

CITY OF NEWPORT

ORDINANCE NO. 2056

**AN ORDINANCE AMENDING THE PUBLIC FACILITIES ELEMENT OF THE CITY OF
NEWPORT COMPREHENSIVE PLAN TO REMOVE AND REPLACE THE PORT
FACILITIES SECTION AND TO AMEND THE GOALS AND POLICIES SECTION TO
ADD PROVISIONS FOR THE PORT OF NEWPORT
(Newport File No. 1-CP-13)**

Summary of Findings:

1. On May 28, 2013 the Newport Planning Commission initiated amendments to the “Public Facilities” element of the Newport Comprehensive Plan. The Port Facilities section of the Plan has been rewritten so that it aligns with the Port of Newport’s Strategic Business and Capital Improvement Plans, dated January 2013. Further, the Goals and Policies section of the Plan has been amended to establish that it is a City priority to assist the Port in the implementation of its plans.
2. Port of Newport and its appurtenant waterfront facilities support commercial fishing fleets, recreational fishing, tourism, marine research, and international commerce all of which are vital to the economic health of the City of Newport.
3. In order to effectively serve these industries the Port of Newport must creatively leverage limited resources to maintain and expand upon its facilities and infrastructure. To this end, the Port has updated its strategic business plan and capital improvement plans to identify its most critical infrastructure needs and funding strategies for meeting those needs.
4. City similarly maintains waterfront infrastructure, along with a network of streets, sewer, water and storm drainage improvements that support Port activities. It is therefore essential that the City and Port coordinate capital investments so that they are mutually beneficial and best leverage limited resources.
5. Updating the Port Facilities section of the Newport Comprehensive Plan ensures that the City has current information on the Port’s infrastructure priorities and how those priorities relate to the City’s other capital needs.
6. City and Port have historically worked closely together to coordinate infrastructure projects and to facilitate economic growth within the community. Memorializing this relationship as a matter of policy provides both organizations with a competitive edge when seeking to secure outside funds for projects.
7. These amendments to the “Public Facilities” element of the Newport Comprehensive Plan are consistent with applicable Statewide Planning Goals in that the changes:
 - a. Have been developed and vetted with the City of Newport Planning Commission and its Advisory Committee consistent with Statewide Planning Goal 1, Public Involvement; and

- b. Update the Newport Comprehensive Plan's technical inventory with respect to the condition of Port facilities, infrastructure investment priorities, and funding strategies that will facilitate fact based land use decision making processes consistent with Statewide Planning Goal 2, Land Use Planning; and
- c. Recognize the importance of upgrading Port facilities, as envisioned in the capital improvement plan, so that structures located within low lying areas are more resilient to flood damage, consistent with Statewide Planning Goal 7; and
- d. Complement economic development strategies contained in the Comprehensive Plan that call for the City to coordinate with the Port of Newport on waterfront related development and to help facilitate growth of employment in commercial fishing, tourism, international commerce, and marine research, consistent with Statewide Planning Goal 9; and
- e. Provide for the timely, orderly, and efficient arrangement of public facilities and services by ensuring the Port infrastructure priorities are identified in conjunction with the City's other capital project needs, as encouraged by Statewide Planning Goal 11; and
- f. Have been evaluated to ensure that the scope and extent of planned improvements to Port facilities, both in terms of upland and in-water areas, will occur on lands designated for development on the City's adopted shoreland and estuarine resource maps, consistent with Statewide Planning Goals 16 and 17.

8. No other Statewide Planning Goals are applicable to the proposed changes to the "Public Facilities" element of the Newport Comprehensive Plan.

9. The Newport Planning Commission reviewed the proposed changes to the "Public Facilities" element of the Newport Comprehensive Plan, as they were being developed, at work sessions on April 8, 2013 and May 28, 2013. The Planning Commission held a public hearing on July 8, 2013, and voted to recommend adoption of the amendments.

10. The City Council held a public hearing on August 5, 2013 regarding the question of the proposed revisions, and voted in favor of their adoption after considering the recommendation of the Planning Commission and evidence and argument in the record.

11. Information in the record, including affidavits of mailing and publication, demonstrate that appropriate public notification was provided for both the Planning Commission and City Council public hearings.

THE CITY OF NEWPORT ORDAINS AS FOLLOWS:

Section 1. The entire Port Facilities section of the Public Facilities element of the City of Newport Comprehensive Plan is removed and replaced with the text set out in Exhibit "A".

Section 2. The Goals and Policies section of the Public Facilities element of the City of Newport Comprehensive Plan is amended to remove the underlining beneath "Water, Implementation Measure 3" and to include a new subsection titled "Port of Newport" with a goal and two policies as set out in Exhibit "B".

Section 3. This ordinance shall take effect 30 days after passage.

Date adopted and read by title only: August 5, 2013

Signed by the Mayor on August 5, 2013.

Sandra Roumagoux
Sandra Roumagoux, Mayor

ATTEST:

Margaret M. Hawker
Margaret M. Hawker, City Recorder

PORT FACILITIES¹

BACKGROUND

The Port District was formed in 1910 to promote water-related commerce in Lincoln County. The Port is located on the central Oregon coast and encompasses the Yaquina Bay estuary. The Port boundaries extend north to Otter Rock, east up to six miles inland, south to Seal Rock, and west to the Pacific Ocean. The Port of Toledo is adjacent to the Port of Newport's eastern boundary and the Port of Alsea adjoins the Seal Rock boundary.

VISION AND MISSION

Vision: The Port of Newport will serve as the premier Oregon coast port for the commercial fishing fleets, for recreational fishing and tourism, and for ocean observation and marine research support. We will be one of the top two Oregon coast ports for waterborne commerce while protecting and enhancing the beauty and integrity of the natural environment which is the foundation of our working waterfront community.

Mission: Build and maintain waterfront facilities, and promote/support projects and programs in cooperation with other community organizations and businesses that will retain and create new jobs and increase community economic development.

GOVERNANCE

The Port District is governed by a Board of Commissioners that is elected, at large, from the territory within the District and is responsible for policy setting and providing strategic direction to its professional staff. The Board is comprised of five members elected for four year terms. The terms are staggered.

EXISTING PORT FACILITIES

The Port of Newport was originally formed to promote water related commerce in Lincoln County and throughout its history has evolved and refined the provision of services to the commercial and recreational fishing fleets, to tourists, and for ocean observation and marine research support.

Port facilities are situated in three distinct areas bordering portions of the Yaquina Estuary. The South Beach facilities primarily support the recreational fleet, ocean observation and marine research and tourism activities. The Port's "Bay Front" facilities on the north shore of the bay primarily support the commercial fishing fleet along with some tourism. The Port's International Terminal is also located on the north shore of the Bay, to the east of the "Bay Front" facilities, adjacent to the Northwest Natural Gas LNG tank.

¹ Most of the information contained in this section is taken from the Port of Newport's Strategic Business and Capital Facilities Plans, prepared by the Northwest Port Planning Team, and dated January 2013.

Service Facilities

The South Beach Port facilities consist of a 600 berth recreational boat basin originally installed in 1978-79, a four lane boat launch facility with parking which was installed to replace the original marina launch facility in 2005, a 92 space RV Park installed in 2006, an older 52 space RV Park, the NOAA Marine Operations Center – Pacific (MOC-P) pier, office/operations building and Warehouse, completed in 2012, and several buildings leased to Oregon Brewing and other leased properties associated with ocean observation and marine research organizations (Oregon State Hatfield Marine Science Center, USA of Fish and Wildlife Service, Oregon Coast Aquarium, etc).

The Commercial Marina facilities consist of Port Docks 3, 5, 7, Swede’s Dock and the Hoist Dock along with upland dry storage and parking. The Port’s Bay Front facilities also include Port Dock 1, which is used for some transient vessel berthing along with providing a tourist platform for bay viewing and sea lion observation.

The International Terminal area contains facilities which consist of the Terminal Dock Facility (currently under complete reconstruction), along with some commercial fleet dry storage area and several leased properties and structures. A detailed map of existing leased facilities is included as Appendix A to Capital Facilities Plan for the Port of Newport, prepared by the Northwest Port Planning Team, dated January 2013.

A comprehensive inventory of Port owned facilities associated with all properties is presented in Appendix B of the same Capital Facilities Plan. The inventory includes an estimated current value of each facility along with an estimated replacement cost. The following table indicates a summary of Port owned facilities and estimated current values and replacement costs.

	Replacement Costs	Estimated Existing Value
Buildings	\$ 30,200,295	\$ 26,611,254
Docks/Piers	\$ 52,283,864	\$ 36,883,726
Parking	\$ 4,889,105	\$ 3,854,041
Other Facilities & Structures	\$ 787,000	\$ 338,999
Equipment	\$ 759,500	\$ 496,000
	\$ 88,919,764	\$ 68,184,020

While the numbers presented above are estimated, they give a perspective of the extent of what the Port owns and is responsible for.

Utilities

Along with the more visible Port owned facilities used for providing Port services and associated with leaseholds, there exists considerable utility infrastructure supporting the Port and its operations. Much of the utilities providing services to the Port are owned and operated by outside agencies (City of Newport, Central Lincoln PUD, etc) however, the Port does own and operate some underground utilities primarily associated with storm drainage and area lighting. Appendix C to the Capital Facilities Plan for the Port of Newport includes an inventory of utilities situated on Port properties that are necessary for Port Operations. It also identifies the controlling agency of the Utility. Appendix D to the Capital Facilities Plan contains maps of existing utilities serving the Port's various service areas.

DESIGN CRITERIA AND LEVEL OF SERVICE

Design Life of Improvements

The design life of the Port's infrastructure components is sometimes referred to as its useful life or service life. The selection of a design life is a matter of judgment based on such factors as the type and intensity of use, type and quality of materials used in construction, and the quality of workmanship during installation. The estimated and actual design life for any particular component may vary depending on the above factors. The establishment of a design life provides a realistic projection of service upon which to base an economic analysis of new capital improvements. The typical design life for system components is discussed below.

Floating Docks

Modern concrete floating docks are estimated to have a useful life of 35 to 50 years. Lightweight dock systems, such as timber, aluminum and steel typically have a life of 20 to 30 years.

Piling Supported Docks/Piers

On average, industry experts estimate that a galvanized, epoxy coated or galvanic protected steel pile has 8-10 years before it will require constant maintenance and up keep. These piles typically have a lifespan of 30 years. Steel pile lifespan can be significantly extended with the use of HDPE sleeves and caps. The service life of timber pile in a marine environment is dictated by the type of wood used and treatment. The life span of a treated timber pile in a marine setting ranges from 30-50 years. The disadvantage of timber pile is the limited diameter choices and difficulty in splicing for longer lengths needed for many applications.

Buildings, Upland Structures and Equipment

Major structures and buildings should have a design life of approximately 50 years. Mechanical equipment such as motors, pumps, lifts etc. usually have a useful life of about 15-20 years. The useful life of equipment can be extended when properly maintained.

Asphalt Surfaced Parking/Storage Areas

Asphalt surfaces for parking and storage areas typically have practical service lives of 15-20 years in the mild coastal climate. With the absence of base material failures (as typically represented by extensive cracking or “alligating” asphalt) surface life may be extended an additional 5-10 years through seal coating.

CAPITAL IMPROVEMENT PROJECTS

The term “capital improvement” refers to new or expanded physical facilities for the Port that are of relatively large size, are relatively expensive, and are considered permanent with respect to usefulness to service area customers. Large-scale replacement and rehabilitation of existing facilities also falls within this category.

In 2012 the Port Commission and its staff engaged stakeholders in the community to identify the District’s capital improvement needs. Projects were evaluated on a basis of physical need, desire, importance and availability of funding. The prioritization process placed the projects in three priority categories, Priority 1-3. The priority 1 projects are projects to be scheduled for work by 2018. Priority 2 projects are to be scheduled by 2023, and Priority 3 projects by 2028. The following is an initial cost and priority summary table of the identified projects for the Port:

Project Description	Priority	Estimated Cost of Improvement
Port Dock 7 Replacement	1	\$3,400,000
Wash down facility for South Beach Marina fish waste trash bins	1	\$40,000
Hoist Dock (Center Section) Replacement	1	\$637,500
Reconstruction of Recreational Marina Docks	1	\$130,000
Port Dock 5 Improvements	1	\$775,000
New Port Offices/Parking Area	1	\$878,149
Marina Dredging	1	\$4,732,302
SUBTOTAL -PRIORITY 1 PROJECTS		\$10,592,951
Renovate RV Park Annex	2	\$660,000
Rogue Brewery (Dry Moorage Building) North Wall/Siding Replacement	2	\$150,000
Electrical Load Center South Beach Marina	2	\$100,000
International Terminal Fire Water Line Loop	2	\$127,355

Staff Note: If adopted, this language would replace the Port Facilities component of the Public Facilities Element of the Newport Comprehensive Plan (pages 175 to 181).

Wastewater Pump Station Replacement -South Beach	2	\$30,000
Port Dock 1 Replacement	2	\$750,000
SUBTOTAL -PRIORITY 2 PROJECTS		\$1,917,355
South Beach/Fishing Pier Storm Sewer Outfall Replacement	3	\$80,685
Picnic Bunker Rebuild	3	\$36,000
Pavement Reconstruction/Seal Coating (all areas)	3	\$400,030
Fishing Pier Replacement	3	\$1,567,000
Old Boat Ramp Fill	3	\$64,116
SUBTOTAL -PRIORITY 3 PROJECTS		\$2,147,831
TOTAL ALL PROJECTS		\$14,658,137

FINANCING

Grant and Loan Programs

The Port of Newport is eligible for federal and state funding assistance in the form of grants or low interest loans. Many of these programs are also available to the City of Newport. The following is a list of the major funding programs, which are typically utilized to assist qualifying ports in the financing of improvements.

- Oregon Business Development Department (OBDD) Community Development Block Grants. May be used for infrastructure or facilities development. The Port is only eligible if the grant is sponsored by the City of County on its behalf.
- OBDD Special Public Works Fund. Provides loan and grant funds for publically owned facilities that support economic and community development.
- OBDD Water/Wastewater Financing Program. A loan program that funds the design and construction of public infrastructure needed to ensure compliance with the Safe Drinking Water Act or the Clean Water Act.
- Connect Oregon. A multimodal transportation fund established by the Oregon Legislature. Subject to periodic reauthorization.
- Oregon Port Revolving Fund. A loan program to assist Oregon ports in the planning and construction of facilities and infrastructure.
- Oregon Port Planning and Marketing Fund. A grant program to help ports fund planning or marketing studies related to expanding their trade and commerce activities.
- Oregon Marine Navigation Improvement Fund. Provides grants and loans that fund either a federally authorized project that needs matching funds; or a non-federally authorized project that directly supports or accesses an authorized navigation improvement project.
- Oregon Marine Board Boating Facility Grant Program. Funds planning, design and construction, or rehabilitation of public recreational boat access and vessel waste collection facilities.
- Oregon Marine Board Boating Infrastructure Grants. Similar to the above, but larger scale and competitive nationally.
- Oregon Marine Board Clean Vessel Act Funds. A grant program that funds public and private vessel waste collection systems (pumpouts, dump stations, etc.)

Staff Note: If adopted, this language would replace the Port Facilities component of the Public Facilities Element of the Newport Comprehensive Plan (pages 175 to 181).

- Property Taxes. Includes taxes from permanent rates, local option levies, and bond levies.

Each of the government assistance programs has its own particular prerequisites and requirements. These assistance programs promote such goals as aiding economic development, benefiting areas of low to moderate-income families, and providing for specific community improvement projects. Not all ports or projects may qualify for all programs.

GOALS AND POLICIES PUBLIC FACILITIES ELEMENT

GENERAL

Goal: To assure adequate planning for public facilities to meet the changing needs of the City of Newport urbanizable area.

Policy 1: The city shall develop and maintain public facilities master plans (by reference incorporated herein). These facility plans should include generalized descriptions of existing facilities operation and maintenance needs, future facilities needed to serve the urbanizable area, and rough estimates of projected costs, timing, and probable funding mechanisms. Public facilities should be designed and developed consistent with the various master plans.

Policy 2: In order to assure the orderly and cost efficient extension of public facilities, the city shall use the public facilities master plans in the capital improvement planning.

Policy 3: The city shall work with other providers of public facilities to facilitate coordinated development.

Policy 4: Essential public services should be available to a site or can be provided to a site with sufficient capacity to serve the property before it can receive development approval from the city. For purposes of this policy, essential services shall mean:

- > Sanitary Sewers
- > Water
- > Storm Drainage
- > Streets

Development may be permitted for parcels without the essential services if:

- > The proposed development is consistent with the Comprehensive Plan; and
- > The property owner enters into an agreement, that runs with the land and is therefore binding upon future owners, that the property will connect to the essential service when it is reasonably available; and
- > The property owner signs an irrevocable consent to annex if outside the city limits and/or agrees to participate in a local improvement district for the essential service.

Policy 5: Upon the annexation of territory to the City of Newport, the city will be the provider of water and sewer service except as specified to the contrary in an urban service agreement or other intergovernmental agreement.

WATER

Goal: To provide the City of Newport with a high quality water system that will supply residents and businesses with adequate quantities for consumption and fire protection.

Policy 1: The city will comply with state and federal laws concerning water quality and will take appropriate steps consistent with those laws to protect and maintain drinking water source areas.

Implementation Measure 1: The City shall work to establish a source water protection buffer in the Big Creek Watershed. The City declares the Big Creek Watershed a public facility consistent with the definition of Public Facility Systems in OAR 660-011-0005(7)(a)(A). The City will work to establish a source water protection buffer that is consistent with the findings of the Oregon Department of Environmental Quality / Oregon Health Department source water assessment report (PWS #4100566).

Policy 2: The water system will be designed and developed to satisfy the water demand of the various users under normal and predictable daily and seasonal patterns of use, and at the same time provide sufficient supplies for most emergency situations.

Policy 3: The city may extend water service to any property within the city's urban growth boundary, and may extend water service beyond the urban growth boundary if the extension of service is not inconsistent with an urban service agreement or other intergovernmental agreement. The city may require a consent to annexation as a condition of providing water service outside the city limits.

Policy 4: The city will acquire lands within the municipal watershed when available or necessary to protect water quality or improve its water system.

Policy 5: The city will reconstruct its municipal raw water storage and distribution facilities to address identified structural deficiencies to Big Creek Dam #1 and Big Creek Dam #2.

Implementation Measure 1: The city shall conduct necessary and appropriate engineering studies to determine the safest and most cost-effective approach to ensure the integrity of the municipal water supply. The studies shall identify the cost and timing of needed capital projects to address identified structural deficiencies and comply with Policy 2 of this section.

Implementation Measure 2: The city shall explore financing mechanisms, and prepare a financing plan to fund construction needed to resolve the structural deficiencies by 2030.

Implementation Measure 3: The city shall use data and findings from Implementation Measures 1 and 2 of this section to update the Water Supply section of the Public Facilities element of the Newport Comprehensive Plan to reflect new information as a result of the engineering and finance studies.

WASTEWATER

Goal: To provide a wastewater collection and treatment system with sufficient capacity to meet the present and future needs of the Newport urbanizable area in compliance with State and Federal regulations.

Policy 1: On-site sewer systems shall not be allowed unless the city's sanitary sewer system is greater than 250 feet away. In any case, a subsurface permit from the Lincoln County Sanitarian must be obtained prior to any development that will rely on an on-site sewer system.

Policy 2: City wastewater services may be extended to any property within the urban growth boundary. Except for the very limited circumstances allowed by state law and regulations, the city will not generally provide wastewater services outside the urban growth boundary. The city may require a consent to annexation as a condition of providing wastewater service outside the city limits. Nothing in this policy obligates the City to provide wastewater services outside of the city limits. For property outside the city limits but within the urban growth boundary, wastewater services may be provided at the City's discretion only for:

- a) residentially zoned lands as allowed by county zoning without full services, and
- b) commercial and industrial zoned lands to existing lawful uses as of the date (9/4/07) of this amendment.

Policy 3: The city will design and develop the wastewater collection and treatment system in a way that addresses the demands of the various users under normal and predictable daily and seasonal patterns of use.

TRANSPORTATION

Transportation Goals and Policies repealed by Ordinance No. 1802 (January 4, 1999).

STORM WATER DRAINAGE

Goal: To provide a storm water drainage system with sufficient capacity to meet the present and future needs of the Newport urbanizable area.

Policy 1: The city will comply with state and federal laws concerning water quality.

Policy 2: The city will use existing, natural drainage systems to the greatest extent possible.

AIRPORT

Goal: To provide for the aviation needs of the City of Newport and Lincoln County.

Policy 1: The city will ensure through zoning and subdivision ordinance provisions that the airport will be able to operate safely and efficiently.

Policy 2: The city will cooperate with state and federal agencies in the development of the airport.

PORT OF NEWPORT

Goal: To collaborate with the Port of Newport on the implementation of its Capital Improvement Plan.

Policy 1: The city will coordinate with the Port of Newport when planning to upgrade or construct new public facilities within the Port District and will seek to partner on capital projects to achieve mutually beneficial outcomes.

Policy 2: The city will assist the Port of Newport in its efforts to secure outside funding for capital projects.