

MINUTES
City of Newport Planning Commission
Work Session
Newport City Hall Conference Room A
September 8, 2014

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

Citizens Advisory Committee Members Absent: Suzanne Dalton and Dustin Capri (*both excused*).

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

Guest: Wendy Engler (Nye Beach Design Review Ad Hoc Work Group member).

Chair Patrick called the Planning Commission work session to order at 6:02 p.m. and turned the meeting over to CDD Tokos.

A. Unfinished Business.

1. Update on progress of the Nye Beach Design Review Ad Hoc Work Group. Tokos noted that included in the packet was some information about where the ad hoc committee is at. He noted that the two Commissioners who sit on that committee are present; and Wendy Engler, a member of the Ad Hoc Work Group, was also present. Tokos said the group is progressing. There are different points of view and perspectives; as we knew when the group was put together. Tokos said the boundary piece has been more or less addressed; and they have discussed height, mass, and architectural guidelines. SERA Architects were brought in to help the group understand how architectural guidelines can be used to influence the design in Nye Beach. SERA gave a presentation and heard from the group. SERA put their recommendation in a memo, which the group will dig into at their meeting on September 18th. Tokos believes that then there will be two to three meetings to formulate the group's recommendation to the Planning Commission. He hopes to mock up something by putting into baskets what can be done near term and what issues come out that we can't handle now but warrant further discussion. Tokos said the work that SERA did has been helpful. It gave the members an understanding of design standards. Tokos said that one thing he can do is bring back a more coherent set of standards so people understand what is being asked of them; not the wholesale changes some people want to see, which will end up in a basket for later on. Tokos said there was discussion to further restrict the size of buildings to force a more cottage-style development as opposed to buildings with larger mass with architectural treatments used historically. Historically you see big and small buildings. What's there today is not what was there in 1920. Part of this is getting our heads around what we see as the character of Nye Beach; it's not what it was in the 20s. It's the aspects of the architecture that are there; including more modern developments such as Archway Place. Croteau asked if SERA will stay with the process. Tokos said this was all they were to do. It was a really targeted piece. If there's another round with another basket, there may be the discussion at the Planning Commission level whether far more detailed analysis is necessary. Then there can be the discussion with the City Council of how to fund it. Franklin noted that historically there have been very large structures in Nye Beach like the Sylvia Beach Hotel and the Nicolai if we do go forward in keeping with the character. He thought that the point system SERA brought up is brilliant if we can capture that where a development has to meet a certain point scale.

Hardy asked if anyone has thought of taking a survey of all property owners. Franklin felt that the side that is for the current guidelines hasn't had a voice yet. That's not the voice we are hearing. Tokos said folks on the other side are the ones that showed up at the public hearing and told the City Council some work needs to be done. Hardy asked if that really represents the people down there and wondered if there had been thought of an outreach. Tokos said that's a good point. It's not been done yet. There's not a current set of questions to be posed. Hardy said with HOAs they try to get everybody to express an opinion even if it's confidential. Franklin said maybe a letter being sent out asking for input from every property owner is a good idea. Tokos said we would have to give some thought of how to do it. Typically you get more feedback when there's structure to what you are asking rather than having it open-ended. He said maybe at a point of time moving forward with the actual changes we can say: "Here is what we did. Here are the near-term recommendations and some long-term needs that we haven't made changes for. What do you think of the near-term recommendations and out of the long-term, what is the most important to you?" Patrick agreed that we have to give them something to look at in order to get their opinions. He said Nye Beach has two separate things running at the same time; commercial and residential needs. Engler thought that because it's mixed-use, some will overlap. Patrick said there are some weird rules that were made, which drives some things in commercial. It is Nye Beach trying for whatever it's trying for. Those that live in the neighborhoods around the commercial are totally on a different page than everyone else. He said that is why he's having a hard time picking out what we can do there. Croteau felt that we need to keep the urban design people involved all the way through. It's an outside opinion, and both sides will respect what they have to say about options. He thought these people did a good job. He suggested maybe keeping them involved.

Franklin also liked SERA's recommendation about a step down with commercial, light commercial, and residential; which is kind of how it's set up but set some boundary that guides that environment in the future. It's not historical Nye Beach where as far as size and mass, they were all over the place. Engler said the most traditional dwelling may have been a tent. Hardy said that she remembers the pup tents and the little Blue Bonnet Cottages. She said it has come a long way so be careful of what you refer to as the character of Nye Beach. It has changed dramatically and has had a wide swing. Branigan asked what percentage of houses there are owner-occupied. Patrick said it's a big district. Branigan said it might not be a vacation rental but just rental units. If you are dealing with commercial versus homeowners, people who own and occupy their homes will have a totally different opinion of what to do. Croteau said we have to listen to them and try for a consensus. Branigan said if it's not owner-occupied, they will just want to maintain what it is. Berman said that in order to get any kind of consensus, you need to have something to start with to discuss. You could talk about the general look and feel, but you have to have something on paper. Hardy added, objective criteria. Berman said have alternatives and have it written down. Croteau agreed, something to respond to; not an open-ended survey. Engler said that one thing that Mike Shoberg did originally was have a visual preference survey. It's a good way to get people thinking about design and do you want this or this. She said that maybe Eric Ridenour could do that. Tokos thought that visuals are critical for design issues. He noted that the work group has been working off visuals all the way.

Tokos said as far as next steps, the work group is meeting again on September 18th to go through SERA's memo. At that meeting, the exercise will be to decide what they think we can deal with near-term versus what goes into the longer-term basket. The work group will put together some recommendation in the next couple of meetings to deal with the near-term issues and try to prioritize the long-term into relative priorities; or maybe they will just tell the Commission that the group couldn't come to a consensus on some issues. Tokos will bring that recommendation back to the Planning Commission in a work session. Maybe we can pick up the conversation about at what point a survey would be appropriate, if it's even necessary for the near-term, or maybe just for the long-term as we prepare for the next round. Berman asked what the end product is. Tokos said it will be some changes to our guidelines and code in Nye Beach and the boundary of the district. There will be a zoning map amendment and a package of changes to the Nye Beach design review code. Patrick said the purpose is to get a better set of standards that the Commission can make decisions on. It's a little vague right now. He noted that the Moon Shadow development failed on its own merits. For Archway Place the Commission did a variance for filling in a stairway, but everything else met our standards. With better standards, the developer can make a decision with pretty good certainty of making the project fly. Tokos said some of this is not controversial; it's just cleaning up the code so it's easier to apply. Developers and property owners will know what standards apply and what they need to do for their development. It will put some guidance so when the Planning Commission is faced with something controversial, you'll know how you should be going about deciding it. It will put some meat behind it and be less fuzzy. Tokos said there are bigger issues too. The building mass piece is one of the biggest ones; and he doesn't know if there is a consensus. Franklin said that he agrees that the building owner should be the ones that have a voice in that. Tokos said if we make changes that further restrict the use of their property, we have a legal obligation to notify them. Engler noted that they were contacted for the December hearing. Tokos said if we push forward with changes further restricting the uses or the building size, we will send out notices saying "here is what we are proposing."

Patrick said that he feels the Nye Beach guidelines have made the area viable. Prior to that, in order to build you had to combine lots. If a structure burned down, it was gone. As a side benefit, it made Newport meet the density standards for the state. We are still meeting that because of what they are doing in Wilder. He doesn't want to lose our ability to do that. He thought the guidelines did a good thing down there.

Tokos said the process is going slower than we thought it would. The work group is being deliberate, and everything is being sorted through. Berman asked if in the whole effort is there any relationship between the level of effort and what goes into the "can do right now" list. Is the part we can't get to right now because of content? Tokos said it's both. He said there is some general consensus. There's a level of effort beyond what we can do right now. Others might be more content; and there's just not a consensus. Tokos said it will be how he packages it to the work group so they can deal with it in an organized way and provide feedback up to the Planning Commission. Engler thought that after the meeting on the 18th, the group will probably know a lot more and should be able to have a few more ideas of where they want to go from there. Tokos said he is hoping for three meetings for the group to wrap it up and move it on to the Planning Commission.

B. New Business.

1. Grant request for funds to develop strategies for promoting the construction of student housing. Tokos said he is getting requests for quotes out, which are being reviewed by Lincoln County and OSU. This effort is moving forward. It will be targeted. He noted that many of the Commissioners had been involved in the housing work the City did in 2011. He said that 500 students at OSU wasn't on our radar at that time, and it isn't clear what that would mean to our rather limited housing supply (at least rentals). Tokos said that one reason this is being pushed really hard from the County is that they want to get in front of this as OSU faces the Legislature for funding. As they approach the Legislature and are asked how they are dealing with housing, what they would like to be able to say is "here is how." "Here are the targeted areas." In more technical means, we would be developing some map amendments to build inventory and new policies in our Comprehensive Plan. At some point we would

take it through the legislative process. It's not going to happen by November. We are starting from scratch. We can get to the point where we have a draft that could be circulated with the Legislature and formed into a plan later in January.

Patrick asked if this is a research grant to develop strategies. Tokos said the City will hire a consultant like ECO to research what strategies have been used, partnerships being done, and incentives implemented to drive private investment in multiple-family development. He gave an example of Eugene, which waived property taxes for six years for multi-family development. These are things being done to create this kind of housing. Patrick said this is supposed to be student-driven; but the vacancy rate in Newport is zip. Franklin asked if this housing would be dedicated just to students. Tokos thought both student and incentivized multi-family in general. Hardy asked if Tokos knew of any colleges that contracted to pay rents where they guarantee rents and will collect it from the students so you don't have the risk factor perception. Engler asked if these students are going to be graduate students. Croteau said that we need to get the demographics. What's it going to be; mixed, single, married, small families? He suggested talking to the planning department in Pullman. They experienced student increase of 1,000 a year. They did develop pretty good student housing at the edge of the campus. It was private developers in conjunction with the university; there was a partnership. Tokos said that is what this study will explore; a dynamic. Croteau said the planning was good. They had a consolidated parking area, a community center, public transportation, bike racks. They took a holistic look. Somebody looked at it. Some was on university land. Tokos said that can be seen at most of the larger universities. Croteau said they have looked at some mechanism to do this. Patrick said that OSU wants to get what student housing they have now out of the tsunami zone. If it's just for daytime use is not as big a deal.

Franklin wondered where there is any land in Newport for this. Berman said that the City has a buildable lands inventory and asked if the County does. Tokos said probably not as up-to-date as ours. He said but realistically the housing is going to be in the city. Franklin said it makes sense to have it on the South Beach side. East said the Wilder piece is one area. Tokos said that he is pretty sure they will identify that as one of the sites. East asked what ever happened to that 200-unit apartment complex that Slaydon was going to do on NE 35th Street. Tokos said that he hasn't heard from them in a while, but that is another area. Branigan said that he assumes OSU isn't building a dormitory. He thought a lot of the students would be undergraduates. Croteau didn't think it was a big enough program to support undergraduates. Branigan said that his niece is among fifty of them that are coming to study at Hatfield. Tokos said that's another question, how long will they be here; a semester at a time or two years. Croteau said you won't get freshmen. Engler said they can't all be in one place. Tokos said, assuming it's university-controlled housing; a dormitory. Hardy said, or they contract with the private sector for income guarantee. Franklin said the Embarcadero would be a good place to house them. Patrick said there would probably be 150-200 professors as well, and those people don't move around. Branigan said some would commute from Corvallis. Tokos said it will take time for them all to get here. Croteau said the more it's centralized, the more there is a need for services in that location. East said that Wilder is the closest thing to that. Landwaves wanted to do apartments, but it just wasn't cost-effective. But, if they were getting some additional student funding, it would make it more so. They are building those micro-small houses at 800-900 square feet a pop. The question was asked about Wilder's commercial area. Tokos said Landwaves is trying to get a coffee shop in where the dog park is at. Engler said if you are thinking outside the box, there could be some really cool development in the city center. It would be like with old warehouses in Seattle. She noted that from the top of the Mazatlan building there are terrific views.

Tokos said there will be an advisory committee pulled together. It would be good to have Planning Commission representation on there. He would like to get at least one. Patrick said that he wouldn't mind being on it. Croteau said that he wouldn't mind as soon as he is finished with the Business License committee. Franklin expressed interest. Tokos put Franklin and Croteau on this committee and hoped that Hardy would consider it from the rental property side.

2. Amendments to Title X of the Newport Municipal Code to allow electronic message signs on Public-zoned property. Tokos noted that this had been kicked down to the Planning Commission from the City Council. Patrick said it started from the downtown wanting to put a message board at the corner there at the intersection by the light, and it was decided that would be a bad place to have a sign with those optics. Now the PAC would like to have something. If so, we would have to make it so these signs can be on Public-zoned property. If the Chamber of Commerce wanted to, they are in a Public zone. Tokos said that is why the Chamber doesn't have one. They updated their sign, but electronic message signs weren't permissible there. Croteau asked what was behind this. Tokos said he didn't think there was a driving desire for it. This context didn't come from the public; it came from Walgreens just asking for it in Heavy Commercial. The Planning Commission said if we tackle this issue, we will open it up to a range of properties, but not others; and specifically not in Nye Beach or the Bay Front, which that part came from the City Council. The general consensus was that it may be a good thing, but the philosophical piece was how to allow these signs. Tokos had taken videos from different jurisdictions showing what it looks like at night so the Planning Commission had a chance to see; especially when considering the timing. The Commission put in 5-minute change time, no flashing or blinking, and off when the business is closed. There were a number of different standards. These signs were also used as an incentive to reduce the height of monument signs, and only one free-standing sign is allowed. So there were some tradeoffs.

Croteau said that he's not thrilled about commercial signs, but he sees public good from informational signs at the PAC and the Chamber. They can't change plywood signs all the time. Advertising what they are offering at the Pac and a summary of the

Chamber events is in the public interest to the citizens and the tourists coming through. He sees it useful to the public for that. Tokos said the City Council did too; and that is why they directed this down. They also recognized that you can use tradeoffs. Tokos said we had 40 different temporary signs for the quilt show. Which raises the question, can we also reduce sign clutter by doing this. With temporary signs, staff needs to be making sure they are not being placed where they obstruct pedestrian traffic or are causing problems for vehicles; which with 40 is a pretty stiff burden.

Franklin asked if the sign at the PAC would be where it is existing. Tokos said probably within the same sign area. He said just visualize a similar border with an electronic board. Franklin wasn't sure he liked it in Nye Beach with the bright light. He said that if you are replacing the sign, make it something more inviting. He suggested something on the front of the PAC like at movie theaters; boxes where they have a poster inside and a reader board below giving the time and dates, and it's out of the elements. He said there's still the question of who is going to maintain it. Tokos said that would have to be sorted out; but he's unsure that has to be resolved for the sign code. This is more time, place, and manner. That is what we are charged with.

Berman said with a sign like Walgreens' in front of the PAC, how do you pare that back and make it Nye Beach specific. What about height and length on other public property like the high school. Can you make those kinds of distinctions? Tokos said that is time, place, and manner. As long as we stay out of content because that would be a violation of free speech. Tokos said it is tricky. You would have to tie it to something you are trying to accomplish in the Nye Beach design review. East said that Walgreens' sign outside of the framework is not really that big. Maybe use a different color for down in Nye Beach. He thinks it's a benefit too.

Engler asked if anyone has seen an alternative to the standard electronic-looking signs; something that you get the changing events but doesn't look so much like a regular electronic sign. Branigan said there are those electronic billboards that use LED lights. Tokos said there is not a whole lot from the industry that shows variation in these electronic message signs. Patrick said a lot of them are like Walgreens' or the LED billboards. There are some other ones that are really old-school black and white signs with chunky-style graphics still floating around. He said that his problem is how much Nye Beach is going to buy into having a lighted sign at the end of Nye Beach without asking first. He can see the Port and the Chamber having them as long as they are not high. The PAC is the one that asked about it; but he wants to ask the residents first. Franklin thought if the sign were against the building, people would pull into the parking lot to investigate and look. Croteau said the corner location is good because of the cross streets. If it were on the building, it would have to be large enough to see.

Tokos said if the Commission is comfortable with the standards put in place for commercial zones already adopted with the specific parameters, it's relatively straightforward to work into an allowance on Public-zoned land and set a hearing and send notices out to Nye Beach specifically. He said specifically for the PAC, you would set parameters for it. Invite the community to come in and testify. Make it clear that no decisions will be made at that meeting. Patrick said that would at least give a starting point. He thought we also need to cover the other bases; one is the PAC, but also the Chamber and the Bay Front. He thought the Port could use a sign listing who's selling what down there as opposed to sandwich boards. They could rent space out on it. Patrick said the other location is the entry signs that Newport has. Croteau said it sounds like we have to revisit it in a broader context. Tokos said a recommendation the Commission may want to send up to the Council that they may want to address contractually rather than in the code is if you have an electronic sign on 101 or 20 frontage, you have to agree to no temporary signs for this event. He would suggest doing it that way as opposed to putting something in the code to control electronic signs for public outreach. It gets convoluted putting it in the code. That is, if this is an option the Commission wants to do. Patrick said maybe with one caveat in the situation of directional signs directing people to where the quilt show is; where the recreational center is. Tokos said it seems like most acting troops put up temporary signs on the highway to advertise their plays. Those would go away. Tokos said there has been some discussion about having an electronic message sign at City Hall. That would be more appropriate than city center. Patrick asked if we also want to make it a conditional use and have a hearing on it before they can put the public ones in. Tokos said it's harder to do a conditional use permit for a sign; you have to have standards. It can't be a discretionary decision. Patrick tried to list the entities he could think of on Public-zoned land and talked about the locations. Tokos said that the school district has to do work on their sign at the high school, so it will be good to have something set up in the code. Croteau thought the Commission should bite the bullet and take a look at all Public-zoned properties. He said we should do it now, or we will be revisiting this time and time again.

Tokos said he can take the existing standards and just expand what has already been allowed in order to extend them to Public zones. Have a public hearing. It will be a change to the Municipal Code, which specifies rules for management of public signs. For the PAC there is a public process on what the design is as opposed to Walgreens. It's not that the City is free to do what it wants to, there is public engagement. That will be for the PAC renovations as well, not only the sign. Patrick asked what would the Port do, and what about the Fairgrounds. Tokos said he would think if it's the Fairgrounds, they would try to have US 20 frontage through a partnership.

Croteau said there also needs to be something about how the entry signs are dealt with. Patrick thought that the one on Highway 20 might be in the highway right-of-way. He talked about the locations of the others. Tokos said that he can take a look at that

and bring that back as part of the package so the Commission has the context. It doesn't affect the rule so much; unless there is a prohibition in the highway right-of-way, in which case we would have to write it in.

Tokos said we will go ahead and bring this forward with a notice of hearing for public outreach and noting that there will be no decision that evening but asking the public to please come and share their thoughts.

C. Director Comments. Because there was no regular session, Tokos had some updates he wanted to share during work session. He noted that the City Council approved the street vacation in South Beach. We are going forward with the plat for Sunset Dunes that was raised up at the Commission's last meeting. Negotiations are complete; and the final plat is being prepared for recording. It is moving right along.

Tokos had sent out the notice of a Planning Commission training on September 25th in Eugene. He hadn't heard from anyone, so he assumed there was no interest. There were no takers.

Franklin asked if Tokos had heard anything about the FEMA 100-year floodplain from our feedback on the LIDAR. Tokos said he's had no formal feedback. They are working on Nye Beach, they will make some changes on 35th Street by Neolha Point, and the state is working on stuff in the Big Creek area. It probably will not come back before they release the plans for public comment. What the Commissioners saw before was for feedback from entities. The preliminary draft for public comment is where the Commissioners comments will be captured.

Regarding a new Urban Renewal District, Tokos said the City just wrapped up conversations with the hospital, the County, and the Port; and will have a conversation with the school district in a couple of weeks. Tokos expects to bring back in October what those conversations were. He said it's been very positive at this point.

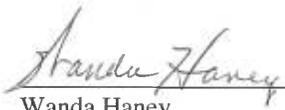
Tokos said that we received a TGM grant we submitted for integrating a local improvement districts code with the land use code, making LIDs more meaningful as a way to fund transportation improvements. The City has collected remonstrance agreements where people agreed to participate if ever a district is formed. The City hasn't formed a district of any size for many years. It's pretty much been a lack of knowledge of how they function; the responsibilities and the tracking. TGM agreed to assist the City in updating the codes and providing informational materials for public outreach. They will be taking a couple of areas for case studies for LIDs and work through it so the City could take it and move along. Tokos said it's encouraging. We had \$15 thousand budgeted, and \$65 thousand is provided from the State. He will be meeting with TGM at the start of the next calendar year and will work on specifics.

Tokos said that the beachfront protective structures will probably come back to the Commission in October.

Tokos noted that the Commission does have a public hearing on a conditional use permit scheduled for the second September meeting. There will probably be some work session items as well.

D. Adjournment. Having no further discussion, the work session meeting adjourned at 7:05 p.m.

Respectfully submitted,



Wanda Haney
Executive Assistant