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## **MEMO**

DATE: May 24, 2019

TO: Mayor and City Council

FROM: Spencer Nebel, City Manager

SUBJECT: Status Report for the four-week period ending Saturday, May 24, 2019

The past four weeks focused primarily on activities with the Budget Committee, attending the Northwest Regional Managers meeting in Hood River, Oregon, and preparation for a visit with the Ford Family Foundation, just to name a few.

## Highlights of activities over the last two weeks include the following:

- Tim Gross, Mark Ragan, and I participated in a meeting at the Performing Arts Center (PAC) to address a number of issues that required attention as a result of an internal inspection of the PAC. Over the years, the PAC had addressed a number of issues, including putting door stops on fire doors, using deadbolts on fire exits, and other actions that compromised safety at this facility. There were also concerns regarding the alarm systems at both the PAC and VAC. While there have been ongoing problems with the VAC fire alarm system that are being addressed by the phone company, the PAC fire alarm system is old, but working well. The PAC has taken significant steps to address the fire code issues, and is interested in pursuing automatic door closers so that certain doors could remain open, but would close in the event of a fire alarm. I appreciate their efforts to address these issues.
- Peggy Hawker and I met with the Vision 2040 Advisory Committee Chair, Ralph Breitenstein, and Vice-Chair, Leslie Palotas, regarding the visit by the Ford Family Foundation as part of their Visioning Tour. On Tuesday, May 14, approximately 24 folks will travel to Newport as part of this tour. The folks that will be on the bus will include members of the Ford Family Foundation, as well as, individuals involved in various phases of visioning throughout Oregon and California. On Wednesday morning, May 15, from 8:30 to 11 AM, they will be in Newport learning about our Visioning process, and our challenges and successes at implementation. One of the things we want to demonstrate with this process, is our desire to move the Vision from a City-centric Vision to a Greater Newport Area Vision, with all the various stakeholders contributing to achieve the strategies outlined in the Vision.

Leslie Palotas has been working to develop a truly unique experience for folks that will be participating in this tour. We will start at City Hall with a City-centric presentation about the process of creating the goal, our efforts at creating a mechanism to catalyze various stakeholders, and to focus various efforts to address the Vision strategies. Following this presentation, we will ask our visitors to divide into six focus areas identified in the Newport Vision, and they will board a bus and go on a tour of the City. This will not be a narrated tour, but will have a list of key organizations that are influential in achieving the strategies and Vision Plan. They will have Bingo cards with these key stakeholders and locations identified. As a visitor sees one of the featured organizations or locations, they will yell it out and each team will mark their Bingo card with that location. Eventually, one of the teams will be the Bingo winner. It is a rather ingenious and innovative way to conduct a tour, and I think will intrigue the Foundation. The Foundation really appreciates new and unique ways to get people to interact. At the end of the tour, participants will meet at the Health Education Center, and spend the last forty minutes in Newport, working with a facilitator from one of our six focus area groups from the Vision 2040 Advisory Committee. They will work together to address challenges that we have faced with the implementation of this work.

- Met with Councilor Botello to review a number of concerns she had regarding the proposed budget.
- Jim Protiva, Derrick Tokos, Tim Gross, Steve Stewart, and I met with Tom Follett and Nancy Steinberg regarding the development of mountain bike trails in the reservoir property area. They have changed their organizational focus, somewhat, from the last time we have discussed this project with them. Originally, they were talking about partnering with an existing 501(c)(3) in Corvallis to build the trails. This turned out not to be feasible, and the group is asking to construct the trail as City volunteers, instead of as a 501(c)(3) non-profit organization. We are reviewing this with CIS to see what concerns they may have with this arrangement. We have also asked that the group meet with the property owners on the reservoir property, outlining their plans, to see if they have any specific concerns regarding this trail construction project. Tim wants to make sure anyone participating in this project is aware that, once the dam project proceeds, there could be significant limitation to access these trails, at least during the dam work hours. We will be bringing a report to Council once we work through some of these details.
- Participated in a Town Hall meeting at the Water Plant with members of Council, Public Works Director, Tim Gross, Water Plant Superintendent, Steve Stewart, and City Recorder, Peggy Hawker. Tim provided an overview of the dam project. Following the overview, Steve Stewart provided a tour of the Water Plant. There are two Town Hall meetings scheduled for this year. The second one will take place on September 30.
- Prepared agenda items for the May 6 City Council meeting and work session
- From Tuesday evening April 30 through Friday May 3 at noon, I participated with the Oregon City/County Management Association (OCCMA) Northwest Regional Managers Conference. This conference is primarily attended by local government managers from Oregon and Washington, but also included managers from Idaho, Montana, and Alaska. This year was Oregon's year to host the Conference, and as President-elect, it has been my responsibility to chair our Professional

Development Committee. This Committee sets the agenda and develops the programs for the Northwest and Summer Conferences (when hosted by Oregon), which will be hosted in Newport in July. The League of Oregon Cities handles all of the logistics of the Conference. Overall, we had good attendance at the Conference, and it was well received by the managers. The theme of the conference was Crisis Management. Highlights of these sessions included:

When Crisis Hits - Managing through a Significant Crisis in your Community. This was a panel discussion that shared experiences from various managers involved with crises events, such as the Woodburn bank bombing, John Day forest fire, the Hood River forest fires, and the Wenatchee, Washington fires. All of these events had significant impacts on the local government affected by these disasters. A key takeaway for a natural disaster is, that the state and federal assistance is still depending on local direction and control of the city or county's response to that disaster. They are there to assist in finding additional resources, provide direction and help, and facilitate additional resources. The managers involved with these fires indicated that for extended emergencies, it is very important to step away from the emergency, periodically, to allow time for your individual rest, mental health, and gaining a fresh perspective on the situation. Overall, these managers gave good reviews on the role that their state emergency offices played in coordinating various services and assisting those units in dealing with the local management of the disaster.

The story in Woodburn was quite different. In this case, the bombing incident, which was later deemed as domestic terrorism, was managed by the FBI. In this particular case, one of the police sergeants was killed, and the police chief was seriously injured. The city administrator was not permitted to participate in the response meetings that were set up by the federal officials. Federal law enforcement did not recognize the role that the local government manager plays in directing the safety departments. Another difference was that litigation occurred for years after the bombing, in which the city was involved. The emergency itself, loss of a member of the department, and the litigation that carried on for a number of years afterward, really took a toll on the city administrator. Following the bank bombing incident, the Woodburn administrator had his police department issue him a badge and police identification, so if there were any future circumstances where outside law enforcement agencies were involved in a response to his community, he would have credentials which would be identifiable by that agency.

The key takeaways were to make sure you have good emergency response plans in place, when other agencies are involved be sure city staff has clear credentials conveying the roles they play in an emergency, and it is important to not forget about the personal impacts that these disasters can have on the responders and managers involved in these crises.

Crisis Communications. This session was given by Kelli Matthews. She indicated that there are different types of crises that organizations need to be prepared to address. She defined a crisis as something that disrupts the

day-to-day operations and plans. She indicated that there are creeping crises which result in a long-term build up from a series of events that can reach a boiling point. Slow burning crises are something under the radar that could pop up at any time. A sudden crisis pops up suddenly, but may have long-term impacts. Organizations should do vulnerability audits to understand where the alligators may be and their potential to pop up, and identify the strategies to deal with these potential issues. She indicated that it is good practice to conduct confidential interviews with various players of the organization to help determine what issues may be starting a slow boil which could erupt into a crisis.

Kelli indicated that a disaster happens when a natural event impacts human population. A flood in an uninhabited flood zone is not a disaster, a flood in a flood zone where development has occurred becomes a disaster.

Organizational responses to crises range from outright denial, minimization, idealization, or the crisis is small and we will be able to move on.

She indicated that the costs are relatively small to be adequately prepared to deal with crises. It is important to build a crisis team, and empower them to move forward. ICMA has identified the key responsibilities for effectively dealing with crises. This includes a Manager, an Emergency Coordinator, someone responsible for communications, Human Resources, IT, Public Health, Public Works, Police, Fire, and Planning. This structure closely follows the National Incident Command model. In cases of disasters, it is important to have individuals that can deal with the victims.

Elected officials need to be aware what their role is in the case of a disaster. They need to understand what the command structure looks like, and to be kept in the loop. She indicated that it is generally not appropriate to have the elected officials in the command center. It is very important that the elected officials are hearing updates so they can adequately communicate with the public about what is actually going on, instead of trying to rely on, often times, incomplete media reports about the incident. A communication plan should be developed, and once developed, there should be periodic practice on utilizing the plan. Planning helps lay out the process when the unexpected occurs.

She stated that having dark web pages that can be activated in the case of an emergency, is a very effective way of getting information out early to the public. If the dark pages have not been constructed, there can be a significant amount of time to do that, and by this time, the public is getting their information from other sources that may not be accurate. It is important to keep all employees aware of the status of the response to the emergency. Employees become a source of information for the public through their families and other sources. Having employees share accurate information is critical.

Spokespeople should be identified, and media training is helpful to get across the key message that the organization wants to communicate. The role of the manager is to steer the ship away from the crisis, and deciding what steps to take. It is important to understand the various alternatives and then act thoughtfully and decisively in moving toward the action that the local unit of government is going to take in responding to the situation. It is very important for individuals speaking on behalf of the government to be genuine, passionate and human.

In today's age of social medial, things go viral very quickly. Any individual can become a news source, whether they fully understand what is happening or not. It is important to pay attention to what is being said in the social media. It is important to disseminate information, which will relieve media inquiries, since they will start relying on timely social media posts as a source of their news.

The public's thirst for news is insatiable. Today information is shared at an unprecedented speed, and there really is a porous boundary between traditional news media and social media.

Post crisis wrap up is important to close out the issue. While many disasters drop off the radar relatively quickly after the event, the folks left behind to recover from the disaster still need to be cared for. They need to have a realistic view of what all levels of government will be able to do, and not do, for them, as they recover their personal lives.

Our keynote address speaker was Mona Barnes, former director of the Office of Emergency Management, for the US Virgin Islands. Mona filled this role during Hurricane Irma and Hurricane Maria, two category five hurricanes that hit the Virgin Islands within a couple weeks of each other. In 2017, this was an unprecedented disaster in the Caribbean. Mona indicated how critical it was to have good connections with FEMA, and other sources of assistance prior to this double disaster. In emergency management you plan for the worst-case scenario. In this particular case, since the first hurricane centered on St. Thomas and St. John islands, and the second hurricane centered on St. Croix, the entire territory was in a state of disaster following these two storms. Furthermore, their plans relied heavily on Puerto Rico, if their own capabilities were eliminated, and Puerto Rico experienced devastating damage from the second hurricane, as well. Mona stated that providing clear leadership and direction was very important in their response to this disaster. It is also important to remember that your emergency responders may also be impacted personally by the disaster. It is critical that emergency responders have plans for their families, so their families can deal with the issues on the home front, allowing the emergency responders to deal with the greater community issues. It is also critical, however, that the emergency responders have an opportunity to deal with issues at home, immediately after the disaster before they can effectively care for the community at large. Having an emergency plan is critical for an organization, but understanding that the

- plan is a point of beginning and not the end, is important to understand, as well.
- Ethics Survivor was conducted by Martha Eerego from ICMA. The room was divided up into various teams. They were given different scenarios, with those teams then evaluating those scenarios with the ICMA code of ethics. It was a refreshing way to do an ethics lesson at the Conference.
- ♣ Crisis Planning with Intergovernmental Partners. This session focused on opportunities for different special districts to work together on crisis management. In the Portland Metro area, there are numerous overlapping districts for water service. Work has occurred over the years to create interties and protocols where water can be sent from one system to another, to address emergency needs. Furthermore, the water providers have standing instructions for employees of the different districts to report to the nearest location they can in the case of a devastating emergency. Many of the employees in the Portland region may live in one water district, but work in another. If they are unable to make it to their job location, then they should report to the nearest water district to assist them in their emergency recovery efforts.

It is also important to have common messaging during an emergency. The public can get very confused if they are hearing different messages from different water districts as to what steps they need to take to be safe in a water emergency. By coordinating those emergency responses across the Portland area, less confusion will result from water customers. The water districts have worked together on water conservation efforts, including common messaging about water conservation, lawn watering, and other activities through the consortium of water districts. They have developed various common messaging to inform citizens how they can get water out of their hot water heater in case of a water outage. They noted that one challenge which is resulting, is that water rates needs to increase as conservation is successful to pay the fixed costs for the water utilities.

Digital Ready. This session focused on the California fires from two years ago. The role that Sonoma County Office of the Emergency Services played in coordinating responses to that fire. One of the major problems they had was coordinating messages from different governmental entities affected by the forest fires. The local government webpages were inadequate to provide the quick information that people were looking for during the course of this emergency. New webpages were developed during the course of the emergency to resolve some of the communication issues. During this time, however, the void for information was filled up by various informal social medial sites, which could not always pass along accurate information. It was decided to create a specific website for the emergency, for information where all the local jurisdictions could be listed. Unfortunately, it took a significant amount of time to build this website, and by this time, the informal information network was alive and well.

One recommendation is that dark websites be developed that can quickly be placed online and easily updated at the emergency operation center to provide current emergency information to the public. Furthermore, there should be protocols with other emergency responding agencies to have protocols in place in advance to provide timely and accurate information to the public. The emergency website needs to be mobile-friendly since many people do not have electricity and are totally dependent on mobile devices. Putting information in a PDF format bogs down mobile devices. It is important to get information out frequently, even if there is nothing to report. Media will rely heavily on these sites if they are current, active and accurate, as the basis for reporting on the emergency. This provides further consistency in messaging and information.

Developing the Next Generation of Local Government Leaders. Hillsboro and Wilsonville have both developed civic academies within their communities. In Hillsboro they select twelve participants who have not necessarily been involved in city government. This group then learns about a problem, works on a solution to that problem, networks and listens to other people on the development of a report, and reports their recommendations to City Council. As part of this final report, they work with city staff to determine what aspects of their recommendations are practically achievable within the city. Portland State University provides the instruction for their program. Wilsonville also worked with Portland State to develop their program, as well. The staff time to operate their program after they initially were established, was approximately eight to ten hours per month, through the course of the year. In addition, the city's out-of-pocket costs for holding the academy is approximately \$5,000. The academy has received good feedback from citizens in the community.

Jim McCauley, the new legislative director for the League of Oregon Cities, provided an update on the legislative session. He indicated that the super majority has been very difficult to deal with in trying to get balance and consideration of alternative ideas as it impacts local units of government. The legislature is looking at an increase in funding for mental health. This has been one of the LOC priorities in this legislative session. For PERS, the only focus of the legislature is how to get more money to pay for PERS, primarily for education. The state legislature is not addressing assistance to local units of government in dealing with PERS costs. Property tax reform will not happen in this legislative session. With regard to homelessness, there is nothing earth breaking being proposed by the legislation to help this problem. For infrastructure reinvestment, there is some help, but it falls short of what is needed. There is a bill that would provide assistance for grant writing for infrastructure funding to local units of government. There is a bill to increase the surcharge for 911 services, which would assist indirectly with some of our costs with Willamette Valley. There are also a couple of different approaches to addressing the contractual building inspection legal issue that has been raised by the Attorney General's Office. The League is not sure what direction this may take. The school bill generates an additional one billion dollars through a tax on commercial activities. There is some concern that with this new tax obligation to fund state expenses, there may be pushback from corporations in looking at reform in local franchise fees as an offset to this new state proposed tax. LOC is reviewing the possibility of creating a local government caucus of legislatures from legislatures that originated from elected or appointed service to local units of government. This is one possible way that the concerns of the local government may receive a little more attention in the future. There are a number of legislatures that started out in local government. It was emphasized that calls for local government action need to be responded to by local officials to make the case on issues benefitting local government. It is also indicated that Uber and Lyft are working on getting local exemptions from regulations by the legislators. The summary is that it has been a rough year, legislatively, for cities in Oregon.

Overall, I think it was a well-received conference. I am happy that the Conference went well. As Chair of our Professional Development Committee that put together this Conference, I will also help put together the Conference in July, which will be taking place here in Newport. With the great assistance from the LOC, and a fully engaged committee that all did their share of work, I think we got through round one with a very good conference that moved along quite flawlessly. I am looking forward to hosting the OCCMA in Newport.

- Participated in an OCCMA Board Meeting in Hood River immediately following the close of the Conference.
- Participated in a regular Department Head meeting. We spent time going through various budgetary issues as part of preparing the Hit and Wish List for the Budget Committee.
- Participated in a Council work session on taxi regulations and an overview of the 60+ Activity Center.
- Participated in a regular City Council meeting.
- Met with Jeremy Burke from the Newport News-Times. Jeremy wanted to touch base with me on the relationship between City of Newport and the Newport News-Times. This is both from a news standpoint and publishing standpoint. He also indicated that the News-Times would be willing to step up to the plate to provide more assistance to the Destination Newport Committee efforts, if that would be some benefit to the City.
- Gloria Tucker and I met to discuss several issues relating to the City's software system for agenda management (Granicus). The one area that we would like to work on is how our agendas show up on our City website. Currently, we are posting agenda packets on two places of the website (one through Granicus and one directly on our website) which requires us to publish the packet twice. Furthermore, it is a little confusing for folks visiting our website to understand the difference between the various options for reviewing the packets of the City Council and City Committees. One of the reasons for this is that for meetings that are audio recorded, instead of taking place in the Council Chambers. There are a series of steps that need to be taken to convert an audio tape into the Granicus system. I will be meeting with Peggy Hawker, Gloria Tucker, and

- Richard Dutton so we can determine how we can best display this information on our website.
- Steve Rich, Derrick Tokos, Jason Malloy and I met regarding VRD enforcement.
  This was in part to begin the process to implement the ordinance adopted by
  Council earlier this month, and to put together the budget requirements for
  achieving this additional enforcement which has been directed by Council. This
  recommendation was presented to the Budget Committee, and the Budget
  Committee has included it in the budget package that they will consider
  approving on May 21.
- Held bi-monthly meetings with both Tim Gross and Derrick Tokos.
- Tim Gross, Mike Murzynsky, Steve Baugher and I met to discuss the CWSRF revolving loan fund. This needed to be finalized to put a recommendation together for the City Council for funding for the Agate Beach Wastewater System Improvement project. DEQ has authorized the additional loan amount.
- Participated in The Boss Radio Show.
- Held a bi-monthly meeting with Library Director, Laura Kimberly.
- Interviewed Derrick Tokos on the new VRD regulations, as well as, housing initiatives in the City of Newport on the City's KNPT weekly radio.
- Tim Gross, Derrick Tokos, Regina Martinez and County Emergency Manager, Jenny Demaris, met with representatives of ODOT on an upcoming Yaquina Bay Bridge cathodic protection project. This is going to be a significant reinvestment in the Yaquina Bay Bridge, which will replace the existing cathodic protection. This project will also include repairing damage to concrete and a retrofit a seismic upgrade to the bridge. This project is slated to take three and-a-half years to complete. Bids are scheduled to go out in October, with construction beginning the spring of 2020. There will be intermittent single lane closures and sidewalk closures during night time hours only. Most of the work will occur under the bridge deck and should not impact traffic. They are going to be doing sandblasting, spray coating and other general construction noises at night. We indicated that it is important that they get together with the condos in South Beach, the Port, for the Marina and campgrounds, and the Coast Guard regarding the work that will be occurring at night. They will be conducting meetings as this project moves forward.
- Had a meeting with outgoing Interim Director for the Port, Teri Dresler, and incoming General Manager, Paula Miranda. Teri has done a very credible job of guiding the Port through a challenging period of time. I believe that she worked hard to work with the Port Commission to improve processes between the Commission and the Port administration. The Port will continue to face significant challenges in balancing commercial fishing, use of Port facilities with shipping, particularly as it relates to making the International Terminal financially self-sustaining. Paula has had significant experience in working through various business deals with her previous port positions. She seems well prepared to review these various practices at the Port of Newport and help guide the Commission in achieving financial and operational success in the future. I have offered support to Paula as she initiates her tenure as the Port of Newport General Manager.

- Participated in a conference call for the OCCMA Professional Development Committee for planning the City Manager session at the LOC Conference in Bend.
- Met with the various working group leads for the Vision 2040 Advisory Committee in preparation for the Ford Family Foundation tour of Newport. Leslie Palotas from the Vision 2040 Advisory Committee planned to participate in the entire tour of the five cities that participated.
- Held bi-monthly meetings with both Peggy Hawker and Mike Murzynsky.
- Met with Peggy O'Callaghan regarding the possibility of coordinating a senior ride program. This is a program in which the local community volunteers will be matched up with seniors for purposes of rides to shopping, medical appointments, and other similar activities. Peggy is in the initial exploratory stage and has looked at a couple of model programs for doing this. She will be exploring a number of issues, including liability issue concerns for the City and for all participants.
- Peggy Hawker, Jason Malloy and I met with Don Harris from Moby Dick's regarding the social gaming tables he intends to establish there under the provisions established by the Council last fall. He outlined his plan on how to proceed forward with this issue. We did not see anything that was contrary to the regulations that were adopted for social gaming.
- Met with Nyla Jebousek regarding concerns about San Bay-O Circle. She initially had contacted Public Works regarding clearing brush in the right-of-way in the front of her property to improve vision for traffic when, you go around that corner. In reviewing the situation, the determination from Public Works is that the clearance from the right-of-way is the property owner's responsibility. A letter was issued from the Community Services Officer requesting that she address this issue. There are a couple other issues that Nyla shared with me, including the mirror that has been put into place by Public Works, which needs to be replaced. Apparently it blew down in a storm this past winter. She also has some concerns regarding blackberries affecting her property by the City property across San Bay-O Circle. I indicated that I would get back to her later this week on these issues.
- Held bi-monthly meetings with Jason Malloy, Rob Murphy, and Lance Vanderbeck.
- I participated in the monthly lunch of the Lincoln County Managers which was held at the Siletz Library, hosted by the Siletz Tribe.
- Prepared letters signed by the Mayor, Public Works Director and myself requesting funding from other Lincoln County municipalities for the ongoing efforts with the Mid-Coast Water Planning Partnership. I indicated that financial support from the other water utilities is critical for us to continue this effort, which was underwritten by the City of Newport. We also discussed the upcoming review of the housing report being conducted on behalf of the County.
- Prepared the Hit and Wish List item report for the Budget Committee's second meeting. I appreciate all the department heads providing the information that was requested for review by the Budget Committee.
- Participated in the Homeless Task Force meeting. There was consensus from Task Force members to proceed with a pilot project placing portable toilets in

two locations in Newport to help eliminate the complaints of people resorting to other areas to use the bathroom. At the next Task Force meeting, I will be presenting a list of potential items and asking the members to weigh in as to the advisability in proceeding with those efforts. This will be leading to a final report which will be coming to the City Council for consideration.

- Participated with the second meeting of the Budget Committee. The Committee
  did a good job in working through the various options on how to close an
  \$800,000 shortfall between revenues and expenditures in the General Fund,
  and funds supported by the General Fund. I have also pleased that the Budget
  Committee supported the concept of developing a work group to address
  General Fund sustainability during the fall of this year. This will certainly help
  make the budget processes go much smoother over the 2020-2021 Fiscal Year
  budget.
- Participated in an Emergency Preparedness meeting. One of the issues was
  focusing on developing an ordinance that would require hotels and motels to
  place tsunami evacuation materials in their facilities. Regina Martinez is going
  to work with some hotels to figure out the requirements necessary in this
  ordinance to find the best way to handle this matter. Once we get input from a
  couple of our hotel operators, we will meet with all of the motel and hotel
  operators and get their comments, as well, prior to bringing it before Council.
- Participated in an OCCMA Professional Development Committee meeting to plan the Newport City Managers' Conference, which will take place here in July.
- Derrick Tokos, Jason Malloy, Steve Rich, Mike Murzynsky and I met to continue working on the administration of the new Short-Term Rental Code Provisions adopted by Council.
- Along with Peggy Hawker, I participated in a Vision 2040 Advisory Committee
  meeting to prepare for the Ford Family Foundation Vision through Action
  Committee Tour. Approximately 24 participants visited Newport to understand
  how Newport, and several other communities, have developed Vision Plans and
  how they have worked toward the implementation of those Plans.
- Participated, along with a number of other staff members, in a session held by our liability carrier, CIS, on Respect training. This was held at the Agate Beach Best Western. Councilor Goebel also participated in this training session. CIS holds these sessions for policy makers, managers, department heads, and supervisors each year. This year their theme was "Respect". The training was conducted by Sharon Harris and Tamara Jones of CIS.
  - Leadership vs. Boss. In dealing with, and leading employees, courtesy, transparency, and respect go a long way toward inspiring people to do what is being requested of them. There is a significant difference between a "boss" and "a leader". Good qualities of a leader are fair, collaborative, guiding, follows when necessary, leads when appropriate. Sometimes a boss may want to win at all costs, which can be viewed as selfish behavior. They lack knowledge in specific areas in which people are working, and is seen as superficial. The difference between being a boss and a leader, is the difference between control and influencing staff to do their best. Today

- employees are savvier about their legal roles as public employees, and control does not get things done.
- Influence vs. Power. Exercise of power does not create the sustainable organization nearly as well as developing influence to guide employee behavior. Influence takes time to build relationships. The way a supervisor handles employee mistakes will be very different depending on whether power is exercised or influence is exercised. Under power the employee may be belittled or embarrassed for their mistake. Under influence the mistake is used as a learning experience to not repeat those types of activities in the future.
- ➡ Emotional Intelligence vs. IQ. In management circles, emotional intelligence is cited as being significantly more important than the overall intelligence of an individual who is serving as a manager or a supervisor. Individuals who possess emotional intelligence can evaluate how each employee needs to be best motivated to do the job they can do. They need to be able to control their own emotions, so if they are having a bad day, everyone around them is not having that same bad day. They need to be able to talk to people at the appropriate level, so that each person will receive the information being shared. They need to understand relationship management when tackling controversies. They need to know when to act and when not to when issues occur in the work place to get the best results for the employees.
- Servant Leadership is the opposite of the traditional pyramid leadership. This includes having employees understand that they will be backed if they are making appropriate decisions, even if those decisions may create some controversy. It is understandable that everyone does things differently. Part of management is making sure the job gets done, even if it gets done in a different way than the manager themselves may try accomplishing the task.
  - It is important to separate professional from personal relationships. One of the dangers of being on Facebook with coworkers or employees you supervise, is that once you, as a manager, become aware of actions of staff that are inappropriate, you have a duty to deal with those issues.
- Implicit Bias. Implicit bias exists in all of us, and is formed at an early age. Implicit bias can contradict your own personal feelings or philosophies. This can affect how people are wired internally to interact with people of different races and cultures, sexual orientation, age, and political views. There have been a number of studies that show consistently that the same resume with different names (i.e. John Anderson or Abdul Aziz) will be evaluated differently, even if they are the exact same resume. This is an example of implicit bias.

<u>"Mushroom" Management</u> is the effort to keep everyone in the dark and feed them compost. This is often accompanied by favoritism, scapegoating, retaliation and bullying. This may not be illegal, but it is bad management.

<u>Common Courtesy</u> is important in relationships with people. Greeting people with "hello", "goodbye"," please" or "thank you" makes a significant

difference in how people interpret the message that you may be sharing with them.

It is important to have one-on-one meetings with staff that is supervised by a supervisor. These need to be made a priority. If they are not, then the employee feels their time and input is not valued.

CIS also advised that interview panels should not do internet searches on candidates they are interviewing. In this day and age, this is difficult to resist, but often times, the information about candidates may be about someone with the same name, it can be inaccurate, and it can inappropriately influence a decision as to the best candidate for a position. The background check should be done as part of the overall background review that is done on the candidate selected out of the interview process.

CIS also indicated that the state legislature is expected to pass a new harassment law. Under this program, employers will be required to effectively inform employees how they can sue their employer for harassment claims. The other significant challenge, is that the legislation will allow an employee to make a claim of harassment up to five years after that harassment occurred. Harassment claims are challenging to evaluate when they are current. Evaluating a harassment claim from three, four or five years earlier will be very problematic for employers.

- Participated in the City's Health and Safety Fair that was held Thursday, May 16 at the Performing Arts Center. This was a very nice event that had 15 various safety or health vendors involved. It included a bbq lunch of hamburgers and hot dogs, and involved a good number of City employees. Congratulations to the coordinating committee for pulling off a very nice health and safety event for the employees of the City of Newport.
- Along with Councilors Allen, Botello, Jacobi and Parker, as well as, Derrick Tokos, participated in the Housing Strategy Implementation meeting held in Lincoln City at City Hall. Matt Hastie of Angelo Planning Group, provided an update on the regional housing study. As a result of their efforts, they are developing various findings and recommendations for consideration for the local units of government in Lincoln County. I've attached a copy of the draft plan for your review. If you have any comments on this, please let me know before the end of the month, so I can relay them to Mr. Hastie.
- Held bi-monthly meetings with Richard Dutton and Jim Protiva.
- Met with Derrick Tokos, Jason Malloy, Peggy Hawker and Jovita Ballentine to discuss the development of various recommendations for consideration by the Homelessness Task Force, based on the discussions held to date.
- Prepared agenda items for the May 20 City Council meeting.
- Prepared agenda items for the third and final Budget Committee meeting held on May 21. I appreciate Mike Murzynsky and Steve Baugher for making the necessary changes approved by the Budget Committee at the May 14 meeting, in preparation for approval of the budget by the Budget Committee.

- Steve Rich and I met with Catherine Rickbone and Wayne Belmont on the OCCA Management agreement for the VAC and PAC. This agreement was extended through June 30. We are trying to have a new agreement in place for Council's consideration in June.
- Met with Barb James to review our pending job openings. I authorized a number of positions in which interviews had been completed so we could move forward, pending the final outcome of the direction from the Budget Committee on the structural deficit.
- Held a routine Department Head meeting.
- Met with the Mayor to review the work session and Regular Council meeting agendas for May 20.
- Participated in a work session on the implementation of the VRD ordinance, and a review of the Council operational rules (with this discussion being continued at the next work session).
- Held an executive session on a possible property transaction, and a URA meeting to convey an easement to the City for the SW 35<sup>th</sup> Street project.
- Barb James, Steve Rich and I met to continue our efforts at developing a
  policy outlining when we use contractual employment versus an employee
  on City payroll. In some cases, our existing practices have not cleanly
  followed IRS guidelines between an employee and a contractor. This is the
  situation with a number of our instructors at the Recreation Center. We are
  trying to develop a commission-based employee relationship for positions
  handled through payroll to address potential inconsistencies with IRS
  regulations.
- Held bi-monthly meetings with Derrick and Barb to discuss departmental activities.
- Participated in the third and final Budget Committee meeting with members
  of the Council on Tuesday, May 21. I appreciate the active participation of
  the Budget Committee in reviewing options to address the structural deficit
  in the General Fund. This approved budget will keep the City in sound
  financial shape for the 2019-2020 Fiscal Year. However, we have work to
  do to assure that the City remains in good financial shape in future years. I
  look forward to hearing the recommendation of the work group that will meet
  in the fall to develop strategies to address the structural deficit.
- Along with Councilors Botello, Hall and Parker, I participated in the Ford Family Foundation Vision through Action Tour Dinner on Tuesday night. This group of two dozen individuals involved in various levels of visioning activity, did a tour in Illinois Valley, Coburg, Independence, and Florence. On Wednesday morning, Mayor Sawyer, Councilors Goebel, Jacobi and Hall greeted the visitors at the Recreation Center and a two-and-a-half hour orientation of Newport and our Vision followed. I want to thank Leslie Palotas for her outstanding and creative efforts in handling the Newport tour. After the delegation left the Recreation Center, they went on a 45-minute bus tour of the City. Leslie had developed a visioning Bingo game to do on the tour. The final part of their tour in Newport was spent at the Samaritan Health Education Center. Folks participating in the tour were divided into the six focus groups identified in the Newport Vision. This time was used to

- observe, debrief and get advice from the participants about how to implement strategies identified in the various areas that are part of the Visioning Plan. Overall, I think things went exceptionally well with the delegation that was here.
- Vision 2040 Chair, Dr. Ralph Breitenstein, Vice-chair, Leslie Palotas, and I met with Roque Barros of the Ford Family Foundation to discuss potential financial assistance, and providing staff resources to assist with implementation of the Vision on a Greater Newport regional basis. Overall, Roque asked some very pertinent questions and gave some advice as to how we should structure our request. They are more concerned about hearing what we want to accomplish, and then we will determine how that might best be met with funding for additional staffing to accomplish this task.
- Participated in a conference call for the OCCMA Host Committee.
- Along with Mayor Sawyer, participated in an YBEF meeting. One of the issues coming up before the YBEF Committee, is approving new Bylaws for the organization. It is a project I have been working on with John Lavrakas and Frank Geltner over the past year.
- Mayor Sawyer and I participated in the annual RAIN Coastal Startup. Twelve startup entrepreneurial pitches were heard, with half of the companies coming from the Florence area and the other half from Lincoln County. This included our own, Jim Salisbury, for Elk City Coffee. Jim did a very nice pitch during his three-minute session. In addition, Lincoln City Councilor, Riley Hoagland, did a presentation. From Newport, Andre Casey and Ron Andrews provided pitches for their startup efforts, as well. Enclosed is a copy of the program for your review.
- Dave White, Justin Scharbrough, Bob Fuller and I met to discuss the contract for the Holiday lights that were placed on our light poles, as well as, instituting a lighted tree as part of that effort. Dave White will be retiring June 3. This year we want a head start so we can coordinate with PUD and John Johnston to ensure that the decorative light circuits are functional. We will also coordinate with the contractor to expedite necessary repairs to faulty lights through the course of the lighting season. Last year we did not enter into this contract until November, which led to a very short implementation period, creating some problems. This year we want to have a plan in place well in advance to maximize the investment of these lights.
- Held a bi-monthly meeting with Mike Murzynsky.
- Met with Derrick and Rachel regarding the public tree ordinance. This is something that is being reviewed by the Planning Commission, and we hope to present it to Council once we receive a recommendation from the Planning Commission on any modifications to the ordinance.
- During this very busy and slightly chaotic month, I also had to fulfill my civic duties as a juror. Fortunately, I have only had to report once, which was on Thursday, May 23, and the trial was cancelled. I have until May 31 to completely fulfill my juror duties.
- Participated in the opening of the "Seapunk Exhibit" at the Oregon Coast Aquarium.

## **Upcoming Events:**

As a reminder, we will be scheduling City Council work sessions at 4 PM on the day of Council meetings. We will provide a light dinner so that the Council can work through the dinner hour.

- Please let Peggy know by June 17 if you are able to participate in the LOC Annual Conference in Bend September 26-28. It is important to have a count when registration opens in order to get rooms in the conference facility.
- I have scheduled some vacation time from Wednesday, June 5 through Tuesday, June 11 to take care of a few neglected projects at home.
- I will be attending OCCMA's Summer Conference July 9-12, which will be held here in Newport for the first time. This conference, historically, has been held in Bend.
- September 26-28 is the LOC's Annual Conference in Bend, OR.
- On September 30, the City Council will hold a town meeting at 6 PM. Location yet to be determined.
- I plan on attending the 2019 ICMA Annual Conference in Nashville, Tennessee October 19-23.
- I plan on attending the OCCMA Board Retreat on November 6-8 at Silver Falls Lodge. This will be the retreat in which we will plan activities for the Association for the year. I will be President of the Oregon City/County Management Association for the 2020 calendar year.

#### Attachments:

- ♣ Attached is a communication from the Oregon Transportation Commission from Matthew Garrett regarding the added funding for the US 101/SE 32<sup>nd,</sup> and 35<sup>th</sup> Street projects, which adds a complete resurfacing to the intersection, sidewalk and lighting project.
- ♣ Attached is a fact sheet for the cathode protection project for the Yaquina Bay Bridge. This is a three-and-half year project with single lane closures and sidewalk closures occurring only at night. Most of the time the construction should not impact traffic. The total amount of the project is over \$26 million dollars.
- Attached is the program from the Coastal Startup Showcase held by RAIN.
- Attached is a two-page emergency response guide prepared by Lincoln County.
- Attached is a letter from David Campbell from Newport High School expressing support for the trails in the Big Creek area.
- Attached is a photo and parking receipt for Hood River for pay parking in that community.
- Attached is an article regarding Hood River County voters defeating a Countywide proposal defeating a 5% tax on food and beverages.
- Attached is the interim report from the County Housing Study
- Attaches are eight different letters in support of the plan to provide regularly scheduled air service from Newport to PDX.

I hope everyone has a great Memorial Day holiday.

Respectfully Submitted,

Spencer Nebel City Manager

cc: Department Heads



## **Oregon Transportation Commission**

Office of the Director, MS 11 355 Capitol St NE Salem, OR 97301-3871

DATE:

April 9, 2019

TO:

**Oregon Transportation Commission** 

[Original signature on file]

FROM:

Matthew L. Garrett

Director

**SUBJECT:** 

Consent 13 – Amend the 2018-2021 Statewide Transportation Improvement Program

(STIP) to add funds to the U.S. 101: Southeast 32nd Street - Southeast 35th Street

(Newport) project.

## Requested Action:

Approve amending the 2018-2021 Statewide Transportation Improvement Program (STIP) to add \$4,475,780 to the U.S. 101: Southeast 32nd – Southeast 35th (Newport) project.

The City of Newport is adding \$2,440,000 of city funds to this project. Oregon Department of Transportation (ODOT) and the City of Newport have also agreed to cancel *U.S. 101: Northwest 25th Street - Northeast 36th Street (Newport) project* and transfer those funds of \$581,500 to this project. The remaining \$1,454,280 will come from the ODOT Region 2 Financial Plan.

STIP Amendment Funding Summary:

Project	Current Funding	Proposed Funding
U.S. 101: SE 32nd – SE 35th (Newport)	\$3,512,700	\$7,988,480
U.S. 101: NW 25th Street – NE 36th Street	\$581,500	\$0
(Newport)		
TOTAL	\$4,094,200	\$7,988,480

Project to increase funding:

U.S. 101: SE 32 <sup>nd</sup> Street – SE 35 <sup>th</sup> Street (Newport) (KN 18848)					
PHASE	YEAR		COST		
	Current	Proposed	Current	Proposed	
Preliminary Engineering	2015	2017	\$316,000	\$1,049,480	
Right of Way (ROW)	2019	2019	\$54,000	\$401,000	
Utility Relocation	NA	NA	\$0	\$0	
Construction	2021	2020	\$3,142,700	\$6,538,000	
TOTAL	-		\$3,512,700	\$7,988,480	

Project to cancel:

U.S. 101: NW 25th Street – NE 36th Street (Newport) (KN20235)					
PHASE	YEAR	COST			
		Current	Proposed		
Preliminary Engineering	N/A	\$581,500	\$0		
Right of Way (ROW)	N/A	\$0	\$0		
Utility Relocation	N/A	\$0	\$0		
Construction	N/A	\$0	\$0		
	TOTAL	\$581,500	\$0		

## Background:

U.S. 101 is the sole means of access to the south end of Newport, known as South Beach. South Beach is an area with development potential that is currently experiencing considerable growth. The two lane Yaquina Bay Bridge severely restricts northbound U.S. 101 traffic during peak tourism season, and a replacement bridge is not anticipated within the next 20 years. Completion of this project, as described below, will improve traffic flow of northbound vehicles and extend the longevity of the current pavement in the project area.

The project will address pavement issues and reconfigure several intersections in South Beach, including:

- Constructing an intersection with a signal at U.S. 101 and Southeast 35th Street.
- Eliminating the existing signal at the U.S. 101 and Southeast 32nd Street intersection and restriping for functionality.
- Closing the Southeast Ferry Slip Road and U.S. 101 intersection.
- Repaying U.S. 101 and installing bike and pedestrian facilities along U.S. 101 between Yaquina Bay Bridge and Southeast 35th Street.

The additional funds being requested are needed to address requirements not included in the initial project scope as well as higher than anticipated construction costs, including:

- More stringent storm water treatment requirements resulting in design changes to add drainage swales which triggered the need for additional right of way, easements, erosion control, and wetland mitigation.
- A sidewalk along U.S. 101 from Southeast 35<sup>th</sup> to Ferry Slip (east side) which was not
  originally scoped. The City of Newport subsequently requested it be added to the project.
- Increased construction and design costs for curb work, sidewalk and striping.
- Adding street and sidewalk lighting, which were inadvertently not included in the original scope.

In addition, the region is adding \$870,280 from the current financial plan to include the design and construction of a pavement section on U.S. 101 to this project. The section, between Yaquina Bay Bridge and Southeast 35<sup>th</sup> Street, recently underwent scoping for the upcoming STIP. It was

Oregon Transportation Commission April 9, 2019 Page 3

determined to be more efficient and provide overall cost savings if it was advanced and added to this current project. This action will extend the pavement design life for another 10 years.

## **Options:**

With approval, the project will be fully funded and constructed in 2020 thus improving the traffic flow of northbound traffic.

Without approval, this project will not be constructed as planned. If the City of Newport's \$2,440,000 are the only funds added, the design team will need to evaluate and propose a scaled-back version of the project that may not meet all community needs.

## Attachments:

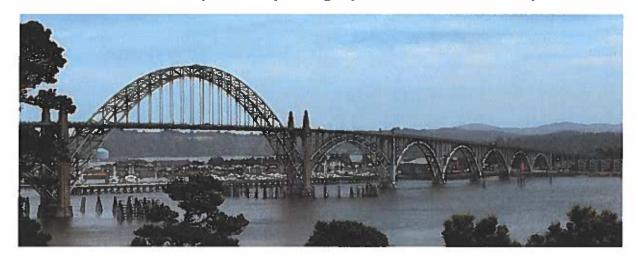
- Attachment 1 Location and Vicinity Maps
- Attachment 2 City Funding Letter

## Copies to:

Jerri Bohard	Travis Brouwer	Tom Fuller	Bob Gebhardt
Kris Strickler	Sonny Chickering	Mac Lynde	John Huestis
Jeff Flowers	Ken Kohl	Amanda Sandvig	Arlene Santana
Cooper Brown			



## **US101: Yaquina Bay Bridge (Cathodic Protection)**



We are replacing the cathodic protection, which includes a zinc coating to protect the structure from corrosion, repairing concrete, and retrofitting a seismic upgrade.

## **Impacts**

## **Traffic Impact**

Expect intermittent single lane closures on the bridge and some sidewalk closures at night. Most work will be under the bridge and should not impact traffic.

## **Construction Impacts**

Expect sandblasting, spray coating, and other general construction noises at night.

#### Schedule:

Project bid let is scheduled for the end of October, 2019, with construction starting Spring 2020. Construction is expected to take three and half years.

## Details

## **About:**

This three and half year project will replace the existing cathodic protection, repair damaged concrete, and retrofit a seismic upgrade.



#### Location:

Yaquina Bay Bridge is located on US101 between MP 141.68 and MP 141.99, in Newport.

## **Cost and Funding:**

Total cost of \$26,250,000 including \$485,000 for preliminary engineering and \$25,965,000 for construction.

## **Additional Information**

The Yaquina Bay Bridge (#01820) was opened to traffic in 1936. It was placed on the National Register of Historic Places in 2005.

## **Project Contacts**

Transportation Project Manager Carol Houk Email carol.s.houk@ODOT.state.or.us Phone 541-757-4137

## **Public Information Officer**

Angela Beers Seydel

Email

angela.beers-seydel@odot.state.or.us

Phone

541-726-2442

## Project Number

20109



## Earthquake Emergency Response Guide



# Earthquakes Critical Information

## **During an Earthquake**

If inside a building

- "Drop", Cover and Hold on Cover your head and neck with your arms. Hold on to sturdy furniture until the shaking stops. Crawl only if you reach better cover without going through an area with more debris.
- Stay inside Stay indoors until the shaking stops.

## If outside a building

- In a vehicle Stop in a clear area that is away from buildings, trees, overpasses, underpasses, or utility wires.
- Near slopes, cliffs, mountains Be alert for falling rocks and landslides. Move to an open area.

## After an Earthquake – if in a tsunami zone

**HEAD TO HIGH GROUND** as soon as the ground stops shaking. Look for tsunami assembly area or tsunami blue lines on the road indicating high ground.

Expect aftershocks to occur for more than 7 days after the initial earthquake.

## **Additional Resources**

- ➤ For recent earthquakes

  https://earthquake.usgs.gov/earthquakes/
- For tsunami warnings, watches, advisories https://tsunami.gov/
- For local tsunami zone maps & information https://www.oregontsunami.org
- > To sign up for Lincoln County Emergency Alerts www.co.lincoln.or.us/alerts



## Types of Earthquakes

On Shore Earthquakes

- Does not cause a Tsunami
- Usually smaller in magnitude

# Cascadia Subduction Zone Earthquake

- Trigger a local Tsunami within 15 minutes
- Larger magnitude >8+
- Result in coastal subsidence, liquefaction, aftershocks, landslides





## Tsunami Emergency Response Guide



# Tsunamis Critical Information

There are two types of Tsunamis:

Local - Caused by a large subduction earthquake under the Pacific Ocean; the ground shaking may be your only warning that a local tsunami is coming.

oca

## What to do:

- If you feel an earthquake, assume a tsunami is coming and EVACUATE TO HIGH GROUND OR INLAND (green zone) as soon as possible.
- Be alert to signs of a tsunami, such as a sudden rise or draining of ocean waters

**Distant** - Caused by an earthquake away from the Pacific Northwest.

- In a distant tsunami, you have a minimum of four hours before the first wave arrives.
- You will be alerted by federal and local emergency notification system

## What to do:

- Determine if you are in the distant tsunami zone.
   If you are, then evacuate to high ground before the estimated first wave of arrival.
- Check on family, friends and neighbors to make sure they know when to evacuate.











Yellow – Local Zone

- 1. Know your zone
- 2. Get a NOAA weather radio
- 3. Sign up for local alert programs
- 4. Walk your evacuation routes





## **AGENDA**

**5:30PM** Startup Showcase + Networking

**6:00PM** Emcee, Kiera Morgan Welcomes Everyone

Commissioner Hunt Kicks-off Program
City Leaders (Florence + Newport)

Oregon RAIN Executive Director, Caroline Cummings Oregon Community Foundation, Melissa Freeman The Ford Family Foundation, Kathleen Flanagan

**6:35PM** Coastal Venture Catalyst, Ariel Ruben

**STARTUP PITCHES: SESSION 1** 

PureOrganicEnergy (Levi Tompkins), Florence NatureSavvy (Patricia Immel & Sarah Butte), Florence New Products Engineering (Maria Love'll), Florence Dragon Arts Studio (Kassy Keppol), Florence Florence MakerSpace (Patrick Looney), Florence

BC Orchards (Carol Nolte), Siletz

**7:05PM** First Interstate Bank (*Title Sponsor*), Gary Collins

Panel: The Role of Entrepreneurship & Innovation

on the Coastal Economy

7:30PM Economic Development Alliance of Lincoln County

(Event Sponsor), Caroline Bauman

**STARTUP PITCHES: SESSION 2** 

Andre Casey Designs (Andre Casey), Newport Adair Technology (Ron Andrews), Newport Precious Plastics (Ivy Meadow), Florence Elk City Coffee (Jim Salisbury), Elk City **Great Life by Lucinda** (Lucinda Whitacre), Depoe Bay **Trezur Bags** (Riley Hoagland), Lincoln City

8:00PM Startup Showcase + Networking

8:30PM Event Concludes

## THANK YOU SUPPORTERS

























Thank you also to all of our community partners. We couldn't do this exciting and important work without you:

The Cities of Newport, Depoe Bay, Toldeo, Waldport, Yachats, Siletz, Lincoln City, the Oregon RAIN Board of Directors, Hatfield Marine Science Center, Oregon Pacific Bank, Pacific Northwest News, and Rogue!









## **NEWPORT HIGH SCHOOL**

322 N.E. Eads Street • Newport, Oregon 97365 Phone (541) 265-9281 • Fax: (541) 574-2228

> April 29, 2019 322 NE Eads Street Newport, OR 97365

City of Newport Public Works Newport City Hall 169 SW Coast Highway Newport, OR 97365

To whom it may concern:

I just wanted to offer my support of the Tomas Follett's NEWT project for Trails in the Big Creek area. I have taught and coached at Newport High School for 26 years as well as run and biked all over the county. This would be a tremendous development for all area residents. As we know, physical activity is so important to health and providing safe, fun, local recreation activities and resources benefits our entire community.

Big Creek is easily accessible for all residents in the Newport area. People both young and old would benefit from this new trail network. Local Middle School and High School Cross Country and Track teams would love having trails nearby to train on and walkers and hikers of all ages would enjoy them as well.

The mountain biking community, in particular, will especially benefit. Mountain bike riders are often scared of riding across the bridge to access the Wilder trails or forced to "drive to ride" to that area. Additionally, the Wilder trails are constantly logged and trails are destroyed and then must be rebuilt. Bike Newport, our local shop, also coordinate a NICA (High School Mountain biking) team and this would provide wonderful training and learning opportunities for those young people.

Please join me in supporting the NEWTS Big Creek Trail project. It has great leadership and enthusiasm behind it and the potential to benefit all Newport Residents.

Sincerely,

David B. Campbell

Newport High School



City of Hood River PARKING PAID UNTIL:

1:24 PM FRI MAY 03, 2019

**AMOUNT: \$1.25** 

ARRIVAL: 5/3/2019 12:09 PM RECEIPT NR:4044METER ID :0A-04 DISPLAY FACE UP ON DASH HOOD RIVER, Ore. — Voters Tuesday night were defeating a 5% tax on prepared food and beverages in Hood River County to generate funding for public safety and health.

Returns had the measure failing 59% to 41%.

The tax would have work out to be 50 cents for every \$10 spent.

Hood River businesses fought the proposal by putting up signs on restaurant tables.

"It's being billed as a tax on tourists but in reality it's going to go to county residents. They are here all year long -- the tourists are here during the summer," said Ken Whiteman the co-founder of pFriem Family Brewers.

The tax would have been applied to prepared food, such as food sold at restaurants or cooked food sold at grocery stores. The tax would not have been applied to alcohol.

"Over the next two years there will be probably over \$2.5 million cut out of our budget, which would be a 20% total cut," said Hood River County Commissioner Rich McBride.

McBride said the county could cut the entire Public Health Department and a third of the sheriff's office. McBride said 24-hour sheriff's services would not be available.

Whiteman said the county can find another solution to the budget problem without putting the burden solely on the food industry.

"We already have a recession every year; it's called winter," Whiteman said.





# **HOUSING STRATEGY IMPLEMENTATION PLAN** – POLICY ADVISORY COMMITTEE MEETING #2

Location: City Hall, Lincoln City, 801 SW Highway 101, Lincoln City

Date: Thursday, May 16, 2019, 4:00 – 6:00 p.m.

Project Manager: Wayne Belmont, County Counsel, Lincoln County; TAC members

Consultant: Matt Hastie, Angelo Planning Group

TIME ACTIVITY

4:00 – 4:10 p.m. Welcome and Introductions

4:10 – 4:30 p.m. Project Status and Update

4:30 – 5:45 p.m. Draft Project Findings and Recommendations

• Summary Housing Information

• Comprehensive Plan and Development Code Amendments

Rehabilitation Loan ProgramOther Housing Strategies

5:45 – 6:00 p.m. Next Steps





**To:** Wayne Belmont, Lincoln County

Matt Hastie, Brandon Crawford, and Andrew Parish, APG From:

Brendan Buckley, Johnson Economics

**Date:** May 10, 2019

Re: Lincoln County Housing Strategy Plan (HSP) – Task 4 Cover Memorandum

## INTRODUCTION

Angelo Planning Group (APG) and Johnson Economics have been contracted to prepare a Housing Strategy Plan for Lincoln County. The Housing Strategy Plan is intended to assist Lincoln County and its cities in identifying and addressing issues related to housing. It will help the County and its cities move forward on a number of housing policy initiatives to respond to current and future housing needs

As part of this effort, APG and Johnson Economics have consulted with Business Oregon and nonprofit organizations engaged in the provision and maintenance of housing to discuss potential opportunities for collaborations moving forward. In particular, Lincoln County and its cities are interested in leveraging the Community Development Block Grant (CDBG) program administered by Business Oregon to utilize an existing pool of funds and continue to secure additional funds in future years to implement a housing rehabilitation loan available for use throughout the County.

To this end, APG and Johnson Economics have engaged in several meetings and conference calls with members of Business Oregon, the Lincoln County Affordable Housing Partners group, Community Services Consortium, and Willamette Neighborhood Housing Services.

## **Housing and Population Conditions Summary**

The following tables and figures help paint a picture of overall housing and related socioeconomic/demographic conditions within Lincoln County and its cities. This information was primarily derived from US Census/American Community Survey counts and estimates, with some population projections from Portland State University's Population Research Center.

#### **Population and Housing Units**

Every city's population in Lincoln County has slightly increased since the most recent Census count (2010), and each jurisdiction is forecasted to continue growing over the next fifty years, with the greatest increases in Newport and Lincoln City (*Figure 1*). Lincoln County has followed a similar trend, as the County is also projected to grow by almost 15,000 residents in that same time frame (*Figure 2*). The unincorporated portion of the County's population, however, is expected to remain relatively stable.

Most the County's total housing units are found in Newport and Lincoln City, each having over 5,000 units (*Figure 3*). Single-family detached represents over half of each city's housing type, which the exception of Siletz,

which is composed of exactly 50% manufactured housing (*Figure 4*). Unsurprisingly, the two largest cities (Newport and Lincoln City) have the largest share of multi-family housing, with both cities having over 15%. Every city has relatively comparable shares of "missing middle" housing types (duplex, triplex, etc.), while apart from Siletz, all the smaller cities are predominantly composed of single-family detached at 70% or higher. Every city except for Lincoln City has a greater share of owner-occupied housing as well (*Figure 5*).

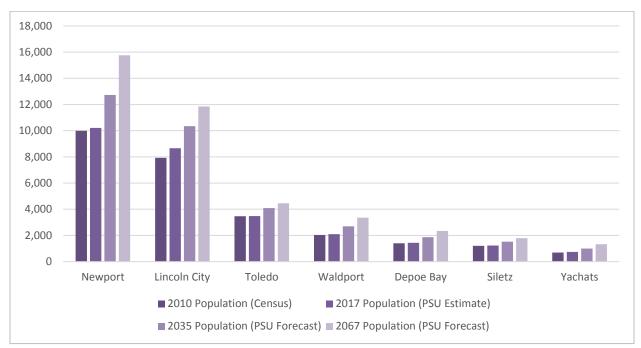
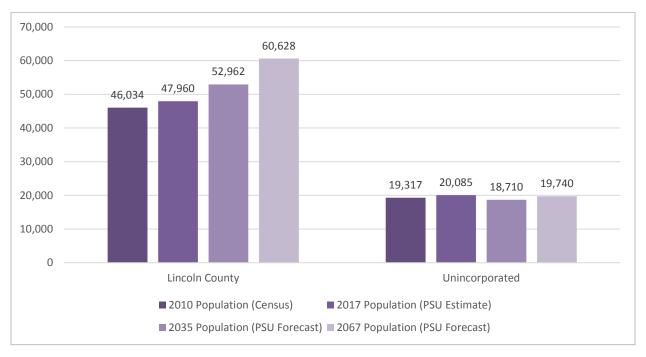
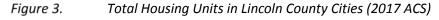


Figure 1. Current and Forecast Populations of Cities Within Lincoln County







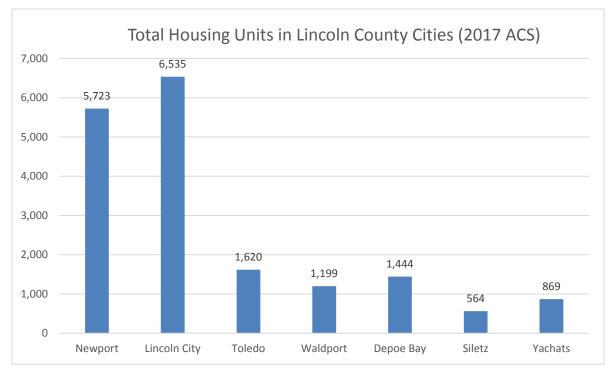
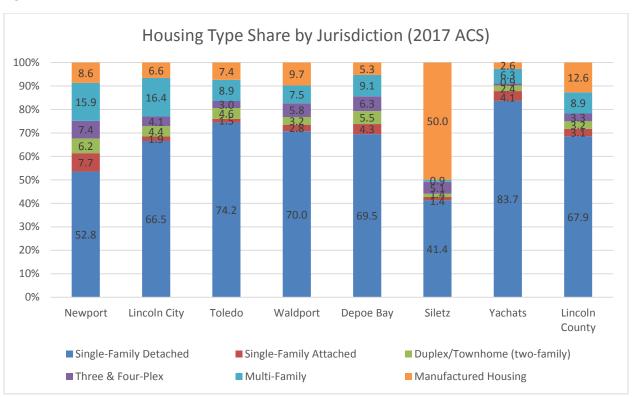


Figure 4. Housing Type Share by Jurisdiction (2017 ACS)



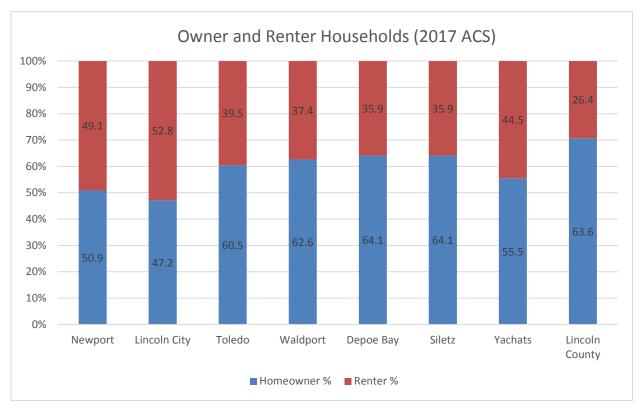
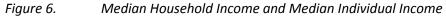


Figure 5. Owner and Renter Households (2017 ACS)

## **Population Incomes and Demographics**

Lincoln County and its cities all have a median household income below the statewide median (\$60,212) and the national median (\$60,336) (*Figure 6*). Depoe Bay and Toledo have the highest median household incomes (both close to \$50,000), while Lincoln City and Siletz have the lowest (both below \$40,000). Most other cities and the County have comparable median household incomes (slightly over \$40,000).

The demographic household characteristics of Lincoln County and its cities is varied. Most cities and the county have a share of households 65 and older that hover around 20-25%, except for Lincoln City (12%) (*Figure 7*). Conversely, households with children has somewhat significant variation, with nearly one-third of Siletz households having children, while Depoe Bay and Yachats are only slightly above 10%.



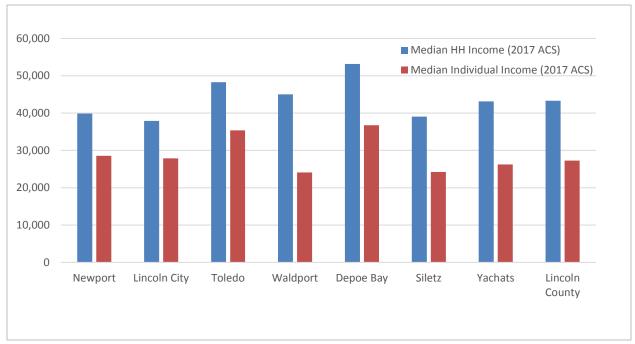
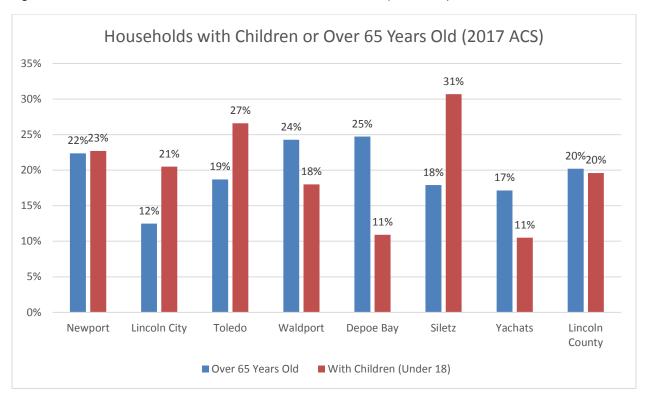


Figure 7. Households with Children or Over 65 Years Old (2017 ACS)



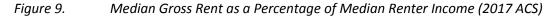
#### Housing Values and Affordability

The median property values of each city vary widely. Most are around \$200k, while Siletz is far below that at about \$125K, and Yachats and Depoe Bay are over 300K (*Figure 8*). This likely reflects the amenity value of the properties near the coast (for the higher value areas), but also the less expensive rural areas (Siletz).



Figure 8. Median Property Value for Lincoln County Cities (2017 ACS)

Figures 9, 10, and 11 each illustrate the shortage of available housing among the County's cities. Nearly all the city rents are 30% or higher than renter household income, with Yachats being the highest at 50% (Figure 9). Figure 10 supports this trend in total dollar amounts (monthly rent vs. monthly income). Similarly, Figure 11 displays the high degree of rent burdened (rent >30% AMI) and severely rent burdened (rent > 50% AMI) households throughout the county, with severely rent burdened composing roughly 20% of each county's rental share and rent burdened over one-third for each city.



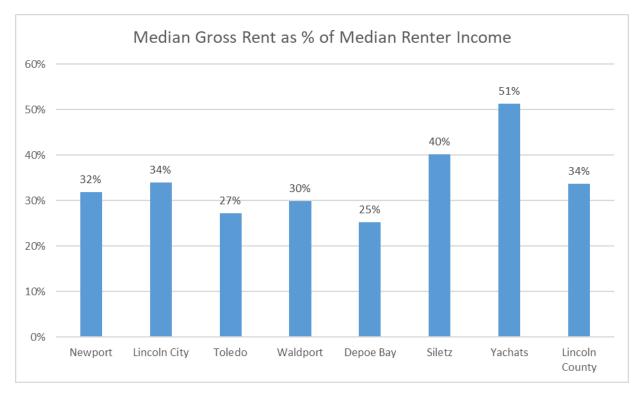
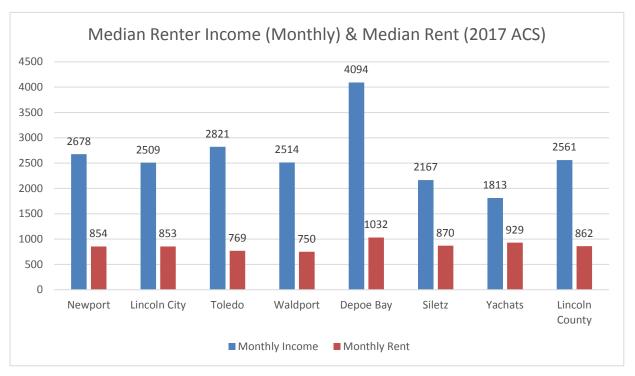


Figure 10. Total Dollar Amount of Median Renter Income vs. Median Rent (2017 ACS)



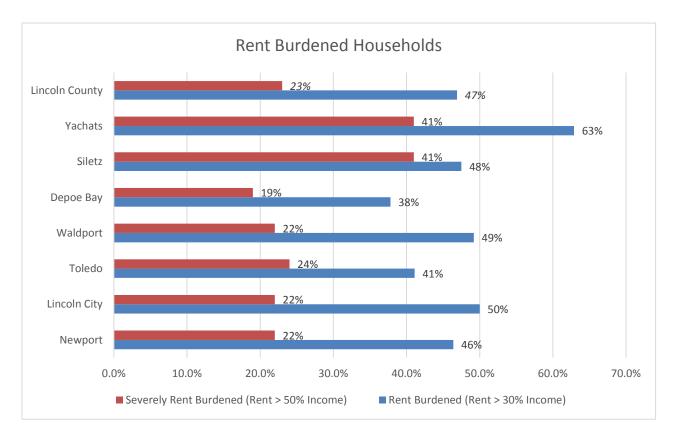


Figure 11. Rent Burdened (2017 ACS) and Severely Rent Burdened (2018 DLCD) Households

## SUMMARY OF KEY HOUSING ISSUES

Over twenty stakeholders provided input regarding housing issues in Lincoln County. The following key themes emerged.

- Overall housing need. We have heard repeatedly that there is a need across all types and prices of housing in Lincoln County. Many interviewees noted that the market tends to take care of housing at the upper end, while workforce housing at or below \$250k for a home is sorely needed. Low achievable rents mean that multifamily housing is particularly unlikely to be built without subsidy, and there has been very little apartment construction in Lincoln County in recent decades.
- Land Supply. Supply of land in the right locations and zoned for the right housing types and densities is an issue in a number of coastal communities. There generally is an adequate supply of land overall but not necessarily on sites that will support certain types of development cost-effectively. Land supply is naturally constrained by the beach and ocean to the west and the hills to the east in a number of communities.
- Sources of high costs and challenges to financial viability of coastal development. Most of the developers and builders interviewed noted the following issues, which are described in more detail on pages 5-7 of this report:
  - Labor costs are high for coastal construction due to low local availability and resulting commuting time for workers from the Willamette Valley.

- Needed weatherization for the coastal area adds to project costs.
- o Transporting materials from the Willamette Valley or elsewhere adds to project costs.
- o Maintenance of structures on the coast is higher due to weather.
- o A significant amount of developable land in Lincoln County is either difficult/costly to serve with infrastructure, has steep slopes, or has wetland issues.
- Profit margins for work on the coast generally needs to be higher than similar work in the
   Willamette valley; in a competitive development cycle, a developer is likely to choose a different project in a location more convenient to them.
- The smaller typical scale of projects on the coast is less attractive to Willamette Valley developers than projects in the Portland Metro area or other larger urban areas in the valley.
- The cost of land, construction and debt does not always sync up well with the achievable rents available for coastal housing. In other words, it is harder for projects on the coast to "pencil out."
- Because of these reasons, developers will not be aggressive about outpacing demand on the coast – they will always be trailing the pent-up demand.
- **Development Process and Fees.** Many local developers noted that Systems Development Charges (SDCs) contributed to housing costs for their projects. In some cases, these fees were seen as disincentivizing attached housing types. However, other developers interviewed said that the review process in Lincoln County is similar to other places, and in some ways has been easier and faster than jurisdictions elsewhere.
- Vacation Rentals. We have heard varying perspectives on whether Vacation Rentals are contributing to the lack of inventory, how much, and what possible remedies may be. This is clearly an issue on lots of peoples' minds. Several interviewees noted that most vacation rentals are high-end homes that do not directly compete with affordable housing, and the tourism revenue generated is important for the community.

Additional detail about these stakeholder interviews is provided in the Stakeholder Interviews Summary.

## STRATEGIES AND RECOMMENDATIONS

In assessing housing conditions and issues, and identifying potential strategies to address them, the consultant team considered the following objectives:

- Ensure that current policies and development code requirements are generally consistent with applicable state and local legal requirements.
- Recommend a set of steps to re-establish the County's housing rehabilitation loan program in a way that is sustainable in the long term.
- Highlight successful strategies currently being undertaken by cities in Lincoln County and the County, and recommend those that may be transferrable to other jurisdictions.
- Identify additional potential strategies that can be undertaken to address housing needs, including the needs of people with low and moderate incomes.
- Identify opportunities for collaboration among the County and cities.

Consistent with these objectives, the remainder of this report summarizes the following types of strategies to address identified housing issues and needs:

- Amendments to local Comprehensive Plan policies and development codes to ensure consistency with legal requirements and further overarching state and local housing goals.
- Potential steps to re-establish and further implement the home rehabilitation loan/grant program.
- Additional strategies that can be implemented individually by one or more cities in the County or the County itself to address housing needs, including:
  - Construction Excise Tax
  - o Transient Lodging Tax Reallocation
  - System Development Charge (SDC) Deferrals or Methodology Updates
  - o Tax Abatement or Exemption Programs
- Opportunities for regional collaboration among the County and/or multiple cities, including:
  - o Regional Buildable Land Inventory
  - Staff Allocation to Regional Housing Programs

## Comprehensive Plan Policy Updates

The Housing Element of local Comprehensive Plans establish the policies that guide residential development in each community. These policies are important because they institute aspirational goals and principles for meeting the housing needs of the community. The policies are also important because they establish formal criteria and guidelines for land use decisions that pertain to housing. In general the following types of policies are recommended in order to help meet the current and future housing needs of community members:

- Supports Statewide Planning Goal 10. Comprehensive Plans typically do and should include a general policy that mirrors Statewide Planning Goal 10 (Housing), stating that the overall goal of the jurisdiction is to "encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density."
  - Example: "The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations."
- Emphasizes affordable housing needs. Given that meeting the needs of low and moderate income
  households often requires public intervention or subsidy, it is important to include policies emphasizing
  the needs of these households.
  - Example: "The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations."
- Supports partnerships. Most Comprehensive Plan housing elements include policies aimed at supporting other public agencies, non-profits and market rate developers who focus on meeting the needs of low and moderate income households and community members with special housing needs.
  - Example: "The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations."

- Encourages a variety of housing types. In addition to a broad goal or policy about meeting a full range of housing needs, Plans often include policies noting the need for a variety of housing types, including single family attached housing, duplexes, triplexes, multi-family housing and townhomes, as well as less traditional forms of housing such as cottage cluster housing and accessory dwelling units. Examples:
  - o "The City shall encourage development of higher density and multifamily housing within areas designated for this use and limit low-density housing in these locations.
  - The City shall provide opportunities for the development of a variety of housing choices that meet the needs and preferences of current and future households."
- Affirms Fair Housing goals. Local governments are required to ensure that their housing policies and standards do not discriminate against or have adverse effects on the ability of "protected classes" to obtain housing, consistent with the federal Fair Housing Act.
  - Example: "The City shall employ strategies that support the Fair Housing Act and affirmatively further fair housing."
- **Supports mixed use development**. Some Plans explicitly support the development of mixed use projects, which typically include upper story housing located above retail or commercial uses.
  - Example: The City shall allow for a mix of residential uses with other compatible uses in appropriate locations."
- Supports accessory dwelling units. Comprehensive Plans may include policies specifically referencing support for this form of housing. Recent Oregon legislation requires all cities below a certain size to allow for this form of housing outright in all zones where single-family detached housing is allowed.
  - Example: "The City shall allow and support the development of Accessory Dwelling Units in all residential zones as required by State law."
- Addresses land supply goals. Many Comprehensive Plans include policies which reference the need to ensure that adequate land is zoned to meet identified housing needs, and to periodically update the jurisdiction's inventory of such lands. Examples:
  - o "The City shall encourage efficient use of residential land within the Urban Growth Boundary"
  - "The City shall provide a sufficient amount of residential land to accommodate residential growth."
  - "The City shall ensure that the City has an adequate housing supply with enough land to support the community's growth."
- Supports maintenance and rehabilitation of existing housing. Many comprehensive plans emphasize
  maintenance of existing housing stock as a method to prevent unsafe conditions and keep affordable
  housing available within the community.
  - Example: "The City shall encourage maintenance and rehabilitation of the existing housing stock."
- Supports development of manufactured homes. Oregon law requires that all zones that allow for "stick built" single family detached homes also allow for manufactured homes on individual lots. Each jurisdiction must also allow for manufactured home parks in at least one residential zone.
  - o Example: "The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations.

- Regulates short term rentals. Many communities, particularly those with high levels of tourism, regulate short-term rental housing to reduce its impact on the supply and affordability of long-term rental housing.
  - Example: "The City shall support the maintenance and development of manufactured homes as an affordable housing choice in appropriate locations."

The following table includes a summary of potential policy gaps among Lincoln County jurisdictions which may be addressed through future Comprehensive Plan policy updates.

Pol	icy Objective	Assessment – Additional or Amended Policy Language Needed (x)								
		Depoe Bay	Lincoln City	Newport	Siletz	Toledo	Waldport	Yachats		
1.	Support Statewide Planning Goal 10									
2.	Emphasize affordable housing needs					х	х			
3.	Support partnerships	х				х	х	х		
4.	Encourage a variety of housing types	х			х		х	х		
5.	Affirms Fair Housing goals	х	х	х	х	х	х	х		
6.	Support mixed-use development	х		х	х	х	х	х		
7.	Support accessory dwelling units	х			х		х	х		
8.	Address land supply goals	х				х	х	х		
9.	Support development of manufactured homes		x		x		х	х		
10.	Regulate short term rentals	х		х	х	х	х	х		

## Potential Development Code Amendments

The following table summarizes preliminary potential amendments to each city's development code provisions. The goal of the amendments would be to increase opportunities and reduce barriers to developing a wider range of housing choices throughout the city.

## Potential Amendments

Code Provision	Depoe Bay	Lincoln City	Newport	Siletz	Toledo	Waldport	Yachats
Housing Types Allowed	Consider allowing triplexes in R-2 courtyard apts in R-3	Consider allowing triplexes in R-1- RE	Consider allowing triplexes in R-2, courtyard apts in R-3	No changes recommended	Consider allowing duplexes in R-S	Consider allowing duplexes in R-1, triplexes in R-2	Consider allowing duplexes in R-1, triplexes in R-2
Densities/Minimum Lot Sizes	Reduce lot sizes for TFD all zones	Consider reducing lot size for TFD in all zones, except R- 7.5	No changes recommended	Consider reducing lot size for all housing types in G-R	Reduce lot sizes for duplexes if allowed in R-S Consider reducing min lot size for non-SFD uses in R-G	No changes recommended	Consider reducing min lot size and size for additional units for MF in R-3 and R-4
ADU Requirements	Allow in all zones where SFD allowed and adopt specific standards	Consider allowing 1 external, 1 internal	Consider increasing max floor area to 800 sf and allowing 1 external, 1 internal	Consider eliminating primary resident occupancy requirement and increasing allowed size	Consider eliminating primary resident occupancy requirement and increasing allowed size	Allow in all zones where SFD allowed and adopt specific standards	Allow in all zones where SFD allowed and adopt specific standards
Cottage Cluster Housing	Adopt standards and allow in R-2, R-3, R-4	No changes recommended	Adopt standards and allow in R-2, R-3, R-4	Adopt standards and allow in G- R, maybe R-S	Adopt standards and allow in G- R, maybe R-S	Adopt standards and allow in R-2, R-3, R-4	Adopt standards and allow in R-2, R-3, R-4
Off-street Parking Requirements	Consider reducing requirements for all non-SFD housing types	Consider reducing requirements for MF	No changes recommended	Consider reducing requirements for all non-SFD housing types	No changes recommended	No changes recommended	No changes recommended
Building Heights	No changes recommended	No changes recommended	No changes recommended	Consider increasing to 35'	No changes recommended	No changes recommended	Consider increasing to 35'

## Home Rehabilitation Loan/Grant Program

#### **Description of Strategy**

The purpose of this program is to provide funds for the repair of owner-occupied housing for those with low to moderate incomes. These funds generally are provided as zero-interest deferred-payment loans, which are tied to the home itself and repaid upon sale of the home. Alternatively, these funds can be simply granted to recipients.

The source of funding is from the Department of Housing and Urban Development (HUD)'s Community Development Block Grant (CDBG) program, which is administered by Business Oregon and provided to applying jurisdictions. About 28% of the program goes into housing repair funds, totaling roughly \$3 million per year available for jurisdictions statewide outside of the Portland Metro region. The loans themselves are administered by partner organizations such as Community Services Consortium or Willamette Neighborhood Housing Services.

#### Assessment of Cost and Benefit

- Administrative Investment: Moderate. Partnership with the sub-grantee (e.g. organizations similar to Community Services Consortium or Willamette Neighborhood Housing Services) can mitigate administrative costs but there are some responsibilities of the jurisdiction applying for funds.
- **Feasibility:** High. Restarting this program is a priority for Lincoln County and steps are currently underway.
- *Impact:* Moderate-high. This strategy can be an important piece of maintaining currently existing affordable housing, which might otherwise fall into disrepair.

#### **Current Use in Lincoln County**

The rehabilitation loan program has been essentially on hold and inactive for several years. The organization administering the program (Community Services Consortium) found that it could not cost-effectively administer the program due to the administrative complexity involved, limited ability to use program funds to pay for administration activities, and sufficient economies of scale to concurrently manage multiple or larger related programs. As of this writing, the CSC was in the process of completing and preparing to distribute a request for proposals (RFP) to other non-profit organizations to take over administration of the program. As noted below, the CSC and new partner organization would partner with Lincoln County and interested cities to determine how best to re-establish the program.

#### **Recommendations and Implementation Steps**

The following approach for restarting the housing loan rehabilitation program in Lincoln County is recommended.

- CSC will distribute a Request for Proposal (RFP) to find new non-profit administrator for the current portfolio
  of loans. The CSC staff and board will review and evaluate resulting proposals and select a new contractor.
  Lincoln County and its cities will be consulted during this process to ensure that the new program manager
  can address the needs and priorities of Lincoln County jurisdictions.
- After a new administrator is chosen, Lincoln County and its cities will work with the new organization do the following:
  - **Establish how existing funds will be used** to benefit County and city residents, based in part on any agreements associated with the current program. Discussions with city and county staff undertaken as part of the current housing study have indicated that program funds will be used to provide loans

to anyone in Lincoln County based on whether or not the property owner and home apply, rather than establishing a geographic formula for distribution of loans. However, it will be important to affirm or refine this approach, as needed.

- **Determine which cities in the County will participate** in a new program moving forward. Historically, some but not all of the cities in Lincoln County have participated in the program. To date, most of the cities in the County have expressed an interest in participating but final agreement on participation will be needed.
- **Determine how "de-federalized" money from repaid loans will be used**. The County and its partners could identify specific purposes or a process for the advisory board to make that determination, as needed when those funds become available. Some of the existing money in the program has previously been earmarked for use by specific jurisdictions although most of the funds have not been programmed for a specific use.
- Identify a process and provisions for new intergovernmental agreements between the new organization, the County, and each city with regards to respective responsibilities of each party
- **Formalize/adopt the agreements.** This is not expected to require formal adoption by local city councils although it will be important to review draft agreements with some combination of city managers, counsels, and/or governing bodies to ensure they are comfortable with the agreements.
- Each city will re-appoint members to the local jurisdiction board that will advise the partner organization
- Establish a process, applications templates, and other materials as needed to apply for future funds.

#### **Construction Excise Tax**

#### Description of Strategy:

A construction excise tax (CET) is a tax on construction projects that can be used to fund affordable housing programs and related strategies. According to state statutes, the tax may be imposed on improvements to real property that result in a new structure or additional square footage in an existing structure. Cities and counties may levy a CET on residential construction for up to 1% of the permit value; or on commercial and industrial construction, with no cap on the rate of the CET.

The allowed uses for CET funding are defined by the state statutes. The City may retain 4% of funds to cover administrative costs. The funds remaining must be allocated as follows, if the City uses a residential CET:

- 50% must be used for developer incentives (e.g. fee and SDC waivers, tax abatements, etc.)
- 35% may be used flexibly for affordable housing programs, as defined by the jurisdiction.
- 15% flows to Oregon Housing and Community Services (OHCS) for homeowner programs.

If the City implements a CET on commercial or industrial uses, 50% of the funds must be used for allowed developer incentives and the remaining 50% are unrestricted.

The construction excise tax for affordable housing was enabled by Senate Bill 1533, which the Oregon Legislature passed in 2016. The limitations and requirements (discussed above) are outlined in ORS 320.170-195.

To date, eight jurisdictions (Portland, Corvallis, Cannon Beach, Hood River County, Hood River City, and Newport) in Oregon have passed local CETs under the new state statutes, and many others are considering adopting the tool. The City of Bend employs a program that was grandfathered in prior to the new statutes, and therefore follows different rules.

#### Assessment of Cost and Benefit

- Administrative Investment: Moderate-high to establish a CET; low to administer.
- **Feasibility:** High. The City of Newport has already created its own CET, providing a local model for how to design and implement the program in other jurisdictions.
- **Impact:** High. Directing funds to affordable housing priorities can have a significant impact many other recommended strategies require funding and this is one avenue to achieve that.

#### Current Use in Lincoln County

The City of Newport is the only jurisdiction to have adopted a CET to date (in 2017). It levies a 1% CET on residential, commercial, and industrial development. Consistent with state requirements, 50% of the net revenue will be used for development incentives for affordable housing, 35% will be used for other affordable housing programs, and 15% will be distributed to OHCS. No more than 4% of the gross revenue will be reserved for program administration. Beyond identifying these broad allocations, the City is still in the process of determining specific uses of its CET funds. However, one use will likely be to backfill any future SDC exemptions or reductions for affordable housing projects.

#### Recommendations and Implementation Steps

Establishing a construction excise tax would necessitate that Lincoln County or one or more cities (except Newport) pass a new ordinance to adopt the CET. Jurisdictions wishing to implement a CET program should work closely with the development and housing community in developing the fee structure. Implementing programs would need to be developed, and possibly coordinated with housing partners. Actions needed to successfully adopt a CET include:

- Estimate the potential revenues likely to be generated from a CET and determine whether these benefits appear to be worth the administrative resources and political capital likely needed for adoption. Projected revenues will be a function of the projected annual value of new development, the amount of the tax, and whether it is applied only to residential construction or also to commercial and industrial development.
- Explore program scenarios. To better understand and select among the options available through the statutes, any City considering adoption of a CET should evaluate a number of scenarios that are tailored to the local development market and the specific program design, expanding on the preliminary analysis summarized above. For each scenario, the City should consider legal implications to ensure statutory compliance and engage developers in conversations about the implications of a CET on the feasibility of their development.
- Discuss CET with stakeholders. The City should consider holding focus groups or forming an advisory committee to address concerns and discuss potential uses for CET funds. Stakeholder groups could include developers (both for-profit and nonprofit), Homebuilders Association, property owners, property managers, and real estate brokers. Receiving early buy-in from these groups should help facilitate a smooth adoption process for the CET.
- Develop budget projections. Because CET is dependent on new construction, revenue will vary with market cycles. The City should consider reasonable assumptions for budgeting purposes.
- Consider bundling CET with developer incentives. This is a strategy that worked well for the City of Newport, which bundled their CET with a package of SDC reductions and property tax exemptions. This helped assuage their City Council's concerns that a CET might present a development barrier.

- Develop program structure. Some aspects of the CET will need to be determined prior to adoption, including:
  - o Whether to apply a CET to commercial/industrial development and what percentage tax to levy.
  - o What development is exempt from the CET.
- Develop priorities for funding allocation. Beyond the elements of program structure listed in the previous bullet, the City can decide how fully-developed the CET's other parameters and spending targets should be before it is adopted. See the "Funding Uses" section above for a list of potential funding targets. Some level of flexibility may be beneficial to the CET being passed by City Council, so that the program is not fully baked in when it is adopted

## Transient Lodging Tax (TLT) Reallocation

#### **Description of Strategy**

As of this writing, Senate Bill 595 of the 2019 Oregon Legislative Session would allow up to 30 percent of revenue generated from local transient lodging taxes (TLT) to be spent on affordable workforce housing for those with incomes at or below 125 percent of AMI.

The transient lodging tax is a tax imposed on hotels and motels, spaces for recreational vehicles and tents, and other dwelling units that are occupied overnight or on a temporary basis. It is primarily used to promote tourism and may also be used to fund local services. Currently, at least 70 percent of the net revenue from new or increased transient lodging taxes must be used to support tourism and up to 30 percent may be used for local services. Senate Bill 595 shifts the percentage of net revenue from the transient lodging tax that must be used for tourism from at least 70 to at least 40 percent, to allow up to 30 percent to be used for affordable workforce housing.

Jurisdictions would need to set the new rates and decide how any new funds would be spent, based on the specifics in the final legislation.

Specifics of implementation will depend on the details of the final legislation. The decision to raise the TLS in a community and how to spend additional revenue will likely need to be part of a community conversation and hearings process.

#### Assessment of Cost and Benefit

- Administrative Investment: Moderate
- **Feasibility:** Moderate. An increase to the TLT will likely face pushback from those in the lodging industry and may not be politically feasible in some jurisdictions in Lincoln County, depending on community priorities and objectives.
- Impact: Moderate-High.

#### Current Use in Lincoln County

Lincoln County has a transient lodging tax of 10%, the City of Newport has a TLT of 9.5%, and the city of Yachats has a TLT of 9%. Any increases to these rates under the current law would be required to be spent primarily (70%) on tourism-related services. Under the proposed change, that amount could be reduced and a portion of the revenue allocated to affordable housing programs. The County or cities could choose to keep their rates the same but reallocate a portion of existing revenues or could choose to increase the rate to somewhere below the

legal maximum rate and allocate some combination of new and/or existing revenues to housing programs. Programs could focus on affordable workforce housing, potentially helping those who work to make the region a tourist destination, creating a strong policy connection between the source and use of that portion of the revenues. In initial discussions with representatives of Lincoln County and its cities, they indicated that this strategy may be more likely or acceptable in Lincoln City and/or Newport, and less likely in the other cities in the County.

#### **Recommendations and Implementation Steps**

- Discuss the strategy generally with local elected officials to guage relative interest in evaluating or considering it in more detail.
- If there is community interest in pursuing the strategy, identify one or more scenarios for how it could be implemented, including:
  - Possible change in allocations among tourism promotion, parks and recreation, and affordable housing programs.
  - Potential for increasing the TLT rate.
  - o Potential revenues available for housing programs based on the allocation and rate scenarios.
  - Potential uses for TLT revenues, particularly those associated with workforce housing.
- Present results of the evaluation to local elected officials for further consideration.
- Pending results of the discussion above, determine whether to move forward with a reallocation.
- If a decision is made to move forward, adopt necessary ordinances and establish or identify housing programs for use of the funds.

## SDC Methodology Updates and/or Deferrals

#### **Description of Strategy**

System Development Charge (SDC) exemption is a tool used to reduce, waive, defer, finance, or subsidize SDCs for affordable housing developments, with the goal of reducing the cost of development. One relatively popular program in Oregon is SDC reductions, waivers, or deferrals for accessory dwelling units (ADUs). Many SDC methodologies are intended to be commensurable with the cost or impact to the system. Some missing middle housing types do not fit within the levels within SDC methodologies because the impact of these types of housing on the need for water, sewer or transportation facilities is not equivalent to that of other housing units, given the reduced average size and occupancy of smaller units. Therefore, any reduction that can be justified based on reduced demand or impact (e.g. smaller units, multifamily vs. single family, housing types that tend to generate less traffic, etc.) is justifiable for reducing or potentially waiving SDCs for these housing types. This type of reduction is generally identified in the SDC methodology and rate setting.

#### Assessment of Cost and Benefit

• Administrative Investment: Low-Moderate. Exempting certain types of housing from SDCs (e.g., qualifying housing projects or accessory dwelling units) is relatively straightforward and can be done through adoption of an implementing ordinance. Updating SDC methodologies to reduce SDCs for

- smaller housing units typically will require hiring a specialist to assist with the methodology update and requires somewhat extensive analysis and staff time.
- **Feasibility:** Moderate. Foregone tax revenue will affect local jurisdictions. Strong policy support is needed to make changes to revenues.
- Impact: Moderate. Reductions in SDCs can have a moderate impact on the up-front costs of development and can help certain projects, particularly those for lower income households be financially feasible.

#### **Current Use in Lincoln County**

Lincoln City has adopted a program allowing them to defer of SDC payments for up to 10 years (or renewed for even longer) for non-profit land owners. The City does not charge SDCs for ADUs. The City of Newport charges SDCs based on the size of housing units for selected types of housing, including ADUs, effectively reducing the SDC for ADUs in comparison to other housing types. These programs are described in more detail within the Background Report and Gap analysis.

#### Recommendations and Implementation Steps

SDCs assessments must be based upon a rational methodology. Any waiver would have to be justified in the methodology and would potentially be subject to legal challenge. Recent state legislation enabling inclusionary zoning (Senate Bill 1533) identifies SDC and permit fee reductions or waivers as incentives that may be offered to development impacted by an inclusionary zoning requirement. While SB 1533 does not include further discussion on SDC or permit fee waivers or reductions for affordable housing generally, it has been interpreted by some as authorizing SDC reductions or exemptions for affordable multifamily development. As described below, several cities in Oregon choose to exempt certain classes of development (including regulated affordable housing) from SDC requirements.

There may be legal limitations on the ability to waive or reduce SDCs and there are specific requirements for how to implement an SDC fee reduction. SDC methodology statues are complicated and must be carefully considered with the creation of such program.

A jurisdiction's SDC fees are only a portion of the total SDC fees development pays. Therefore, there is a limit to how much of an exemption, waiver or reduction can be allowed by the jurisdiction, unless they partner with other organizations.

Jurisdictions can consider applying SDC waivers, exemptions, or reductions to ADUs and other forms of missing middle housing, in order to increase their supply of lower-cost housing. There is typically a limit to reductions, exemptions, or waivers of SDC fees because there are several sources of SDC fees, often including city, county, and special districts. Jurisdictions only have control of a portion of the SDCs, which can limit the efficacy of the incentive. Jurisdictions could also consider partnering with other organizations that charge SDCs, which could make the incentives more effective. However, negotiating an agreement with these partner organizations may prove challenging. SDC reduction and deferral are broadly used in Oregon and may be more politically acceptable than SDC waivers since the revenue is deferred, not forgone.

As an alternative to a "waiver," jurisdictions may "buy down" SDCs. The City of Gresham did this in their downtown urban renewal district and used urban renewal funds for that purpose. The framework for the Affordable Housing CET envisions a portion of those funds being used to buy down development fees, such as SDCs.

There are many statutory requirements of SDCs; it is important that any provision of SDC reductions or waivers follow statutory requirements for the process of changing SDC methodology and for the provisions of the reductions or waivers.

#### Recommendations and Implementation Steps

- Discuss the strategy generally with local elected officials to guage relative interest in evaluating or considering it in more detail.
- If considering exemptions for specific categories of housing:
  - Identify the types of housing which are most important to encourage and can most benefit from SDC reductions.
  - o Identify the potential lost revenue from SDC and ensure that the City can ultimate afford to forego this revenue by making it up from other sources or reducing infrastructure costs.
  - Coordinat with other service providers who charge SDCs and encourage them to provide similar exemptions for the same forms of housing.
  - o Prepare, review and adopt an ordinance authorizing SDC exemptions.
- If considering an update of the city's SDC methodology:
  - At the next opportunity to update the methodology, identify a tiered or graduated SDC approach as an important objective of the update process.
  - o Identify this approach in soliciting assistance from consulting firms; ensure that any firm selected has experience in this type of udpate
  - Determing the most effective way to address this strategy in the updated methodology (e.g., size of water meter, square footage of residential use, etc.).
  - o Update and adopt the amended methodology, preferably for all SDCs charged by the city.

## Tax Abatements or Exemptions

#### **Description of Strategy**

Tax abatements (exemptions or reductions) alleviate property taxes on certain types of development, often for a set period of time. Abatements can be a very strong tool to incentivize affordable housing and make proposed projects more viable, depending on how the exemptions are structured. A large new apartment complex might have a taxable assessed value (TAV) of many millions of dollars and a significant property tax burden. The annual benefit to the property owner from a city tax exemption can amount to tens of thousands of dollars, making this a strong financial incentive.

The state currently authorizes tax abatements for various types of housing and affordable housing through several programs outlined in the Oregon Revised Statutes (ORS). These include: Nonprofit Low-Income Housing (ORS 307.540 to 307.548), Low-Income Rental Housing (ORS 307.515 – 307.523), Vertical Housing (ORS 307.841 to 307.867), Transit-Oriented Multi-Unit Development (ORS 307.600 – 307.637), Homebuyer Opportunity Limited Tax Exemption (ORS 307.651 to 307.687), and Residential Rehabilitation Tax Freeze (ORS 308.450 to 308.481).

#### Assessment of Cost and Benefit

- Administrative Investment: Moderate. New programs require jurisdictions to develop program policies, and to promote and administer the program, and may be an administrative burden for smaller jurisdictions.
- **Feasibility:** Moderate. Foregone tax revenue will affect local jurisdictions. Strong policy support is needed to make changes to revenues.
- **Impact:** Moderate-High. Tax abatements have been a key part of many successful affordable housing projects throughout Oregon.

#### **Current Use in Lincoln County**

Lincoln County has adopted Property Tax Exemptions and Abatements for Affordable and Low-Income Housing for the Newport Urban Growth Boundary (including the City proper) as described below. In addition, Lincoln County has adopted the provisions of ORS 307.540 through 307.548 Nonprofit Low-Income Housing, and with other taxing entities has provided property tax exemptions in the past for several projects in Lincoln County, including:

- The Ridge Apartments, an 80-unit apartment complex in Lincoln City
- Sa Da Munn, 50 units in Waldport
- Our Coastal Village, 21 townhomes in Yachats
- Fisterra Gardens Apartments, 25 units in Yachats
- Mariner Heights Apartments in Newport, 16 units
- Salmon Run apartments, 40 units in Newport
- Vandehaven-by-the-Bay Apartments, 18 units in Waldport
- Agate Heights Apartments, 44 units in Newport

#### Recommendations and Implementation Steps

Tax abatement programs do not require new direct investments, as they rely on foregone tax revenue from the general fund, but the implementing jurisdiction could use other funding sources, such as a CET, to replace the lost revenue. The foregone revenue is the inverse of the benefit to the developer. Generally, this loss is anticipated to be significantly less than losses from a full SDC exemption for a similar project. Because of the trade-off in revenue, the City should carefully consider which tax abatement programs to use, and what the desired outcomes are. In general, market-rate developers will use the program that maximizes benefits while requiring the fewest changes to their development plans. For instance, the Multi-Unit Housing exemption can encourage housing closer to market-rate levels (up to 120% of AMI) but this might discourage use of other Low-Income Housing programs unless the benefits are calibrated.

There is a cost to the implementing jurisdiction and other taxing jurisdictions to reduce property tax income. The implementing jurisdiction and partner jurisdictions must be willing to forego those revenues. Jurisdictions should consider the extent to which a new program, or enhancement of an existing program, can be supported based on funding needs. The administrative burden of these programs can be a constraint, particularly for smaller jurisdictions.

## Regional Buildable Lands Inventory (BLI)

#### **Description of Strategy**

Project participants have noted that developers and builders in Lincoln County have a difficult time identifying the location of developable properties in the County and recommend creating a regional inventory that could serve as a clearinghouse for information about the location of properties that present opportunities for future housing development.

Lincoln County already maintains a certain amount of information related to buildable lands through its tax assessor data and through the County's Geographic Information System (GIS) data. Creating a BLI would involve compiling and analyzing this and other information to assess and summarize development capacity, zoning, and physical/environmental constraints on a County-wide basis in partnership with cities in the County.

#### Assessment of Cost and Benefit

- Administrative Investment: Low-Moderate. The County and partner jurisdictions could pursue grant funding for this work, easing the administrative burden. This project also could be assigned to staff allocated to regional housing issues (see separate strategy).
- **Feasibility:** High. Aside from the costs of undergoing the study, there are few barriers to this strategy.
- Impact: Moderate. A detailed understanding of the amount, locations, and types of buildable lands within Lincoln County may provide guidance to developers, inform policy decisions, and assist the public in understanding regional housing issues.

#### **Current Use in Lincoln County**

The cities of Newport and Lincoln City have relatively recently updated their individual BLIs and could contribute this information to a regional BLI for Lincoln County. Other jurisdictions would need to work with the County to undertake similar actions. Conducting this work in a coordinated manner, with a consistent methodology for all of the remaining jurisdictions would be important to ensure consistency and confidence in the resulting inventory.

#### Recommendations and Implementation Steps

There are a variety of ways in which a regional BLI could be created, updated and maintained. Potential options include:

- These efforts could be undertaken by County staff, with support and input from the cities.
- Alternatively, a large city in Lincoln County could take the lead with support from the other jurisdictions.
- A third option would be for the County and cities to hire a private contractor or consultant to prepare and periodically update the BLI through some type of shared funding arrangement.

#### Implementation steps would include:

- Determine which jurisdiction would lead development of the BLI and/or update it on a regular basis.
- Obtain relevant data from all local jurisdictions, as well as other data sources (e.g., state and federal agencies).
- Agree on consistent definitions of buildable and constrained land, including how to define vacant and partially vacant land.
- Compile, analyze, summarize and map BLI data.

- Establish a system for providing the data to interested parties. Ideally, this would be done via an
  interactive online mapping application, supplemented by the ability to view or download more detailed
  information for specific sites.
- Establish and implement a system and timeline for regularly updating the information in the inventory.

## Staff Allocation to Regional housing

#### **Description of Strategy**

One potential use of funding would be for administration of a more formal central agency or Regional Housing Coordinator position for Lincoln County, to serve as a central point-of-contact for community partners and the public. As the County and its member cities consider a more holistic regional approach to housing challenges, this organizational structure would allow for more strategic planning of where and how to use resources, and direct potential development partners. As a long-term strategy to increase the City's administrative capacity for addressing affordable housing issues and providing more effective and efficient use of resources, the County could consider dedicating one or more full or part-time staff members to these efforts.

The dedicated staff member could oversee affordable housing programs, develop housing policy, and serve as a liaison to the County's member jurisdictions, housing partners including non-profits, other local, regional, and state partners. Having a dedicated staff person to oversee housing programs would provide more resources, a higher degree of continuity, and potentially more technical expertise towards the task of implementing the strategies identified in the Tigard Affordable Housing Plan.

Developing and implementing some of the strategies and programs described in this document will take a significant amount of staff time. Ultimately, the City will need to decide if the expense of dedicating additional staff resources to these activities is financially feasible and justified based on an assessment of the enhanced ability of a number of these strategies to leverage financial or partnering resources towards achieving affordable housing goals.

#### Assessment of Cost and Benefit

- Administrative Investment: Moderate. A dedicated staff person would likely be too great an
  administrative investment for many of Lincoln County's smaller jurisdictions, however pooling resources
  between jurisdictions would greatly ease that burden.
- **Feasibility:** High. This strategy would be relatively straightforward to implement once a staff person were in place.
- Impact: Moderate-High. A centralized Regional Housing Coordinator position could support a variety of projects and increase the visibility of housing issues and programs within Lincoln County.

#### **Recommendations and Implementation Steps**

Jurisdictions would need to determine and account for staffing needs associated with implementing housing strategies in annual budgeting and work planning activities. This would entail regularly estimating the amount of time needed to implement these strategies, prioritizing this work in relation to other duties (if the coordinator also has other staffing duties), and ensuring that adequate time and resources are available to meet these goals within their overall resource limits.

Programs such as RARE and Americorps may be good avenues to find staffing for a housing coordinator. Grant funding might be available to further support the position.

A resolution of support and an intergovernmental agreement addressing the pooling of resources for this position are recommended initial steps and may aid in obtaining grant funding.

### **Other Strategies**

In addition to the CDBG Housing Rehabilitation program, there are a variety of other partnering opportunities for Lincoln County and its member jurisdictions to address housing issues. Partnering opportunities that emerged from a meeting of the Lincoln County Affordable Housing Partners are introduced briefly below, and will be described in more detail as part of the final Housing Implementation Plan document.

- Continue to seek opportunities for Public Private Partnerships (PPP) to create new affordable housing.
- Provide support for Community Land Trusts (such as Proud Ground) as a program lead or funding partner.
- Partner in acquisition and preservation of existing affordable and workforce housing.
- Provide technical assistance to non-profit developers
- Work to develop a program for Systems Development Charge (SDC) waivers, modified infrastructure requirements, and other incentives for affordable housing development.
- Help with messaging and advertising of housing opportunities and other programs from affordable housing partners.
- Pool resources toward a dedicated staff person to provide technical assistance on housing and development throughout Lincoln County. This position could potentially be filled by an Americorps or RARE participant.

An inventory of housing related services and providers can be found in the *Task 4 Report* prepared for this project.



May 2, 2019

Oregon State
Department of Aviation

Dear Aviation Board Members,

On behalf of Oregon Coast Aquarium, I am writing to express support for the City of Newport's plan to provide regularly scheduled air service from Newport to Portland International Airport. We believe this service is critical to the diverse economy of Newport and the central Oregon coast.

Regularly scheduled air service to PDX will provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public.

We urge your positive consideration of grant funding for the City of Newport's endeavor to bring regularly scheduled air service to Portland International Airport back to the greater Newport area.

Very truly yours,

Carrie Lewis President / CEO

Oregon Coast Aquarium



#### **Board of Commissioners**



Courthouse, Room 110 225 W. Olive Street Newport, Oregon 97365 (541) 265-4100 FAX (541) 265-4176

May 3, 2019

Lance Vanderbeck Airport Director, City of Newport 169 SW Coast Hwy Newport, OR 97365

Dear Lance,

I am writing to express support for the City of Newport's plan to provide regularly scheduled air service from Newport to Portland International Airport. We believe this service is critical to the diverse economy of Newport and the central Oregon coast.

Regularly scheduled air service to PDX will provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public.

We urge your positive consideration of grant funding for the City of Newport's endeavor to bring regularly scheduled air service to Portland International Airport back to the greater Newport area.

Sincerely,

Doug Hunt Commissioner

## ECONOMIC DEVELOPMENT ALLIANCE OF LINCOLN COUNTY

Strengthening Lincoln County's economy. Attracting and supporting primary jobs.

Post Office Box 716 Newport, Oregon 97365

May 3, 2019

City of Newport

## RE: Support for Newport Airport, Commercial Air Service

Dear Grant Review Committee:

Economic Development Alliance of Lincoln County is a nonprofit organization that was created to diversify Lincoln County's economy and to raise incomes in our region. We recognize that the transportation system affects the primary drivers of the economy.

This letter is to express our support of air service at Newport Municipal Airport. This benefits our region's significant marine and tourism industries.

Regularly scheduled air service to PDX will provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public.

In speaking with the manager of Salishan Golf Resort, they agreed with and strongly supported the idea that air service would be of benefit to their customers. They are prepared to assist on ground transportation.

This project will make the needed infrastructure improvements to provide for the future and we strongly urge your support of this shovel-ready project.

Carolino Bauman

Sincerely,

Caroline Bauman Executive Director

# Port of Newport

600 S.E. BAY BOULEVARD NEWPORT, OREGON 97365 PHONE (541) 265-7758 FAX (541) 265-4235 www.portofnewport.com

May 1, 2019

State of Oregon Department of Aviation

Dear State of Oregon, Department of Aviation:

On behalf of the Port of Newport Board of Commissioners, I am writing to express support for the City of Newport's plan to provide regularly scheduled air service from Newport to Portland International Airport. We believe this service is critical to the growth of a diverse economy in Newport and the central Oregon coast.

Regularly scheduled air service to PDX will provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public.

We urge your positive consideration of the City of Newport's grant funding request to bring regularly scheduled air service to Portland International Airport back to the greater Newport area.

Very truly yours.

Stewart Lamerdin

President

Port of Newport Board of Commissioners



**ALAN BROWN TIRE CENTER** 

1155 S.W. Coast Hwy. Newport, OR 97365 (541) 265-6604

Oregon State
Department of Aviation

**Dear Aviation Board Members:** 

On behalf of Alan Brown Tire Center/Les Schwab, I am writing to express support for the City of Newport's plan to provide regularly scheduled air service from Newport to Portland International Airport. We believe this service is critical to the diverse economy of Newport and the central Oregon coast.

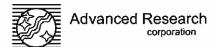
Regularly scheduled air service to PDX will provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public.

We urge your positive consideration of grant funding for the City of Newport's endeavor to bring regularly scheduled air service to Portland International Airport back to the greater Newport area.

Very truly yours,

Ken Brown

Alan Brown Tire Center/Les Schwab



PO Box 930, 4590 SE Harborton St, Suite 202 Newport, OR 97365 541-265-9690; fax/866-895-7842

May 2, 2019

Oregon State
Department of Aviation

Dear Aviation Board members,

Advanced Research Corporation is a small high-tech business operating in Newport, Oregon. We work under contract to the United States Department of Transportation, and much of our work involves travel to other parts of the US and overseas. When air service was offered in 2010 and 2011 between Newport and Portland, we flew it 17 times because of its convenience and affordability. We would welcome the return of air service in Newport for our business travel needs.

As President of Advanced Research Corporation and a member of the Yaquina Bay Economic Foundation, I fully support the City of Newport's plan to provide regularly scheduled air service from Newport to Portland International Airport. We believe this service is critical to the diverse economy of Newport and the central Oregon coast.

Regularly scheduled air service to PDX would provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, federal and state government agencies, corporate travelers, and the entire traveling public.

We urge your positive consideration of grant funding for the City of Newport's endeavor to bring regularly scheduled air service to Portland International Airport back to the greater Newport area. We will do all we can to help make it successful for our business and the many people whose needs would be met by this service.

Sincerely,

John W. Lavrakas

President

Advanced Research Corporation



#### Hatfield Marine Science Center

Director's Office
2030 S.E. Marine Science Drive, Newport, Oregon 97365-5296
T: 541-867-0211 | F: 541-867-0444 | E: robert.cowen@oregonstate.edu
www.hmsc.oregonstate.edu

May 2, 2019

Lance Vanderbeck City of Newport, Airport Director l.vanderbeck@newportoregon.gov

Dear Mr. Vanderbeck:

On behalf of Oregon State University Hatfield Marine Science Center, I am writing to express support for the City of Newport's plan to provide regularly scheduled air service from Newport to Portland International Airport. We believe this service is critical to the diverse economy of Newport and the central Oregon coast.

Regularly scheduled air service to PDX will provide a safe, reliable, efficient, and necessary travel option for residents and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public.

We urge your positive consideration of grant funding for the City of Newport's endeavor to bring regularly scheduled air service to Portland International Airport back to the greater Newport area.

Sincerely

Robert K. Cowen
Director & Professor

OSU Hatfield Marine Science Center





National Oceanic and Atmospheric Administration NOAA Office of Marine and Aviation Operations Marine Operations 2002 SE Marine Science Drive Newport, OR 97365

May 3, 2019

State of Oregon
Department of Aviation
Board of Directors

To whom it may concern,

On behalf of NOAA Marine Operations, I am writing to express support for the City of Newport's plan to provide regularly scheduled air service from Newport, Oregon to Portland International Airport. This service is critical to developing the diverse economy of Newport and the central Oregon coast.

Regularly scheduled air service from Newport to PDX will provide a safe, reliable, efficient, and necessary travel option for residents, and tourists alike. Because Newport is the county seat of Lincoln County, and a hub on the central coast, air service will be utilized by the greater Newport area, government agencies, corporate travelers, and the entire traveling public. NOAA Marine Operations routinely travels fleet personnel between Newport and our deployed ships. We would welcome an economically competitive and convenient means of air travel between Newport and Portland International Airport.

We urge your positive consideration of grant funding for the City of Newport's endeavor to bring regularly scheduled air service to Portland International Airport back to the greater Newport area.

Respectfully.

Digitally signed by ROBERTS.KEITH.W.1042165537 Date: 2019.05.03 08:37:42

-07'00'

Captain Keith W. Roberts, NOAA

**Deputy Director** 

NOAA Marine Operations

deputy.director.moc@noaa.gov

