

CITY OF NEWPORT
MINOR AMENDMENT FOURTEEN TO THE SOUTH BEACH
URBAN RENEWAL PLAN AND REPORT

Exhibit A, City of Newport Resolution No. 3943

January 18, 2022

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New projects were identified based on more recent planning and engineering plans. A new revenue forecast, revenue bond strategy and phased implementation program was prepared.

Amendment VI (Minor) Newport Urban Renewal Agency May 3, 2010

Revised the phasing and financing of the projects in Substantial Amendment 5 to improve ingress and egress to the new NOAA Pacific Marine Operations Center and adjacent existing attractions. The amendment also included revisions to the tax increment revenue forecast, as well as a new schedule of existing debt service obligation resulting from refinancing said debt.

Amendment VII (Minor) Newport Urban Renewal Agency Nov. 1, 2010

Amendment VII identified the acquisition of a natural coastal gully and foredune area adjacent to South Beach State Park as a specific Neighborhood Park/Open Space Site acquisition project. The property is roughly 2.5 acre in size and includes portions of Blocks 7, 8, 10, 11 and 15 of the Waggoner's Addition to South Beach subdivision.

Amendment VIII (Minor) Newport Urban Renewal Agency Oct. 17, 2011

Shifted \$200,000 in funding for tsunami evacuation route improvements from Phase 2 to Phase 1 and identifies Safe Haven Hill as a specific project. To avoid impacting revenue estimates for each Phase, \$200,000 of funds programmed for right-of-way acquisition was shifted from Phase 1 to Phase 2.

Amendment IX (Minor) Newport Urban Renewal Agency Sept. 17, 2012

Incorporated Coho/Brant Infrastructure Refinement Plan Tier 1 and Tier 2 priority projects into Phases 2 and 3. Updated descriptions and cost estimates for intersection improvements at US 101 and 32nd Street, US 101 and 35th Street, US 101 and 40th Street, and US 101 and 50th Street, along with shared use path/sidewalk improvements to Ferry Slip Road to align with adopted amendments to the Newport Transportation System Plan. Shifted a portion of planned sidewalk work for SW Abalone from Phase 3 to Phase 2.

Amendment X (Minor) Newport Urban Renewal Agency Sept. 4, 2013

Moved \$850,000 for the extension of SW Abalone Street from SW 29th to SW Anchor Way from Phase 3 to Phase 2 to fund access improvements for OMSI's new Coastal Discovery Center. Shifted \$390,000 from Phase 1 to Phase 2 as match to State funding for 35th Street – 101 to Ferry Slip Road commercial street and signal project, and added \$125,000 to Phase 2 for right-of-way acquisition. Eliminated funding for multi-use path along west side of SW Abalone between the Bridge and 29th Street because project has been funded with other resources. Moved \$1,000,000 programmed for the extension of sewer service to the airport from Phase 2 to Phase 3. Reduced the projected annual revenue growth rate from 7.1% to 3.0% for Phases 2 and 3 and updated corresponding revenue projections.

Amendment XI (Minor) Newport Urban Renewal Agency Nov. 17, 2014

Adjusted the budgets of Phase 2 projects to provide funding for the Agency to purchase a 2.33-acre parcel at the NE corner of US 101 and 35th Street (Portion of Lot 2, Block J, Harborton Subdivision). Phase 2 funding for strategic site acquisition for reuse; site preparation for reuse; and acquisition for economic development, community facilities, and affordable housing were consolidated under the heading of "strategic site acquisition for reuse" and the budget was increased from \$500,000 to \$1,540,000 for the purpose of purchasing the above referenced property. To offset this increase, \$100,000 in funding for a wetland mitigation bank, \$150,000 earmarked as match for street paving LIDs in the

Coho/Brant neighborhood, and \$110,000 in funding for the SW 26th Street Lift Station was eliminated. Funding for right-of-way acquisition was reduced from \$375,000 to \$265,000 and funds for park, open space, and trail acquisition were reduced from \$200,000 to \$50,000. In sum, the reductions listed, in conjunction with \$420,000 in unexpended funds from Phase 1 off-set the increase in funding for site acquisition.

Amendment XII (Minor) Newport Urban Renewal Agency Apr. 18, 2016

Reallocated \$405,000 in excess funds from the completed SW Abalone, SW Brant, SW 30th and SW 27th street projects, with \$25,000 going to the retrofit of the Safe Haven Hill tsunami assembly area and \$380,000 to the 35th and US 101 – Ferry Slip Road project.

Amendment XIII (Major) Newport Urban Renewal Agency Sept. 17, 2018

Extended the deadline for awarding projects from December 31, 2020 to December 31, 2025. Thresholds for what constitute a “substantial” or “minor” amendment from the Third Amendment were incorporated into this most current amendment for reference. Timelines for project phases were adjusted from three to six years to better reflect the length of time it either has, or will take to engage community stakeholders on refinements to “conceptual projects” contained in the Plan, secure needed funding, design, bid and construct projects.

In addition to the above, this amendment addressed the following:

- Documented the current level of funding for the US 101 SE 32nd Street – SE 35th Street Improvement project
- Reflected the final reconciliation of the Safe Haven, SW Abalone, SW 30th, SW Brant, SW 27th and SE Ferry Slip Road projects all of which are now complete
- Showed additional funding for line undergrounding along SE Ferry Slip Road and US 101
- Provided funding for a refinement plan to refine the list of final round projects and to identify future use of the Agency owned property at the NE corner of the future SE 35th and US 101 intersection
- Clarified Phase 3 project objectives and updates estimates
- Updated tax increment revenue and debt projections

II. URBAN RENEWAL REPORT MINOR AMENDMENT XIV

This minor amendment to the Plan incorporates recommendations from the South Beach / US 101 Refinement Plan (“Refinement Plan”), dated November 2021. Work on the Refinement Plan kicked off in February of 2021 and was informed by extensive public engagement that included 18 stakeholder interviews, a marine resource focus group session (4 participants), a community workshop (23 participants), and two online preference surveys that generated 466 participant responses. The Refinement Plan had three (3) principal objectives. The first was to identify a final round of urban renewal projects that (a) align with South Beach Urban Renewal Plan and Report priorities, (b) garner community support, and (c) can be implemented within the remaining life of the Plan. The second objective was to identify potential future uses of the Agency owned property at the NE corner of the new 35th and US 101 intersection that meet community goals and enhance the tax base. The last objective was to identify changes needed to City land use policies or regulations to ensure that they complement Plan priorities and project investments. Results from the first two objectives, a prioritized final round list of urban renewal projects and redevelopment concepts for the Agency owned 35th and US 101 property, are addressed with this minor amendment. Recommended land use policy and regulatory changes outlined in the Refinement Plan have been referred to the City of Newport Planning Commission for further consideration. Additionally, this minor amendment updates the financial elements of the document to include anticipated funding

and debt obligations for the remaining life of the Plan, and allocates funding for the final round of projects. Lastly, the amendment adds, as a Phase 2 project, a \$50,000 contribution the Agency agreed to provide to the Oregon Coast Aquarium to offset a portion of their costs to install new electric vehicle charging stations. Those funds are included in the 2021/22 fiscal year budget.

III. RELATIONSHIP BETWEEN PROJECTS TO BE UNDERTAKEN WITH THE AMENDMENT AND SOUTH BEACH URBAN RENEWAL PLAN OBJECTIVES

Physical and economic conditions described in the original Environmental Assessment and the Supplemental Report have improved over the life of the Plan. The Agency has helped to complete the area's multi-modal transportation network, fund the creation of a wastewater treatment plant, spur the development of the popular Oregon Coast Aquarium, and improved US 101 to ease congestion.

The South Beach Urban Renewal Plan and Report (1983) is nearing its expiration at the end of 2027 and the Agency acknowledges that the area still faces key transportation, redevelopment, and placemaking barriers, further summarized as follows:

- While US 101 runs through the area as the key transportation spine, South Beach's most charming attractions are hidden from view
- South Beach's many bike paths provide an alternative to car transport, but the network feels patchy in places
- South Beach lacks a strong sense of place and could use landscaping and public art installments more effectively
- Invasive species are a problem in South Beach, and current management is insufficient.
- Residents, visitors, and employees in the area point to a lack of retail services in the area, requiring them to cross the Yaquina Bay Bridge for any goods or services they might need
- Traffic congestion remains a concern, especially at 40th Street, which is poised to see growth as the Wilder residential area builds out
- At the district's southern end, lack of sewer infrastructure limits development opportunities on industrial and commercial properties near the Airport

The Refinement Plan identifies a set of impactful projects that the Agency could invest in with its remaining \$5.15 million to \$8.97 million of funding. As outlined below, each project is consistent with one or more of the following South Beach Urban Renewal Plan and Report objectives:

- Preserve forest, water, wildlife, and other natural resources
- Identify sites for public use such as the OSU Marine Science Center
- Complete a Port-facilitated marine recreation area
- Encourage marine oriented activities on the northern Shorelands
- Assure the development of complementary uses adjacent to the Airport
- Plan new sewer, water, and transportation capacity
- Allocate a major part of South Beach to heavy commercial and light industrial uses

Further, each project aligns with one or more of the following Agency investment priorities:

- Promote a sense of place for residents and visitors that reflects the South Beach identity
- Improve connectivity for bicyclists and pedestrians to South Beach destinations
- Attract new development that can meet the service and retail needs of South Beach residents
- Invest in overcoming market and development barriers on underutilized or vacant sites.

- Reduce sewer, water, and transportation infrastructure barriers to enable job creation on industrial lands near the Airport
- Invest in improvements that promote long-term community resiliency to address tsunami, flooding, and earthquake hazards

Considering the above, projects for the final round of Agency investments address South Beach Urban Renewal Plan and Report objectives as follows:

Project	URA Objectives							Nexus to URA Objectives?
	Preserve natural resources	Identify sites for public uses	Complete marine recreation area	Encouraging marine oriented activities	Assure the development of complementary uses adjacent to the Airport	Plan new sewer, water, and transportation capacity	Allocate to heavy commercial and light industrial uses	
Establish southern gateway and redevelop SE 35 th site to meet community needs		✓					✓	Yes
Provide predevelopment assistance to overcome barriers on U.S. 101 opportunity sites							✓	Yes
Provide sewer infrastructure to industrial sites near Newport Municipal Airport					✓	✓		Yes
Improve fire suppression capability at Airport industrial sites					✓	✓		Yes
Install redundant Yaquina Bay water pipeline						✓		Yes
Enhance South Beach placemaking through improvements to landscaping, public art, and gateways		✓				✓		Yes
Enhance mobility for cyclists and Pedestrians through South Beach Loop Path improvements		✓				✓		Yes
Install a traffic signal and enhanced pedestrian facilities at SE 40th Avenue and U.S. 101						✓		Yes
Provide transportation access to east airport properties					✓	✓		Yes
Install a traffic signal at SE 50th and US 101					✓	✓		Yes

The table below outlines how the projects address Agency's investment priorities:

Project	2021 Investment Priorities						Meets Investment Priorities?
	Promote a sense of place	Improve connectivity	Attract new commercial development	Overcome market & development barriers	Reduce infrastructure barriers	Invest in resiliency	
Establish southern gateway and redevelop SE 35 th site to meet community needs	✓	✓	✓	✓		✓	Yes
Provide predevelopment assistance to overcome barriers on U.S. 101 opportunity sites			✓	✓	✓		Yes
Provide sewer infrastructure to industrial sites near Newport Municipal Airport					✓	✓	Yes
Improve fire suppression capability at Airport industrial sites					✓		Yes
Install redundant Yaquina Bay water pipeline					✓	✓	Yes
Enhance South Beach placemaking through improvements to landscaping, public art, and gateways	✓		✓				Yes
Enhance mobility for cyclists and Pedestrians through South Beach Loop Path improvements	✓	✓				✓	Yes
Install a traffic signal and enhanced pedestrian facilities at SE 40th Avenue and U.S. 101		✓	✓		✓		Yes

A. PROJECT PHASES

The projects identified in this section were organized into three phases consistent with Substantial Amendments 5 and 13. Minor Amendments 6, 7, 8, 9, 10, 11, and 12 refined the listed projects and adjusted the timing of the work. Substantial Amendment XIV identifies projects in the first phase that have been completed or were not funded. Phase 2 projects are listed in a similar manner; however, there are a couple of projects that are committed but are not yet complete. The third and final phase of projects has been reworked to align with the Refinement Plan recommendations. Previously listed projects that are not addressed in the Refinement Plan recommendations are shown as not funded.

The South Beach Urban Renewal Plan and Report has a maximum indebtedness of \$38,750,000. Of that amount, \$28,886,000 has been utilized for projects to date, leaving \$9,864,000 for the final phase of projects.

B. PROJECTS AND COST ESTIMATES

1. Phase 1 – 2009/15 (All Funded Projects Completed)

PUBLIC RIGHTS OF WAY	Cost Estimate	UR Portion
<u>Streets</u>		
Ash Street Design and Construct	\$425,000	\$355,000
Coho/Brant Area Plan and Design	\$70,000	\$60,000
Coho/Brant Area Construct	---	Not funded (Shifted to Phase 2)
Marine Science Drive (Including widening, multi-use path, roundabout and lighting)	\$2,304,000	\$1,138,000
Realign Rouge Access and 25th	\$448,000	\$448,000
Pacific Way Improvements	\$251,000	\$251,000
<u>Sidewalks</u>		
Marine Science Drive (Abalone to Ferry Slip)	\$67,500	\$67,500
<u>Acquisition</u>		
TSP Project Right-of-Way		
Realign, Expand and Extend SW Abalone Street right-of-way	\$315,000	\$286,000
<u>UTILITIES</u>		
Water Line US 101 - 40th to 50th	\$320,000	\$320,000
Sanitary Sewer US 101 – 40th to 50th	\$600,000	\$477,000
<u>PUBLIC AMENITIES</u>		
Neighborhood Park/Open Space Acquisition; 2.5-acre coastal gully and foredune site adjacent to South Beach State Park	\$225,000	\$225,000
<u>SPECIAL PROJECT IDEAS</u>		
Wetland Planning/Mitigation Bank	---	Not funded
Trails – Easement Acquisition	---	Not funded
South Jetty Trail	\$317,000	\$317,000
Tsunami Evacuation Route Improvements to Safe Haven Hill	\$1,594,000	\$272,500
Total:		\$3,802,000
<u>Funding Source</u>		
Existing “cash on hand” when Phasing Plan Started:		-\$2,177,128
Proceeds from the Phase 2 borrow:		-\$2,100,000
Excess increment transferred to Phase 2:		\$475,128

2. Phase 2 – 2014/20 (All Funded Projects Completed or Committed)

PUBLIC RIGHTS OF WAY	Cost Estimate	UR Portion
<u>Streets</u>		
35th Street – 101 to Ferry Slip Road:	\$5,057,114	\$2,495,097
Commercial Street Prototype, relocate 32nd St Signal to SE 35th, Construct 35 th Street from Abalone to Ferry Slip Rd. with multi-use path (Coho/Brant Projects #10 and #11)		
SW Abalone St – SW 29th to Anchor Way (Coho/Brant Project #8 (Moved from Phase 3))	\$2,929,021	\$2,037,699
SW 27th – SW Brant to SW Abalone (Coho/Brant Project #2A)		
SW 30th – SW Brant to SW Abalone (Coho/Brant Project #5)		
SW Brant – SW 27th to SW 30th (Coho Brant Project #7)		
SW Abalone & SW 35th St. Stormwater Improvements (Coho/Brant Project #18)		
SW 26th St. and SW Brant St. Stormwater Improvements (Coho/Brant Project #17)		
SE Ferry Slip Rd – 32nd to Ash w/ shared use path from Ash to Marine Science Dr Anchor Way 35th to 40th	\$1,354,873 ---	\$1,354,873 Not funded
<u>Acquisition/Development</u>		
TSP Projects - right of way:		
Re-align SE 50 th Street right-of-way and acquire SE 62 nd Street right-of-way, obtain storm drainage easement in the vicinity of SE 40 th and US 101	\$200,000	\$200,000
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements		Not funded (shifted to Phase 3)
<u>UTILITIES</u>		
<u>Sewer</u>		
SW 26th Street Sanitary Lift Station Upgrade (Coho/Brant Project #16)	---	Not funded
<u>Utility Lines</u>		
Ferry Slip Road and US 101 Line Undergrounding	\$1,600,000	\$1,000,000
<u>PUBLIC AMENITIES</u>		
Neighborhood Park Development		Not funded
Neighborhood Park/Open Space/Trail Acquisition:	\$200,000	\$50,000
Funding for contribution toward SE Chestnut Street trail project		
<u>ACQUISITION/DEVELOPMENT/SITE PREP FOR REUSE</u>		
Strategic Site Acquisition for Re-Use:	\$1,540,000	\$1,540,000
Purchase of parcel at NE Corner of US 101 and 35 th Street Portion of Lot 2, Block J, Harborton		
Site Prep for Reuse: Demolition Reserve for Parcel at NE Corner of US 101 and SE 35 th Street	\$250,000	\$141,000
Refinement Plan for the South Beach US 101 Commercial – Industrial Corridor	\$100,000	\$100,000
Strategic Site Acquisition for Economic Development, Community Facilities, and Affordable Housing		Not funded
<u>SPECIAL PROJECT IDEAS</u>		
Wetland Mitigation Bank		Not funded
Electric Vehicle Charging Stations		\$50,000
Total:		\$8,918,669
Source of funding:		
Unexpended Phase 1 funds shifted to Phase 2 with Minor Amendment XI:		-\$475,128
Proceeds from lease of Agency property:		-\$141,000
Proceeds from the Phase 2 borrow:		-\$5,400,000
Pay as you go increment:		-\$2,952,541

3. Phase 3 – 2019/2025

PUBLIC RIGHTS OF WAY	Escalated Cost Estimate (2021)	UR Portion
<u>Streets</u>		
40 th / US 101 Signal and Enhanced Pedestrian Facilities (Moved from Phase 2)	\$1,500,000	\$1,500,000
50 th and US 101 Intersection Improvements	-----	Not funded
<u>Sidewalks/Paths</u>		
Abalone Street Multi-Use Path Extension (Coho/Brant Project #12B)	-----	Not funded (Shifted to Phase 2)
Enhance mobility for Cyclists and Pedestrians through South Beach Loop path Improvements (Project G, South Beach / US 101 Refinement Plan)	\$1,420,000	\$1,420,000
<u>Acquisition/Development</u>		
Match for LIDs formed to implement Tier 2 and Tier 3 Coho/Brant improvements (Moved from Phase 2)	-----	Not funded
 UTILITIES		
<u>Water</u>		
Install Redundant Yaquina Bay Under-Crossing Pipeline	\$3,000,000	\$750,000
Improve Fire Suppression Capability at Airport Industrial Sites	\$500,000	\$500,000
<u>Sewer</u>		
Enhance Wastewater Service to the Airport	\$2,000,000	\$2,000,000
Henderson Creek Piping	-----	Not funded
Henderson Creek Lift Station	-----	Not funded
<u>Storm</u>		
170-feet of 36-inch storm drain crossing US 101 in the vicinity of Southshore	-----	Not funded
<u>Utility Lines</u>		
Bury existing/new underground utility lines	-----	Not funded
 PUBLIC AMENITIES		
Neighborhood Park (Under Bridge Space – Coho Brant Plan)	-----	Not funded
Enhance Placemaking with Improvements to Landscaping, Public Art, and Gateways (Project F, South Beach / US 101 Refinement Plan)	\$1,000,000	\$1,000,000
 COMMUNITY IMPROVEMENT PROGRAMS		
Fund Storefront Façade Loan/Grant Program	-----	Not funded
 ACQUISITION/DEVELOPMENT/SITE PREP FOR REUSE		
Redevelop 35 th Street Site to Meet Community Needs (Includes Potential Strategic Investment in Neighboring Parcels to Promote Redevelopment Concepts per Project A, South Beach / US 101 Refinement Plan)	\$1,300,000	1,300,000
 SPECIAL PROJECT IDEAS		
Coastal Gully Open Space Improvements (Coho/Brant Project #19)	-----	Not funded
Tsunami Evacuation Route Improvements	-----	Not funded
Wetland Mitigation Bank	-----	Not funded
Incentivize Annexation of Unincorporated Properties w/ Focus on US 101 Industrial Sites (Project B, South Beach / US 101 Refinement Plan)	\$500,000	\$500,000
Total:		\$8,970,000
Source of Funding		
Accumulated Proceeds from Lease of Agency property:		-\$250,000
Short-Term Loan Against Last Two Years of Increment:		-\$3,620,000
Pay as you go increment:		-\$5,100,000

C. ESTIMATED COMPLETION DATE

Projects are expected to be awarded no later than December 31, 2025 and completed in a timely manner. The projects are divided in to three, six-year phases. The agency may adjust the design and construction of specific projects depending on the needs of the community and the urban renewal district as a whole.

Phase 1	2009-2015
Phase 2	2014-2020
Phase 3	2019-2025

The three phases will enable the agency to plan and implement the financial plan in Section V. Phase 3 projects will be implemented with a combination of rents from Agency property, “pay as you go” increment, and a short-term loan to leverage FYE 2026 and 2027 tax increment. All debt is to be retired by FYE 2027.

V. FINANCIAL ANALYSIS OF THE AMENDMENT

A. ANTICIPATED TAX INCREMENT FUNDS

As stated in Oregon Revised Statutes Chapter 457 (ORS 457), tax increment funds are anticipated from growth in assessed value within the Area over the course of the Plan. Growth in assessed value is projected to occur through appreciation in property values (“appreciation percentage”), limited to no more than three percent annually, and through changes in property that add value that are “excepted” from the three percent limit. Such “exception value” results from factors such as subdivision or rezoning of land and from construction of improvements.

Table V-1 shows actual and projected growth in tax increment funds (i.e. expected tax increment revenue) for the balance of the life of the South Beach Urban Renewal Plan and Report. Projections utilize a conservative 2.0% annual growth rate to account for residential and commercial development that is likely to occur.

**Table V-1:
Urban Renewal Area Tax Increment Revenue Estimates**

Year	SB-URD Annual Revenue (2.0%)	SB-URD Cumulative Revenue
2019-20	\$2,258,106	\$2,258,106
2020-21	\$2,303,268	\$4,561,374
2021-22	\$2,349,333	\$6,910,708
2022-23	\$2,396,320	\$9,307,028
2023-24	\$2,444,247	\$11,751,274
2024-25	\$2,493,131	\$14,244,406
2025-26	\$2,542,994	\$16,787,400
2026-27	\$2,593,854	\$19,381,254

Source: City of Newport

B. ESTIMATED AMOUNT OF MONEY REQUIRED UNDER ORS 457

The total expected tax increment revenue that is not committed to previous incurred debt, through 2027, is \$11,605,293. This revenue will be used to finance Phase 3 projects in this Plan Amendment. Table V-2 below shows the expected increment revenue and debt service schedule.

**Table V-2:
Projected Revenues, Debt Service and Other Expenditures**

FYE	(A) URA Incremental Revenue 2.0%	(B) Total Existing Debt Service	(C) 2015 Issue Debt Service (Phase 2)	(D) Pledged Coverage	(E) Total Debt Service	(F) Remaining Uncommitted Revenue (Annual)	(G) Remaining Uncommitted Revenue (Aggregate)
2020	\$2,258,106	\$763,550	\$753,321	1.49	\$1,516,871	\$741,235	\$741,235
2021	\$2,303,268	\$545,075	\$972,140	1.52	\$1,517,215	\$786,053	\$1,527,288
2022	\$2,349,333	\$609,675	\$744,966	1.73	\$1,354,641	\$994,692	\$2,521,980
2023	\$2,396,320	\$569,250	\$784,522	1.77	\$1,353,772	\$1,042,548	\$3,564,528
2024	\$2,444,247		\$1,016,820	2.40	\$1,016,820	\$1,427,427	\$4,991,955
2025	\$2,493,131		\$1,016,641	2.45	\$1,016,641	\$1,476,490	\$6,468,445
2026	\$2,542,994					\$2,542,994	\$9,011,439
2027	\$2,593,854					\$2,593,854	\$11,605,293

Individual columns of financial projections in Table V-2 are labeled and described as follows:

- (A) Annual tax increment estimated to be collected by South Beach URA. For FYE 2020 the figure represents the 100% increment reported by the Lincoln County Assessor. Actual collections for any given year will fall short of that figure due to delinquencies. Subsequent increments are increased at a conservative rate of 2.0% per year.
- (B) Includes the 2007 Series, 2008 Series, and 2010B Series bonds. The 2010B bond was dedicated to projects listed in Phase 1 of this Plan.
- (C) Annual debt service to fund projects identified in Phase II of this Plan, with initial payment in FYE 2016.
- (D) Projected pledged coverage ratio for each fiscal year assuming remaining uncommitted revenue is retained.
- (E) Total debt service obligation for the South Beach URA.
- (F) Annual tax increment remaining after debt service obligations and reserve are met.
- (G) Aggregate amount of uncommitted revenue after debt service and reserve are met. A portion of this revenue may be used as “pay as you go” funds for projects provided the 125% pledged coverage ratio is met.

Based on projections in Table V-2, revenues are expected to be sufficient to retire incurred debt by FYE 2027. Column (G) of Table V-2 shows that there is adequate uncommitted tax increment revenue to address currently unforeseen issues. This chart does not include the \$1.525 million-dollar commercial property the Agency acquired in Phase 2, and sale of that property would provide additional funds to retire debt. The collection of delinquent taxes and interest earned on unexpended fund balances are additional revenues that are not reflected in the chart, and these funds similarly could be used to retire debt.

C. ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table V-2 shows the schedule for payment of existing debt. All debts are scheduled to be retired by FYE 2027.

D. PROJECTED REVENUES AND EXPENDITURES

Table V-2 shows the annual anticipated revenues and expenditures for the Plan Amendment. The revenues result from tax increment revenue that is not already committed to financing existing debt. The total debt service for existing debt is \$7,775,960. Expenditures are based on 2021 estimates to implement the projects described in Phase 3 of Section IV of this Plan Amendment. The total project costs and the Plan's share of those costs are also shown in Section IV. Given the limited amount of time remaining before the South Beach Urban Renewal Plan and Report closes to new projects in 2025, most Phase 3 projects are assumed to be fully funded by the Agency.

E. STATEMENT OF FISCAL IMPACT ON OTHER JURISDICTIONS UNDER ORS 457.420-457.440

The use of tax increment financing creates a fiscal impact on the taxing districts (e.g. the City, the County, the Community College) that levy taxes within the Area. This impact consists of those districts foregoing the taxes that would have been levied on the increase in assessed value within the Area while tax increment financing is in effect.

In order to project these impacts, it is necessary to estimate the growth in assessed value that would have occurred without the Plan. The Plan's projects are anticipated to create assessed value growth that would not occur but for the Plan. Therefore; the taxes that are foregone are those resulting from projected development without the public improvements developed under the Plan. It should be noted that revenue estimates in Tables V-1 and V-2 are lower than projections in Table V-3 due to realized property tax collection loss at approximately 6%.

Table V-3 shows the revenues foregone by the affected taxing districts, through 2027. The revenues foregone by the taxing districts equal their permanent tax rates times the projected incremental assessed value, plus the tax rates associated with general obligation bonds approved by voters before October 2001 times the bonding district's incremental assessed value. Note that the property tax revenues foregone by the Lincoln County School District do not result in revenue losses to the School District because of the system of state funding of K-12 education. The impacts are shown to illustrate what they would be if the school funding system is materially changed and property tax revenues become directly relevant. With Minor Amendment X, Table V-3 was amended to reflect a more conservative 3.0% annual increase in increment revenue. The table has not been updated with this plan amendment, considering that this minor amendment is not changing the closure date of the district.

The tax increment revenues terminate after 2027, and the additional revenues that are available to these taxing districts are projected to repay the districts for revenues foregone during the Plan.

**Table V-3:
Projected Property Tax Revenues Foregone**

Fiscal Year	Taxing Districts																Total Tax Revenue
	City of Newport			Lincoln County School		Lincoln County		Newport RFPD	Pacific Community Hospital	Lincoln Cnty Library	Oregon Coast Community College	Lincoln Cnty Transportation	Lincoln Cnty Extension	Linn-Benton-Lincoln ESD	Port of Newport	Water - Seal Rock	
	Permanent Rate	GO Bond	GO Bond	Permanent Rate	GO Bond	Permanent Rate	GO Bond	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	Permanent Rate	
	5.5938	0.4348	0.9240	4.9092	0.7894	2.8202	0.0377	0.9108	0.3625	0.2465	0.1757	0.0974	0.0451	0.3049	0.0609	0.0126	
2009-10	\$557,970	\$43,318	\$92,163	\$548,701	\$88,241	\$315,173	\$4,278	\$10,874	\$40,466	\$3,031	\$19,609	\$10,874	\$4,991	\$34,049	\$6,774	\$2,139	\$1,782,653
2010-11	\$579,776	\$45,096	\$95,736	\$570,165	\$91,670	\$327,498	\$0	\$11,459	\$42,139	\$3,142	\$20,330	\$11,274	\$5,175	\$35,485	\$7,023	\$2,218	\$1,848,185
2011-12	\$567,454	\$44,137	\$93,701	\$558,048	\$89,722	\$320,538	\$0	\$11,215	\$41,243	\$3,075	\$19,898	\$11,034	\$5,065	\$34,731	\$6,874	\$2,171	\$1,808,906
2012-13	\$640,651	\$0	\$105,735	\$629,491	\$0	\$361,655	\$0	\$13,619	\$46,531	\$3,594	\$22,509	\$12,484	\$5,864	\$39,154	\$7,755	\$2,459	\$1,891,500
2013-14	\$659,871	\$0	\$108,907	\$648,376	\$0	\$372,504	\$0	\$14,027	\$47,927	\$3,702	\$23,184	\$12,858	\$6,040	\$40,329	\$7,988	\$2,533	\$1,948,245
2014-15	\$679,667	\$0	\$112,174	\$667,827	\$0	\$383,680	\$0	\$14,448	\$49,365	\$3,813	\$23,880	\$13,244	\$6,221	\$41,539	\$8,227	\$2,609	\$2,006,692
2015-16	\$700,057	\$0	\$115,539	\$687,862	\$0	\$395,190	\$0	\$14,882	\$50,846	\$3,927	\$24,596	\$13,641	\$6,407	\$42,785	\$8,474	\$2,687	\$2,066,893
2016-17	\$721,058	\$0	\$119,006	\$708,498	\$0	\$407,046	\$0	\$15,328	\$52,371	\$4,045	\$25,334	\$14,051	\$6,600	\$44,068	\$8,728	\$2,768	\$2,128,900
2017-18	\$742,690	\$0	\$122,576	\$729,753	\$0	\$419,257	\$0	\$15,788	\$53,942	\$4,166	\$26,094	\$14,472	\$6,798	\$45,390	\$8,990	\$2,851	\$2,192,767
2018-19	\$764,971	\$0	\$126,253	\$751,645	\$0	\$431,835	\$0	\$16,262	\$55,560	\$4,291	\$26,877	\$14,906	\$7,002	\$46,752	\$9,260	\$2,936	\$2,258,550
2019-20	\$834,446	\$0	\$0	\$819,093	\$0	\$470,612	\$0	\$18,843	\$60,484	\$5,118	\$29,311	\$16,284	\$7,444	\$50,946	\$10,236	\$3,489	\$2,326,307
2020-21	\$859,480	\$0	\$0	\$843,665	\$0	\$484,730	\$0	\$19,408	\$62,298	\$5,271	\$30,191	\$16,773	\$7,668	\$52,475	\$10,543	\$3,594	\$2,396,096
2021-22	\$885,264	\$0	\$0	\$868,975	\$0	\$499,272	\$0	\$19,991	\$64,167	\$5,430	\$31,097	\$17,276	\$7,898	\$54,049	\$10,859	\$3,702	\$2,467,979
2022-23	\$911,822	\$0	\$0	\$895,045	\$0	\$514,250	\$0	\$20,590	\$66,092	\$5,592	\$32,029	\$17,794	\$8,134	\$55,670	\$11,185	\$3,813	\$2,542,018
2023-24	\$939,177	\$0	\$0	\$921,896	\$0	\$529,678	\$0	\$21,208	\$68,075	\$5,760	\$32,990	\$18,328	\$8,378	\$57,340	\$11,520	\$3,927	\$2,618,279
2024-25	\$967,352	\$0	\$0	\$949,553	\$0	\$545,568	\$0	\$21,844	\$70,118	\$5,933	\$33,980	\$18,878	\$8,630	\$59,061	\$11,866	\$4,045	\$2,696,827
2025-26	\$996,372	\$0	\$0	\$978,039	\$0	\$561,935	\$0	\$22,500	\$72,221	\$6,111	\$34,999	\$19,444	\$8,889	\$60,832	\$12,222	\$4,167	\$2,777,732
2026-27	\$1,026,264	\$0	\$0	\$1,007,381	\$0	\$578,793	\$0	\$23,175	\$74,388	\$6,294	\$36,049	\$20,027	\$9,155	\$62,657	\$12,589	\$4,292	\$2,861,064

F. IMPACTS ON TAXPAYERS

This amendment will not change the South Beach Urban Renewal Plan and Report's impact on taxpayers. General obligation bonds approved by voters before October 2001 are subject to the division of tax. There were five such general obligation bonds in the South Beach Urban Renewal area. They were scheduled to retire by 2019, prior to the previously scheduled sunset of the South Beach Urban Renewal Plan and Report. To the extent that any of the bonds still exist, they will continue to be subject to the division of tax, regardless of how Agency's elects to use tax increment funds for the remaining life of the Plan.

Any general obligation bonds approved after October 2001 are not subject to the division of tax.

VI. FUTURE AMENDMENTS TO THE PLAN

A. THIRD AMENDMENT TO THE SOUTH BEACH URBAN RENEWAL PLAN, ADOPTED SEPTEMBER 11, 1991 (CITY RESOLUTION NO. 91-4)

Amendment 3 to the South Beach Urban Renewal Plan sets out criteria for future amendments to the Plan. It replaced the provisions contained in Section VIII of the original South Beach Urban Renewal Plan, adopted September 12, 1983 (City Ordinance No. 1341, County Resolution No. 83-26-9)

All amendments or changes to the Plan are to be made in writing and approved by the Agency, the City Council, or both. The amendments or changes may be substantial amendments or minor amendments as hereinafter defined.

Substantial amendments to the Plan shall be approved by the City Council by non-emergency ordinance pursuant to ORS 457.095 and 457.220 after public notice and hearing. Minor amendments to the Plan shall be approved by the Agency and by the City Council by resolution, except as hereinafter provided.

The terms “substantial amendment” is the equivalent of “major amendment,” as used with respect to certain previous amendments. The following amendments or changes to the Plan shall be considered substantial amendments:

1. Adding land to the Urban Renewal area (except such minor additions of land as may be authorized by statute as not constituting a substantial amendment).
2. Extending the date after which no bonded indebtedness shall be issued with respect to the Plan or any project undertaken or to be undertaken under the Plan.
3. Increasing the maximum amount of bonded indebtedness, excluding bonded indebtedness used to refinance or refund existing bonded indebtedness, issued or to be issued under the Plan, to the extent that the Plan may specify a limitation upon the maximum amount of such bonded indebtedness.
4. Adding a new project, activity or program which:
 - a. Serves or performs a substantially different function from any project, activity or program specified in this Plan; and
 - b. Is estimated to cost (excluding administrative costs) in excess of \$500,000.00 adjusted annually from July 1, 1991 at a rate equal to the construction cost index applicable to the Urban Renewal Area.

5. Making other changes in the Plan which alter the major assumptions, purposes and objectives underlying the Plan.

All amendments or changes to the Plan which are not substantial amendments, as specified above, shall be considered minor amendments. The implementation of the plan by specification of work and projects to carry out a project conceptually approved within the Plan shall constitute a minor amendment, if any amendment be required at all for such purpose. Minor amendments shall also include, but not be limited to, identification of property for acquisition pursuant to projects, and activities or programs specified in this Plan for public use or for private redevelopment.

From time to time, during the implementation of this Plan, the City Council may officially approve amendments or modifications to the City's Comprehensive Plan and implementing ordinances. Furthermore, the City Council may from time to time amend or approve new codes, regulations or ordinances which affect the implementation of this Plan. When such amendments, modifications or approvals have been officially enacted by the City Council, such amendments, modifications or approvals, to the extent they may affect the provisions of this Plan, shall be deemed minor amendments to the Plan and shall, by reference, become a part of this Plan, without the necessity for action on the part of the Agency.

NOAA MARINE OPERATIONS CENTER TAX REVENUE IMPACTS

(PREPARED WITH AMENDMENT SIX TO THE SOUTH BEACH URBAN RENEWAL PLAN)

NOAA MARINE OPERATIONS CENTER TAX REVENUE IMPACTS

The National Oceanic and Atmospheric Administration (NOAA) recently reconfirmed its decision to award the Port of Newport, Oregon its long-term lease decision for its Pacific Marine Operations Center (MOC). In response to this decision, the potential property tax revenue implications of this decision to Newport's South Beach Urban Renewal Area were evaluated.

METHODOLOGY & LIMITATIONS

This analysis quantifies the tax revenue impacts for specific jurisdictions resulting from economic activity generated by NOAA's decision to relocate its Pacific MOC to Newport. At this time, little information is available regarding anticipated spending by the facility for on-going operations, repairs, etc. As such, we relied on secondary sources where possible, using our best estimate of historical operations activity in the Seattle area, the former home of the Pacific MOC.

Finally, in light of present uncertainty, where specific measures were not available, we established defensibly conservative estimates designed to err on a lower level estimate.

FINDINGS

ESTIMATING PRIVATE MOC SPENDING LOCALLY

It was assumed that NOAA's Pacific MOC will spend roughly \$80 million annually on various operations, repair/maintenance activity, and various federal contracts related to these activities annually. This assumption was based on a July 2009 editorial in the Seattle Times co-authored by representatives from the Port of Seattle, Seattle City Council, the University of Washington, and a major NOAA MOC contractor in Seattle.¹ The editorial declared annual direct and indirect economic activity related to NOAA's MOC at roughly \$180 million annually. This figure was evaluated in light of other available information about other NOAA investments in the Seattle area to arrive at a more conservative estimate of \$80 million in direct activity, specifically in Newport.

TABLE 1: BASELINE CONTRACT SPENDING LOCALLY

BASELINE MOC SPENDING ASSUMPTIONS	
Total Estimated Direct Spending 1/:	\$80,000,000
Private Share 2/:	33%
Spending to Private Firms:	\$26,400,000
Newport's Capture of Private Spending 2/:	50%
Spending to Private Firms in Newport:	\$13,200,000

1/ Based on editorial in the Seattle Times, July 2009. Contributors included Jean Godden, Seattle City Council; Bill Bryant, Port of Seattle Commissioner, Steve Welch, CEO of Pacific Shipyards; and Mark Emmert, President of the University of Washington.

2/ Conservative assumptions made by Johnson Reid, LLC

¹ "NOAA Should Keep its Marine Operations on Lake Union." The Seattle Times July 30, 2009. Editorial Contributors included Jean Godden, Seattle City Council; Bill Bryant, Port of Seattle Commissioner, Steve Welch, CEO of Pacific Shipyards; and Mark Emmert, President of the University of Washington.

To estimate the *private development* impacts of this spending, we assumed that one-third of spending activity took the form of private contracts. This assumption is considered conservative based on our professional opinion.

Finally, we assumed that the Newport economy could capture half of the private contract spending of the Pacific MOC. This assumes that the remaining half of the activity would leak to other communities such as Portland, Astoria, or remain in Seattle. This process results in an approximation of \$13.2 million in annual contract spending estimated to be captured in the Newport economy.

TRANSLATING CONTRACT SPENDING INTO JOBS

Estimates of direct and secondary (indirect/induced) job impacts were developed by utilizing impact multipliers from IMPLAN² (IMpacts for PLANing) economic impact analysis model. Developed by the Forest Service to assist in land and resource management planning, IMPLAN is an economic impact model designed for analyzing the effects of industry activity upon all other industries in an economic area.

Utilizing this methodology, we estimate a total of 100 private, permanent jobs resulting from NOAA spending in Newport, at least 63 of which would be direct employment due to federal contract awards for the local private sector.

² Minnesota IMPLAN Group (MIG), Inc., Stillwater, Minnesota

TABLE 2: JOB IMPACTS OF CONTRACT SPENDING

Contract Spending, Jobs, and Multipliers		
Direct Private Contract Spending 1/:	\$13,200,000	Multiplier
Direct Jobs 2/:	63.4	4.8 jobs/\$1 million
<u>Indirect & Induced 2/:</u>	<u>37.0</u>	2.8 jobs/\$1 million
Contract. Jobs:	100.3	
Jobs By Industry Type		
<u>Direct:</u>		Jobs
NOAA Contractors (Ship repair, research, etc.)		63.4
<u>Indirect/Induced 2/:</u>		
Food services and drinking places:		4.0
Real estate establishments:		2.6
Wholesale trade businesses:		2.6
Employment services:		1.3
Accounting, tax preparation, bookkeeping, and payroll services		1.3
Offices of physicians, dentists, and other health practitioners:		1.3
Private hospitals:		1.3
Civic, social, professional, and similar organizations:		1.3
Retail Stores - Food and beverage:		1.3
Other Retail/Commercial Services:		19.8

1/ From Table 1

2/ Jobs Multipliers generated by IMPLAN.

Calculating the Share of Jobs Captured by South Beach

The industries identified in Table 2 into general land use types are based on the typical space utilization of each industry. This translates into roughly 66 industrial jobs, 25 commercial jobs, and 9 office jobs. Secondly, we apply a 20% capture factor for the South Beach district which translates into an estimate of approximately 20 jobs supported in the district.

TABLE 3: SOUTH BEACH CAPTURE OF JOB IMPACTS BY LAND USE TYPE

Space Type	Total Newport Jobs Impacts 1/	South Beach Jobs Impacts 2/
Industrial	66.0	13.2
Commercial	25.1	5.0
<u>Office</u>	<u>9.2</u>	<u>1.8</u>
TOTAL:	100.3	20.1

1/ From Table 2

2/ Assumes a conservative 20% capture rate for South Beach, Johnson Reid, LLC

CONVERSION OF JOBS TO DEVELOPED SPACE

We then multiplied the number of estimated jobs captured in the South Beach District by a typical square footage per job by land use type. These assumptions are based on the U.S. Department of Energy's Commercial Building Energy Consumption Survey. This process yields an estimate of roughly 25,200 private, developed square feet supported by NOAA contract spending in South Beach.

TABLE 4: PRIVATE EMPLOYMENT IMPACT DEVELOPMENT IN THE SOUTH BEACH

Space Type	South Beach Jobs Impacts 1/	Est. Sq. Ft. per Job 2/	Est. Development Impacts (Sq. Ft.)
Industrial	13.2	1,510	19,932
Commercial	5.0	883	4,429
Office	1.8	468	865
TOTAL:	20.1	N/A	25,226

1/ From Table 3

2/ Calculated as a weighted average across industries based on Newport's existing distribution. Derived from The U.S. Department of Energy's Commercial Building Energy Consumption Survey. (2003)

CONVERSION OF NEW DEVELOPMENT TO MARKET VALUE & TAXABLE ASSESSED VALUE

In Table 5, the supportable space was translated into land by standard Floor Area Ratios (FAR) by land use type, yielding an estimate of 2.0 improved acres. Secondly, we apply per acre development costs by land use type to each land/space estimate to calculate replacement cost of improvements. This analysis conservatively assumes market value is equal to replacement cost.

TABLE 5: ESTIMATED MARKET VALUE GENERATED BY NOAA'S CONTRACT SPENDING LOCALLY

Space Type	NOAA Impact	Assumed F.A.R 2/	Improved Acres	Per Acre Improvement Cost 3/	Est. Market Replacement Value	2009-10 CPR 4/	Taxable Assessed
Industrial	19,932	0.30	1.53	\$1,511,500	\$2,305,419	1	\$2,305,419
Commercial	4,429	0.25	0.41	\$1,971,000	\$801,636	0.58	\$464,949
Office	865	0.35	0.06	\$2,361,500	\$133,961	0.58	\$77,698
TOTAL:	25,226	N/A	2.0	N/A	\$3,241,016	N/A	2,848,065

1/ From Table 4

2/ Assumes a typical, low-rise development profile with 4 parking spaces per 1,000 square feet of space.

3/ RS Means Construction Cost Estimator

4/ Changed Property Ratio: The adjustment made from new improvement market value to taxable assessed value under Measure 50.

SOURCE: Lincoln County Assessor's Office and Johnson Reid, LLC

We then applied the Lincoln County 2009-10 Changed Property Ratio (CPR) by land use type, which revealed an estimated increase in taxable assessed value of \$2.85 million. Therefore, \$13.2 million in locally captured economic activity resulting from NOAA Pacific MOC decision is expected to translate into an increase of \$2.85 million in new, taxable assessed value in the South Beach Urban Renewal District.

CONTRIBUTION TO SOUTH BEACH URBAN RENEWAL DISTRICT GROWTH

The estimated \$2.85 million in new, taxable assessed value as a result of NOAA facility-induced economic growth will directly contribute to the South Beach Urban Renewal District total, taxable assessed value and by extension, annual incremental tax revenue. The increase in assessed property value is equivalent to 2.9% of existing District value in 2009.

For purposes of conservative District revenue forecasting, we assumed the new, taxable assessed value would be constructed and enter the tax rolls in equal increments over a four year period. Therefore, in fiscal years 2011-12 through 2014-15, the District is assumed to grow by \$712,000 annually due solely to NOAA facility impact growth. Detailed projections of District property tax revenue growth are found in Table V-1 of the plan amendment report.

SOUTH BEACH / US 101 REFINEMENT PLAN

(CATALYST FOR AMENDMENT XIV TO THE SOUTH BEACH URBAN RENEWAL PLAN)



SOUTH BEACH / US 101 REFINEMENT PLAN

Newport, OR

November 2021



Acknowledgements

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City Committees:

Airport Committee
Planning Commission
Public Arts Committee

Interviewees:

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Ann Armstrong, Yaquina Bay Economic Foundation
Jeff Bertuleit, Bertuleit Donald J Trustee
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Brett Fox, White-Fox LLC
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Travis Henry, Henry Point Development, LLC
Phillis & Marvin Hoover, Commercial Property Owners
Carrie Lewis, Oregon Coast Aquarium
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Lyle Mattson, JC Market Thriftway
Paula Miranda, Port of Newport
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Lance Vanderbeck, Newport Airport Committee
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ECONorthwest

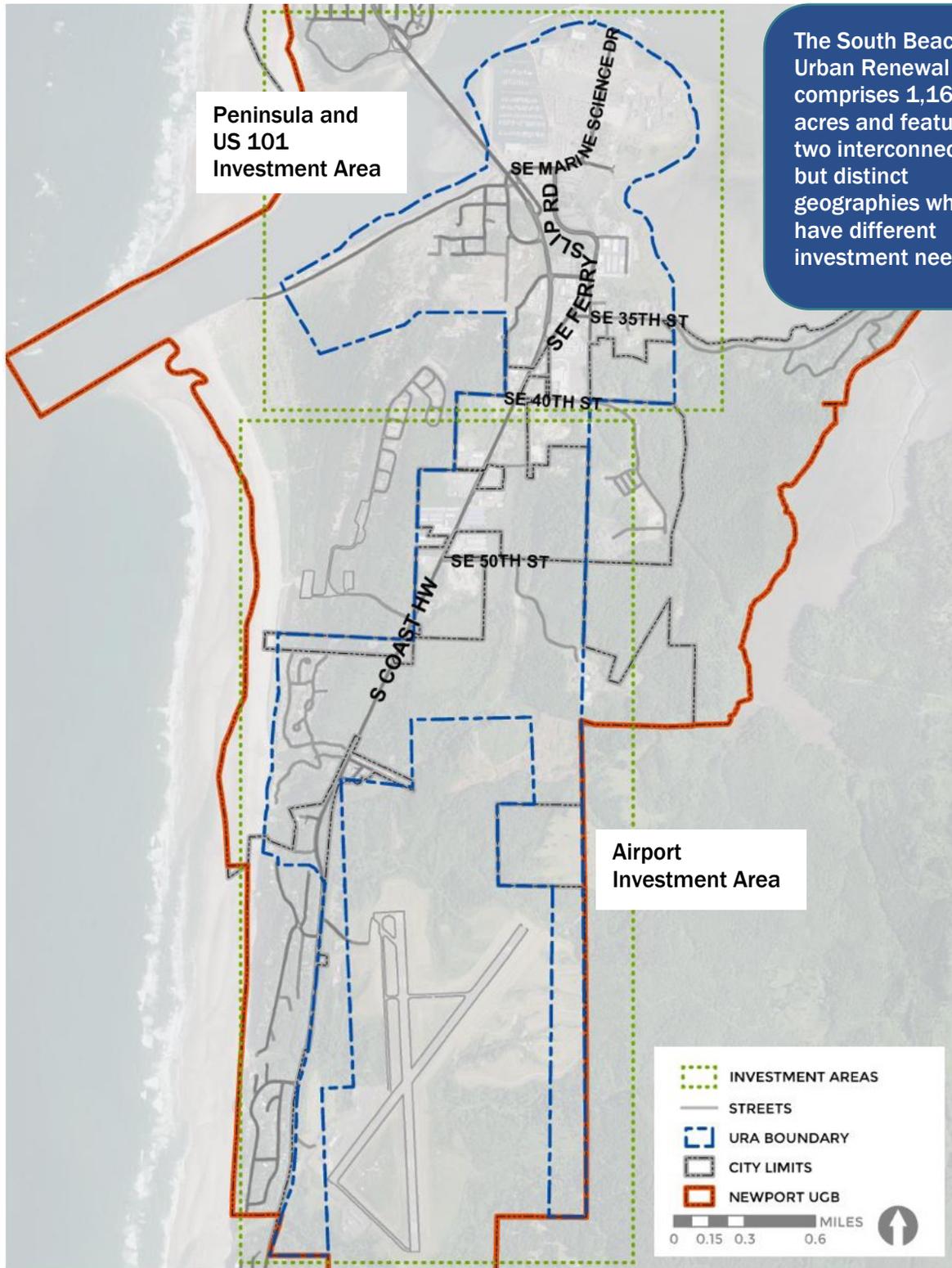
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Exhibit 1. Urban Renewal Investment Areas



The South Beach Urban Renewal Area comprises 1,169 acres and features two interconnected but distinct geographies which have different investment needs.

1. Plan Purpose and Background

Nestled on the south side of the Yaquina Bay Bridge, Newport’s South Beach provides a mix of regional institutions, recreational facilities, neighborhoods, and retail businesses. The area has changed substantially since 1983, when the City of Newport established an urban renewal district in the area to address the lack of transportation connections, urban infrastructure, and public amenities.

Since then, the Urban Renewal Agency (“the Agency”) has helped to complete the area’s transportation network, fund the creation of a wastewater treatment plant, spur the development of the popular Oregon Coast Aquarium, and as of 2021, is in the process of making improvements to US 101 that will reconfigure key intersections to ease congestion. In addition to the Aquarium, the area features a mix of institutions, including the Hatfield Marine Science Center, OMSI’s Camp Gray, Oregon Coast Community College, Newport Municipal Airport, and the Port of Newport’s South Beach Marina and RV Park.

The South Beach Urban Renewal Plan is nearing its expiration at the end of 2025 and the Agency acknowledges that the area still faces key transportation, redevelopment, and placemaking barriers. This Urban Renewal Refinement Plan is an Action Plan that identifies a set of impactful projects that the Agency could invest in with its remaining \$5.15 million to \$8.97 million of funding.¹ Each of these projects was vetted for public support and ability to achieve the objectives of the Urban Renewal District. The Agency’s goal is to distribute funds to provide the greatest benefit to the tax base including area residents, visitors, and employees while also helping to remove development barriers on the remaining underutilized parcels in the area.



The new intersection of US 101 and SE 35th Street that was installed as part of the 2021 US 101 improvements in South Beach creates an opportunity for redevelopment for adjacent parcels, including the Agency-owned site on the NE corner.
Credit: City of Newport

¹ The Agency would have up to \$5.15 million for future projects costs if it proceeded with a “pay as you go” scenario acquiring no new debt. The Agency would have up to \$8.97 million if it takes out an additional loan in 2025.

South Beach Urban Renewal Plan Objectives

Project concepts for the final phase of Urban Renewal investments must be consistent with the following South Beach Urban Renewal Plan (1983) objectives:²

- Preserve forest, water, wildlife, and other natural resources
- Identify sites for public use such as the OSU Marine Science Center
- Complete a Port-facilitated marine recreation area
- Encourage marine oriented activities on the northern Shorelands
- Assure the development of complementary uses adjacent to the Airport
- Plan new sewer, water, and transportation capacity
- Allocate a major part of South Beach to heavy commercial and light industrial uses

South Beach Blighting Conditions (1983)

The South Beach Urban Renewal Plan was created to reduce or eliminate blighted conditions in South Beach, including:

Sub-standard street improvements, rights of way, and traffic signalization and management

Incomplete pedestrian/bicycle circulation systems and Tsunami evacuation routes

Inadequate water storage capacity and distribution lines

Undersized or absent sanitary sewer collection service lines

Incomplete winter storm water management systems

Inadequate neighborhood recreation facilities and open space

Source: South Beach Urban Renewal Plan Amendment 5

South Beach in 2021: While the Agency has made progress in solidifying the area as a functional district within the city, several constraints remain:

- While US 101 runs through the area as the key transportation spine, South Beach's most charming attractions are hidden from view.
- South Beach's many bike paths provide an alternative to car transport, but the network feels patchy in places.
- South Beach lacks a strong sense of place and could use landscaping and public art installments more effectively.
- Invasive species are a problem in South Beach, and current management is insufficient.
- Residents, visitors, and employees in the area point to a lack of retail services in the area, requiring them to cross the Yaquina Bay Bridge for any goods or services they might need.
- Traffic congestion remains a concern, especially at 40th Street, which is poised to see growth as the Wilder residential area builds out.
- At the district's southern end, lack of sewer infrastructure limits development opportunities on industrial and commercial properties near the Airport.

² The Benkendorf Associates Corp, "Substantial Amendment Five to the South Beach Urban Renewal Plan 5", City of Newport, Oregon Urban Renewal Agency (September 2008).

Plan Investment Priorities

Since the urban renewal area has existed for close to 40 years, the refinement plan acknowledges the progress the Urban Renewal Agency has made in achieving its objectives as well as the changed conditions and user base in the area. The Agency has established the following investment priorities for the 2021 refinement plan to create a framework for how the Agency will operate in the remaining life of the urban renewal area. They are based on conversations with stakeholders, the Staff Technical Advisory Committee (composed of key public works, planning, and management staff), and the Agency. They also reflect broader City priorities as part of the Newport Vision 2040.

1. Promote a sense of place for residents and visitors that reflects the South Beach identity.
2. Improve connectivity for bicyclists and pedestrians to South Beach destinations.
3. Attract new development that can meet the service and retail needs of South Beach residents.
4. Invest in overcoming market and development barriers on underutilized or vacant sites.
5. Reduce sewer, water, and transportation infrastructure barriers to enable job creation on industrial lands near the Airport.
6. Invest in improvements that promote long-term community resiliency to address tsunami, flooding, and earthquake hazards.

The City and Urban Renewal Agency are interested in helping South Beach to contribute to the overall vision for Newport:

“In 2040, the Greater Newport Area is an enterprising, livable community that feels like home to residents and visitors alike. We have carefully planned for growth with well-maintained infrastructure, affordable housing for all income levels, robust public transportation, diverse shopping opportunities, and distinct, walkable districts and neighborhoods.”

Source: Newport Vision 2040

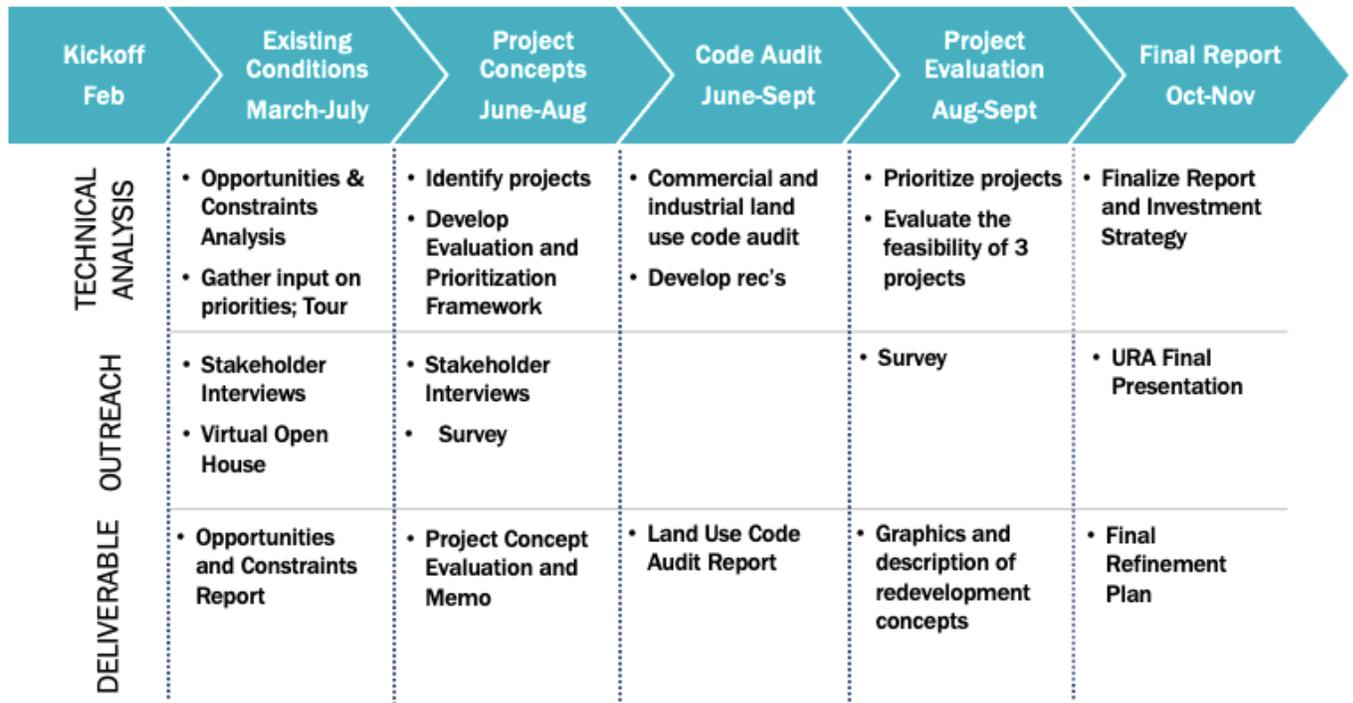


Aquarium Village offers an eclectic blend of makerspaces and businesses serving visitors, such as gift shops and restaurants. *Credit: ECONorthwest*

Refinement Plan Process and Public Involvement

The Urban Renewal Refinement Plan (“the Plan”) draws from many sources to identify priorities and projects, including technical analysis of the development and infrastructural needs in the community and significant community and stakeholder outreach. Exhibit 2 shows the key elements of the planning process and overall project timeline.

Exhibit 2. Refinement Plan Timeline and Tasks



Engaged with the community. While COVID-19 restrictions prevented in-person engagement, the planning team, which consisted of four consultants/subconsultants as well as City partners, conducted community outreach throughout the entire planning process with:

- **18 interviews** with individuals and committees completed by the City and the consultant team. Participants included local business and property owners, real estate brokers and developers, committees, community members, and economic development professionals.
- **4 participants** in a Marine Resource focus group conducted over the summer.
- **23 community members** participated in a Community Workshop held online on August 26, 2021. Attendees were encouraged to prioritize project concepts and specific investments.
- **466 respondents** to two surveys that were released in July and September 2021. The first survey was developed to understand key issues and priorities for community members. The second survey was designed to generate feedback on specific project concepts.

Analyzed the Area’s Opportunities and Constraints. The Opportunities and Constraints Report in Appendix A provides background information on key constraints for revitalization, stakeholder priorities, and points to potential opportunities for Agency investment in the area. JET Planning conducted a **code audit** to further understand potential barriers associated with land use regulation.

Evaluated Project Concepts. The existing conditions research and community outreach informed a list of potential improvements and infrastructure projects for implementation. The team, with Agency support, developed an Investment Framework (Appendix B) for evaluating and prioritizing those projects to ensure that all projects met the goals and priorities of the Urban Renewal Plan.

How do people perceive South Beach? Survey respondents indicated that South Beach suffers from traffic congestion and lacks a sense of place.

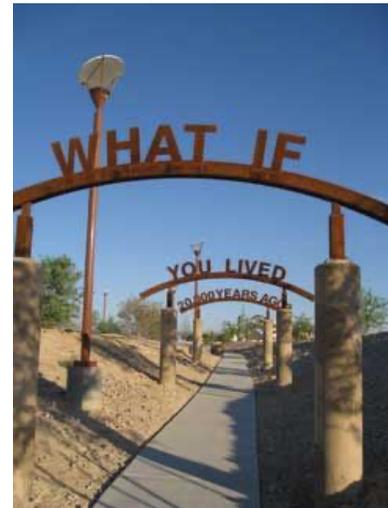
“No identity, just a place from which businesses operate.”

“Traffic nightmare”

However, many respondents also indicated that the area has natural amenities and untapped potential

“Potential to be the fun...district of Newport.”

“Natural beauty”



This Plan proposes to enhance South Beach’s sense of place by investing in landscaping, improving wayfinding, and adding amenities including public art (See Project Sheet F for details). Eighty-five percent of survey respondents indicated that new wayfinding and public art should include water-based themes related to existing uses in the area. *Photos compiled by SERA Architects.*

2. Opportunities and Constraints Summary

As a foundation for action, this chapter describes the opportunities and constraints present in South Beach that serve as a basis for project needs and prioritization.

South Beach is home to some of Newport's most visited institutional and recreational organizations, many of which have potential to expand in the near future. Residential development is also underway with Wilder planning to add twenty-six houses this year. Each of these plans for growth provide opportunities for South Beach, but also raise concerns about current capacity.



The Oregon Coast Community College serves around 2,000 students and employs 45 faculty. *Credit: ECONorthwest*

Opportunities exist throughout the study area but especially on the Peninsula and along US 101 to improve a sense of place and visitor experience in South Beach. Stakeholders identified opportunities to improve South Beach through an overhaul of the area's visual identity, signage consolidation, and other wayfinding and placemaking improvements. The City could improve the visibility of destinations from US 101 by consolidating wayfinding signage, catalyzing redevelopment of City-owned parcels, and/or the utilizing the US 101 Ferry Slip Road closure to create a southern gateway. Buying out billboards could also help to remove visual clutter.



The right-of-way closure at the US 101 and Ferry Slip Rd. provides a location for a southern gateway to Newport. *Credit: ECONorthwest*

Lack of infrastructure, developer uncertainty, and negative public perception is limiting development of Airport industrial sites. Lack of sewer facilities, low water flows, and limited road access limit the type of industries that can function on the Airport sites. Additionally, developers are uncertain about the City's plans for the site and whether they will be able to build what they want if they do invest in the property. Investing in infrastructure and clarifying the City's intentions would go a long way in promoting development.

Funding projects that enable new development and job creation at the Airport was not a priority for survey respondents.

Only 7% identified it as very important while 40% indicated it was not important at all.

Limited and disconnected multimodal infrastructure and traffic congestion remain key challenges in South Beach. While there are many multimodal pathways, sidewalks, and bike lanes in the area, South Beach lacks a cohesive, signed, multimodal network. Additionally, traffic congestion, especially during peak periods, make it difficult to cross the Yaquina Bay Bridge and access key points along the Peninsula. Recent improvements, including the relocation of the traffic signal to US 101 and 35th Street, provide a strong start to addressing these issues.



This Plan proposes a new traffic signal at the intersection of US 101 and 40th St. to improve safety and ease of access to the Wilder Development, Oregon Coast Community College, and the planned OSU student housing development (see Project Sheet H). *Credit: ECONorthwest*

Planning and development efforts in South Beach should consider the natural and geologic hazards for which the area is at risk. Various systems (electric, sanitary sewer, etc.) may be impacted by a tsunami or other seismic events. Upgrades to these systems or new projects should take resiliency into consideration. The Yaquina Bay Bridge is of particular concern – in the event of bridge damage due to a natural disaster, the residents of South Beach would be cut off from all the essential services and resources north of the bridge. Development of essential services (access to food, fuel, and/or healthcare) in South Beach would provide some fundamental resiliency to the area if the bridge were impassible.

While there were other challenges and opportunities identified in South Beach, this plan focuses on those most relevant for urban renewal investment

The full Opportunities and Constraints Report is in Appendix A and includes opportunities and constraints maps with corresponding tables.

Land Use Policies, Zoning and Regulations Audit

Land use policies and regulations impact development possibilities in South Beach. The land use code audit determined how existing land use plans, maps, and regulations impact development in South Beach. It also identified potential revisions that could be enacted to better align with area goals and investments. The detailed audit can be found in Appendix E. Exhibit 3 summarizes key findings and recommendations.

Exhibit 3. Land Use Audit Findings and Recommendations

Key Findings	Recommendations
<p>Mapping - The mix of commercial and light industrial zones along US 101 generally aligns with Urban Renewal District goals. There is potential for select re-designation from industrial to commercial for key areas.</p>	<ul style="list-style-type: none"> ▪ Expand commercial district along US 101 to encompass the SE 35th St gateway site and surrounding properties. ▪ Rezone the NE corner of SE 40th St and US 101 for commercial taking advantage of potential new signal. ▪ Rezone parcel on south side of SE 40th St from heavy industrial to light industrial to reduce potential use conflicts. Identify sites for heavy industrial farther south.
<p>Annexation - Nearly 25% of the district is outside of the City limits and cannot yet be developed to urban levels of intensity or served by urban infrastructure. More than half of these areas are designated for industrial uses.</p>	<ul style="list-style-type: none"> ▪ Actively pursue annexation of industrial properties using island annexation provisions coupled with financial incentives to offset infrastructure costs, engaging with individual property owners to understand priorities and needs. ▪ Engage with Lincoln County to complete the Urban Growth Management Agreement to ensure an orderly transition from County to City zoning and infrastructure.
<p>Zoning - The City's Zoning Code clearly delineates zones with use standards and site development standards. The prevalent Light industrial zone benefits from allowing a flexible mix for industrial and commercial uses however this can result in uncertainty about the compatibility of future development.</p>	<ul style="list-style-type: none"> ▪ Limit uses inconsistent with district development goals by prohibiting uses associated with low employment for all or highway-abutting light industrial sites. ▪ Introduce a 15-foot setback with required landscaping for both industrial and commercial properties along US 101. ▪ Develop landscape screening, buffering and/or fencing standards to improve compatibility of light industrial uses. ▪ Maintain existing land use and building permit procedures, which minimize discretionary reviews.
<p>Other Considerations - The City should continue to monitor issues such as parking demand and trip allocation within South Beach and adjust as appropriate.</p>	<ul style="list-style-type: none"> ▪ Review the employment and tax generation potential of uses permitted within the district to determine if future modification of permitted uses is justified within the light industrial zone ▪ Consider using development agreements for greater certainty on proposed development for select sites ▪ Monitor parking demand and implication of current parking ratios for site development feasibility. Explore options for shared parking on individual sites and district-wide parking reductions. ▪ Review the impact of commercial rezoning on the SBT0Z trip budgets and reallocate trips within the district as necessary.

South Beach Opportunity Sites

South Beach has several potential opportunity sites for new development. There is a cluster of vacant/underutilized sites on US 101 near the Agency-owned site at 35th St. Two sites near the NOAA facility that currently house dredge spoils or vacant warehouses could be redeveloped for complementary uses. There are also limited industrial development opportunities on vacant sites near the Airport.

All the sites in the tsunami evacuation zone could be developed with commercial uses, while sites in the upland areas out of the evacuation zone (including near Wilder) could be developed with housing. Future demand drivers for the area include an increase in student housing, expansion plans for the Wilder residential area, and other sites that might draw new employers near the Airport. These new residents and employees are going to drive a changing retail demand landscape.

Community engagement and market analysis revealed key service gaps in South Beach including:

- Grocery stores
- Gas stations
- General retail
- Casual restaurants



This Plan proposes to promote development of the Agency-owned 35th Street site with uses that meet community needs. The Barley Pod in Portland is an example of a food cart pod anchored by a brewing company, a concept that could work well on the site. *Credit: ECONorthwest*

Agency-Owned 35th Street Site

The US 101 and 35th Street Agency site offers an opportunity for the Agency to help promote a development concept that meets community goals. Coupling these improvements with gateways and public art would help to transform the southern entrance to Newport making this site a “go-to” South Beach destination.

Exhibit 4. Opportunities and Challenges for the Agency-Owned 35th Street Site

Opportunities	Challenges
<ul style="list-style-type: none"> • Highly visible with lots of through traffic on a corner intersection • Close to key destinations • Can be a part of the South Beach brand • Can be a key node for multimodal path 	<ul style="list-style-type: none"> • Far from Downtown and other commercial activity • Context is arterial/commercial • No existing building as centerpiece for adaptive reuse

Determining potential uses and vetting potential concepts was a key part of refining this project. Four uses rose to the top as desirable and feasible for this site³:

- General Merchandiser
- Specialty Grocery
- Microrestaurants/foodcarts
- Retail

Taking these four uses, the planning team compiled three potential concepts for development on the site detailed below. Ultimately the City will use these concepts in a Request for Qualifications (RFQ) to be released in Spring 2022.

Project Sheet A includes additional details that will inform the 2022 RFQ including:

Development objectives for the site

Public private partnership potential

Zoning considerations

Community preferences on development concepts.

Community Preferences

Which uses were most popular for the 35th Street site? Survey respondents who were South Beach residents and employees favored a small or specialty grocer whereas those who lived in Newport or elsewhere identified food carts or microrestaurants as their top choice.

Which concept was most popular for the 35th Street site? Survey respondents indicated that they would like the site to become a “Food Destination” with specialty grocery and microrestaurants

“The realignment of the traffic signals [at US 101 and 35th] and the location just south of the bridge is an opportunity to give South Beach a ‘go-to’ destination for a new type of shopping experience” - South Beach Stakeholder

³ While a gas station was identified as a need both during community engagement and technical analysis, it was determined that it would not contribute to the “gateway” envisioned on this site. A gas station may be better situated near 40th St.

Illustrative Site Plans

Alternative 1: “Go Big” Large Anchor and Retail. The 2.3-acre Agency-owned site north of 35th Street will host a major tenant like a Bi-Mart style general retailer/grocery on roughly 75% of site. The rest of the site will fill out with detached additional retail and/or open space with trail amenities.

The southern parcels, which currently contain Airrow Heating, Columbia Distributing, and Hoover’s Pub and Grill, will contain a small retail cluster and single large stand-alone restaurant (new or refresh). The southern parcels are privately owned, and concepts will be influenced by ongoing conversations with the current business and property owners. The site should leverage adjacency to the Ferry Slip gateway site.

Economic Considerations: Recruiting a large grocer may prove challenging on the site if the potential market is considered insufficient to sustain operations. Additionally, receiving supplies on the Coast could be costly for potential tenants especially if they do not have other stores nearby. However, a large anchor can draw other retail tenants to the area and the Agency may want to consider partnership opportunities on this site to make it feasible long term.

Exhibit 5. Alternative 1: “Go Big” Large Anchor and Retail



Credit: SERA Architects

Alternative 2: “Food Destination” Specialty Grocery Plus Microrestaurants. The Agency-owned site will host a small/medium grocery with prepared food, a deli, and perhaps small counter-service dining. Adjacent to the grocery will be a cluster of food carts with possible structured shelter and partial indoor space, and a microrestaurant pod with an indoor/outdoor blend.

Economic Considerations: The market area would likely be sufficient to sustain a small grocery although the tenant will need to be familiar with the challenges of delivering to the coast. This site could provide an ideal opportunity for a local grocer to expand.

Food cart pod / microrestaurant considerations

Tenancing/rightsizing will be important with 8-10 unique concepts being the ideal. More would be too difficult to manage and less would not provide enough choices.

The City should gauge interest among local entrepreneurs or existing restaurants for satellite locations.

The City should consider recruiting a master lessee to operate/manage subleases and establish ground rules.

Exhibit 6. Alternative 2: “Food Destination” Specialty Grocery Plus Microrestaurants



Credit: SERA Architects

Alternative 3: Mixed Retail. The Agency-owned site will host a cluster of smaller retail/service/office uses, such as food carts, offices, coffee shop, retail, small medical (i.e., Zoom+Care), and other uses popular in the community survey. This site should aim to add urban appeal by concealing parking behind, providing access from Ferry Slip (which currently has just one curb cut on US 101), and including open space or park use, assuming the small commercial does not consume the entire 2.3 acres.

Economic Considerations: Without an anchor, some retailers may be hesitant to locate to this site. Retailers that do locate here should be local-serving and fill gaps in the South Beach market.

Exhibit 7. Alternative 3: Mixed Retail



Credit: SERA Architects

3. Investment Framework

The opportunities and constraints identified in Chapter 2 make it clear that South Beach is well-positioned for growth but needs targeted investment to reach its potential. This chapter establishes an evaluation framework to help frame the Agency’s decisions about which projects to evaluate further, and ultimately advance for urban renewal funding. It also provides a structure for implementation.

Who: The Agency and Partners

For all the projects evaluated, the Agency assumes it will be leading investment or providing matching investment, given the limited time remaining in the life of the district. Bringing new private investment into the community is a key goal of this Action Plan, provided such efforts can be coordinated before the plan closes to new projects. Successful implementation will require time and energy from many partners within the City.

Where: Two Investment Areas

Agency investments will span two investment areas within the Urban Renewal Area: The Peninsula/US 101 Investment Area and the Airport Investment Area

- The Peninsula/US 101 Investment Area is home to the area’s major institutions, attracts visitors from around the United States and beyond, and is home to the area’s retail establishments and hotels. The projects focused on this area include Projects A, B, E, F, G, and H.
- The Airport Investment area includes the Municipal Airport and publicly and privately owned land that is zoned for industrial development. The projects focused in this area include Projects C and D.

When: End of 2025

If the Agency is to execute on its priority investments by 2025, it will need to be strategic about the choices it makes and poised to act quickly. All projects must be awarded by December 31, 2025.

Established in 1983, the South Beach Urban Renewal Plan has an original maximum indebtedness of \$38,750,000. Key recent milestones include:

2009: The URA was extended at a reduced size for the purpose of upgrading the infrastructure and acquiring land to support economic development. With public input, a new project list was developed with the 2009 extension, to be funded with revenue bonds over three six-year phases.

2018: The URA completed a substantial amendment of this plan to move the deadline for awarding projects from December 31, 2020, to December 31, 2025. This amendment extends the date after which no bonded indebtedness can be issued with respect to the Plan.

How Much: Up to \$9 million

As a part of the planning process, the Agency weighed the priority of each project against its potential cost and discussed the merits of the different funding scenarios. The Agency ultimately decided that all the projects are important and is willing to take out an additional loan in 2025 in order to accomplish all projects. The Agency should aim to leverage funding from regional, state, and federal partners as grant dollars might be available which will impact how much funding is needed.

Why/How: Investment Criteria

Evaluation criteria included:

1. Can the Agency award the project by 2025?
2. Will the project necessitate a substantial amendment?
3. Does the project align with the objectives from the 1983 South Beach Urban Renewal Plan?
4. Does the project advance the 2021 investment priorities for the urban renewal area?
5. How much community support did the project receive?

Each project was evaluated against the first three specific criteria to ensure it met threshold requirements. Projects that did not meet these requirements were excluded from further consideration. Projects were further prioritized by their alignment with 2021 priorities, community feedback and cost to determine the importance of the different projects.



Investment opportunity: Left - Existing multi-use path along Ferry Slip Rd. Right - Example of trail improvements: Indianapolis Cultural Trail is a 3-mile trail connecting Downtown Indianapolis with integrated art and landscaping. *Photos compiled by SERA Architects.*

Funding Scenarios

Pay as you go - \$5.15 million

The Agency collects TIF dollars through FYE 2025 and pays directly for projects without acquiring new debt. This scenario could complete most projects with limited incentives. Tax increment would return to the districts in FYE 2026.

Additional Loan - \$8.97 million

The Agency collects TIF through FYE 2027 by taking out a loan prior to 2025 to leverage last two years of TIF. This scenario could fully fund all projects. Tax increment would return to the districts in FYE 2028.

2021 Forecasts by Tiberius Solutions

4. Action Plan Projects

Attracting new development to South Beach will take a coordinated effort by the City, businesses, and private investors. Because limited public funds are available for capital projects and programs, it is necessary to prioritize these investments. With targeted investments and partnerships, South Beach could achieve its vision for a more active commercial corridor and increased opportunities for jobs. The strategic use of urban renewal funds can help to improve visitor experience and increase private sector confidence in investing in the District. It will also provide a bridge for pioneering development projects to overcome the significant financial gap for new development in South Beach.

This chapter outlines eight projects that can help South Beach achieve this vision. Some projects benefit the tax base directly by removing market or infrastructural barriers for businesses, while others focus on investments to placemaking, public art, landscaping and other visualization improvements that help establish a sense of place. These projects also benefit the economy by promoting tourism and local spending. Likewise, multimodal improvements that cater to pedestrians and cyclists enhance the sense of place and encourage people to spend time and money in the local community.

Final Project Selection

All projects included in this plan met the threshold evaluation criteria. The following table shows:

- **Community support:** These scores are based on how the projects ranked in the community surveys and other engagement.
- **Strength of alignment with priorities:** Projects that clearly advanced one or more priorities were moved forward.
- **Cost:** Projects were considered high cost if they were \$1M+, medium cost if they were between \$500K and \$1M, and low cost if less than \$500K.

Additional details on project evaluation can be found in Appendix B.

What's included in the project sheets?

A description of the project

Rationale for including the project on the list

Alignment with South Beach's 2040 vision

Implementation Steps

Outreach considerations

Potential partners for the City to engage on the project

Planning cost estimates and

Additional funding considerations

Two projects were removed from the list during prioritization and do not have project sheets.

Provide transportation access to east Airport properties - these properties are unlikely to develop soon and therefore do not have a pressing need for transportation access

Install a traffic signal at SE 50th and US 101 - demand for this signal is very low at this time

Exhibit 8. Refinement Plan Projects to be Funded with Remaining Tax Increment

Key	Project	Rationale	Meets Priorities	Public Support	Estimated Cost
A	Redevelop 35 th Street site to meet community needs providing strategic investments in neighboring properties to promote redevelopment concepts	Promote development that meets public goals combined with a gateway that improves the arrival experience and business / destinations visibility. Potential for strategic investments in part	Yes	High	\$1.3 million (\$300K for public restroom and path user amenities \$1 million for investments in neighboring properties; land write down of up to \$1.5 million not included; would be variable depending on the dev't concept)
B	Incentivize annexation of unincorporated properties with a focus on US 101 industrial sites, and target predevelopment assistance to vacant or underutilized sites	Assist in annexing unincorporated properties within the plan boundaries and condition issues with vacant or underutilized sites to help meet community needs and improve the area's vibrancy.	Yes	Medium	Up to \$500,000 (assumes all eligible properties are annexed at the same time)
C	Provide sewer infrastructure to industrial sites near Newport Municipal Airport	Expand the types of development possible and reduce developer uncertainty.	Yes	Low	\$600,000 - \$2 million (depending on technology used)
D	Improve fire suppression capability at Airport industrial sites	Expand the types of development that would be able to locate at the Airport	Yes	Low	\$150,000 - \$500,000 (preliminary estimate)
E	Install redundant Yaquina Bay water pipeline	Improve South Beach's resiliency to water line failure	Yes	Medium	\$750,000 (if grant unsuccessful, Agency could pay closer to \$3 million; surplus from other projects could be directed here to fully fund)
F	Enhance South Beach placemaking through improvements to landscaping, public art, and gateways	Bolster the area's sense of identity through targeted improvements.	Yes	Medium	\$1 million (\$150-250K in consulting fees, up to \$850,000 in improvements)
G	Enhance mobility for cyclists and pedestrians through South Beach Loop path improvements	Improve mobility for cyclists and pedestrians while enhancing sense of place and navigability. It would also improve disaster preparedness	Yes	High	\$1.3 – 1.45 million (high priority projects only, excluding ROW acquisition)
H	Install a traffic signal and enhanced pedestrian facilities at SE 40 th Avenue and U.S. 101	Open the door for planned development and ease congestion	Yes	High	\$1.5 million (not including bike/ped improvements, which are included in Project G)
Total Project Costs					Up to \$9 million

Detailed Project Sheets

The following sheets provide details for each of the proposed projects.

Project Description	Lead
<p data-bbox="233 327 1442 558"> A Redevelop SE 35th Street site to meet community needs providing strategic investments in neighboring properties to promote redevelopment concepts. </p> <p data-bbox="203 659 1289 806"> The Agency-owned site at 35th Street could be South Beach’s neighborhood hub and the gateway to South Beach, given that the site sits at the District’s entrance to the key destinations of the Newport Aquarium, Hatfield Center, South Beach State Park, Rogue’s pubs, OMSI’s Camp Gray, and Aquarium Village. Community members have expressed a desire to see this area transformed to better reflect the many attractions and natural beauty of South Beach. </p> <p data-bbox="203 852 483 877"> Development objectives: </p> <ul data-bbox="214 890 1284 1100" style="list-style-type: none"> ▪ Serve as a neighborhood hub and gateway to South Beach. ▪ Provide stopping point for users of South Beach Loop path. The site will also serve as a key node along South Beach’s iconic bicycle and pedestrian loop, which connects all of the key destinations. ▪ Provide gathering spaces for residents and visitors, with lots of retail and restaurant choices. ▪ Support food entrepreneurs and surrounding businesses. ▪ Build upon the gateway opportunity at the closed ROW at the former entrance to Ferry Slip. <p data-bbox="203 1138 1279 1226"> Potential uses: The highly visible and central location could attract investments in buildings that house services or retail (e.g., specialty grocery, restaurants, shops) and offer a central gathering space for eating and convening groups to serve South Beach area residents and employees. </p> <p data-bbox="203 1272 695 1297"> Partnership with adjacent property owners: </p> <ul data-bbox="214 1310 1284 1717" style="list-style-type: none"> ▪ <i>Expanded development concept:</i> On the southern parcels, which currently contain Airrow Heating, Columbia Distributing, and Hoover’s Pub and Grill, Alternative A shows a small retail cluster and single large stand-alone restaurant (new or refreshed Hoover’s). The southern parcels are privately-owned, and concepts will be influenced by ongoing conversations with the current business and property owners. ▪ <i>Partnership with adjacent businesses:</i> Prior to RFQ release, the City should reach out to South Beach Market, Barrelhead, Columbia Distributing, Airrow Heating, and other restaurants to get feedback on the concepts, answer questions, discuss compatibility with potential commercial concepts, and gauge interest in partnerships. ▪ <i>Billboard removal:</i> Two legacy billboards on the Hoover’s site constrain redevelopment opportunities on this site and detract from the desired village feel of the 35th Street site. The Agency will consider paying out the remaining contract that Hoover’s has with the billboard company to remove the billboards and allow for more flexible reuse of the site. 	<p data-bbox="1325 659 1500 835"> Urban Renewal Agency / Community Development / City Manager’s Office </p>

Rationale

Because the Agency controls the 35th Street site, it can help promote a development concept that meets public goals. Coupling these improvements with gateways and public art would help transform the southern entrance to Newport. Currently there is no clear indication that a visitor has arrived in the community when driving north on Hwy 101 into South Beach.

Alignment with Vision 2040	A3. Transportation Corridors [Partner] A13. Strategic Investments and Partnerships [Lead] A14. Developable Land [Partner] <i>Depending on businesses recruited:</i> E2. Medical Professionals and Specialists [Support] E12. Access to Health Food [Support]
Implementation Steps	<ul style="list-style-type: none"> ▪ Consider adjusting zoning to accommodate desired development type (from industrial [I-1] to commercial [C-1]). The commercial/retail uses proposed here are all permitted outright in the I-1 district. There is concern, however, that surrounding I-1 sites could be developed with actual light industrial uses, including things like vehicle repair or storage, self-storage, warehousing, and distribution, that could be incompatible with the atmosphere desired for this site. The I-1 zone also requires a 50-foot setback from Hwy 101 that would limit the development area on this site. This could be addressed through rezoning to commercial (C-1) that has no front setback requirement or revising the setback for the I-1 district as recommended in the code audit. ▪ Continue to discuss potential partnership with property owners of Hoover’s and Airrow Heating sites, which could provide a cohesive gateway to South Beach. Acquire additional properties, if feasible, to develop the desired program. ▪ Release RFQ to attract a developer in Spring 2022, using development objectives developed through the refinement plan process. ▪ Analyze cost implications for the city of ongoing maintenance for the gateway.
Public or stakeholder outreach needed	<p>The City conducted outreach with developers, existing restauranters, potential tenants, key stakeholders, and the public as part of the refinement plan to develop objectives and vet concepts. The City will reach out to property owners of parcels that may need to be acquired. The City may also coordinate with the Urban Renewal Agency to seek their input on site programming goals.</p>
Partners	Potential developers, South Beach businesses, and organizations
Estimated Cost	Funding Considerations
<p>Up to \$1.3 million</p> <p>(\$300K for public restroom and path user amenities and \$1 million for investments in neighboring properties)</p> <p>(land write down of up to \$1.5 million not included; would be variable depending on the dev’t concept)</p>	<p>Funding for public-private partnerships on the site will come from urban renewal funds, with technical assistance from the City.</p> <ul style="list-style-type: none"> ▪ Land write down: Depending on the value proposition offered by the selected development team, the Agency could offer up to the full value of the land cost as a write down. The city prefers the potential land write down not exceed \$750,000 but the decision would be subject to the development proposals solicited as a part of the RFQ process. The Agency would need to evaluate the cost of public amenities and be receptive to developer feedback about the cost and time required to develop commercial buildings on the coast. ▪ Direct subsidy: The Agency may consider providing direct support to help pay for public amenities like a public restroom and Loop path user amenities.

ILLUSTRATIVE SITE PLANS

Exhibit 9. Alternative 1: "Go Big" Large Anchor and Retail



Credit: SERA Architects

Exhibit 10. Alternative 2: "Food Destination" Specialty Grocery Plus Microrestaurants



Credit: SERA Architects

Exhibit 11. Alternative 3: Mixed Retail



Credit: SERA Architects

Community Feedback

The community provided feedback on the types of uses they would most like to see at the 35th Street site in a survey that was distributed from September 20th to October 17th, 2021. The survey, which received 154 responses, indicated that the most popular uses for the site were:

1. A small or specialty grocery
2. Food carts or microrestaurants
3. An array of neighborhood serving retail services.

The survey also asked respondents to rank three concepts (see Illustrative Site Plans) that incorporated these uses in varying ways. Alternative 2: “Food Destination” was the most popular choice followed by Alternative 3: Mixed Retail.

ZONING CONSIDERATIONS

As a part of the Refinement Plan process JET Planning conducted a code audit to further understand potential barriers associated with land use regulation. Findings relevant to the 35th Street site are detailed below (see Appendix E for more details).

- Recently updated provisions allow food carts individually and in pods of four or more throughout the South Beach area. (NMC 14.09, updated September 2021.) Food cart pods on private property are required to provide permanent utility connections and pay system development charges (SDCs), provide covered seating and trash receptacles, and provide access to a restroom.
- The potential development scenarios will require between 87-114 parking spaces on the 35th Street site which could constitute nearly 40% of the site at an estimated 350 square feet per space on the 2.3-acre site (NMC 14.14.030). However, it is likely that many uses in South Beach will be primarily served by auto access so parking availability will be important.
- Current zoning of Light Industrial permits retail and restaurant uses; however, the site is surrounded by properties that are zoned Light Industrial that the Agency does not control. This could detract from the site’s appeal if developed with incompatible uses.
- Potential development can likely meet the landscaping requirements. The landscaping requirement is 10% of the overall site, concentrated along the frontages, similar to the proposed sketches.
- There are no requirements for screening or buffering between uses on the site (NMC 14.18.) There are no limitations on outdoor storage or location of parking or loading areas, nor specific screening and buffering that would apply beyond a requirement for 5% of the parking area to be landscaped (NMC 14.19.050(D)(1)).
- No other architectural or site design standards apply to commercial and industrial properties within South Beach (NMC 14.30.010).

USE EVALUATION

Exhibit 12 provides an evaluation of the different uses that could take place on the site. The criteria are intended to provide the Agency with a better understanding of the support different uses might need as well as the benefits they can provide the community.

We considered each use according to:

- Its level of community support as determined through stakeholder interviews, focus groups, and two surveys
- Whether it would require local partners for development and/or financing
- How much financial support would be needed from the Agency to make it feasible
- The level of tenant management required
- Its ability to foster entrepreneurship on the site

Exhibit 12. 35th Street Site Use Evaluation Matrix

	General Merchandiser	Specialty Grocery	Microrestaurants / Foodcarts	Retail
Community Support	Medium	High	High	Medium
Local Partner(s) Required for Dev't/Financing	No	No	Yes	Maybe
Potential Agency Contribution	Likely High	Likely High	Medium	Low
Tenant Management Required	Low	Low	High	Medium
Entrepreneurship Potential	Low	Low	High	Medium

PRECEDENT IMAGERY

The images below illustrate the types of developments that could occur on the US 101/35th Street opportunity site.⁴

⁴ Photos compiled by SERA Architects

RESTAURANTS, FOOD CARTS, GROCERY, RETAIL, COMMUNITY SPACE



Restaurant with outdoor plaza (Wilsonville, OR)



New/Renovated Commercial Strip (Portland, OR)



Latino Food Hall in renovated building (Portland, OR)



Pop-up event space and food cart pod (Oakland, CA)



Restaurant/Brewery Manufacturing and dining (Bend, OR)



Brewpub with outdoor dining on busy commercial street (Bozeman, MT)



The Ocean food hall (Portland, OR)



Small restaurant conversion (Portland, OR)



Restaurant with outdoor seating on sharp angle corner site (Portland, OR)



Container pod restaurants and shops (Albuquerque, NM)



Food Cart Pod (both mobile and permanent-installed dining shed with bar and firepits) (Bend, OR)



Food cart pod (St. Johns, Portland, OR)



New-construction corner businesses: stores and offices above



Retail strip (St. Johns, Portland, OR)



Indoor/outdoor farmers market



Electric Island charging hub (Swan Island, Portland, OR)



Full-service grocery (Portland, OR)



Micro-grocery (Portland, OR)

B Incentivize annexation of unincorporated properties with a focus on US 101 industrial sites, and target predevelopment assistance to vacant or underutilized sites

Project Description	Lead
<p>Approximately 25% of land within the South Beach URA is outside of City of Newport limits, which makes it difficult for the City to provide key services to large parts of South Beach. Through a predevelopment fund, the City would provide an incentive to annex into the city for US 101 property owners that are outside of city limits but inside of the URA boundary. The City would prefer to discuss annexation potential with property owners to ensure it meets their goals. However, properties that are surrounded by the city can be annexed without consent using the island annexation provisions under ORS 222.750 and would be best served by annexation assistance (see Exhibit 13 for unincorporated properties).</p> <p>Key to this strategy would be working with those property owners to annex the unincorporated properties into the City all at once, which would reduce overall costs. The City could cover the annexation expenses, which includes survey costs and old bond debt that the Seal Rock Water District accrued when it provided service to these properties (the properties now receive City water service). The City could also provide incentives for these properties to connect to City sewer service by agreeing to (a) pay wastewater SDCs for existing uses that would otherwise be payable upon connection and (b) provide a rebate of up to \$10,000 to reimburse owners for the construction of new residential service laterals and \$15,000 for commercial/industrial service laterals.</p> <p>Beyond the annexation and SDC costs, the Agency could offer additional assistance to help those property owners overcome market or infrastructure development barriers related to site preparation/grading, removal of invasive species (Scotch Broom), and adding or improving utility and transportation infrastructure.</p>	<p>Community Development, Planning Commission</p>

Rationale

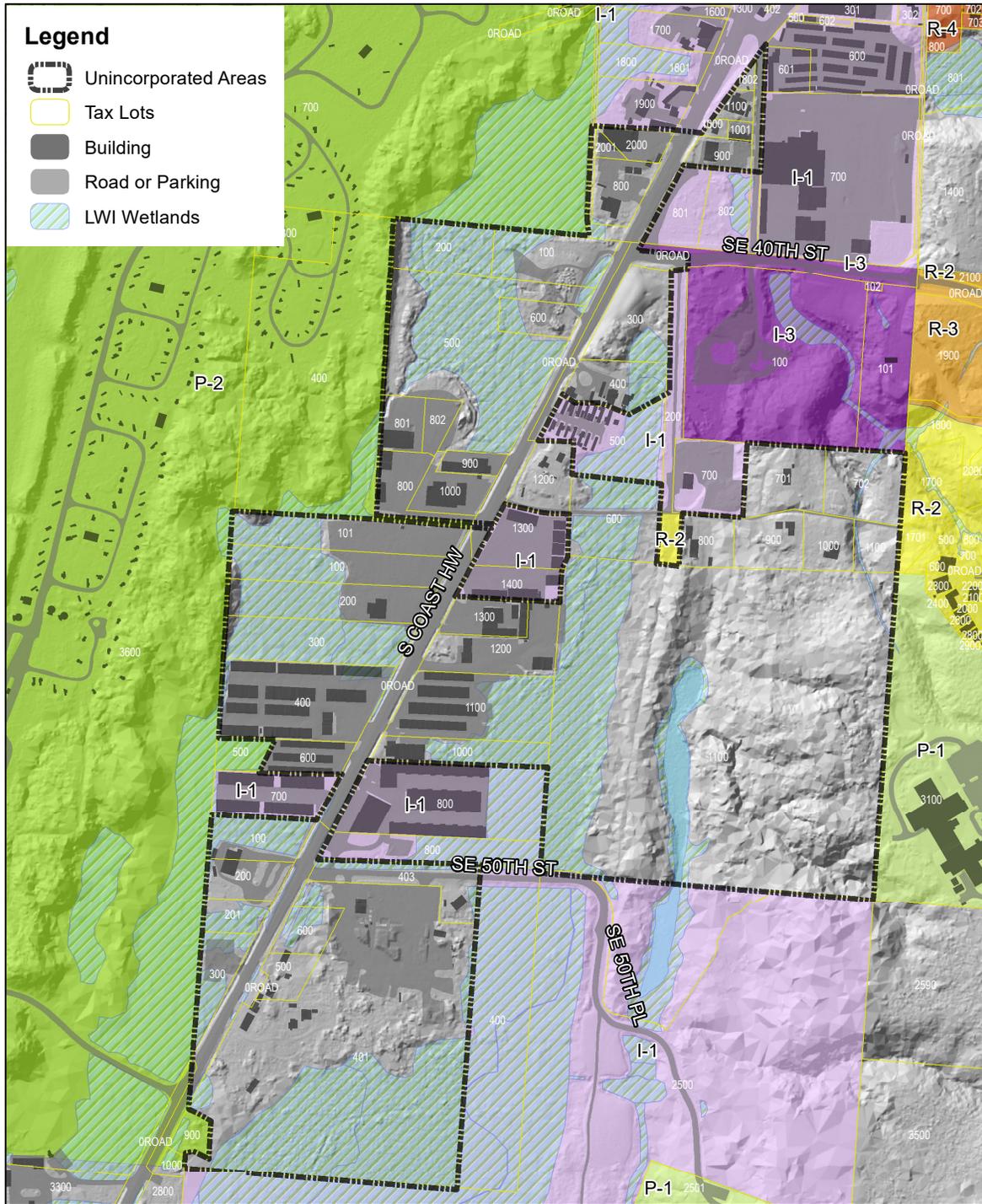
Annexing properties outside of city boundaries would:

- Make it easier for the City to provide infrastructure and services to those properties.
- Help to increase the desirability of those properties for industrial development.
- Help the City to achieve its economic development goals by enabling development at urban intensities and limiting development under County regulations that may be less compatible with urban renewal development goals.
- Normalize the municipal boundaries for emergency service providers.
- Create a condition where urban scale development can occur, improving the tax base for all taxing districts.
- Prevent property owners from having to retire old Seal Rock Water District debt for services they no longer receive.

Alignment with Vision 2040	<p>A14. Developable Land [Partner] C8. Local Businesses Support [Support] E6. Disaster Preparedness [Lead]</p>
Implementation steps	<ul style="list-style-type: none"> ▪ Refine the list of potential properties for outreach.

	<ul style="list-style-type: none"> ▪ Discuss predevelopment needs and annexation potential with identified property owners. ▪ Engage with Lincoln County to coordinate review of any development within the UGB to ensure that it is consistent with City goals and standards upon future annexation. ▪ Determine which zones are desired upon annexation to provide greater certainty and transparency for landowners and developers. ▪ Explore options for “island annexation” under ORS 222.750. ▪ Conduct outreach with property owners. ▪ Before proceeding with annexation: <ul style="list-style-type: none"> ○ Calculate specific amount of annexation expenses the City will cover. ○ Calculate the specific incentives needed to connect the property to the City’s sewer. ○ Develop language for agreements and a plan to have all properties annexed at one time to reduce costs. ▪ Coordinate with Lincoln County to complete the Urban Growth Management Agreement to ensure an orderly transition from County to City zoning.
<p>Public or stakeholder outreach needed</p>	<p>Outreach with property owners to is needed to determine development interest and whether the timing for that development would fall within the Agency’s investment window of 2022-2025. The City should engage with property owners to better understand specific concerns or uncertainties about annexation and encourage annexation. One approach could include developing informational resources for property owners highlighting development potential within the City compared to existing County regulations. In addition to tax and financial implications, these resources could outline any financial incentives for infrastructure development that could be available through the urban renewal area.</p>
<p>Partners</p>	<p>Conduct outreach with property owners to gauge interest in joining the City.</p>
<p>Estimated Cost</p>	<p>Funding Considerations</p>
<p>Up to \$500,000 (Preliminary estimate from the City of Newport; assumes all eligible properties are annexed at the same time)</p>	<p>Completing annexation of all willing properties at one time as opposed to piecemeal can reduce the overall costs associated with the annexation survey and staff time.</p>

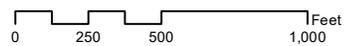
Exhibit 13. South Beach Unincorporated Areas within the Urban Renewal Boundary



City of Newport
Community Development Department
169 SW Coast Highway
Newport, OR 97365
Phone: 1.541.574.0629
Fax: 1.541.574.0644

**South Beach Unincorporated
Commercial / Industrial Pocket**

Image Taken July 2018
4-inch, 4-band Digital Orthophotos
Quantum Spatial, Inc. Corvallis, OR



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

C

Provide Sewer Infrastructure to Industrial Sites Near Newport Municipal Airport

Project Description	Lead
<p>The City will help implement sewer infrastructure investments to facilitate industrial development at the Airport. Based on a preliminary evaluation of the investment alternatives, the two that are most feasible are (1) Expand Airport Septic System (LOSS) and (2) Onsite Treatment WWTP (Package Plant w/Land Application) as determined in the Opportunities and Constraints Report.</p>	<p>Lincoln County concurrent with Animal Shelter project (with reimbursement from Agency).</p>
Rationale	
<p>Currently the sewer main stops at 50th Avenue and there is no sewer access to the Airport. This limits the types of industries that can function on nearby sites. Certain development projects that have been envisioned for the Airport industrial sites include airport hangars, flex warehouse, and industrial condominiums among others as noted in the Opportunities and Constraints Report. Sewer infrastructure would expand the realm of possibilities for these sites and reduce developer uncertainty around dealing with effluent.</p>	
Alignment with 2040 Vision	<p>A1. Infrastructure Investments [Lead] A14. Developable Land [Partner] B1. Sewer and Stormwater Management [Lead] C4. Airport Improvements [Lead]</p>
Implementation steps	<p>The LOSS is the most cost effective solution; however more detailed analysis is needed to confirm feasibility, including:</p> <ul style="list-style-type: none"> ▪ Discuss implementation steps and process with WWTP. ▪ For the LOSS, evaluate suitability of soils for a drain field, working with County sanitarian. ▪ Refine cost estimates against the agency’s funding capacity; factor in additional operations and maintenance expenditures. ▪ Determine if regulatory barriers can be overcome – both alternatives require permitting and the LOSS requires FAA review. ▪ Analyze cost implications for the city for ongoing maintenance of the system. ▪ Pursue installation of LOSS, preferably through development agreement with Lincoln County, if system is viable. Fully vet package plant option only if LOSS is not viable. ▪ Identify fee structure for future system connections that is equitable to all users.
Public or stakeholder outreach needed	<p>The City will conduct outreach with property owners where appropriate.</p>
Partners	<p>Urban Renewal Agency, City of Newport Public Works, Airport Committee, property owners</p>
Estimated Cost	Funding Considerations
<p>Planning estimates: LOSS - \$594,000 Onsite Treatment WWTP - \$1,960,000</p>	<p>Leveraging a development agreement with a lessee that would otherwise have to construct their own septic system will reduce Agency costs; the balance of funding would be from Urban Renewal. The lessee benefits because land they would otherwise have to dedicate to a septic system, drainfield, and replacement drainfield area can be dedicated to other uses.</p>

D Improve fire suppression capability at Airport industrial sites

Project Description	Lead
<p>The City will upgrade its water system at the Airport to enable adequate water flow rates for fire suppression. The Airport’s current water flow rate is between 400 to 600 gallons per minute at the hydrants. The Oregon State Fire Code adopted by the City of Newport requires that for any new structure being built there must be a minimum water flow rate of 1500 gallons per minute from the hydrants to fight fires. This flow rate might still limit the types of development that could be feasible.</p> <p>Potential options to increase and maintain water flows would include:</p> <ul style="list-style-type: none"> • A large water holding tank • Building a holding pond with a dry hydrant • Putting in booster stations and larger pipes • Automating the existing intertie between Seal Rock Water District and the City of Newport. The City would meter usage and use software that could pick up a sudden decrease in pressure attributed to hydrant use and automatically open up intertie to compensate. 	Public Works
Rationale	
<p>There is not enough water capacity to support fire suppression at the Newport Municipal Airport for certain types of development that the area might otherwise be able to attract.</p>	
Alignment with 2040 Vision	A1. Infrastructure Investments [Lead] A14. Developable Land [Partner]
Implementation steps	<ul style="list-style-type: none"> ▪ Public Works Department to assess automation options for City of Newport/Seal Rock Water intertie. ▪ Engineering study of the Airport’s water system to determine the most cost-effective option to be able to make the minimum 1500 gallons per minute water flow rate and have enough water on hand to fight fires.
Public or stakeholder outreach needed	Existing airport tenants
Partners	City of Newport Public Works, Seal Rock Water District
Estimated Cost	Funding Considerations
\$150,000 - \$500,000 (preliminary estimate)	Principal funding source will be urban renewal dollars. Automating intertie could be supported by water fund, if resources are available.

E Install redundant Yaquina Bay water pipeline

Project Description	Lead
<p>A significant system vulnerability is the single 12-inch ductile iron bay-crossing pipe installed in 1973 which conveys water to all areas south of Yaquina Bay.</p> <p>Per the 2008 Water System Master Plan, the City identified a preferred alignment between McLean Point and Idaho Point for potential horizontal directional drilling installation of a new redundant Bay crossing pipe.</p>	Public Works

Rationale

A failure of this line could not be repaired quickly and would leave the entire area south of the Bay with only the storage in the South Beach Tank.

Alignment with 2040 Vision	A1. Infrastructure Investments [Lead] E5. Disaster Preparedness [Lead]
Implementation steps	<ul style="list-style-type: none"> ▪ Complete detailed cost estimates ▪ Pursue resiliency grant funding (Application is being prepared for FEMA Hazzard Mitigation Grant) ▪ Determine potential funding sources and suitability for remaining funding needed (e.g., FEMA, American Jobs Plan, NOAA Resiliency Grants, etc.)
Public or stakeholder outreach needed	City will need to coordinate with Division of State Lands, the Army Corps of Engineers, and upland landowners to either side of the crossing.
Partners	Lincoln County, Port of Newport, and Yaquina Industrial Park (private owner at north end of crossing).
Estimated Cost	Funding Considerations
\$750,000 in urban renewal funds (grant match - Total: \$3 million)	FEMA or other grants, and water fund; if grants are unsuccessful the Agency could pay closer to \$3 million using surplus from other projects.

F Enhance South Beach placemaking through improvements to landscaping, public art, and gateways

Project Description	Lead
<p>The City will enhance South Beach’s sense of place by investing in landscaping, improving wayfinding, and adding amenities (including public art).</p> <ul style="list-style-type: none"> ▪ Gateways: <ul style="list-style-type: none"> ○ Northern: The City will establish a northern gateway into South Beach that could include wayfinding signage that clearly directs visitors to key South Beach destinations after they exit the Yaquina Bay Bridge. There are two potential locations identified in the Opportunities and Constraints Report: (1) the exit ramp from US 101 onto Abalone Street and (2) the north side of Safe Haven Hill right after the Yaquina Bay Bridge on the east side of US 101. ○ Southern: The City will establish a gateway into South Beach south of 35th Street to improve the arrival experience into South Beach and help businesses and other destinations off Hwy 101 that currently have limited visibility. The City has an opportunity to create a gateway feature south of 35th Street in the space created by the closure of the connection from US 101 to Ferry Slip Rd. Additional property may need to be acquired to accommodate the desired development program and gateway features. ▪ Landscaping: A coherent, complete, and uniformly branded path and trail network is an amenity unto itself and supports the local economy by providing additional ways for people to travel around South Beach. ▪ Key nodes/rest stops: The improvements will also identify key starting points for the pathway system for visitors which would include amenities like seating areas, drinking water, and bathrooms. Key locations are identified in Exhibit 14 and could include the SW 26th/Marine Science Drive, Ferry Slip/35th Street, the Hatfield Visitors Center, and the Aquarium Overflow Lot. ▪ Wayfinding and Public Art: As the final stage of improvements to transportation infrastructure (trails, gateways, and road infrastructure enhancements), the City would implement updated wayfinding elements and public art at different scales. Signage and public art would incorporate the overall identity for the district. Water-based themes related to the existing uses in the area as well as themes relating to the history of the area were the most popular among survey respondents. 	<p>Public Works, Community Development, Public Arts Committee</p>

Rationale

These improvements provide an opportunity to enhance the identity and sense of place in South Beach through landscaping, signage, and amenities. Visibility of South Beach destinations is limited from US 101. Currently, only standard roadway destination signage (which is often confusing) signals the approach to South Beach and its primary destinations. While destinations are compelling, there is little district-level sense of place. A northern gateway will create a sense of arrival and interconnectedness to the whole area. Additionally, consolidated wayfinding signage will contribute to cohesive navigation assistance and South Beach branding. This will help businesses and other destinations off Hwy 101 that currently have limited visibility.

<p>Alignment with 2040 Vision</p>	<p>A4. City Wide Beautification [Lead] B3. Parks and Recreation Needs and Upgrades [Lead] C7. Arts and Cultural Destination [Partner] D3. Art in Public Spaces [Lead],</p>
<p>Implementation steps</p>	<ul style="list-style-type: none"> ▪ Develop an RFP for landscaping, wayfinding, and public art improvements in South Beach. The work completed through this RFP would help to: <ul style="list-style-type: none"> ○ Design a community engagement plan that homes in on key investments for the area.

	<ul style="list-style-type: none"> ○ Determine design of landscaping along the trail, including opportunities for removal of invasive species in public ROWs (see precedent imagery for examples of how landscaping interacts with multimodal path improvements). ○ Determine the ideal location for the northern and southern gateways connects with other placemaking and mobility/safety projects. Determine the type of gateway feature and other programmatic elements of the site. ○ Evaluate current wayfinding signage and update as necessary. If the current wayfinding system is significantly incomplete, design a new wayfinding signage schema. ○ Identify potential locations for public art installations and work with the Public Arts Committee to commission pieces, develop a plan for wayfinding, public art, and landmarks. The group will confirm priority areas to focus on first (e.g., 35th Street Site). ○ Complete detailed cost estimates and a phasing plan, identifying which projects should be completed with urban renewal dollars. <ul style="list-style-type: none"> ▪ Based on phasing plan, install new gateway features, landscaping wayfinding, and public art. ▪ Analyze cost implications for the city for ongoing maintenance of the landscaping, public art, and gateways
<p>Public or stakeholder outreach needed</p>	<p>The RFP for services would include stakeholder engagement with area residents, employers, visitors, and key organizations for feedback on location and design alternatives for all placemaking elements. The City could reach out to local artists to commission art along the trail. The City will coordinate with the Public Arts Committee for gateway feature design ideas and execution.</p>
<p>Partners</p>	<p>City of Newport Public Works, Public Arts Committee, South Beach businesses, residents, key organizations in South Beach.</p>
<p>Estimated Cost</p>	<p>Funding Considerations</p>
<p>\$1 million (\$150-250K in consulting fees, up to \$850,000 in improvements)</p>	<p>The Urban Renewal Agency would fund key aspects of this project but could seek other funding for public art improvements.</p>

Precedent Imagery

The images below illustrate the types of placemaking that could improve South Beach's sense of place.⁵

LANDSCAPING, ART, PLACEMAKING, GATEWAYS



Landscape Gateway (Pendleton, OR)



Arch Sign Gateway (Bandon, OR)



Monument Sign Gateway (Portland, OR)



Public Space / Park Gateway (Sherwood, OR)



Public Park and sculpture at prominent corner (Troutdale, OR)



Stormwater corridor and gathering space as part of street vacation walkway (Portland, OR)

⁵ Photos compiled by SERA Architects



Signage gateway (Tigard, OR)



Trailhead plaza and outdoor museum on Tigard Heritage Trail (Tigard, OR)



Murals and large-scale art (Eugene, OR)



Trail and community node gateway with seating and art (Clackamas County, OR)

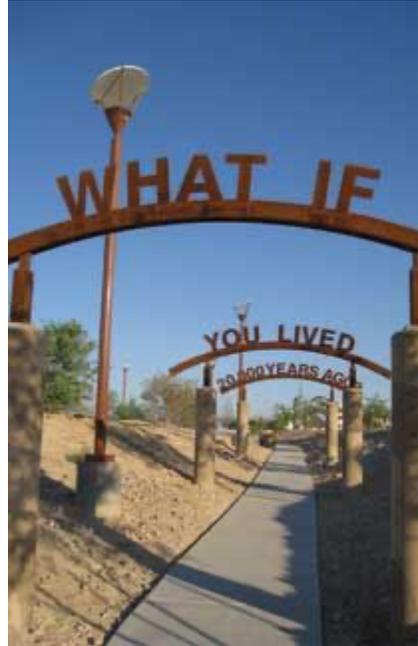


Sidewalk Sculpture Art (Grand Junction, CO)



Fish sculpture along working waterfront and trail (Bandon, OR)

WAYFINDING SIGNAGE





G Enhance Mobility for Cyclists and Pedestrians through South Beach Loop Path Improvements

Project Description	Lead
<p>The City will enhance the existing multi-use pathway network in South Beach by installing new segments, improving surfaces, and improving crossing safety. These improvements will provide a safer and more comfortable way to travel by bike or on foot throughout the area.</p>	<p>Public Works, Community Development, Bike and Pedestrian Committee, Parks and Recreation Committee</p>

Rationale

Improvements to the South Beach multi-use path, which connects most of the key destinations in South Beach, could enhance the bike ability and walkability of South Beach. These improvements provide an opportunity to enhance the identity and sense of place in South Beach by creating cohesive trail pavement. A coherent, complete, and uniformly branded path and trail network is an amenity unto itself and helps support the local economy by providing additional ways for people to travel around South Beach.

The current trail network in South Beach is patchy and some parts are not ADA compliant. In the event of a tsunami, residents and visitors alike may struggle to access evacuation sites if trail connections are not improved and maintained. The projects below will fill significant gaps in the mobility network and improve accessibility and navigability to both key destinations and several tsunami assembly areas. To be best qualified for urban renewal funding support, these projects should help to enhance mobility between destinations.

Exhibit 14 and Exhibit 15 provide an overview of the potential connections in South Beach, while Exhibit 16 provides an evaluation of each alignment based on several criteria: whether the alignment completes the multimodal network, community/support (based on investment priorities and focus group conversations), and its focus (recreational or housing/jobs connection). We have prioritized five alignments based on this evaluation.

<p>Alignment with 2040 Vision</p>	<p>A11. Bicycle and pedestrian Safety and Amenities [Lead] A12. Multiuse Paths and Trails [Lead] A15. Complete Streets [Partner] B2. Integrated Shared-Use Trail System [Lead] C6. Tourism Diversification [Partner]</p>
<p>Implementation steps</p>	<ul style="list-style-type: none"> ▪ Coordinate with South Beach State Park on their planned trail connections ▪ Release an RFP that seeks consultant assistance in completing detailed designs and inventorying surface conditions. ▪ Award priority projects by 2025 ▪ Analyze cost implications for the city for ongoing maintenance of the path improvements ▪ Signage costs depend on material cost ▪ 18 regular blade signs on poles ▪ 3 vehicular signs ▪ 1 informational kiosk (map on both sides)

Public or stakeholder outreach needed	The City could seek input from the community on residents' mobility needs (i.e. where they want to go and how they want to get there) and landowners along the trail network.
Partners	City of Newport Public Works, Bike and Pedestrian Committee, local property owners
Estimated Cost	Funding Considerations
<p>\$1.3 - 1.45 million (high priority projects only, excluding ROW acquisition)</p> <p>Total Cost for all multimodal path improvements: \$3 million to \$3.4 million+</p>	<p>Given the limited window for completing the projects, it is expected that the bulk of the funding will be urban renewal dollars. The Aquarium, HMSC, OPRD, and ODOT might be contributors for projects that specifically benefit their facilities. Travel Oregon grant funding might be available for wayfinding enhancements.</p>

Exhibit 15. Multimodal Connections in South Beach

Map Key	Project	Description	Implementation Considerations	Estimated Cost	Focus
1	Hatfield Marine Science Center Path	PRIORITY 1,700-ft eastward path improvement connecting to the Estuary Trail	Verify recently built improvements through the HMSC west side parking lot and links to the path network on the west side of SE Marine Science Dr.	\$230,000 (east path to the Estuary Trail)	Recreation
		LOWER PRIORITY 1,200-ft path from the Marina RV Park at SE Marine Science Drive along the south side of the new HMSC building and southward on Hatfield Marine Science Center driveway to SE 25th		\$160,000 (Path along the driveway to the south of the Science Center)	Resiliency
				TBD on west side connection	
2	Enhance crossing to Aquarium overflow lot on Ferry Slip Road	PRIORITY 120-ft new path with one improved street crossing on the south.	Crossing improvements will need to be well-marked and coordinated with traffic operations along the busy access road. Both new path segments will require some tree clearing.	\$40,000 for path and marked crossing; add'l \$30,000 for crossing warning lights	Recreation
3	Jetty Multiuse Path	LOWER PRIORITY Approximately 0.8-mile new multi-use path along SW Jetty Way from SW Abalone to the Yaquina Bay South Jetty trailhead.	Path on south side would be simpler to construct; path of north side would offer greater views of the Bay from the trail but may require extensive shoring and structural work.	\$560,000 – for new path site preparation and construction; does not include any right-of-way acquisition	Recreation
4	Extended shared use path in Coho/Brant neighborhood	LOWER PRIORITY 350-ft shared-use path along SW 26th to fill the gap between SW Brant and SW Abalone	May require right-of-way expansion to fit the path on road segment. Off-street segment north of SW 29th St. may be through private or public property (additional investigation needed)	\$50,000+ for segment on SW 26 th ; largely depends on right-of-way needs and facility design as separated path or in-street allocation	Housing/Jobs Connection
		LOWER PRIORITY ¼ mile path extension on SW 27 th , SW Coho, and SW 30 th connecting to the existing system on SW Brant. The includes both street-adjacent paths and a segment through forested area north of SW 29 th Street	Alignment may not be suitable	\$100,000+ for clearing, grading, and construction for segment on SW 27 th , SW Coho, and SW 30 th ; more if land acquisition is needed.	Housing/Jobs Connection
5	Planned trail connection to South Beach State Park	PRIORITY 950-ft path system both aside a street and as new construction through a forested area. This path will connect South Beach State Park to the growing path system on SW Abalone and throughout South Beach.	Needs coordination with Oregon State Parks department May be eligible for disaster planning funding pending level of improvement to the path linking to the existing SW 35 th Street segment.	\$150,000- \$280,000 depending on trail width, alignment, surface materials, and tree removal or protection needs	Recreation

Map Key	Project	Description	Implementation Considerations	Estimated Cost	Focus
6	35 th Street Sidewalk Improvements	PRIORITY New sidewalks, curb cuts, and curbs on SE 35 th Street between SE Ferry Slip and eastward to the URA Boundary approximately near South Beach Manor Memory Care. This segment is 1,600 ft long.	Urban renewal or CIP funds are the most likely	\$750,000 for sidewalks on both sides of street. Does not include right-of-way acquisition, regrading, or stormwater system installation – which could increase costs by several fold.	Housing/Services Connection
7	Multimodal path west side of Hwy 101 between SE 35 th and SE 40 th	LOWER PRIORITY 1,400-ft shared path constructed to provide a separated walking and biking facility along this stretch of busy Hwy 101.	Due to upcoming closure of SE Ferry Slip Rd access to Hwy 101, this segment should face no street crossings other than those at the endpoint streets.	\$200,000 for alignment preparation, grading, and new construction	Housing/Services Connection
8	Multimodal path along SE 40 th St. from Hwy 101 to Ash	LOWER PRIORITY Complete missing segment of the path system along SE 40 th by building a 450-ft segment along the north side of the street between Hwy 101 and SE Ash Street.	Land acquisition needed for right-of-way expansion to fit the path.	\$70,000 for clearing, grading, and path construction; TBD for land acquisition	Housing/Jobs Connection
9	Improved trail connection between 40 th St. and Mike Miller Park	LOWER PRIORITY Construct an approximately 1,600-ft path routed along the west side of the minor road between SE 40 th and SE 42 nd , and extending through forested area to then link to the Mike Miller Park Educational Trail.	May require right-of-way expansion to accommodate the path adjacent to the road segment. To-be-determined routing, land acquisition, and construction complexity through forested land.	\$200,000 or more for path segment along the road. Additional cost if land must be acquired for right-of-way. To-be-determined cost for path through forested land.	Recreation
10	Improved connection from Ash to Wilder along 40 th St.	PRIORITY Complete the missing segment along SE 40 th by building a 750-ft segment along the south side of the street from SE Ash to the east connecting to the existing path that is continues to Wilder. This project also includes a marked crossing of the west leg of SE 40 th / SE Ash.	Land acquisition to expand right-of-way may be needed. Complex shoring and grading may be needed to support the path near the existing water retention pond.	\$120,000 for marked crossing and path construction. Additional \$50,000 - \$100,000 for slope shoring. TBD for land acquisition if needed.	Housing/Jobs Connection
11	Oregon Coast Community College Multi-use path	LOWER PRIORITY New ~400-ft path along SE College Way will complete the connection of the Wilder path network to OCCC and provide improved tsunami evacuation routing	Requires minor tree clearing depending on final alignment. Connection could be extended formally across the parking lot at the west end, adding cost and considerations to reduce conflicts.	\$75,000 for tree clearing, grading, and path	Recreation Housing/Jobs Connecting
Total				\$2.9 - \$3.4 million+*	
Priority				\$1.3-\$1.45 million+ without ROW acquisition	

* These cost estimates are preliminary and pending review from Public Works and other reviewers.

Exhibit 16. Evaluation of South Beach Multimodal Concepts (Ranked by Community Support and Ability to Complete the Network)

Potential Investment	Prioritized?	Focus	Completes network?	Community support	Funding considerations
5. Planned trail connection to South Beach State Park	Yes, within URA boundary	Completes South Beach “loop”, provides better connections to tsunami assembly area	High	High – residents and visitors want to be able to “complete” the loop on foot or bike. This ranked highest on the survey.	Potential funding support from Oregon State Parks and/or disaster preparedness grants. Part of connection is outside of URA boundary.
6. 35 th Street sidewalk improvements	Yes	Helps to complete street network serving the neighborhood	High	High – residents want a complete multimodal network in the neighborhood. Scored moderately on the survey	
10. Improved connection from Ash to Wilder along 40 th St.	Yes	Connects jobs and housing, increases safety	High	Medium – many residents use the existing path to Wilder however it was lower priority to survey respondents.	Like requires ROW acquisition.
1. Hatfield Marine Science Center Path (public ROW only)	Yes	Increases connectivity near Hatfield, connects to tsunami assembly area	Medium	High – residents would like to improve resiliency and connect to the Estuary Trail for recreation. Ranked high on the survey	Hatfield most likely to complete projects on its campus, except for linkage in public ROW
2. Enhance crossing to Aquarium overflow lot on Ferry Slip Road	Yes	Increases safety near the Aquarium, completes network link	Medium	Medium – residents and visitors would like to improve safe access to the aquarium, scored moderately on survey.	Possible non-URA funding for public art improvements
3. Jetty Multiuse Path	No	Enhances safety for recreational uses on Jetty Road	High	High – residents want to feel safe biking/walking down Jetty Rd. This ranked second highest on survey.	City to pursue ODOT or other grants to explore feasibility (Community Path or All Roads Transportation Safety Program)
9. Improved trail connection between 40 th St. and Mike Miller Park	No	Creates recreational trail connection	High	Medium – this came up as a moderate priority in the survey.	
7. Multimodal path west side of Hwy 101 between SE 35 th and SE 40 th	No	Improves highway safety	Medium	Medium - Ranked moderately on the survey.	ODOT could help to fund these improvements.
4. Extended shared use path in Coho/Brant neighborhood	No	Enhances connectivity in Coho-Brant	Medium	Low– some residents want to complete the multimodal network in the neighborhood. This was ranked lowest in the survey.	URA funding could be available for “high priority section” listed in Exhibit 15, but LID from neighboring property owners would likely be required.
8. Multimodal path along SE 40 th St. from Hwy 101 to Ash	No	Completes an infrequently used multimodal link	Low	Low – residents do not frequently use this route; scored fairly low on the survey.	ODOT Community Path Grants and All Roads Transportation Safety Program
11. Oregon Coast Community College Multi-use path	No	Connects to tsunami assembly area, completes recreation path	Low	Low – some residents expressed concerns with resiliency and disaster preparedness; this connection would improve access to tsunami assembly area. This ranked second lowest in the survey	Community college is most likely to implement this project. FEMA hazard mitigation grants; ODOT Community Path Grants and All Roads Transportation Safety Program; Restoration grants for landscaping and roadway beautification

Precedent Imagery

The images below illustrate the types of pathways that could enhance mobility for pedestrians and cyclists.⁶

GENERAL PATHWAYS



Landscaped path



Path enhanced with native plantings



Elevated boardwalk helps protect sensitive ecosystems and seasonal water flows



Trail branding with basalt stone, rest area pullouts, and unique lighting fixtures (Trolley Trail, Clackamas County, OR)



⁶ Photos compiled by SERA Architects

Picnic shelter and bike parking stopping point along a trail



Fanno Creek Trail connection to downtown Tigard, Ore., with branding signage

Trail/Park restroom (Foothills Park - Lake Oswego, OR)



Trail wayfinding signage (Clackamas County, OR)



Marked street crossing for multi-use path



Path connection for walking and biking created as part of a street vehicle closure (Portland, OR)



Distinct lighting features, path separation markings, and landscape improvements support wayfinding and the sense of place in a trail system. (Vancouver, BC)



Waterfront trail system with lighting and hearty, native planting

H Install a traffic signal and enhanced pedestrian facilities at 40th Avenue and U.S. 101

Project Description	Lead
<p>The City will install a traffic signal for three approaches, coordinate utilities, and repave the intersection, ADA ramps, striping, signing, and Right-Of-Way (at SW corner, SE corner, and NE segment behind proposed sidewalk extension). A roundabout could be considered if the City cannot meet state requirements for a signal.</p> <p>Additional project elements could include:</p> <ol style="list-style-type: none"> 1) Extending a 6-foot-wide sidewalk from the ramp at the south end of the crosswalk at SE Ferry Slip along the east side of US 101 to SE 40th. 2) A 10-foot-wide multi-use path from SW 35th St. to SW 40th St. 	<p>Community Development, Public Works</p>

Rationale

Signalization at 40th Street will open the door for planned development and ease congestion in South Beach, improving safety and ease of access to the Wilder development, Oregon Coast Community College, and the planned OSU student housing development.

<p>Alignment with 2040 Vision</p>	<p>A10. Street, Highway and Bridge Improvements [Lead] A11. Bicycle and Pedestrian Safety and Amenities [Lead]</p>
<p>Implementation steps</p>	<ul style="list-style-type: none"> ▪ Evaluate the intersection for compliance with ODOT traffic control warrants. ▪ Have the new traffic signal, or roundabout, authorized by the State Traffic Engineer. ▪ Determine the extent of the project – will it include one or both additional multimodal improvements. ▪ Acquire the necessary ROWs. ▪ Develop a construction traffic plan to minimize impacts.
<p>Public or stakeholder outreach needed</p>	<p>The city will need to reach out to landowners to acquire ROWs.</p>
<p>Partners</p>	<p>ODOT, Public Works, neighboring property owners</p>
<p>Estimated Cost</p>	<p>Funding Considerations</p>
<p>\$1.5 million (intersection improvements only, bike/ped improvements listed in Project G, #8)</p>	<p>It is expected that urban renewal funds will be used to construct the signal. ODOT might contribute to stretch the scope of the project if they conclude that the intersection meets signal warrants.</p>