Newport Northside Urban Renewal Plan

Adopted by the City of Newport
Date
Ordinance No.

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I. DEFINITIONS

"Advisory Committee" means the committee composed of public officials and consultants to provide input on the McLean Point Urban Renewal Plan. Those members are identified on the acknowledgement page of the urban renewal plan.

"Agency" means the Newport Urban Renewal Agency. This Agency is responsible for administration of the urban renewal plan. In Newport, the Agency is the Newport City Council.

"Annual report" means annual report on impacts to taxing jurisdictions and former year and following year budgets as required in ORS 457.460.

"Area" means the properties and rights of way located with the McLean Point urban renewal boundary.

"Blight" is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

"City" means the city of Newport, Oregon.

"City Council" or "Council" means the City Council of the city of Newport.

"Commercial Core Areas" means the commercial areas that provide services within the Area. These will be further defined in the commercial core areas revitalization plan.

"Comprehensive Plan" means the city of Newport comprehensive land use plan and its implementing ordinances, policies and standards.

"County" means Lincoln County.

"Fiscal year" means the year commencing on July 1 and closing on June 30.

"Frozen base" means the total assessed value including all real, personal, manufactured and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

"Increment" means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

"Legislative process" is a public process where the planning commission or city council is acting as a legislator, making new law. Chapter 14.52 of the Newport Municipal Code (Zoning Ordinance) provides procedures for legislative processes.

"Maximum indebtedness" means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

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"Newport Transportation Systems Plan (TSP)" means the transportation system plan adopted by the Newport City Council.

"ORS" means the Oregon revised statutes and specifically Chapter 457, which relates to urban renewal.

"Planning Commission" means the Newport Planning Commission.

"Revenue Sharing" means sharing tax increment proceeds as defined in ORS 457.470.

"Tax increment financing (TIF)" means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

"Tax increment revenues" means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

"Under-levy" means taking less than the available tax increment in any year as defined in ORS 457.455.

"Urban renewal agency" or "Agency" means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for administration of the urban renewal plan.

"Urban renewal area" means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

"Urban renewal plan" or "Plan" means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

"Urban renewal project" or "project" means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

"Urban renewal report" or "Report" means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

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II. INTRODUCTION

The Newport Northside Urban Renewal Plan (Plan) has been developed for the Newport City Council (City Council) with the cooperative input of an Urban Renewal Advisory Committee (Advisory Committee) and community input from two urban renewal public meetings.

The Advisory Committee met six times to review components of the Plan and Report accompanying the Plan (Report), specifically the goals and objectives, projects, amendment procedures, duration of the Plan, under-levy provisions, socio-economic data, funding, and financial tables in the Report. The Advisory Committee also reviewed the input from the public meetings. The Advisory Committee voted unanimously of those present to forward the Plan and Report to the Newport Urban Renewal Agency for their consideration. There were representatives of the community at the majority of the Advisory Committee meetings.

The first public meeting was held on July 27, 2015 at which approximately 47 citizens participated. Staff and the consultant provided background information on urban renewal, the proposed plan and on the process for adoption of an urban renewal plan. Comment forms were available for attendees to complete. The comments received were compiled and placed on the city of Newport website. In addition, where appropriate, responses to the comments were drafted and also posted to the website and distributed at the second open house and to the Newport Urban Renewal Agency as part of the staff report on the process of preparing the urban renewal plan.

The second public meeting was an urban renewal open house on August 31, 2015 at which 75 people signed in and others attended, but chose not to sign in. Staff provided general urban renewal information, background information on why to consider urban renewal at this time, an overview of the potential projects, and answered questions. Attendees were provided opportunities to provide input at 5 different stations in the room. The majority of the comments received were in response to the potential of traffic solutions in the commercial core. All but one of those comments were against any couplet as a solution to traffic problems. It was noted by staff that the issue of traffic in the commercial core will be addressed in the Commercial Core Refinement Plan which is anticipated to be a two to three-year process, including substantial community input. The Commercial Core Refinement Plan will be one of the first two projects completed within the Plan, and will identify and prioritize specific urban renewal infrastructure and investment priorities under the general categories allowed within the urban renewal plan. That planning effort will consider a substantial amount of data that has been gathered about how the existing transportation system is performing, including

traffic problems in the area, and will identify and evaluate different alternative solutions. Whether or not a couplet will be one of the recommended solutions is unknown at this time. However, staff consistently stated their desire for transparency that all options be discussed and vetted in the refinement planning process. The second area of concern was surrounding the proposed projects in Agate Beach. There was concern about whether they were getting a fair share of funding and about the specifics of what improvements would be completed. Staff pointed out that those decisions would be made in the Agate Beach Refinement Plan, one of the first projects to be funded in the urban renewal plan.

There was also opportunity for public input at the Advisory Committee meetings, the Newport Urban Renewal Agency (Agency) meeting, the Newport Planning Commission (Planning Commission) meeting, and the City Council meeting.

In addition, the consultant and city staff briefed the Newport Port Commission on both urban renewal plans on August 18, 2015. Staff briefed the Lincoln County Commission on September 2, 2015.

The Plan contains goals, objectives, and projects for the development of the Newport Northside Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area has infrastructure needs, including street and utility upgrades, lacks adequate streetscape and parking, and would benefit from a program for assistance to business owners. Those needs are specifically cited in the Report accompanying the Newport Northside Urban Renewal Plan and specifically cited in the ordinance for adoption of the urban renewal plan.

Urban renewal allows for the use of tax increment financing (TIF), a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues – the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – are used to repay borrowed funds. The funds borrowed are used to pay for urban renewal projects.

In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The specific projects to be approved in this Plan are outlined in Sections IV and V.

Urban renewal is put into effect when the local government (the City of Newport, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 545.9 total acres: 396.3 acres of land in parcels and 149.6 acres of public right-of-way.

The Plan will be administered by the Newport Urban Renewal Agency (Agency), which was established by the Newport City Council as the City's Urban Renewal Agency. Substantial changes to the Plan must be approved by the City Council, as outlined in the Amendments Section, Section IX of this Plan.

The Plan is accompanied by an Urban Renewal Report (Report) that contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

It is anticipated that the Plan will take 23 years to implement. The duration of the Plan is set at 25 years to allow for changes in the economy and opportunities for a potential under-levy at some point in the life of the Plan. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is $39,920,000.

Future amendments will be listed numerically in this section of the Plan and then incorporated into the Plan document and noted by footnote as to amendment number, type of amendment (substantial, major or minor) and date adopted.

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III. GOALS AND OBJECTIVES

The goals of the Plan represent the basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XII, and were developed with input from the Newport Urban Renewal Plan Advisory Committee. The goals and objectives will be pursued as economically as is feasible and at the discretion of the Agency. The goals and objectives are not ranked by priority.

Goal 1: *PUBLIC INVOLVEMENT*

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the urban renewal implementation process.

Objectives:

1. Provide opportunities for public input throughout the implementation process.
2. Establish the Planning Commission as the ongoing Citizens' Advisory Committee to assist the Urban Renewal Agency in decisions regarding plan implementation and to provide input on Major Amendments as identified in the Amendments section of the Plan.
3. Utilize ad hoc advisory committees to review Major Amendments that include changes in the Plan as identified in the Amendments section of the Plan.

Goal 2: *ECONOMY*

Create conditions that are attractive to the growth of existing business and attract new businesses to Newport to create new jobs. Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities.

Objectives:

1. US 101/US 20 Streetscape
    a. Assist in the financing and provision of transportation improvements for improving traffic flow and traffic patterns, reconfiguring intersections, installing or upgrading traffic signals, improving

pedestrian and bicycle connections, right of way acquisition and parking improvements.

b. Improve overall aesthetics, for example: landscaping, utility undergrounding, wayfinding, and billboard removal.
c. Work with property owners to promote development and redevelopment of properties within the Area including but not limited to site prep for re-use, property consolidation, business assistance programs including façade improvement program and strategic site acquisition for economic development. Implement loan and grant programs.

2. Commercial Core Areas
   a. Complete a Refinement Plan for the commercial core areas, including identifying a boundary.
   b. Assist in the financing and provision of transportation improvements to ease congestion, spread out traffic, enhance pedestrian experience, and facilitate redevelopment.
   c. Help create and enhance a district identity through the provision of amenities including but not limited to benches, public art, public spaces, street and landscape island enhancements, wayfinding, utility undergrounding, and billboard removal.
   d. Work with property owners to promote mixed use development and redevelopment of properties within the Area including but not limited to site prep for re-use, business assistance programs including façade improvement program and strategic site acquisition for economic development. Implement loan and grant programs.

3. Hospital Area
   a. Assist in the financing and provision of transportation improvements including access and parking.
   b. Assist in financing and provision of utility infrastructure.
   c. Provide improvements to help establish a gateway to the city.

4. Tourism/Fairgrounds Area
   a. Develop tourism related amenities and facilities including fairgrounds redevelopment.
   b. Identify and make infrastructure investments on opportunity sites.
   c. Assist in the improvement of the transportation system to support existing development and allow for future development.

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d. Facilitate redevelopment through assistance in parcel reconfiguration and potential public/private partnerships.
e. Improve the visual appearance of the Highway 20 corridor through redevelopment, transportation improvements and streetscape improvements.

Goal 3: *HOUSING*

Support existing and potential new residential neighborhoods through upgrading utility and transportation infrastructure. Provide for the housing needs of the citizens of Newport in adequate numbers, price ranges, and rent levels which are commensurate with the financial capabilities of Newport households.

Objectives:

1. Complete a Refinement Plan for the Agate Beach area.
2. Assist in provision of infrastructure to support existing development and allow for future housing development.
3. Assist in the improvement of the transportation system to support existing development and allow for future housing development.
4. Explore public and private partnerships to encourage housing development in the commercial core areas.

Goal 4: *INFRASTRUCTURE*

To assure adequate planning for public facilities to meet the changing needs of the City of Newport urbanizable area. To provide a storm water drainage system, water system, wastewater collection and treatment system with sufficient capacity to meet the present and future needs of the Newport urbanizable area. To provide a safe and efficient multi-modal transportation system consistent with the Transportation System Plan.

Objectives:

1. Complete a Refinement Plan for the Agate Beach area.
2. Complete a Refinement Plan for the commercial core areas.
3. Build utility infrastructure to accommodate growth in the Area.
4. Identify and make infrastructure investments on opportunity sites.
5. Coordinate with the Oregon Department of Transportation on transportation improvements, including street, sidewalk and bridge improvements, in the Area.
6. Assist in the improvement of the transportation system to support existing development and allow for future development.

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7. Assist in the financing and provision of transportation improvements for US 101 and US 20 for improving traffic flow and traffic patterns, reconfiguring intersections, installing or upgrading traffic signals, improving pedestrian and bicycle connections, right of way acquisition and parking improvements.
8. Assist in the financing and provision of transportation improvements in the commercial core areas to ease congestion, spread out traffic, enhance pedestrian experience, and facilitate redevelopment.
9. Assist in the provision of telecommunications infrastructure.

Goal 5: *FISCAL STEWARDSHIP*

Work with taxing jurisdictions to both inform them of the annual project and financial activities of the urban renewal area and to evaluate opportunities to share tax increment revenues.

Objectives:

1. Send a copy of the annual project and financial report to all taxing jurisdictions, informing them of the activities of the urban renewal area.
2. Notify taxing jurisdictions of revenue sharing responsibilities and the timing of those responsibilities.
3. Identify process for evaluating an under-levy request.
4. Reimburse city for annual costs in administering the urban renewal area.

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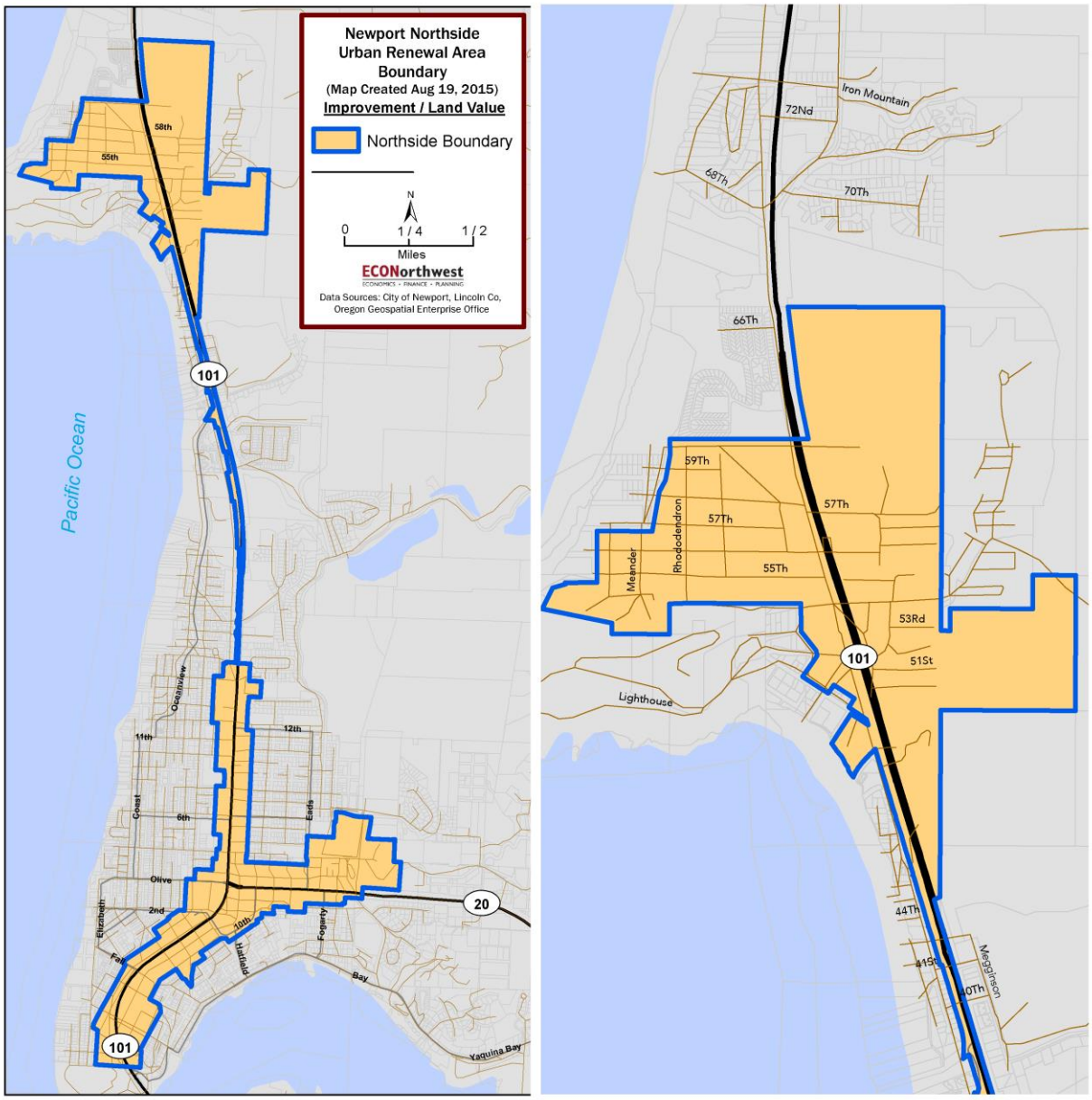
Figure 1 – Urban Renewal Area Boundary



IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The projects within the Area include:

- ***Refinement Plans***
- ***Public Buildings***
- ***Transportation and Utility Enhancements***
- ***Economic Development***
- ***Planning and development assistance programs***
- ***Debt service and plan administration***
- ***Property acquisition***

V. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Public improvements authorized under the Plan include upgrading of infrastructure including streets and utilities to encourage development, and economic assistance to developers. These projects are consistent with the Newport Transportation Systems Plan (TSP), The Newport Economic Development Strategy and the Newport Public Infrastructure System Development Charges methodology, all adopted by the Newport City Council. The projects are in conformance with the Newport Comprehensive Plan as detailed in Section XII of this Plan.

As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs. At this time, these project categories are general in nature. They will be further defined as a result of the two refinement plans that are initial projects in the Area. Once these projects are further defined, the Plan will be amended to include specifics on the projects. Each specific project will be itemized under the project category listed below. Projects authorized by the Plan are:

A. ***Refinement Plans***

a) Commercial Core Areas Revitalization Plan

The Commercial Core Areas Revitalization Plan (CCARP) will analyze key transportation and infrastructure issues within the commercial core areas in the Plan. The CCARP boundary for the study will be defined at the point that the plan is undertaken. It will study key transportation issues including traffic flow, safety, and parking issues within the study area. The CCARP will help define the transportation system enhancements and the priority of implementation of those

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enhancements that are undertaken as projects in this Plan. The CCARP will be completed using a legislative process as defined in Chapter 14.52 of the Newport Municipal Code (Zoning Ordinance).

b) Agate Beach Neighborhood Plan

The Agate Beach Neighborhood Plan (ABNP) will analyze key transportation and infrastructure issues within the Agate Beach neighborhood. The ABNP will help define the transportation system enhancements and the priority of implementation of those enhancements that are undertaken as projects in this Plan. The CCARP will be completed using a legislative process as defined in Chapter 14.52 of the Newport Municipal Code (Zoning Ordinance).

B. *Public Buildings*

Lincoln County is developing plans to redevelop the fairgrounds property, including the potential addition of multipurpose building. Redevelopment of the fairgrounds in a manner that provides for the property to be more heavily used year round could be a catalyst for redevelopment of adjoining underdeveloped public and commercially zoned lands between the fairgrounds site and US 20. This project would provide funding for support infrastructure and strategic site acquisition to assist with reconfiguration of the fairgrounds to facilitate redevelopment and to ensure that water, sewer, street, parking and related services are adequate to serve the new uses. The project will be further defined as the County moves through the process of planning for that area.

C. *Transportation and Utility Enhancements*

Transportation system enhancements include enhancements to the commercial core areas as well as to US 101 and US 20. These enhancements could include street upgrades, transportation improvements as defined in the CCARP, widening, intersection realignments, local street right-of-way improvements, parking improvements right-of-way acquisition, signal installation or adjustment, storm drainage improvements, and water, sewer and other utility line relocation and capacity upgrades. The exact location and further definition of these transportation enhancements will come as a result of the CCARP in addition to the Transportation System Plan and the other city utility master plans.

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D. *Economic Development*

Economic development projects include but are not limited to site preparation for reuse including demolition and lot aggregation, storefront façade loans and grants, strategic site acquisition for economic development, street tree and landscape island enhancements, benches, public art, public spaces, wayfinding improvements, utility undergrounding and billboard removal. Priority projects may be identified in the Agate Beach and Commercial Core Area refinement plans.

E. *Debt Service and Plan Administration*

This project will allow for the repayment of costs associated with the implementation of the Newport Northside Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long and short term debt, relocation costs and other administrative costs.

The way the projects relate to the goals and objectives is shown in Table 1.

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Table 1 – Projects and Relationship to Goals and Objectives

Project Name	Goals and Objectives Number
Newport Northside Urban Renewal Plan	
Infrastructure Refinement Plans	
Commercial Core Area Revitalization Plan	Goal 1, Obj. 1; Goal 2, Obj. 2; Goal 4, Obj. 2
Agate Beach Neighborhood Plan	Goal 1, Obj. 1; Goal 3, Obj. 1; Goal 4, Obj 1
Public Buildings	
Multi-purpose building (includes supporting infrastructure)	Goal 2, Obj. 4
Transportation System Enhancements	
Commercial core area highway/street upgrades	Goal 2, Obj. 1,2,3, Goal 4, Obj. 5,6,7,8,9
Intersection realignment	Goal 2, Obj. 1,2
Local street right-of-way improvements	Goal 3, Obj. 3
Parking improvements	Goal 2, Obj. 1
Right-of-way acquistion	Goal 2, Obj. 1
Signal installation or adjustment	Goal 2, Obj. 1
Storm drainage improvements	Goal 4, Ob. 3; Goal 3, Obj. 2
Water,sewer, utility line relocation and capacity upgrades	Goal 2, Obj. 3; Goal 4, Ob. 3; Goal 3, Obj. 2; Goal 4, Obj. 3,4
Economic Development	
Benches, public art, gateway	Goal 2, Obj. 2, Gaol 2, Obj. 3
Billboard removal	Goal 2, Obj. 1,2
Site prep for reuse	Goal 2, Obj. 1,2
Storefront façade loans/grants	Goal 2, Obj. 1,2
Strategic site acquisition for economic development; Redevelopment	Goal 2, Obj. 1, 2; Goal 3, Obj. 4
Street tree and landscape island enhancements	Goal 2, Obj. 1,2
Wayfinding improvements	Goal 2, Obj. 1, 2
Utility undergrounding	Goal 2, Obj. 1,2
Administration	Goal 5, Objectives 1,2,3,4
Total	

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VI. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use.

A. *Property acquisition for public improvements*

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. *Property acquisition – from willing sellers*

The Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary to support private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Area.

C. *Land disposition*

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

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Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

VII. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance.

VIII. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. General description of the proposed financing methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from the federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

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B. *Tax increment financing and maximum indebtedness*

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is $39,920,000 (thirty nine million nine hundred and twenty thousand dollars and no cents). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

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IX. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. *Substantial Amendments*

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Newport, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. *Major Amendments*

Major amendments require approval by the Agency by resolution. Major amendments will be reviewed by the Newport Planning Commission and by an ad hoc advisory committee, both of whom will send an advisory recommendation to the Agency. The ad hoc committee will include a representative from the Agate Beach area and from the commercial core area.

Major amendments are amendments that:

1. Increase the duration of the timeframe for the urban renewal area. Any increase in the duration of the timeframe of the urban renewal area will also require consultation with affected taxing districts.
2. Deletion of land that totals more than 1% of the existing area of the urban renewal area.
3. Add any new project where the project cost is in excess of $500,000 as indexed annually by the inflation rate used in the Report accompanying the adoption of the Newport Northside Urban Renewal Plan or any subsequent Report for a Substantial Amendment, whichever is most current. A new

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project is a project that is not already designated in the Plan or does not fall within one of the general categories of projects designated in the Plan.

C. *Minor Amendments*

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457 and are not Major Amendments as defined in this Plan. They require approval by the Agency by resolution.

D. *Amendments to the Newport Comprehensive Plan and/or Newport Zoning Ordinance*

Amendments to the Newport Comprehensive Plan and/or Newport Zoning Ordinance that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Agency or the City Council.

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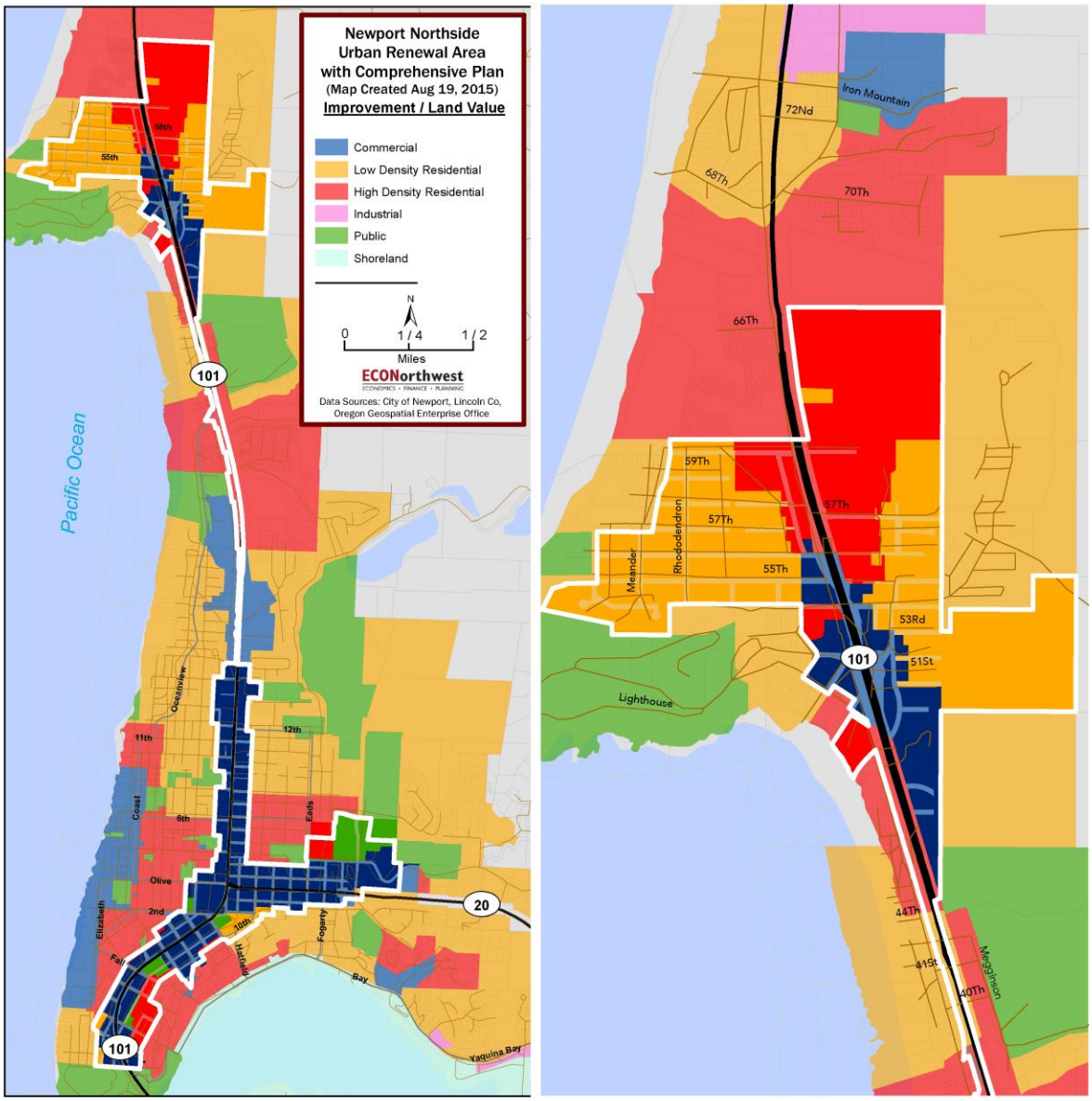
Figure 2 – Comprehensive Plan Designations



X. DURATION OF THE PLAN

This Plan will not exceed 25 years from the date of adoption. The financial analysis projects a 23 year plan. The duration of the Plan was extended to allow for a potential under-levy at some point in the Plan and for slight variations in assessed value projections. Since overall maximum indebtedness remains the same, the impacts on taxing jurisdictions would vary only slightly if the district were extended beyond twenty three years. This variance would be increased costs of interest on debt. Since debt issuance is not guaranteed, nor is an under-levy, the impacts on taxing jurisdictions is predicated on the financial analysis of a 23 year plan.

XI. FISCAL STEWARDSHIP

A. *Annual Report*

The Agency will prepare an annual report as required by ORS 457.460. In addition to the requirements stated therein, the Agency will send a copy of the annual project and financial report to all taxing jurisdictions. The annual report will include a statement of the remaining maximum indebtedness of the Plan.

B. *Revenue Sharing*

The Agency will notify the taxing jurisdictions of revenue sharing responsibilities of the Plan as defined in ORS 457.470 and as analyzed in the Report accompanying the Plan and any Substantial Amendment. If ORS 457.470 is amended, this section is amended accordingly. The analysis will include the projected timing of revenue sharing. Revenue sharing commences by statute as detailed in ORS 457.470, but generally described as when the annual tax increment equals 10% of the initial maximum indebtedness of the Plan. When the annual tax increment equals 12.5% of the initial maximum indebtedness, the increment to the Agency is capped at this amount and any excess is shared by the impacted taxing jurisdictions on a pro rata share equal to their tax rate.

C. *Under-levy*

Under-levy provisions are allowed under ORS 457.455. If ORS 457.455 is amended, this section is amended accordingly. An under-levy is when the Agency asks for less urban renewal tax increment than the total amount for which the Area qualifies. To cause an under-levy, the Agency notifies the county assessor on Form UR-50 by July 15 of the year when the under-levy is desired (ORS 457.440). The amount of increment that is under-levied is returned to the impacted taxing jurisdictions on a pro rata share equal to their tax rate. The Agency must consult and confer with the taxing jurisdictions as there might be

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unexpected consequences of an under-levy, especially to local option taxes for education. The specific steps in evaluating an under-levy request are:

1. The taxing jurisdiction will send a formal under-levy request to the Agency. The taxing jurisdiction sending the request will be responsible for any costs associated with the evaluation of the under-levy.
2. The Agency will, within 30 days of the under-levy request, determine whether or not to review the under-levy request. The initial review will be based on whether there is sufficient revenue to under-levy given either current debt requirements or the requirements for the anticipated imminent issuance of debt. If the Agency determines to proceed with review of the under-levy, the Agency will determine the cost to review an under-levy request and notify the requesting taxing jurisdiction of the cost. The cost will include a financial evaluation. It will also include staff time to

    a) Review bond documents for any bond covenants that may impact an under-levy.

    b) Consult and confer with all taxing jurisdictions as required by ORS 457.455.

    c) Participate in meetings required to evaluate the proposal.

D. ***Administration***

The Agency is the body designated with implementation of the Plan. The Agency has no paid employees. Actual implementation of the Plan is done by City of Newport (City) employees. In order to ensure sufficient resources are available to efficiently administer the Plan, the cost of administration will be an eligible project of the Plan through reimbursement by the Agency of costs incurred by the City. The costs of administration allocated to the Plan will be evaluated and established in the annual budgeting process. After the annual budget is complete, an Order will be adopted by the Agency to memorialize the agreement between the Agency and the City as to the administrative costs to be incurred that year.

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XII. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan relates to local planning and development objectives contained within the City of Newport's Comprehensive Plan, Newport Municipal Code (Section 17: Zoning Ordinance), and the Transportation System Plan. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that ***has*** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2. The maximum densities and building requirements are contained in the Newport Zoning Ordinance. The proposed land uses conform to Figure 2.

This is not a comprehensive list of all parts of the Newport Comprehensive Plan that are supported by this Plan. This list includes the major Goals and Policies from the Comprehensive Plan that are supported, however, there may be other Goals and Policies that are not listed, but are still supported by this Plan.

A. *City of Newport Comprehensive Plan*

Goal: Energy Conservation

To conserve energy.

> *Policy 3: The city will encourage the use of forms of transportation (e.g. bicycles in mass transit) that are more energy efficient.*
>
> *Policy 4: The city will encourage neighborhood commercial areas in order to conserve energy.*
>
> *Policy 5: The city shall encourage the location of high density residential areas near high-capacity transportation corridors in order to achieve greater energy efficien*cy.

The Plan conforms to the Energy Conservation goal as it contains projects that will complete refinement plans for both the Agate Beach neighborhood and the Commercial Core Areas that will help define projects and project priorities to improve the transportation infrastructure in the Area. The Plan also contains projects that will assist in upgrading of neighborhood commercial areas including streetscape improvements and loans and grants to businesses to upgrade storefront façades, and development and redevelopment assistance programs. The development and redevelopment assistance programs could include high density residential components.

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Goal: Housing Goals, Policies, and Implementation Measures

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

To provide adequate housing that is affordable to Newport workers at all wage levels.

> *Policy 2. The city shall cooperate with private developers, nonprofits, and federal, state, and local government agencies in the provision and improvement of government assisted and workforce housing.*
>
> *Policy 3. The city shall encourage diversity and innovation in residential design, development and redevelopment that is consistent with community goals.*
>
> *Policy 5. The City of Newport shall coordinate planning for housing with provision of infrastructure. The Community Development Department shall coordinate with other city departments and state agencies to ensure the provision of adequate and cost-effective infrastructure to support housing development.*

The Plan conforms to the Housing Goals, Policies, and Implementation Measures as it contains projects that will assist in the development of new housing in the Agate Beach residential area as well as programs that will be available for the development and redevelopment of property that could include residential uses. In addition, infrastructure improvements will help increase the livability in the Agate Beach neighborhood. The Plan also provides projects that will provide infrastructure improvements throughout the Area, which will support future residential development.

Goal: Economy

Create conditions that are attractive to the growth of existing business and attract new businesses to Newport to create new jobs.

Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities over the planning period.

> *Policy 2. The city shall encourage growth of tourism-related employment.*
>
> *Policy 6. The city shall encourage better use of underutilized and/or blighted commercial sites.*
>
> > *Action 6.1 Evaluate creation of urban renewal district north of Yaquina Bay*
>
> *Policy 7. The city shall insure an adequate supply of commercial and industrial sites*

The Plan conforms to the Economy goal as it contains projects that will complete refinement plans for both the Agate Beach neighborhood and the Commercial Core Areas that will help define projects and project priorities to improve the transportation infrastructure in the Area. The Plan contains projects to upgrade the utility

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infrastructure, to support existing business and allow for development of new businesses to create jobs, including potential redevelopment of the fairgrounds site. The Plan provides for site aggregation and demolition to facilitate new development. The Plan provides for assistance to property owners in the form of storefront grants or loans. The Plan provides for streetscape improvements and utility undergrounding, both of which help support existing business and attract new businesses in the Area.

In addition, the ability to provide new housing in the Area will help support businesses within the Area by both bringing in new residents and providing potential affordable housing for the workforce.

Goal: Infrastructure and Public Facilities

Make investments in infrastructure and public facilities to support the target industries.

Policy 8. Identify and make infrastructure investments on opportunity sites.

The Plan conforms to the Infrastructure and Public Facilities goal as it contains projects that will complete refinement plans for both the Agate Beach neighborhood and the Commercial Core Areas that will help define projects and project priorities to improve the transportation and utility infrastructure in the Area. The Plan also has a project to assist in the redevelopment of the fairgrounds area, a public facility.

B. ***Newport Peninsula Urban Design Plan***

Policies:
3. Improve the vehicular and pedestrian networks in order to improve safety, efficiency, continuity, and relationships connecting the peninsula neighborhoods.
4. Coordinate with the Oregon Department of Transportation (ODOT) highway projects which are compatible with and responsive to these policy objectives and design districts implementing said policies.
6. Preserve and strengthen the ability of peninsula institutions to continue as centers of employment.
7. Improve the built environment in order to strengthen the visual appearance and attractiveness of developed areas.
8. Strengthen the peninsula's economic vitality by improving its desirability through improved appearance, function, and efficiency.
9. Preserve and enhance existing housing supply. Encourage the increase of affordable housing in Newport.

The Plan conforms to the Newport Peninsula Urban Design Plan as it has projects that will help implement policies within the Newport Peninsula Urban Design Plan. These projects include transportation improvements, utility upgrades, programs to assist

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existing and new businesses, programs to help promote new commercial and residential development, streetscape and utility undergrounding projects, and billboard removal.

C. *Newport Economic Opportunity Analysis*

The Newport Economic Opportunity Analysis is incorporated under the Economy section of the Newport Comprehensive Plan, identified above.

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XIII. APPENDIX A: LEGAL DESCRIPTION

INSERT TEXT LEGAL DESCRIPTION OF URBAN RENEWAL DISTRICT BOUNDARYTHAT IS CONSISTENT WITH THE ENCLOSED MAP

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