

**Draft MINUTES**  
**City of Newport Planning Commission**  
**Regular Session**  
**Newport City Hall Council Chambers**  
**October 24, 2022**

**Planning Commissioners Present:** Jim Patrick, Bob Berman, Braulio Escobar, Jim Hanselman, Bill Branigan, and John Updike.

**Planning Commissioners Absent:** Gary East.

**City Staff Present:** Community Development Director (CDD), Derrick Tokos; and Executive Assistant, Sherri Marineau.

1. **Call to Order & Roll Call.** Chair Patrick called the meeting to order in the City Hall Council Chambers at 7:00 p.m. On roll call, Commissioners Patrick, Branigan, Hanselman, Berman, Escobar, and Updike were present.

2. **Approval of Minutes.**

A. **Approval of the Planning Commission Work Session Meeting Minutes of October 10, 2022.**

**MOTION** was made by Commissioner Branigan, seconded by Commissioner Berman to approve the Planning Commission Work Session meeting minutes of October 10, 2022 with minor corrections. The motion carried unanimously in a voice vote.

B. **Approval of the Planning Commission Regular Session Meeting Minutes of October 10, 2022.**

**MOTION** was made by Commissioner Branigan, seconded by Commissioner Berman to approve the Planning Commission Regular Session meeting minutes of October 10, 2022 with minor corrections. The motion carried unanimously in a voice vote.

3. **Public Comment.** None were heard.

4. **Public Hearings.** At 7:02 p.m. Chair Patrick opened the public hearing portion of the meeting. He asked the Commissioners for declarations of conflicts of interest, ex parte contacts, bias, or site visits. Berman, and Updike reported site visits. Patrick called for objections to any member of the Planning Commission or the Commission as a whole hearing this matter; and none were heard.

A. **File 3-NCU-22.**

Tokos reviewed the staff report with the Commission. Berman asked if Central Lincoln PUD was wrapped into the request and if there would be an addition electrical burden to the system.

**Proponent:** Michael Smith with Norwest Engineering addressed the Commission. He reported there would be no additional load to the electrical system. This was more of a replacement to move the underground conduit. Berman asked if they would be installing an elevated platform or if it would be on the ground. Smith reported this was a cabinet where the equipment was off the ground.

Branigan asked if the new piles were for the new equipment. Smith confirmed they were and they would be upgrading them to the current seismic code.

Updike asked if there was anything being taken out of service or removed, and if so, what was the impact. Smith reported the existing structure would be replaced. They would do a switch over, and run all new conduit.

Chair Patrick closed the hearing at 7:13 p.m.

Updike didn't see anything negative with the request and thought it was thorough. Berman agreed and wished there was a mechanism to show a predetermined outcome for the NW Natural LNG plant because the nonconforming use decisions repeatedly came up for them. He was in favor of it. Branigan pointed out that this seemed like an annual review for NW Natural. He had no objections. Hanselman was satisfied with the work that was being done. He appreciated that it was a secure facility and he fully supported the request. Escobar thought the changes were relatively low. He asked if there was going to be a process to streamline the process for them. Patrick noted the property was in a water dependent zone and making changes would mean they would have to mess with too many things to adjust it. This was the easiest way to go about it. Patrick reminded that they couldn't do specific rules just for NW Natural.

**MOTION** was made by Commissioner Branigan, seconded by Commissioner Hanselman approve File 3-NCU-22. The motion carried unanimously in a voice vote.

**5. Action Items.**

**A. File 3-NCU-22: Final Order and Findings.**

**MOTION** was made by Commissioner Berman, seconded by Commissioner Updike approve File 3-NCU-22 Final Order and Findings as written. The motion carried unanimously in a voice vote.

**6. New Business.**

**A. Draft Oregon Housing and Community Services System Development Charge Study.**

Tokos reported the study was released on October 18th and was required by the Oregon Legislature. They wanted to have a better understanding of what the System Development Charges (SDCs) were. Tokos reported that this would be open for public comment until November 1st and invited the Commission to look at it. This was a document that walked through what the SDCs were, how they worked, and some of the various issues related to them.

Berman asked where they were with the construction excise taxes distributions. Tokos reported they had only tapped into the excise funds once when they were doing the down payment assistance grants in partnership with Lincoln City and Lincoln County. Since the end of 2017 they collected around a half a million dollars. Tokos explained the different pots the funds went into. 15 percent went to the State for the Oregon Housing Community Services, 35 percent went to affordable housing, and 50 percent had to be made available for development incentives. Tokos expected the housing study would give them ideas on how to distribute the funds. Berman asked if there was a committee to distribute the funds. Tokos said there was a committee that had met a couple of times. He didn't know if a Commissioner was on the committee. Berman asked to be kept posted on this.

Urdike asked if the review of the SDC fee structure was done on a regular basis. Tokos reported they typically looked at the methodology when they had a number of facility plans and new projects to add to it because that was what they were collecting for. When they did they looked at what they believed was going to need to be constructed over the next 20 years to serve the amount of growth they expected. When they had enough capital projects that showed the methodology was outdated, that was when they would look at it again. Patrick asked if they included the escalator clause. Tokos reported this was automatically built in the SDCs. They had an inflationary adjustment keyed off of the construction cost index, which was adjusted annually.

Urdike wondered why Newport wasn't included in the appendix and asked if this was because they had different methodology. Tokos thought they weren't included because they hadn't responded to both the 2007 and 2020 interviews. Patrick pointed out Newport was included on the multijurisdictional chart.

Patrick thought that when Newport was looking to change the methodology years before, there were members of the public who thought the parks SDC was too high so they halved the fees. Tokos reported that the adjustments were complaint driven. There was an art and science of doing SDCs to figure out what was needed and to do it formulaic to come up with the rates. They would then need to determine if those rates were realistic for what the city would expect that they could collect. Tokos pointed out the chart of revenues that was included in the packet. SDC collections had been volatile. They were driven year by year on what was happening and being built. Across the board it didn't significantly increase Newport's collections. Tokos pointed out that after they did the adjustments to the transportation SDCs the city collected more because they normalized across all the different types of SDCs and they were discounted equivalently.

Urdike asked if Newport offered financing for people to pay SDCs over time. Tokos reported they were required to do this but they typically didn't because the interest rates were often too high. Developers typically rolled this into their construction loans.

Hanselman asked if a community was restricted to only one methodology. Tokos reported they were limited to the methodology that they adopted, and expenditures were limited to the projects they were collecting for. Berman asked who distributed Newport's SDC funds. Tokos reported this was done through the city budgeting process. They generally wouldn't want to exhaust all funds in a SDC at one time because it generally took many years to build it back up. Patrick pointed out that they typically had project lists to divvy up funds.

Berman asked if the housing report categorized some of the lands as non-buildable because of their lack of infrastructure. He wanted to know if they were going to make an attempt to quantify exactly how much infrastructure would be required in order to put these properties into a different category of buildable, or if they would just say the properties were out because they couldn't provide infrastructure. Tokos reported they had fed in the specific details for what's required in each of the areas in the report. This was useful in the report to say if the cost of building the housing product, and infrastructure was so high, there would be no way that a developer was going to have funds left over to buy the land and still get a reasonable profit out of it.

## **7. Unfinished Business.**

### **A. Planning Commission Work Program Update.**

Tokos reported there was a change to the November 28th meeting presentation on the interactive based zoning map. Newport's GIS Specialist was leaving for a new job and that meant that Tokos

would be doing the presentation instead. This might need to be tweaked a little bit to make it as feasible as possible.

Escobar asked if there would be a work session meeting on the South Beach church annexation. Tokos explained there wouldn't be because it was a quasi-judicial action. He reported that the city hadn't received the application yet.

Tokos noted that on the November 28th work session meeting they would go over standards with Thompson Sanitary Services who wanted to see the city put in land use regulations for trash enclosures for multifamily and commercial projects. This had to do with problems they were having with the Surf View Apartments. Thompsons wanted to see more enclosures there and their problems with managing the large amounts of waste. Tokos noted that Thompsons wanted to attend the work session meeting to go over what they were dealing with.

Berman asked that the GIS Specialist produce a high resolution map of the city limits before he left.

8. **Director Comments.** None were heard.

9. **Adjournment.** Having no further business, the meeting adjourned at 7:33 p.m.

Respectfully submitted,



Sherri Marineau  
Executive Assistant