through community support and resources by developers or others will make sense; and we'll be able to move those forward, and other projects won't because they won't make sense or there won't be that consensus and it's just not going to happen. So, this Plan will be reshaped; much like the South Beach Plan, which is now on its eleventh amendment. Those will come through. There will be public hearings processes, and there will be ample public involvement as we go through. He said our Urban Renewal Agency made a very good point. That's why work was done on these Plans to make sure that any major changes will have separate advisory committees providing feedback to the Council.

Again from the audience, Clark said that it doesn't make sense for him. He can't get a grip on getting vehicles up to speed to get over the bridge and then get bogged down on the bridge. It makes no sense to him at all. He said, yes, some business are going to succeed, and some are going to die. He said Pirates Plunder is going to die. Fish Tails is going to die. The whole Aquarium Village is going to die. People will not even know they're there. This is good for the South Beach community? He said he can't support this at all. He said it doesn't make sense.

Patrick said in looking forward to the Plans, the City and the Planning Commission both have done a lot of outreach. None of this is set in stone. Most of the beginnings of all of these plans is to go get the people's involvement and find out what we really want to do. He said there was an events center in the South Beach Plan. There was an events center in the original Newport Plan. City center was in the original northside district and got almost nothing out of all that. The money mostly went into the Bay Front and into Nye Beach. Both of those are a success. The City Center is still dying on the vine. This is our attempt to make sure we actually get something done with the City Center this time and do what we need to do in Agate Beach.

Berman said he would like to encourage anybody that is interested in this and interested in a role in influencing things going forward. A lot of things are already set in stone and can't be changed; but these two Urban Renewal Districts are wide open within the categories of projects we are proposing. There are lots of opportunities to get involved. The Planning Commission has an Advisory Committee with two openings on it. We are constantly looking for people to help us work through these things and ask some of these types of tough questions so that we can make sure that we have a general consensus about what's the best thing to do for the community. Franklin said he came on this committee because he didn't agree with certain things. That got him up here. It's your opinion that gets you up here, and then you can have a voice. He said your opinion matters. Hardy agreed that definitely opinions matter, and what she's hearing is that there might be some better hindsight than foresight in terms of some of the earlier discussion and maybe it just didn't make a dent that these decisions were being made. She said it's easy to go through day-by-day things and really not pay attention. She doesn't know if there's a better way to generate an information source. She can't believe that there was that much ignorance of what was being decided and what issues were being considered. Patrick said actually there was because we have been making a real effort lately to try to engage people more so. After our experience with the geologic hazards code update where everything went great up until our hearing, that is when he really started making a push for getting more public involvement ahead of time to get that stuff hashed out. He said we have had a lot of comments; and we have the comments tonight. He went to the open house at the health education center, and there were lots of different comments there too. So, we're doing our diligence to get the input.

Mr. Heida from the audience said just looking at everything you've targeted, good luck trying to figure out how to spend that \$42 million. There's an awful lot on your plate there. Patrick said a lot of that is leveraged. A lot of those transportation things, if they're on 101 or 20, we will use ODOT money. On other things we'll go looking for grants to do them. It may be a joint effort between the City and the County. Tokos added, or public/private partnerships. He noted for example that OMSI on Abalone contributed about a half million dollars; the rest of that was Urban Renewal. Patrick said if we get a development or something that brings in some money, we can use it there too. \$42 million doesn't cover the project costs. Some of it also gets financed too.

Ellen Bristow came back up and said that when she first started exploring Urban Renewal it was completely foreign to her. She said she probably stumbled from place to place for a long time before she got even a glimmer of what was going on. One of the things she wanted to point out is as the tax entities have no say, they don't vote; although they could publish reports in the final decision either positive or negative. She has run into a lot of people who assume

that this is put up to a public vote. She said it's not so much ignorance as once you start digging, you find yourself running to a lot of meetings that you've never done before, and you're trying to put these things together. She does applaud that there's more and more outreach. It's wonderful to get access to City documents by computer. It can be improved. She said this is an ongoing opportunity. She hopes to make it to more planning meetings because this seems to be the place it's going to happen. Even on the City website, it can be a little confusing to know what's going on at any given moment. She assumes that the website could be improved. One of the surprising things to her when she was looking at taxes and bonds and Urban Renewal is that without any say we extract money for Urban Renewal in Newport from all other taxing entities. She said if she was outside of the urban area county resident, she might wonder just what the County was thinking. She guesses it lays a huge morale responsibility on Newport to not only acquire the money but to use it extremely well because you're using other people's money. She said she does have a lot of faith; but it's big.

Berman thought it was important to point out that in terms of the money, we are temporarily using the other taxing entities' money. The result of which, if done right, will be a much greater tax base; and in the long run they will end up with much more money. In the short-term, less. Bristow said she likes cooperation and collaboration. But in other cases sometimes the situation becomes so cooperative that one financial weakness in one particular entity has the tendency to bring the whole game down. She wondered if the other entities checked each other out to see if they are sound; or does it weaken everybody? Tokos said we've met with each of the taxing entities. They've had a chance to look at the financial information in detail. It impacts each taxing district differently. Newport for example gets hit the most because it has the largest percentage of its land area in an Urban Renewal Area as opposed to the County, which has a much larger geographic area to draw taxes from. The analysis each taxing district does is going to be a little bit different. He thought the taxing entities appreciate the fact that the Legislature changed the Urban Renewal laws back in 2009 such that now they can ask for an under-levy. We put a process together in here that in any given year they can ask that Urban Renewal take less than the increment it otherwise would be entitled to. Our Council wanted a formal process that says this is something that's allowed by state law, we don't want to see it done in a willy-nilly manner; and if someone looks back on the books in years they can't figure out how the under-levy requests were handled or what projects were given up to do the under-levy, etc. So, a formal process has been put in here so that a taxing entity can make that under-levy request, there will be a formal deliberation during the budgetary process, and then there will be decisions made; and if the under-levy is done, if they have to forego doing certain projects, they will identify what that will be. If we're doing borrowing as part of Urban Renewal, we know not to allow the lender to lock us into having to pull our full increment every year just to provide them an extra cushion. He thought it was a worthwhile conversation. He knows the different representatives from the taxing districts appreciated that.

In the audience, Mrs. Heida said for Urban Renewal to be a success it needs to generate at least 4.5% growth in this town. We have to make sure we get industries and businesses here and not just education.

Croteau had a couple of minor changes to point out. He was looking at page 23 of the Northside Plan with the map (he noted that there were two page 23s). He said there are three different shades of red but only two in the color scheme. He thought that needs to be brought into consistency. It's just an issue with color coding. On page 25, looking at "to conserve energy" about 2/3 of the way down the page where it says "(e.g. bicycles in mass transit)"; that should say "and". He asked on page 27 what is the "Peninsula Neighborhoods." Tokos said in the Comprehensive Plan that is a phrase given to basically the downtown or city center area. It's a hold-over from that. That's how it's framed in the Comprehensive Plan. Croteau said on page 18 there is discussion about property acquisition from willing sellers rather than eminent domain; and he asked when the power of eminent domain is appropriate in the context of an Urban Renewal Plan. Tokos said it would only be appropriate in the context of right-of-way acquisition for things like road right-of-way or sewer line right-of-way or something of that nature. Croteau said, so it's carefully defined when it can be by eminent domain.

Berman said on the section that relates to the Comprehensive Plan goals, the verbiage on the goal of energy conservation is extremely weak. Berman said where it says, "The Plan conforms to the Energy Conservation goal as it contains . . ." There really is no meat there whatsoever. He wouldn't even pursue saying it meets any kind of energy conservation goal because there just isn't anything there in his opinion. He said in the McLean Point Plan on page 22 there's apparently an error in that first sentence. Tokos said it will be corrected.

Patrick closed the hearing at 8:00 p.m. for Commission deliberation. Hardy said as far as the Urban Renewal Plan supporting the goals, she doesn't have a problem with that. She thought the main problem right now is reinforcing

open and clear communication with respect to the public; and she's not sure how to make that better. She felt that should be a condition for going forward. Berman thought in general both Plans are well intentioned and well thought out. The project categories on the Northside Plan are pretty good except he doesn't really like the specifics that are in there. He thinks it's too specific. The real meat of the thing is going to come later on when we sit down and really analyze in that very first planning phase what the real projects are that will pop out as the ones that are most required. He thinks it will become obvious. He hopes there's a real opportunity for honest public outreach and feedback and modifications based on that feedback so we end up getting projects that there's consensus this is really going to achieve the goals of Urban Renewal. Croteau said a lot of issues were raised this evening. He hopes many of these will be dealt with in the planning phase of the Urban Renewal. He said there has been more public input on this issue and in Newport in general than he's experienced in two other jurisdictions that he's familiar with. He said the question is if the Plan is congruent and consistent with the Comprehensive Plan; and when you look at that, you have to say yes, the Plan is consistent, gives us a general plan forward, and at this point this is all we can hope for. The future is going to hold a lot of detailed planning; and we continue to hope that the public will have as much input as they can. Franklin said he would repeat what every Councilor has said. He agreed we need to move forward with both of these plans. They both look good to him. And we need public input throughout and anything we can do to improve that; more open ears. Patrick also believed the conditions warrant the Plans, the projects conform, and they are financially feasible. He's also looking forward to the initial studies in the Plans. He's also looking forward to us doing a better job of prioritizing than we have in the past. He's lived through two Urban Renewal Plans. The South Beach one didn't do too badly. The first Newport Plan wasn't too bad, but a lot of things got thrown on the wayside; and he thinks the City Center kind of suffered for it. He would like to see this time actually do something for the City Center. He said it will be interesting to see how that turns out and what kind of feedback we get on that.

Mr. Heida noted that at the last City Council meeting he thought Chair Allen had recommended not so much an ad hoc advisory committee but rather a permanent committee; something that would work along side the Urban Renewal Agency simply because they were such closely related entities. Patrick said we've discussed that several times already. Originally they were just talking about having the Planning Commission do it; but the Commission's position was that we need more bodies than just us. He thinks they've come around to that. Patrick wondered when he gets the motion, if he could get something in there about increased public engagement and an expanded advisory committee as part of the recommendation. Croteau thought another point to be made is that the Urban Renewal Plan goes on for a long period of time; and so it's going to require oversight and maybe changing oversight depending on priorities for at least twenty years. It's really a living plan. We need to be aware of that. What we see today must change with time.

Mrs. Heida asked if South Beach is a living document. Patrick said it shuts down in 2020. Tokos said that's the last year it's open for any projects. Patrick said most of what is going on right now was decided two years ago. Whatever else we're going to do has to be decided right now to finish up in 2020. We have one more short planning phase, and then that's it. It's not as much of a living document as this one here. South Beach got extended too. It wasn't doing anything for the first ten years. Berman just wanted to say that he agrees 100% with the problem with that signal light. He can't believe that ODOT didn't take into consideration the impact on the businesses. We've had testimony at a prior hearing on exactly that subject. He thinks it's probably too late to change that decision about moving that signal.

**MOTION** was made by Commissioner Croteau, seconded by Commissioner Berman, that based on the analysis in the Plan and Report presented this evening, the City of Newport Planning Commission finds that the McLean Point Urban Renewal Plan is in conformance with the Newport Comprehensive Plan. The Planning Commission also urges the City Council to increase public input to the extent permissible in planning and to expand to the extent necessary advisory committees to assist in planning going forward. The motion carried unanimously in a voice vote.

**MOTION** was made by Commissioner Croteau, seconded by Commissioner Hardy, that based on the analysis in the Plan and Report presented this evening, the City of Newport Planning Commission finds that the Newport Northside Urban Renewal Plan is in conformance with the Newport Comprehensive Plan. The Planning Commission also urges the City Council to increase public input to the extent permissible in planning and to expand to the extent necessary advisory committees to assist in planning going forward. The motion carried unanimously in a voice vote.

**G. New Business.** There was no new business to discuss.

**H. Unfinished Business.**

1. Tokos noted that the Nye Beach Design Review changes went to hearing before the City Council where they took public testimony. He didn't have a chance to get the ordinance prepared. So, hopefully we will be taking that to them at their meeting on the 21<sup>st</sup>. They only had one person provide testimony; and that was in favor of those changes.

2. Tokos said on the 21<sup>st</sup> the City Council will have a proposal from the work group working on community visioning. That proposal will be about how Newport could do a broad community visioning process and what the components might be and how to package that up for an RFP moving forward if the Council's inclined to do that. He anticipates the Planning Commission would have a significant role in that should that be something the City Council elects to make a priority because it needs to be funded.

3. Tokos said that the retail sales of marijuana was a matter that had been forwarded from the City Council down to the Planning Commission to take a look at that. He wanted to let the Commission know that he's not planning to bring materials to the Commission until we see draft rules from OLCC because it doesn't really make sense to do so since they may delve into a number of the issues you might want to look at. He thought the Commissioners would want that information at least in draft form before starting deliberation on any supplemental rules the City may or may not want to do. He understands that OLCC expects to have that draft out either in October or November. The Commission can then pick up the conversation in late November or early December. The City Council elected not to preclude recreational sales at medical dispensaries. So, that will move forward effective October 1<sup>st</sup>.

4. Regarding LIDs, Tokos noted that the second TAC meeting of the four that are planned was held today. He said that much of the conversation was about best management practices. The consultant put together a memo with key stakeholders that they had engaged. The best practice memo was about different things we need to think about as we move forward with rebuilding our LID codes. He thought the TAC had a pretty good discussion today on a number of different issues. This will inform the consultant as he puts together a draft model code for the TAC to take a look at the next meeting in early December. Hardy hopes that it will be clearer whether the consultant's focusing on new development and subdivisions versus older existing neighborhoods, which is what is more likely to occur more frequently in Newport. Tokos said that's a good point because we were bouncing between the two topics. Hardy said it lacked continuity, preparation, and critical thinking. Franklin said it's almost like we need to have two separate discussions. She thought a little bit better definition structure, a little bit better thought process could occur. Tokos said we covered a range of topics; probably fifteen to twenty different topic areas. It will get folded into a model code that the group will have a chance to sink their teeth in. Maybe in early December through the development season folks will have a chance to read through the materials and really start to put this into a place where we can actually use it because our existing code doesn't work really well. This is primarily funded by TGM. We had a very modest match. They recognize that LIDs aren't an end-all be-all funding source, but they are a meaningful funding source. It has its appropriate place. Smaller jurisdictions are given very little guidance in terms of how to put together a program that they can administer successfully over a long period of time. They saw it as an opportunity for both addressing our need and a number of smaller communities.

**I. Director Comments.** Tokos had nothing further to add at this point.

**J. Commissioner Comments.** Croteau assumed the City Council is going to look favorably upon the Urban Renewal Plans. If so, he would like to urge them to assist the Commission in getting our citizens advisory committee more on board with us for the upcoming period of time. Tokos noted that that advisory committee has never been a formal structured committee; it was more of an ad hoc thing the Planning Commission did when it was looking at the zoning code rewrite some time ago and was just a carry-over. He appreciates the comment about emphasizing public involvement. It's tough to put in an Urban Renewal Plan that an advisory committee has to exist that's not a formal committee. He appreciates that motion just emphasizing public involvement. His sense, and one of the positives about both of these plans, is if there's a major amendment coming down the pipe, they may want to tailor those ad hoc committees appropriate to the type of issues on hand. Depending on the issue, they may want to have different players to make sure they are getting a full range of perspectives. He thinks that approach gives them the flexibility to do that. Croteau thought what we need is sort of a rolling group as things develop. His comment was looking just specifically at the Planning Commission because we are down to dust, and it shows. It would be nice to have more folks.

**K. Adjournment.** Having no further business to discuss, the meeting adjourned at 8:20 p.m.

Respectfully submitted,

*Wanda Haney*

Wanda Haney  
Executive Assistant