



URBAN RENEWAL AGENCY AGENDA
Monday, April 04, 2016 - 5:15 PM
Council Chambers - 169 SW Coast Highway, Newport, Oregon 97365

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 at 541.574.0613.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

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

3. CONSENT CALENDAR

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

3.A. Approval of Minutes of the February 1, 2016 Meeting
[February 1, 2016.pdf](#)

4. EXECUTIVE DIRECTOR'S REPORT

All matters requiring approval of the Urban Renewal Agency originating from the city manager and departments will be included in this section. This section will also include any status reports for the Urban Renewal Agency information.

4.A. Preliminary Discussion Regarding Final Project Phase of the South Beach Urban Renewal Plan

[Executive Director s Report and Recommendation - URA Meeting.pdf](#)

[SB Urban Renewal District Map](#)

[SB Urban Renewal Phase III Project List](#)

[SB Urban Renewal Debt Schedule](#)

[SB Urban Renewal Phase III Project Priorities Presentation](#)

5. ADJOURNMENT

February 1, 2016
5:30 P.M.
Newport, Oregon

The Newport Urban Renewal Agency met on the above date in the Council Chambers of the Newport City Hall. On roll call, Allen, Roumagoux, Engler, Busby, Swanson, and Sawyer were present. Saelens was excused.

Staff present was City Manager Nebel, City Recorder Hawker, City Attorney Rich, Community Development Director Tokos, Fire Chief Murphy, and Police Chief Miranda.

CONSENT CALENDAR

The consent calendar consisted of the following item:

A. Approval of minutes from the January 19, 2016 meeting.

MOTION was made by Busby, seconded by Swanson, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

EXECUTIVE DIRECTOR'S REPORT

Status of the Fiscal Year 2015/2016 Budgeted Projects. Nebel reported that the Urban Renewal Agency will receive an update on the various budgeted projects for the fiscal year 2015/2016. He stated that Tokos has prepared a PowerPoint presentation to outline the status of the projects. He added that currently all of the projects are under the anticipated budgets with the exception of Safe Haven Hill where supplemental funding has been obtained from FEMA to address the shortfall. He noted that this was in order to meet a number of ODOT issues related to the use of the Highway 101 corridor for this project. He added that while the projects remain within the appropriated amounts, there have been a number of change orders that will be brought to the City Council for consideration and possible approval on February 16, 2016, for the additional work that is necessary, and for the work that is being funded by FEMA, to address Safe Haven Hill. He noted that despite significant weather issues, the projects are moving along and will be completed close to the original completion dates. He added that he appreciates the contractor's willingness to shift work between projects in order to meet a certain FEMA time schedule for Safe Haven Hill.

Tokos made a PowerPoint presentation on the status of the 2015/2016 fiscal year budgeted projects. It included: SW Abalone Street extension; SW 30th Street extension; S Brant Street improvements; SW 27th Street improvements; Safe Have Hill Tsunami Assembly Area Retrofit; 35th Street/Highway 101 - Ferry Slip Road; and the purchase of the commercial site at the northeast corner of 35th Street/Highway 101. He concluded the presentation by noting:

1. Projects are within anticipated budgets with the exception of Safe Haven Hill where supplemental funding was obtained from FEMA to address the shortfall;

2. A supplemental budget to appropriate the additional FEMA funds and change orders for the listed projects are being prepared for consideration at a future meeting;
3. Refinement plans for the South Beach Peninsula and Coho/Brant have served the Agency well, in terms of public engagement and by providing appropriately conservative planning level cost estimates;
4. The addition of a project manager in the Public Works Department should help with project design and ODOT coordination moving forward; and
5. Follow-up meetings will be scheduled for the Agency to discuss the 2016/2017 Fiscal Year budget needs and preparatory work for the final round of South Beach projects.

Tokos responded to Agency questions.

ADJOURNMENT

Having no further business, the meeting adjourned at 5:55 P.M.

Margaret M. Hawker, City Recorder

David N. Allen, Chair

EXECUTIVE DIRECTOR'S REPORT AND RECOMMENDATION



Agenda #:4.A.
Meeting Date: 4-4-16

Agenda Item: Preliminary Discussion Regarding Final Project Phase of the South Beach Urban Renewal Plan

Background:

The Urban Renewal Agency is scheduled to meet at 5:15 P.M., on Monday, April 4, 2016 to receive an update on the Final Project Phase of the South Beach Urban Renewal Plan from Community Development Director, Derrick Tokos.

The Final Project Phase of the South Beach Urban Renewal Plan is scheduled to occur between 2017-2020 after which the District is closed to funding new projects. The Plan is programmed to remain open for an additional seven years to provide time for the remaining funded projects to be completed and the debt to be retired.

The purpose of this work session is to provide the Agency an opportunity to re-familiarize itself with the remaining projects, and discuss potential opportunities and the schedule moving forward. This is a chance to discuss the projects and to ask questions of staff. No formal action is requested at this time.

Derrick Tokos, Community Development Director, has prepared a project list, District map, debt schedule, and PowerPoint presentation to help facilitate this discussion. This information is included in the packet.

Recommendation:

None.

Fiscal Effects:

None.

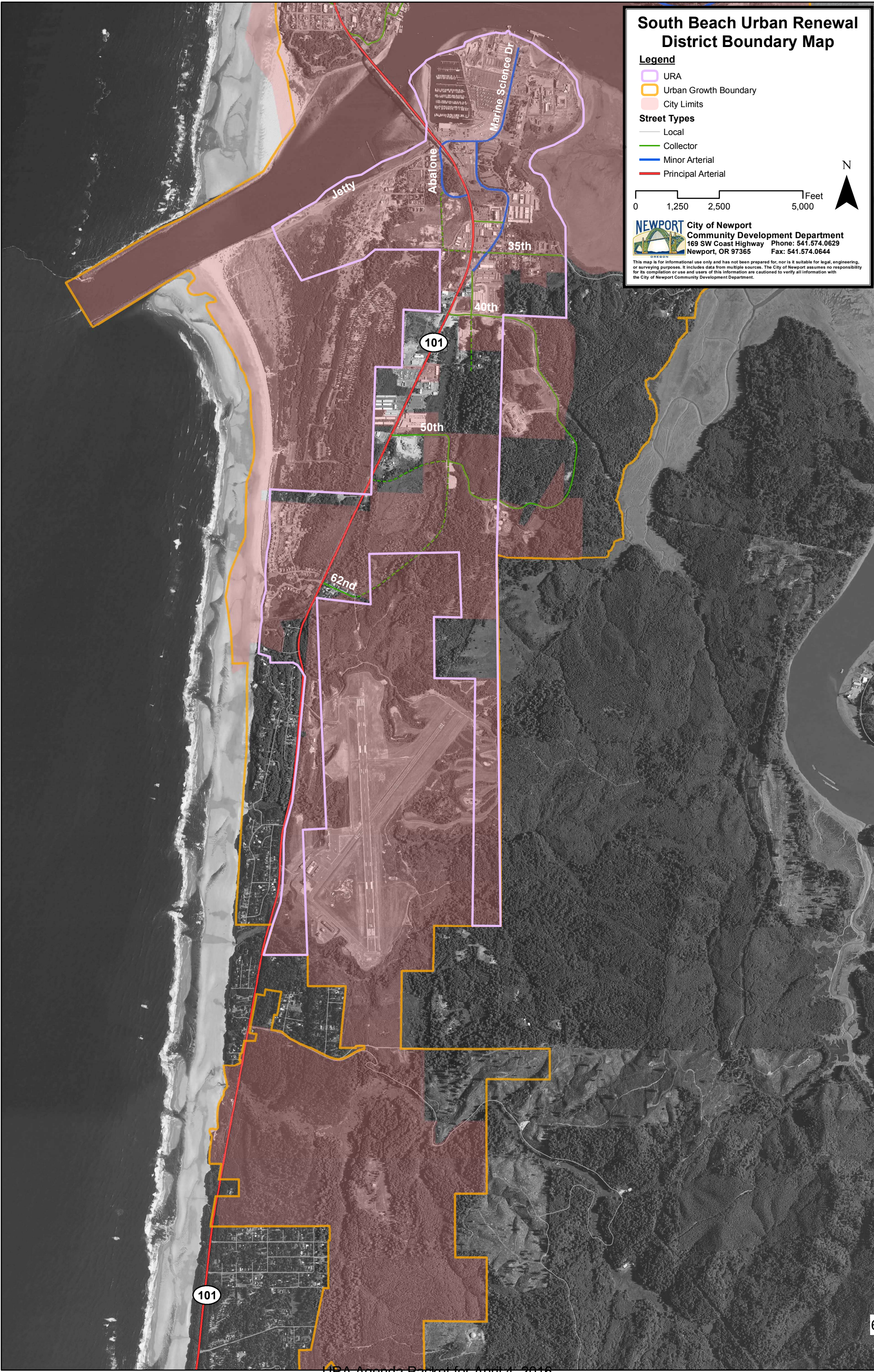
Alternatives:

None recommended.

Respectfully Submitted,

Peggy Hawker for

Spencer R. Nebel
City Manager



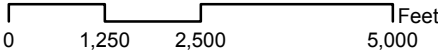
South Beach Urban Renewal District Boundary Map

Legend

- URA
- Urban Growth Boundary
- City Limits

Street Types

- Local
- Collector
- Minor Arterial
- Principal Arterial



City of Newport
Community Development Department
169 SW Coast Highway Phone: 541.574.0629
Newport, OR 97365 Fax: 541.574.0644

This map is for informational use only and has not been prepared for, nor is it suitable for legal, engineering, or surveying purposes. It includes data from multiple sources. The City of Newport assumes no responsibility for its compilation or use and users of this information are cautioned to verify all information with the City of Newport Community Development Department.

3. Phase 3 – 2017/20

PUBLIC RIGHTS OF WAY	Cost Estimate	UR Portion
Streets		
40 th and 101 Signal and Intersection Improvements (Moved from Phase II)	\$2,624,000	\$1,000,000
50 th and 101 Intersection Improvements	1,970,000	400,000
Sidewalks		
Abalone St. – Abalone extension to US 101 (Coho/Brant Project #13B)	165,000	0
35 th St. – Ferry Slip to estuary turn)	400,000	400,000
Acquisition/Development	250,000	0
Existing Street/ROW improvements including: paving, storm water, pedestrian/bicycle paths and landscaping		
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements	200,000	200,000
UTILITIES		
Water		
12" Bay Under-crossing Pipeline	995,000	795,000
King Ridge Reservoir (15% of Cost)	196,200	0
Sewer		
101 Gravity line south to Airport (Moved from Phase 2)	1,000,000	1,000,000
Henderson Creek Piping	280,000	280,000
Henderson Creek Lift Station	323,000	323,200
Storm		
Project 5a – Redirect Drainage	1,480,000	1,480,000
Utility Lines		
Bury existing/new lines underground	200,000	200,000
PUBLIC AMENITIES		
Street Tree and Open Space Planting	100,000	100,000
Street Furniture	50,000	50,000
Gateway to South Beach	700,000	100,000
Neighborhood Park/Open Space Acquisition	200,000	200,000
COMMUNITY IMPROVEMENT PROGRAMS		
Fund Storefront Facade Loan/Grant Program	100,000	100,000
SPECIAL PROJECT IDEAS		
Trails – Acquire and Develop	100,000	100,000
Coastal Gully Open Space Improvements	200,000	200,000
(Coho/Brant Project #19)		
SW Coho St, SW 29 th St to Jetty Way (Coho/Brant Project #12)	100,000	100,000
Tsunami Evacuation Route Improvements	200,000	200,000
Wetland Mitigation Bank	100,000	100,000
Total:	\$12,706,200	\$7,328,200
Revenue Estimate (3.0% growth)		\$7,360,000
Grand Total for Phases 1 through 3 Projects		\$16,927,700

PROJECTED REVENUES, DEBT SERVICE & OTHER EXPENDITURES - Assume annual growth of 3.0%

	(A) URA Incremental Revenue 3%	(B & D) Total Existing Debt Service	(E) Remaining Uncommitted Revenue	(F) Phase II Debt Service	(G) Remaining Uncommitted Revenue	(H) Phase III Debt Service	(I) Remaining Uncommitted Revenue
2010-11	1,848,185	1,314,972	(480,394)		(480,394)		(480,394)
2011-12	1,808,906	1,339,603	(108,106)		(108,106)		(108,106)
2012-13	1,891,500	1,332,148	296,039		296,039		296,039
2013-14	1,948,245	1,376,405	921,331		921,331		921,331
2014-15	2,006,692	1,215,078	1,588,657	729,700	321,892		321,892
2015-16	2,066,893	1,221,148	2,262,910	729,700	1,049,851		1,049,851
2016-17	2,128,900	1,270,243	2,909,491	729,700	1,750,139		1,750,139
2017-18	2,192,767	1,243,638	3,559,315	729,700	2,453,669		2,453,669
2018-19	2,258,550	1,097,800	4,923,319	729,700	3,871,380		3,871,380
2019-20	2,326,307	763,550	6,569,626	729,700	5,571,393	1,249,993	3,585,391
2020-21	2,396,096	545,075	8,217,073	729,700	7,272,547	1,249,993	5,360,146
2021-22	2,467,979	609,675	9,972,659	729,700	9,081,839	1,249,993	7,243,039
2022-23	2,542,018	569,250	12,367,240	729,700	11,530,127	1,249,993	9,764,928
2023-24	2,618,279		14,833,659	729,700	14,103,959	1,249,993	12,412,361
2024-25	2,696,827		17,374,070		17,374,070	1,249,993	15,756,073
2025-26	2,777,732		19,990,694		19,990,694	1,249,993	18,446,297
2026-27	2,861,064		22,685,816		22,685,816	1,249,993	21,215,021
Term of Loan (Years)				10			
Total Amount Borrowed				5,370,656		7,360,087	

Annual Tax increment estimated to be collected by South Beach URA. Years 2010-11 and 2011-12 are actual tax increment
(A) received; Year 2012-13 is budgeted tax increment; Balance of years are increased at the conservative rate of 3% per year.

(B & D) Current Existing Debt Service, including Phase I Debt Service *

(E) Revenue remaining after existing debt service obligation and reserve is met. **

New annual debt service to adequately fund projects identified in Phase II of South Beach URA Plan document, schedule to begin in

(F) FY 2014-15

Revenue remaining after existing debt service obligation and reserve is met, Phase II debt service obligation and reserve

(G) requirements are met

New annual debt service to adequately fund projects identified in Phase III of South Beach URA Plan document, schedule to begin

(H) in FY 2019-20

Revenue remaining after existing debt service obligation and reserve is met, Phase II and Phase III debt service obligation and

(I) reserve requirements are met

Phase I borrowing original plan to borrow \$4.773,611, the SB URA actually only borrowed \$2.1 Million and refunded existing debt to a lower rate a savings of \$558,561 over the life of the debt. Also the SB Construction Fund had a beginning Fund balance FY

* 2010-11 of \$2,177,128, this is prior to the \$2.1 Mil borrowing

SB URA Debt Fund beginning Fund Balance for FY 2010-11 was \$743,331, as well as the loan reserves amount, there was never a
 ** negative fund balance.

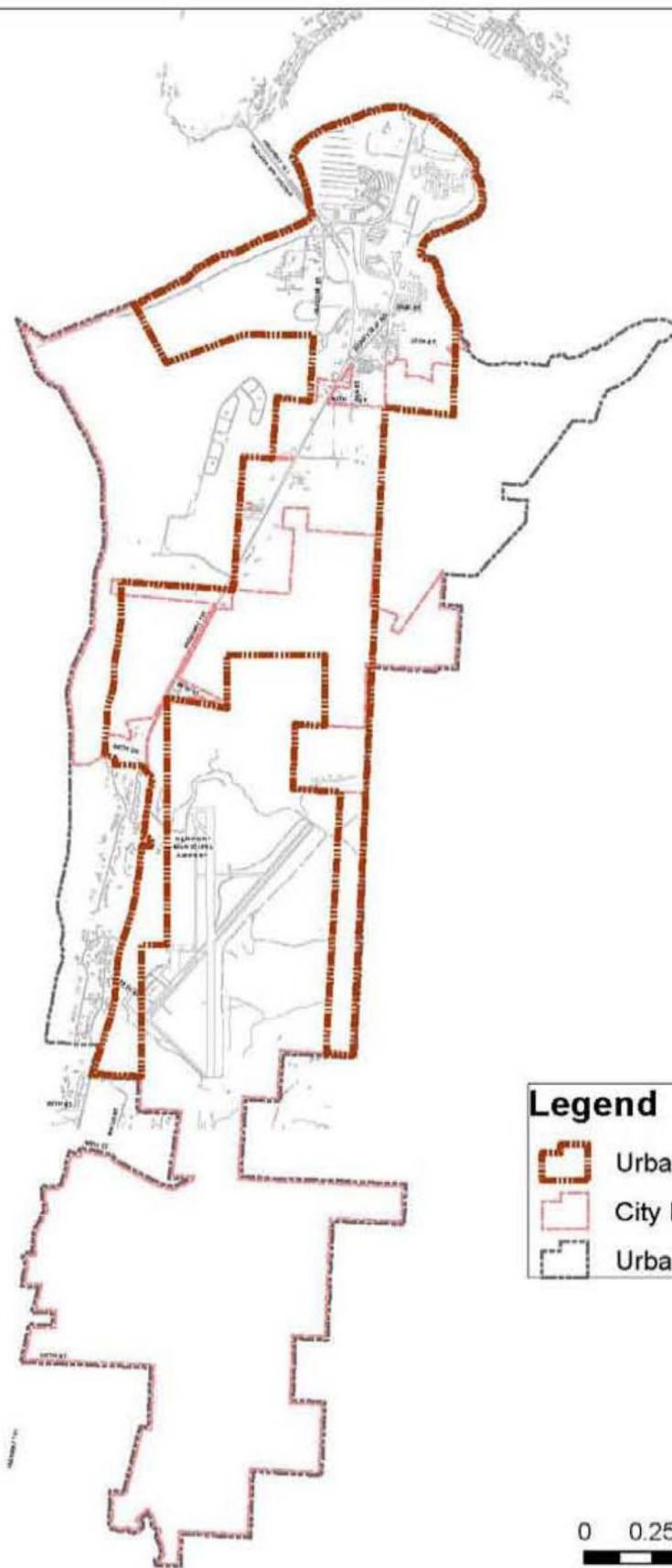
Preliminary Discussion

Final Phase of South Beach Urban Renewal Plan




APRIL 4, 2016

NEWPORT URBAN RENEWAL AGENCY

WORK SESSION



Legend

-  Urban Renewal Boundary
-  City Limits
-  Urban Growth Boundary



0 0.25 0.5 1 Miles

City of Newport, OR
Urban Renewal District Boundary

The Benkendorf Associates Corp.
2701 N.W. Vaughn St., Suite 461
Portland, OR 97210

Phase 2 Winding Down

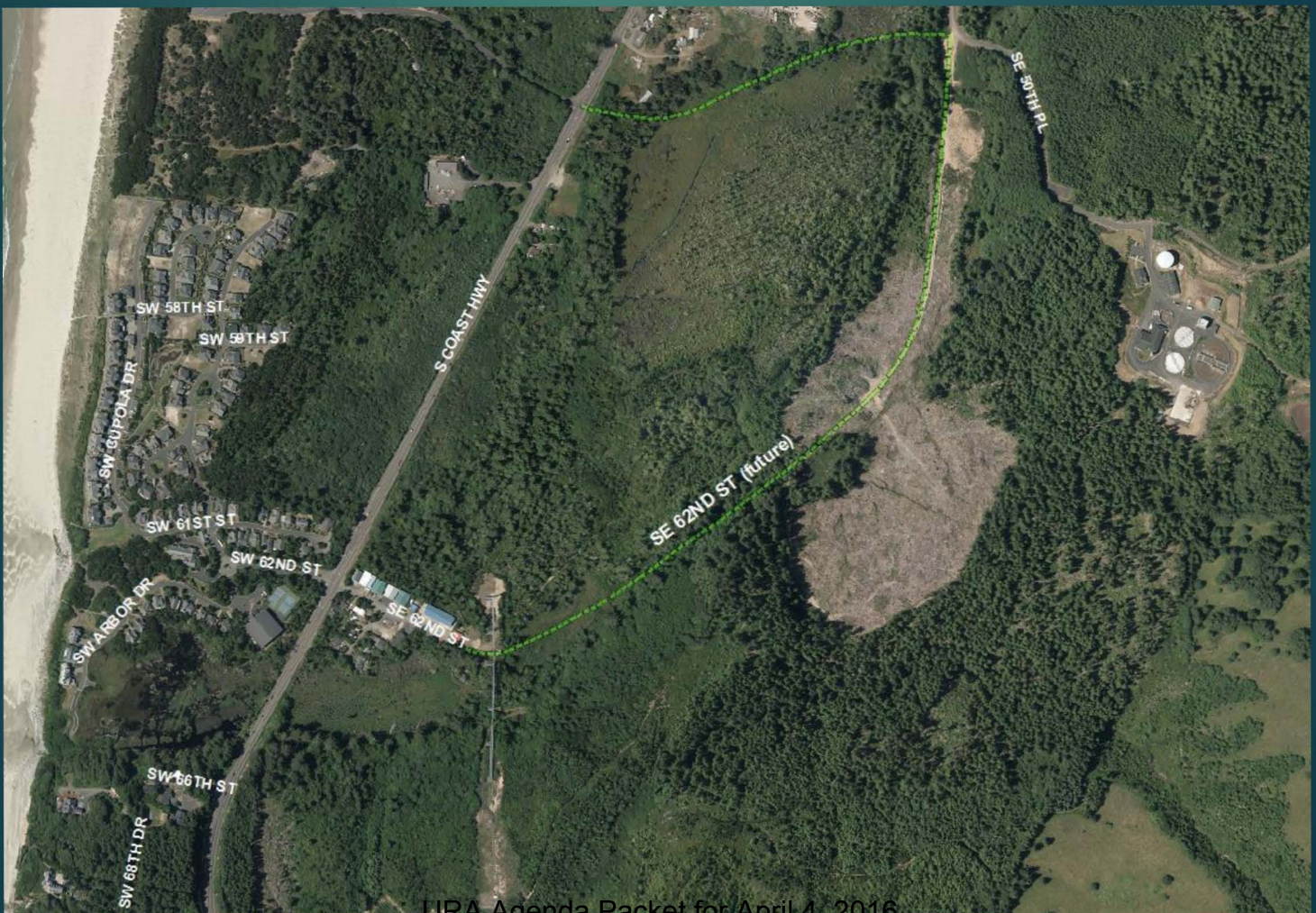
Items to Address FY 15/16

- ▶ Minor Amendment 12 to the Urban Renewal Plan to:
 - Update project list with final costs
 - Increase Safe Haven Hill match (about \$20,000)
 - Shift unused project funds to 35th and US 101 (about \$900,000)
- ▶ Supplemental Budget to appropriate \$192,000 of addition FEMA funds for Safe Haven Hill
- ▶ Close out Safe Haven, 27th, 30th, Abalone, Brant, and Ferry Slip projects

Urban Renewal FY 16/17 Budget

The last of the Phase 2 work

- ▶ ODOT to design 35th and US 101 Improvements
- ▶ Utility undergrounding plan for US 101 & Ferry Slip
- ▶ \$50,000 towards easement acquisition and grant match for SE Chestnut Street trail
- ▶ \$200,000 for right-of-way acquisition (35th and US 101 and SE 62nd Street)
- ▶ Build up building demolition reserve for parcel at NE corner of US 101 and 35th



Phase 3 Projects – 2017-2020

Urban Renewal (UR) Plan Projects	Estimate as listed in Plan	UR Portion
40 th and 101 Signal and Intersection	\$2,624,000	\$1,000,000
50 th and US 101 Intersection Improvements	\$1,970,000	\$400,000
Sidewalks - 35 th Street east of Ferry Slip	\$400,000	\$400,000
Match for LIDs for paving SW 28 th , SW 29 th and SW Coho Streets	TBD	\$200,000
12" Redundant Bay Under-crossing pipeline	\$995,000	\$795,000
US 101 sewer gravity line to airport	\$1,000,000	\$1,000,000
Henderson Creek Sewer piping	\$280,000	\$280,000
Henderson Creek Lift Station	\$323,000	\$323,000
Storm Drainage Improvements (Project 5a)	\$1,480,000	\$1,480,000
Utility Undergrounding	\$200,000	\$200,000
Public Amenities (Street and Open Space Plantings, Street Furniture, Gateway to South Beach, Neighborhood Park and Open Space Acquisition)	\$1,050,000	\$450,000
Storefront Facade Loan/Grant Program	\$100,000	\$100,000
Special Projects (Trails acquisition, Coastal Gully Open Space Improvements, Jetty Trail Improvements, Tsunami Evacuation Route Enhancements, Wetland Mitigation Banking)	\$700,000	\$700,000

Projected Revenue & Debt Service (Assumes annual growth of 3.0%)

	URA Incremental Revenue 3%	Total Existing Debt Service	Remaining Uncommitted Revenue	Phase II Debt Service	Remaining Uncommitted Revenue	Phase III Debt Service	Remaining Uncommitted Revenue
2010-11	1,848,185	1,314,972	(480,394)		(480,394)		(480,394)
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2026-27	2,861,064		22,685,816		22,685,816	1,249,993	21,215,021
Term of Loan (Years)				10			
Total Amount Borrowed				5,370,656		7,360,087	

There is about \$15,300,000 Available Before the
District Hits its Maximum Indebtedness Limit

Escalating Cost Estimates

Urban Renewal can't pay for all of the projects

Urban Renewal Project	Date of Original Estimate	Escalated Cost ¹ 2020
Redundant Under-Bay Water Line Crossing	2008	\$3,526,169
35th Street Sidewalk	2008	\$604,427
40th and US 101 Signal	2012	\$3,455,307
50th and US 101 Intersection Improvements	2012	\$2,060,806
SW 28th, 29th and Coho Street Improvements	2012	\$1,109,984
US 101 Sewer Gravity Line to Airport	2008	\$1,570,984
Henderson Creek Sewer Piping	2008	\$424,186
Henderson Creek Lift Station	2008	\$489,062
Storm Drainage Improvements (US 101 @ Southshore)	2015	\$121,283
Public Amenities: Neighborhood Park	2012	\$693,226
Special Projects: Jetty Trail Improvements	2012	\$639,969
Special Projects: Coastal Gully Open Space	2012	\$733,249
	Total:	\$15,428,654
	Anticipated UR Borrow:	\$7,360,000
	Shortfall:	¹⁵ -\$8,068,654

¹ Assumes 3.5% annual increase in construction costs.

US 101 at SW 40th Street



- ▶ Widen highway and install traffic signal
- ▶ High priority TSP project
- ▶ Project is scalable
- ▶ May have sufficient demand to meet ODOT signal warrants by 2020
- ▶ Potential Funding Partners: Private developers

50th & US 101 Intersection



- ▶ 2012 TSP update included modified project that aligns 50th with State Park entrance
- ▶ Assigned low priority in TSP
- ▶ Significant environmental challenges
- ▶ Unlikely there will be a need for the improvement before UR District sunsets

35th Street Sidewalk



- ▶ Construct sidewalk on one side of street
- ▶ Newport TSP identifies as high priority project
- ▶ Difficult due to number of developed properties and narrow right-of-way
- ▶ Easements must be acquired
- ▶ Potential Funding Partners: None

SW 28th, 29th & SW Coho Streets



- ▶ 2012 estimate for these street improvements is about \$840,000
- ▶ Low priority projects in the TSP
- ▶ UR contribution would have to increase to at least 80% of cost for an LID to be viable
- ▶ Potential Funding Partners: Owners via LID

Redundant Bay Under-Crossing



- ▶ Installation of a 12-inch under bay water main from McLean Point to Idaho Point
- ▶ Provides a redundant line to minimize risk of service disruption to South Beach
- ▶ Water System Master Plan identifies as medium priority
- ▶ Cost likely to exceed \$3.5 million
- ▶ Potential Funding Partners: NOAA Resiliency Grant, Water Resources Department, Revenue Bonds

Sewer Gravity Line to Airport



- ▶ Airport and sewer master plans to inform feasibility and cost
- ▶ Critical to future airport related commercial/industrial development
- ▶ Potential funding partners may include FAA, Business Oregon, ConnectOregon, and private developers

Henderson Creek Lift Station



- ▶ Lift station and piping would serve existing residences west of the Airport
- ▶ Sewer improvements and the benefitting properties are outside of the UR District
- ▶ Project scope and estimates are being updated in the new Sewer Master Plan
- ▶ Project can be funded with non-URA sources, such as an LID, SDCs and/or DEQ grant

US 101 Storm Drainage

2004 Master Plan

2015 Master Plan

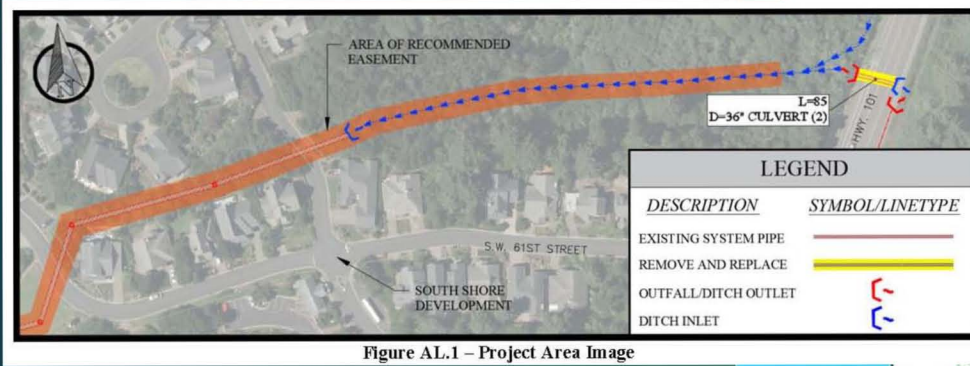
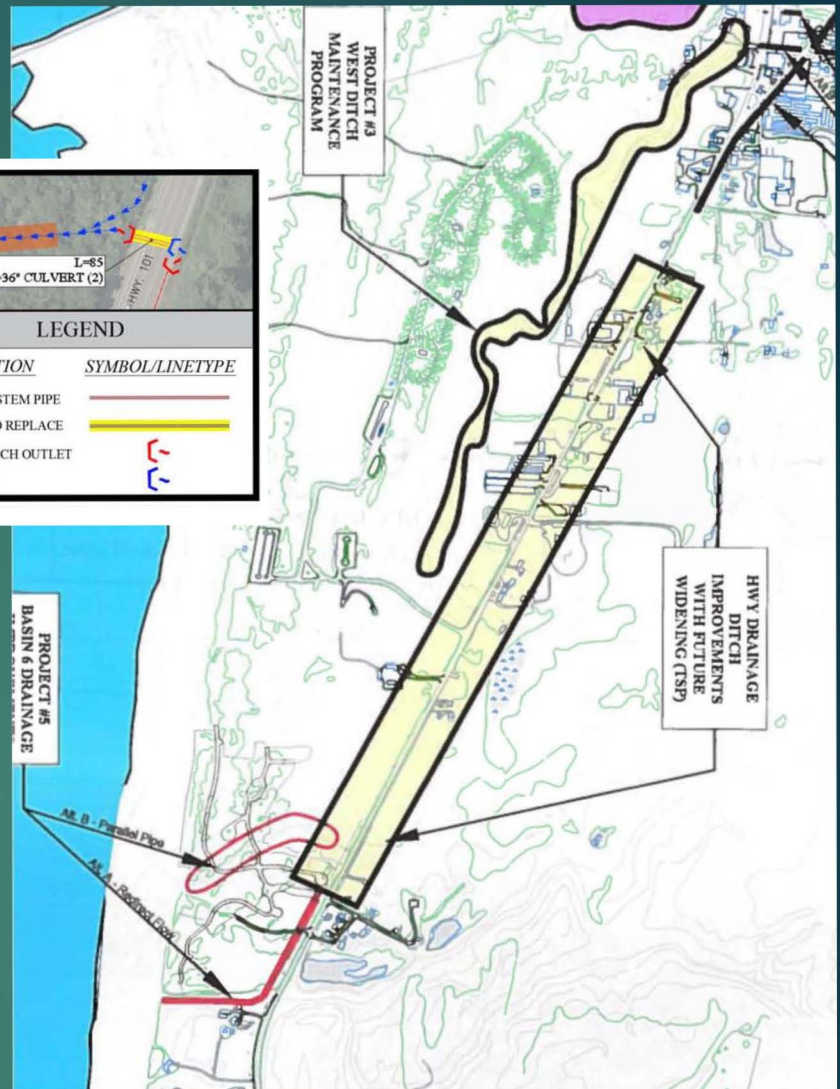


Figure AL.1 - Project Area Image



- ▶ Ties to 2004 plan that calls for the US 101 ditches to be extended to a drainage south of Southshore. Culverts to be upsized
- ▶ Predates work ODOT has done to improve roadside ditch storage, which mitigated much of the flooding
- ▶ New storm drainage master plan calls for alternate solution at vastly reduced cost

Utility Undergrounding



- ▶ City and Central Lincoln PUD to develop a line undergrounding plan
- ▶ US 101 and Ferry Slip are priority areas
- ▶ Phase II funding in the amount of \$500,000 has been transferred to capital
- ▶ Construction to be timed with ODOT 35th Street work in 2018

Public Amenities

Neighborhood Park Concept from 2012 Coho/Brant Plan



- Amenities may include:
 - Street and open space plantings,
 - Street furniture
 - Gateway Feature to South Beach
 - Neighborhood Park, or
 - Open Space Acquisition

Special Projects



Gully Open Space and Jetty Trail Concepts from 2012 Coho/Brant Plan

► Special Projects may include:

- Trail acquisitions
- Tsunami Evacuation Route Enhancements
- Jetty Trail Improvements
- Coastal Gully Open Space Improvements
- Wetland Mitigation Banking

Prioritizing Phase 3 Projects

Potential Priority	Projects
High	40 th and 101 signal and intersection work
	US 101 sewer gravity line to airport
	Redundant Bay under-crossing pipeline
	Utility undergrounding
	35 th Street sidewalks
Medium	Match for LIDs for paving SW 28 th , SW 29 th and SW Coho Streets
	Public Amenities (e.g. neighborhood park and open Space acquisition)
	Special Projects (e.g. Coastal Gully and Jetty Trail improvements)
	Storm drainage improvements
	Henderson Creek sewer piping
Low	Henderson Creek lift station
	50 th and US 101 intersection improvements
	Storefront facade loan/grant program

Next Steps

FY 16/17

- ▶ Leverage Airport, Storm Drainage and Sewer Master Plans to refine projects
- ▶ Identify opportunities to supplement UR funding with other sources
- ▶ Present LID option to Coho/Brant property owners
- ▶ Design completed for 35th & US 101 project

FY 17/18

- ▶ ODOT initiates 35th and US 101 construction
- ▶ UR Agency conducts outreach to inform final construction phase priorities
 - Plan for redevelopment of NE 35th and US 101 parcel
 - Vet concepts for public amenities and special projects
 - Confirm project priorities
- ▶ Amend Urban Renewal Plan, as needed

Next Steps

FY 18/19

- ▶ 35th and US 101 improvements completed
- ▶ Demo buildings at NE corner of 35th and US 101 and market for redevelopment
- ▶ Confirm revenue receipts and projections
- ▶ Borrow funds for final construction phase
- ▶ Initiate final phase of construction

December 31, 2020

- ▶ Funds obligated for all remaining construction projects

June 30, 2027

- ▶ All construction completed including disposition of parcel at 35th and US 101
- ▶ Debt is retired and district is closed