

CITY OF NEWPORT
COMPREHENSIVE PLAN
1990 - 2010

ORDINANCE NO. 1621

ADOPTED: October 7, 1991

EFFECTIVE: November 6, 1991

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Amended by Ordinance No. 1723/April 3, 1995/Map
Amended by Ordinance No. 1724/June 19, 1995/Map
Amended by Ordinance No. 1741/February 5, 1996/Map
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Amended by Ordinance No. 1751/August 22, 1996/Map
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Amended by Ordinance No. 1772/June 2, 1997/Map
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1 **PREFACE:** Council, Planning Commission, Advisory Committee, and City Staff, i; Introduction, ii.

2 **PHYSICAL AND HISTORICAL CHARACTERISTICS:** Physical Description, 1; History, 11.

3 **ENVIRONMENT:** Natural Features, 27 [Geology, 27; Earthquakes, 33; Flood-prone Areas, 35; Ocean Shorelands, 36; Ocean Shorelands Map, 51]; Forest Lands, 56; Agriculture, 60; Water Quality, 62; Air Quality, 64; Noise, 66; Energy, 69; Solid Waste, 74; Wetlands, 76; Aggregate and Mineral Resources, 79.

4 **SOCIOECONOMIC CHARACTERISTICS:** Housing, 123; Economics, 131; Newport Peninsula Urban Design Plan, 198.

5 **PUBLIC FACILITIES:** Introduction to Public Facilities, 204; Water Supply Facilities, 207; Wastewater Facilities, 219; Newport Transportation System Plan, 228; Public Parking Facilities, 271; Airport Facilities, 283; Port Facilities, 289; Storm Drainage Facilities, 297; Goals and Policies, 302.

6 **PUBLIC, CULTURAL AND EDUCATIONAL SERVICES:** Parks and Recreation, 323; Fire Emergency Services, 339; Police Services, 342; Entertainment and the Arts, 348; Library Services, 351; School Services, 354.

7 **THE BAY AREA:** Yaquina Bay and Estuary Section, 360 [Yaquina Bay Estuary, 360; Yaquina Bay Shorelands, 390; Port Development Plan, 394; Yaquina Bay Estuary and Shorelands Map, 403].

8 **PLAN MANAGEMENT:** Urbanization, 406; Administration, 417.

9 **APPENDIX A:** Resolution establishing land use fee schedule, 427.

10 **APPENDIX B:** List of amending ordinances noting sections amended, 433.

11 **APPENDIX C:** "Employment Lands & Conceptual Land Use Planning Project: Economic Planning" (Benkendorf Associates Corp., et al., September, 2005), 440.

12 APPENDIX D: “City of Newport 2022 – 2042 Housing Capacity Analysis” (ECONorthwest, November 2022), 652.

13 BIBLIOGRAPHY: 832.

14 NEIGHBORHOOD PLANS: “Agate Beach Neighborhood Plan” (July 6, 1998), 836; “Bay Front Plan” (July 6, 1999), 879.

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INTRODUCTION

The City of Newport's Comprehensive Plan is designed to guide the development of land within the city limits and to coordinate with Lincoln County the development of those lands outside the city limits but within the urban growth boundary (UGB). The plan also establishes the goals, policies, and means by which Newport will grow within the next 20 years. In addition, the plan establishes the policies for other affected agency involvement in the development of public and private property.

A comprehensive plan is not a site plan, however. Rather, the plan guides the private citizen and developer in the use of their land by establishing goals, policies, and implementing measures. It is not the intent of the plan to arbitrarily replace the judgment and tastes of a private individual but to help that person comply with the community's goals. Sometimes that will involve the redesign of a development or the subordination of personal feelings or profit for the common good. Active citizen participation in the process of developing the plan and the mutual accommodation of other interests are necessary ingredients to successful plan implementation.

Background:

The State of Oregon mandates that all cities and counties prepare a comprehensive plan for their jurisdiction. Each plan must address the legislatively adopted Statewide Planning Goals, applicable state and federal laws, and pertinent Oregon Administrative Rules (OAR). Once the plan is complete at the local level, the state reviews it for compliance with the goals. When the plan is found to be in compliance, the plan is acknowledged by the state.

The state acknowledged Newport's Comprehensive Plan on June 1, 1984. Administration of the plan and the ordinances and programs that implement it are ongoing. As explained in the administrative section of this document, a thorough review is expected at five to seven year intervals to keep current; however, minor revisions have been and will continue to be made more frequently.

Plan Format:

This plan is divided into various sections that address the Statewide Planning Goals. More than one goal may be included in an element, or any given goal may be discussed in more than one element, so there is no absolute relationship between the elements and the goals. All the relevant goals are addressed somewhere in the plan, however.

Before the City of Newport can develop a program for growth, an inventory must be taken that tabulates the data for each element of the plan. Basically, the inventory is a snapshot of the City of Newport at a particular time. Newport is dynamic, and any data once gathered may become quickly obsolete. It is, therefore, the intent of this plan to keep the data separate from the adopted plan. All the supporting data that is not included in this plan, however, is incorporated into this plan by reference.

Once the data is accumulated and analyzed, conclusions can be drawn. These conclusions will assist in the formulation of general goals and more specific policies. Finally, ways of implementing these goals and policies may be derived to further the stated goal. All of the conclusions, goals, policies, and implementation strategies are contained in the plan. The plan also references specific implementing ordinances, programs, or other plans.

The final section contains procedures for administering the plan. When, for example, a change in the inventory dictates a change in a conclusion, goal, or policy, a methodology must be in place to accomplish that end. Any such action will be considered a plan amendment and shall be processed accordingly.

The plan goals and policies are sometimes made more specific by listing implementation measures. Implementation measures have the same regulatory force as policies.

PHYSICAL DESCRIPTION

Location:

Located in Lincoln County along the central Oregon coast, Newport lies about 135 miles south of Astoria and the Oregon-Washington border, 114 miles southwest of Portland, and 55 miles west of Corvallis (Figure 1).¹ It is the largest city in Lincoln County and is the County seat. At the junction of two primary United States highways, Highway 101 and Highway 20, Newport links the Willamette Valley with west coast ports and Asian destinations across the Pacific Ocean via shipping out of Yaquina Bay.

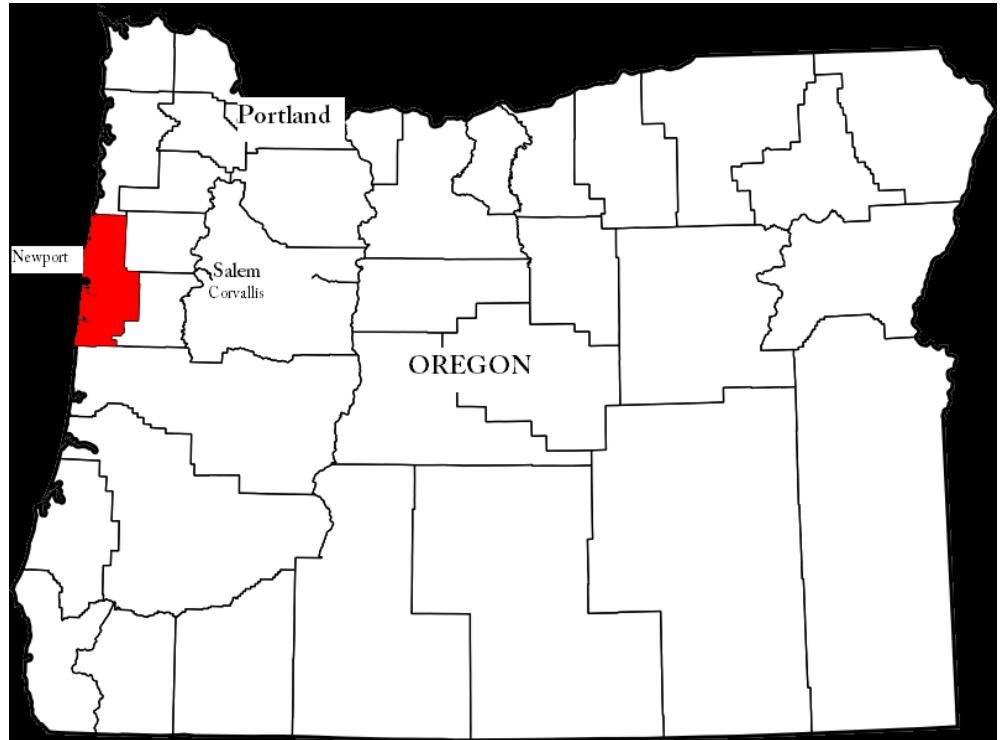


Figure 1

Climate:

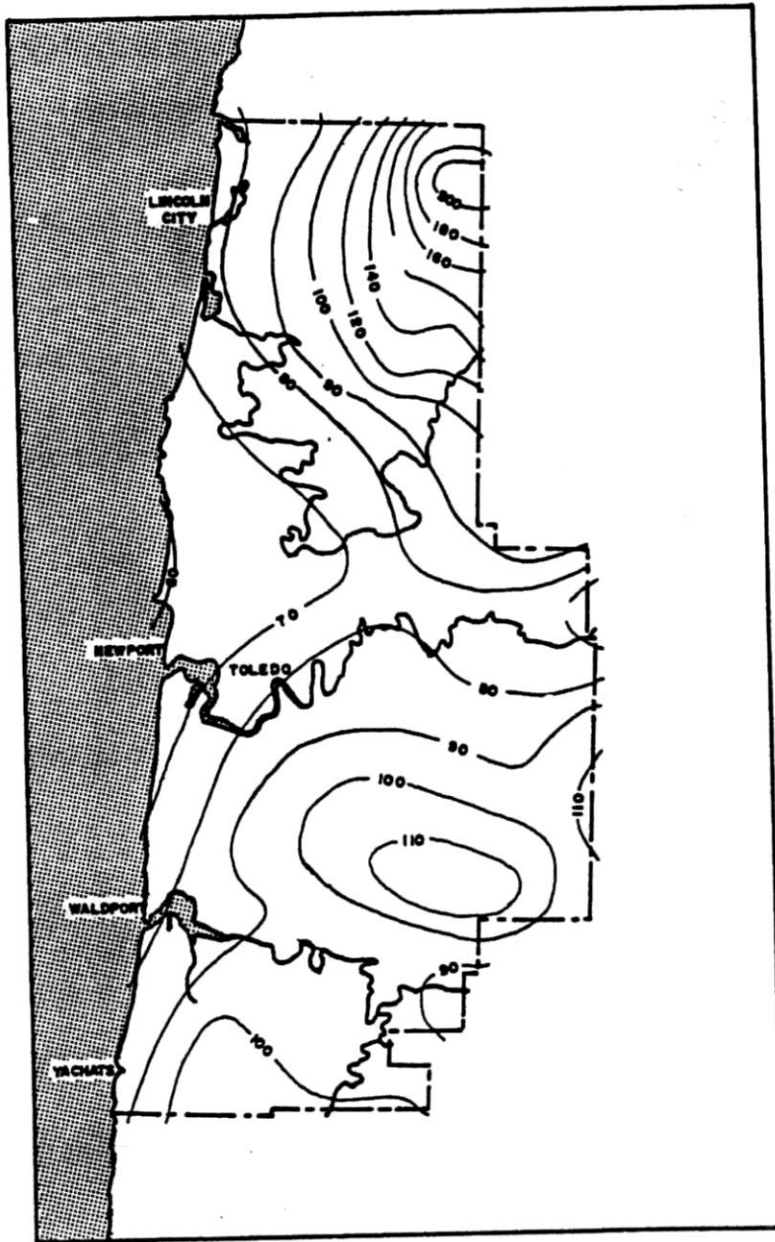
The City of Newport has a relatively humid climate, influenced by the proximity of the Pacific Ocean. Moisture-bearing winds from the ocean rise and are cooled as they cross the Coast Range. This creates a coastal marine climate characterized by moderate temperatures and a fairly high amount of precipitation, especially during the winter.

Precipitation:

Air masses that have followed a long trajectory across the Pacific are usually at ocean temperature and saturated with moisture. As they move onshore, contact with

¹ State of Oregon Bureau of Governmental Research, Preliminary Land Use Plan For the Yaquina Bay Area, University of Oregon, 1969.

Figure 2

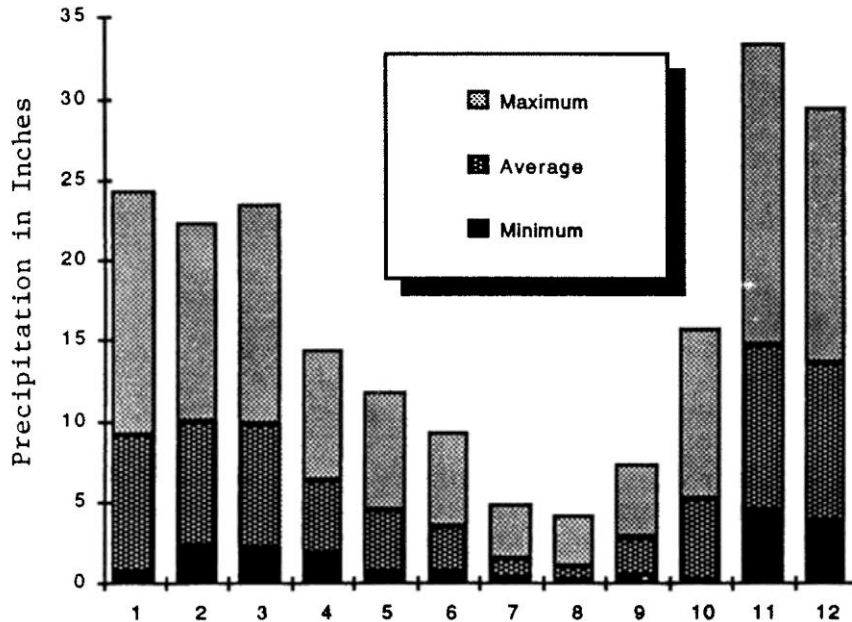


WATER RESOURCES OF LINCOLN COUNTY COASTAL AREA, OREGON USGS 76-90 1977
INCHES OF RAINFALL PER YEAR

the Coast Range forces the air to rise and cool. This rise is accompanied by a pressure reduction causing condensation and precipitation. Thus, the coastal slope is one of the heaviest annual rainfall areas in the contiguous United States (see Figure 2 on the preceding page).²

Normal annual precipitation at Newport is about 65 inches, most of which occurs as rain. Because of seasonal changes in ocean temperature, air temperature, and wind direction, precipitation follows a definite seasonal pattern. The wettest months are from November through March, when about 70% of the total occurs. Figure 3 shows minimum, mean and maximum monthly precipitation at Newport for the period of record, 1978-1991.

Figure 3



Monthly Precipitation at Newport (1978-81)

Snow is an unusual event in Newport, averaging only one to two inches a year. The surrounding mountains and mountain passes can, however, experience deep snow in the winter months. Even in those areas, though, snowfall is intermittent and occurs only in the higher elevations.

² ibid.

Temperature:

Temperatures are moderate, ranging between an average January temperature of 44° and an average July temperature of 56°--a difference of only 12°. ^{3, 4} Extremes extend from 0° to 90°. The average annual growing season is 250 days.

Wind:

The Oregon coast is exposed directly to winds that move off the ocean on shore. Prevailing winds are generally from the west, with a southwesterly component during the winter and a northwesterly component in the summer. Wind velocities average 10 to 15 miles per hour, but higher gusts are not uncommon. The strongest winds ordinarily develop during the winter months, while summer winds are normally lower in velocity.

Humidity:

Because of the constant onshore movement of moist, marine air, relative humidity is high and distinguished by very little seasonal or diurnal change. The annual average high, frequently in the morning, is approximately 90% as compared to the average low of 70%, ordinarily during the warmest part of the day. ⁵

Vegetation:

"Three major vegetation communities are found within the Yaquina Bay Estuary. Each is discussed below...

"Shore Pine - Spruce Community:....As dunes begin to stabilize, and enough organic material is deposited within the surface layers, vegetation communities will begin the succession process.

"European beach grass was planted in the South Beach area to encourage dune stabilization in the 1930's. Partly due to that action and due to natural processes, the South Beach area now exhibits the best representatives of the shore pine and spruce communities....Besides European grass, typical flora is seashore peavine, maritime peavine and seashore lupine.

³ ibid.

⁴ Pacific Northwest River Basins Commission, The Oregon Coast Level B Study of Water and Related Resources, 1976.

⁵ ibid.

"Coastal shrub communities (peavine, lupine, willows, huckleberries, etc.) rapidly evolve into forests typically composed of shore pine and sitka [sic] spruce. The less common constituents of the successional tree development are the Douglas fir (in well protected environs) and western hemlock or western red cedar in low, moist older forests. The coast pine is the primary feral stage of the tree succession, and sitka spruce and Douglas fir become the dominant species due to their superior growth capabilities and their longevity.

"Riparian Community: The riparian floral communities are typically scattered in narrow bands, and are fairly inconsistent in the Yaquina Bay area. Typical species involved in this community are sitka spruce, red alder, Douglas fir, vine maple, black cottonwood, willow and blackberry. Some riparian communities are very small (1 to 2 meters wide and 3 to 4 meters long) and are comprised of but two to four species. Riparian communities act as important buffers for water users, as cover for water access, and as food sources for many wildlife species. The smaller riparian zones occur along the perimeter of portions of Idaho Tide Flats, and along Sally's Bend down to Oneatta Point on the north shore of the river. Small draws just upland from the bay areas, where moist enough, have thick stands of riparian vegetation. These draws are composed primarily of red alder, indicating a fairly recent disturbance of the natural land vegetation.

"Strong stands of riparian flora occur in the upper reaches of the marsh lands and sloughs. In those areas where the...high marsh ends and the land begins sloping upwards into the hills, very healthy stands of riparian vegetation occur. Spruce, fir, alder, and maple can be found in mixes, towering high above the marsh."⁶

An examination of an aerial photograph produced by the Army Corps of Engineers and by CH2M HILL indicates no significant areas of riparian vegetation outside of the coastal shorelands zone.

"Douglas Fir - Trailing Blackberry Community: This association is represented by a wide variety of vegetation, and occurs in many different forms. The indicator species is principally Douglas fir, with an understory primarily composed of blackberry, salal and sword fern. Associated tree species are often western hemlock, sitka [sic] spruce, grand fir, western red cedar, big leaf maple and red alder. Other woodstemmed species found in the understory include salmonberry, vine maple and huckleberry.

⁶ Wilsey and Ham, Yaquina Bay Resource Inventory, Oregon State University Marine Science Center, 1977, p. 9-1 to 9-4.

"The potential variety is considerable, depending on the past and present environmental influences. Areas recently logged revegetate with an alder dominance for an overstory. Land subjected to fire may reestablish with conifers and alders, depending on the heat of the fire, the extent of the burn and the reclamation activities, etc. The deciduous (primarily alder) canopy will retard fir growths for up to 80 years before the successional stage takes over. As the Douglas fir stage matures, the deciduous species (alder, huckleberry, etc.) will phase out, allowing for the growth of the shade-tolerant conifers (red cedar, hemlock, and spruce). Eventually the fir forests give way to climax forests of western hemlock and sitka spruce. The Yaquina Estuary has several different stages of the fir-blackberry community, primarily due to constant human interference. Logging has occurred throughout the slopes of the bay and river, with each cut area currently representing a slightly different stage of the floral process."⁷

Significant Natural Vegetation Areas

Mike Miller Park in South Beach lies about one mile inland from the sea at an elevation of 100 feet. Consisting of 40 acres, it is described as follows: The southwest quarter of the northeast quarter of Section 20, Township 11 South, Range 11 West, of the Willamette Meridian in Lincoln County, Oregon.

Owned by Lincoln County, the site is one of the few remaining uncut stands of old growth western hemlock and Sitka spruce along the northern Oregon coast. There is a tall shrub understory of salal, red huckleberry, evergreen huckleberry, and salmonberry. Some of the trees are up to four feet in diameter and are over 125 feet tall. It is the last of any appreciable size in Lincoln County, and it appears undisturbed. The lack of other old growth stands in the area makes this stand significant, especially in providing a geographic diversity of old growth sites along the coast. The proximity of this site to Newport provides easy access for outdoor education and nature study.

Conflicting Uses

Land to the east is outside the city's urban growth boundary (UGB) and carries the Lincoln County designation of T-C/"Timber Conservation." As such, no conflicting uses exist or are likely to occur as long as that zoning is maintained.

Lands to the north, west, and south are outside the city, also, but within the UGB. They have been designated "industrial"

⁷ ibid., p. 9-1 to 9-4.

on the city's Land Use Plan Map and are currently zoned I-P/ "Planned Industrial" under county zoning. As these lands are mostly vacant, there is a potential for conflicting uses (industrial uses that produce noise, dust, and vibration, which may adversely affect the vegetation in and the enjoyment of Mike Miller Park).

Once identified, an analysis of the economic, social, energy, and environmental consequences of allowing the conflicting uses is required by state law. The economic section of this plan identifies a need for an additional 23 acres of commercial/industrial land. It would not be to the economic advantage of the city to prohibit development on adjacent lands; that would make an already identified shortage of land worse.

Because the South Beach area has been designated as the city's future employment base, a great deal of time and money has been spent towards that end. Sewer, water, and street systems have been planned and partially built to accommodate expected growth. To prohibit development on adjacent properties now would require new investment toward whatever area was chosen to make up the difference. Once again, this would be of a negative economic consequence to the city.

Energy expenditure so far has been minimal as most infrastructure expansion and development has been for existing development to the north. Those projects and areas are far enough away that they will not impact Mike Miller Park. However, as the area around Mike Miller Park develops, more infrastructure will need to be provided. The construction of those facilities requires the expenditure of energy. Building onto existing facilities would require less energy, though, than expanding into new areas. Since the basic infrastructure has started in South Beach, this would require less effort and therefore less energy than redirecting commercial/industrial growth into areas that do not have basic infrastructure.

Environmental concerns center more on the park. As stated earlier, Mike Miller Park is one of the few remaining stands of uncut old growth timber. Habitat is provided for plants and animals, and a wetland has been identified as a high value area in the "Wetlands Conservation Plan for South Beach, Oregon." ⁸ Mike Miller Park, then, is environmentally important.

Because of the closeness to the city proper, Mike Miller Park provides a readily available area for nature study and other scientific and educational opportunities. This provides Newport

⁸ Scientific Resources, Inc., "Wetlands Conservation Plan for South Beach, Oregon," 1990 (DRAFT).

residents with a social amenity that is valuable to the livability of the area.

The general conclusion from the above analysis is that it is important to protect Mike Miller Park, but it is equally important to allow adjacent industrial/commercial property to develop. The city must create a mechanism to accomplish both those goals.

First, when the property within the UGB but outside the city is annexed, it should be zoned I-1/"Light Industrial." The intent and purpose of this zone, as stated in the Zoning Ordinance, is: "...to provide for commercial and industrial uses that can be located near residential or commercial zones. Uses that are associated with excessive noise, dust, vibration, or fumes shall be prohibited." ⁹

Currently, all industrial uses are conditional in the county. The city is a notified agency, so we have the opportunity to respond on a case-by-case basis for compatibility. The city will use the procedure outlined below for comment to the county.

Once in the city, each project will also need to be reviewed for compatibility. The city shall therefore use the procedure for development within 200 feet of Mike Miller Park.

- A. The following uses are permitted outright subject to buffering requirements outlined in C, below:
 - 1.) Warehouses.
 - 2.) Public utilities.
 - 3.) Public parks or other open space.
- B. All other uses are conditional, subject only to the buffering requirements contained in C, below, and a finding that the proposed use will not adversely affect Mike Miller Park.
- C. Buffering Requirements.
 - 1.) For any development on land adjacent to Mike Miller Park, the following yard requirements are effective between the improvement and the park land boundary:
 - (a) Residences - 20 feet.
 - (b) Parks or other open space - 0 feet.
 - (c) For all other uses - 30 feet.

⁹ City of Newport, Zoning Ordinance (No. 1308, as amended), 1982, p. 18.

Buffer yards shall be maintained in a natural state or, if altered, landscaped. Also, if altered, a fence at least six (6) feet high shall be constructed along any property line abutting Mike Miller Park.

- 2.) For other yards, setbacks and buffering in the underlying zone shall apply.

Other Sites

Other sites that could benefit from the retention of natural vegetative cover are floodplains, geologic hazard areas, and areas of excessive slope. The city owns and maintains open space areas, and South Beach State Park is another area that is characterized by natural vegetation (especially on the foredunes).

Mineral Resources:

The only known mineral resource within the City of Newport is the Yaquina Head Quarry. This quarry was originally opened by the city in the 1920's and sold to a private party in the 1940's. The site has been purchased by the Bureau of Land Management (BLM) and is no longer an active site. The plan is to reclaim the property.

Scenic Views:

Newport has several scenic views that are of exceptional aesthetic quality. The Yaquina Head Lighthouse, Jump-Off Joe, and numerous other sites exhibit extraordinary scenic views. A complete inventory of outstanding sites in Newport is contained in the document entitled Inventory of Oregon Coastal Beach Access Sites, prepared by the Benkendorf Corporation for the State of Oregon.¹⁰ Those sites are incorporated into this plan by reference. There are no conflicting uses on or near those sites. They shall be preserved or enhanced as the areas develop or redevelop.

Conclusions:

The City of Newport and its environs are characterized by a marine climate and its associated flora and fauna. There are several significant natural areas that have been identified in this section that need protection from urban encroachment.

¹⁰ Benkendorf and Associates, Inventory of Oregon Coastal Beach Access Sites, 1989.

GOALS/POLICIES
PHYSICAL DESCRIPTION

Goals: To protect and, where appropriate, enhance the natural and scenic beauty of the Newport area.

Policy 1: All state, county, and city parks within the Newport urban growth boundary shall be protected with appropriate zoning.

Policy 2: The City of Newport shall develop and, when necessary, update the Parks and Recreation Plan contained in this comprehensive plan. Park land acquisition and development shall be consistent with this plan.

Policy 3: Identified natural and scenic areas of exceptional value shall be protected. The city shall use the adopted comprehensive plan for an inventory of such areas. The city shall study appropriate regulations consistent with this policy (i.e., as it deals with private property).

Policy 4: The City of Newport shall participate with local, state, and federal agencies to meet environmental statutes.

HISTORY*

Early History:

"Local Indian tribes were the first known residents of the Oregon Coast. Although they had many similarities, individual tribes occupied separate and sometimes separated areas. Thus, by the time the first explorers landed, the Indians had developed differing customs and varying levels of attainment in use of available natural resources, including well-developed religious and political systems. This was particularly true along the Oregon coast, where a temperate climate and plentiful food supplies, particularly anadromous fish, supported large groups living in relatively close proximity to each other.

"Juan Cabrillo, a Spanish explorer, is believed to have reached the southern Oregon Coast in 1542. By 1594, Spain was systematically exploring the northwest coast. In the late 1700's, Spain made thorough, systematic, and accurate surveys of the area, and claimed sovereignty over portions of the coast. Heceta Head, in the mid-Coast subarea, is named for one of the Spanish explorers.

"In March of 1778, Captain James Cook, in a search for the supposed Northwest Passage, made the first landfall of his voyage near Yaquina Bay, also in the Mid Coast subarea; and in 1787, Captain Meares identified points along the Oregon coast. Also about that time, an American, Captain Robert Gray, entered [the] Columbia River and explored its lower reaches, but made no claims of possession for the United States.

"In 1805, Captains Meriwether Lewis and William Clark, after leaving St. Louis, Missouri, in 1804, reached the Pacific Coast and wintered near the Columbia River. Following Lewis and Clark came increasing numbers of trappers, traders, and settlers, both Canadian and American. Fort Astor was established on the Columbia River by John Jacob Astor, an American; in 1821 it was acquired by Hudson's Bay Company and moved inland to a site in what is now the State of Washington. In 1825, the fort was renamed Fort Vancouver.

"By the middle 1830's, exploration was largely completed, Indian tribes and their complex social systems were experiencing severe adjustments to accommodate the increasing number of settlers, and disease was sharply reducing their numbers." ¹

**Section updated by Ordinance No. 2209 - March 20, 2023*

¹ Pacific Northwest River Basins Commission, The Oregon Coast Level B Study of the Water and Related Land Resources (Oregon State Study Team, 1976), p. 15.

The Pacific Northwest would never be the same.

Recent History:

"The Yaquina Bay area was originally settled in the 1850's. Newport was named in 1866 and subsequently incorporated in 1882. Lack of access generally stifled any significant growth until the 1880's when construction on the railway was begun. The first train made the trip from Corvallis to Yaquina in 1885. The construction of the railway first to Elk City and then to Toledo significantly improved access and stimulated growth in the Newport area. Newport began to develop as a tourist community. Yaquina Bay was the only bay on the Oregon Coast connected to the Willamette Valley by railway. People coming to Newport would take the train from Albany and Corvallis to Elk City and down the Yaquina River on a ferry to Newport, docking on what is now Bay Boulevard.

"In the 1890's, Newport had a permanent population of approximately 120 people. In a brochure advertising the recreational attraction of the Newport area, promoters claimed to have had hotel and boarding house accommodations for 400 to 500 people plus unlimited camping space available.

"While Newport experienced relatively slow growth, the cities up the river involved in lumbering and other industries thrived. Steam boats and schooners often came in and out of the bay to pick up a load of lumber or Yaquina oysters, and deliver supplies to the settlers. Before it burned, Yaquina City had a population of over 2,000.

"Commercial fishing was also an important industry and provided settlers with food as well as a source of income.

"During World War I, the United States Government established the largest spruce mill in the world at Toledo, to provide wood for the construction of airplanes. This also served to stimulate growth in the Newport area.

"Newport continued to be the primary coastal tourist center for the Willamette Valley until the late 1920's when construction began on the Coast Highway and other areas of the coast were opened up to motorists.

"In 1936 the Yaquina Bay Bridge was built. With the building of other bridges and completion of the coast highway, the full length of the Oregon Coast was opened to travelers. While tourists no longer came exclusively to Newport, the construction of the coast highway and bridges allowed many more people to vacation on the coast and Newport continued to grow.

"With the growth of tourism, fishing, and lumbering and continued improved access after 1936, Newport began to grow fairly rapidly until the late 1950's and early 1960's. Then many of the mills in the area closed down, resulting in many families leaving the area. More recently with increasing numbers of people traveling the Coast Highway, Newport is again growing." ²

During the 1970's and 1980's, Newport experienced sharp swings in the local economy. Still dependent on the tourism, lumber, and fishing industries, the drastic fluctuations in energy costs, interest rates, and commodity prices severely affected the amount and type of growth.

Historical and Archaeological Resources:

The historical and archaeological heritage of the Oregon coast is irreplaceable both to the people of the coast and the entire State of Oregon. It offers present and future generations educational and scientific opportunities to better understand the ways, values, and traditions of the past coastal peoples. These historical and archaeological resources also have value to the coastal economy for their attraction to tourists and potential residents. Thus, it is important to inventory and protect those resources that have been identified as having historic or archaeological significance.

As the competition for land has grown, some of these sites have become desirable for other uses; they will convert to those uses unless they're protected by some method. The job of concerned citizens through their public officials is to determine which of these resources are too valuable to be lost and then to implement methods for their protection.

In determining historical or archaeological significance of districts, sites, buildings, structures, and objects, the following characteristics can serve as a guide:

Historic Sites:

- (a) Have character, interest, or value as part of the development heritage or cultural characteristics of the city, state or nation;
- (b) Are the site of an historic event with an effect upon society;

² City of Newport, Oregon, 1980-2000 Newport Comprehensive Plan, 1982.

- c) Are identified with a person or group of persons who had some influence on society; or
- (d) Exemplify the cultural, political, economic, social, or historical heritage of the community.

Archaeological Sites:

- (a) Have material evidence of human life and culture of the prehistoric past that may be recovered and studied; or
- (b) Are identified as potential archaeological sites by a recognized archaeological organization.

Considering the above criteria, and in view of the historical significance of Newport as one of the first coastal recreation communities, the Lincoln County Historical Society has identified the following sites within the Newport urban growth boundary as being of historical significance:

1.) Cape Foulweather Lighthouse/Yaquina Head Lighthouse:

Constructed by the U.S. Lighthouse service in 1862, this is the second oldest lighthouse on the Oregon Coast³ and was built to replace the light at the entrance to Yaquina Bay. Apparently, the lighthouse was originally to have been erected on Cape Foulweather, but the supplies were mistakenly landed at Yaquina Head, so it was built there. The Oregon Coastal Zone Management Association (OCZMA) has classified the site as being of natural historic significance, and it is marked with a Lincoln County Historical Society marker, as well as being listed on their map. The National Register of Historic Places also lists the site.

Owner: U.S. Bureau of Land Management.

Current Use: Automated lighthouse, wildlife refuge, and a scenic and natural area.

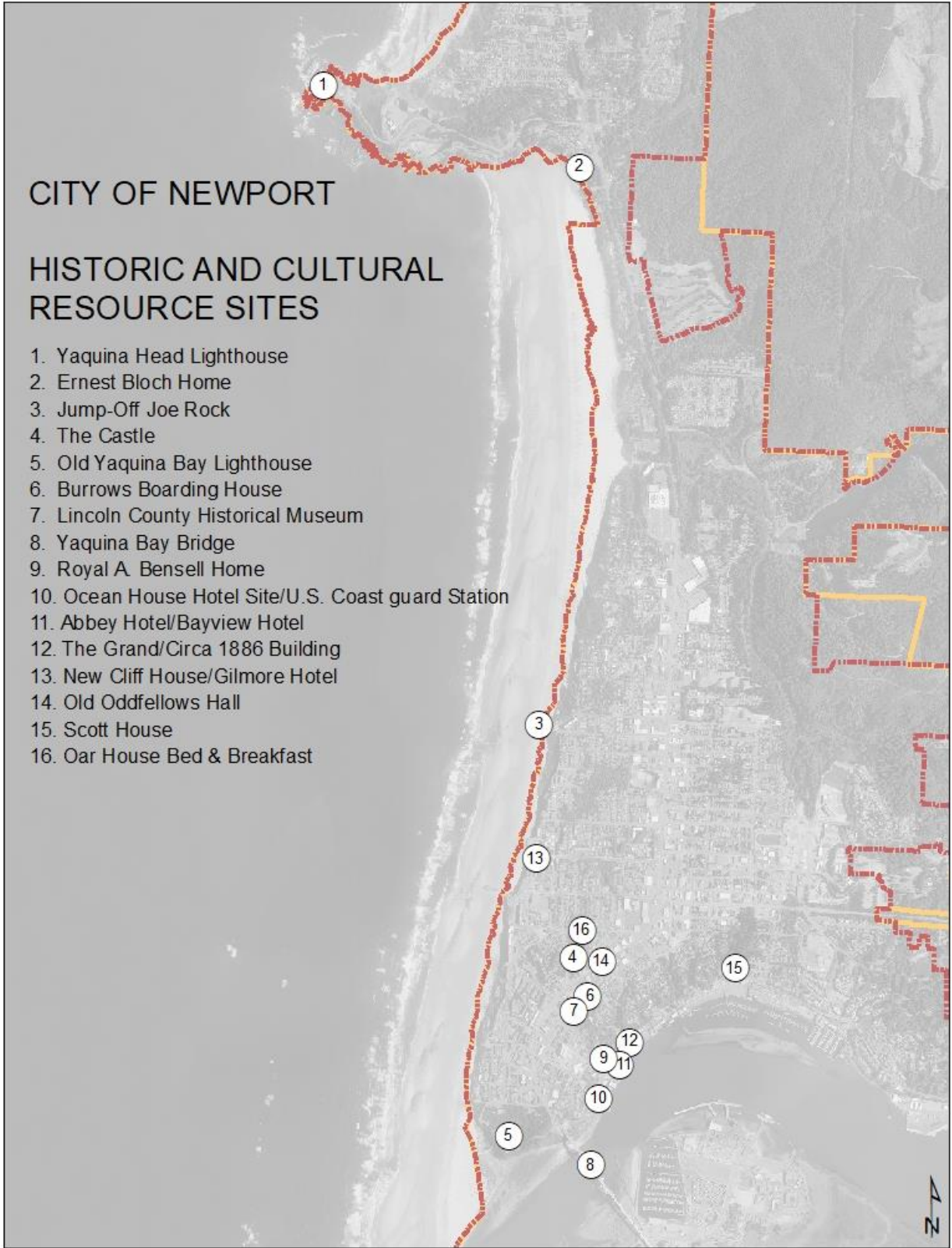
Conflicting Use: None.

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: Yes (lighthouse only).

Conclusion: The site and lighthouse should be preserved. Other out buildings are not significant and are not worth the preservation effort. Any modification or alteration to the lighthouse or the site shall be reviewed by the Planning Commission to assure the maintenance of its historic value consistent with the provisions contained in the City of Newport Zoning Ordinance.

³ The first is the old Yaquina Bay Lighthouse (number 5 on this list).



2.) Ernest Bloch Home:

Ernest Bloch, a well-known composer and orchestra conductor, occupied this house from 1941 until 1959. It has been classified as being of historical importance to the nation by the OCZMA, and a bronze plaque mounted on a boulder located at the junction of Yaquina Head Lighthouse and Highway 101 marks the site.

Owner: First Baptist Church of Salem.

Current Use: None.

Conflicting Use: Zoned for retail commercial uses, there could be negative results for the site if development pressures become too great. If retail commercial uses are not allowed, unfavorable economic consequences could occur. If conflicting uses develop on or near this site, the loss of a cultural resource could be socially detrimental. No energy consequences will occur as a result of either allowing or not allowing the conflicting uses.

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: Yes.

Conclusion: Both the site and the Bloch Home have significance such that the Planning Commission shall review any proposal for modification or alteration to the structure to assure the maintenance of its historic value consistent with the provisions contained in the Zoning Ordinance.

3.) Jump-Off Joe Rock:

Located north of Nye Creek off Coast Street, this large Nye Sandstone formation has eroded over the years to a small sea stack. Legend attributes the name to an Indian named Joseph who was chased to the site by men and was advised by a Siletz woman to "Jump off, Joe", which he did. OCZMA classifies the site as being of importance to Lincoln County, and the Lincoln County Historical Society distinguishes the site with both a marker and being shown on their map.

The Jump-Off Joe landslide area is an example of a detached mass sliding on a seaward-dipping bedding plane. Both north and south of Jump-Off Joe the heads of slides have moved

land forward several hundred feet and have cut off roads, damaged or destroyed houses, and disrupted the ground surface. More than 16 acres of land have been involved in the Jump-Off Joe landslide area. While this is a dramatic example of a catastrophic slide potential, because so much of Lincoln County's development is along the margin of the marine terrace where soft soil and weathered rock is being undermined by erosion at a rapid rate, catastrophic landslides are a potential hazard

in many areas.⁴ Thus, the city has concluded that while this particular slide area must be mentioned as a geologic hazard, it has not been found to be scientifically significant.

Owner: State of Oregon.

Current Use: Natural area.

Conflicting Use: None (site is in the ocean).

Site of Special Historic Significance: Yes.

Conclusion: State ownership protects the site. The inshore area is City of Newport park land, which contributes to site protection.

4.) The Castle:

Located on S.W. Alder Street just west of U.S. Highway 101, and now divided into three apartments, this house was built by Charles A. and Teresa Roper in 1912.⁵ The site is listed on the National Register of Historic Places.

Owner: Jeff Ouderkirk.

Current Use: Residential (apartments).

Conflicting Use: None (zoned for residential use).

Site of Special Historic Significance: No.

Building of Special Historic Significance: Yes.

Conclusion: The building is worth preserving. Any modification or alteration to the building or the site shall be reviewed by the Planning Commission to assure that its historic value is maintained consistent with the provisions contained in the Zoning Ordinance.

⁴ State of Oregon Department of Geology and Mineral Industries, Bulletin 81: Environmental Geology of Lincoln County, Oregon, 1973.

⁵ Charles Roper was the mayor of Newport from 1921-23.

5.) Old Yaquina Bay Lighthouse:

Built in 1871, this was the first lighthouse on the Oregon Coast. It is classified as being of historical importance to the nation by the OCZMA, and the Lincoln County Historical Society distinguishes the site on their map and with a marker. The National Register of Historic Places also lists the site. The lighthouse is on property owned by the Oregon State Parks Department, which maintains it as a museum. It is open to the public during the summer months.

Owner: Oregon State Parks Department.

Current Use: Museum.

Conflicting Use: None.

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: Yes.

Conclusion: The building and site are worth preserving, and they are adequately protected by the Oregon State Parks Department. Any modification or alteration to the lighthouse or the site shall be reviewed by the Planning Commission to assure the maintenance of its historic value consistent with the provisions contained in the Zoning Ordinance.

6.) Burrows Boarding House:

This building was originally located west of Highway 101 at the site of the Bank of Newport. Originally used as a boarding house and then as the Bateman Funeral Home, the Lincoln County Historical Society moved it in 1976 to S.W. 9th Street next to their museum to serve as a museum annex. Photographs in 1889 show the Queen Anne style building as a boarding house. OCZMA has rated the house as being of historical significance to the City of Newport.

Owner: Lincoln County Historical Society (the land is owned by the City of Newport).

Current Use: Museum.

Conflicting Use: None (zoned for public buildings).

Site of Special Historic Significance: No.

Building of Special Historic Significance: Yes.

Conclusion: The building and site are worth preserving, and they are adequately protected by both the Lincoln County Historical Society and the City of Newport. Any modification or alteration to the building or the site shall be reviewed by the

Planning Commission to assure the maintenance of its historic value consistent with the provisions contained in the Zoning Ordinance.

7.) Lincoln County Historical Museum:

A log building on S.W. 9th Street, the museum has one of the finest Indian interpretive exhibits on the Coast.

Owner: Lincoln County Historical Society (the land is owned by the City of Newport).

Current Use: Museum.

Conflicting Use: None (zoned for public buildings).

Site of Special Historic Significance: No.

Building of Special Historic Significance: No.

Conclusion: The building is a replica of a early log cabin and contains important historic exhibits and artifacts. Change, expansion, removal, or replacement of the building by the Historical Society, as needed, shall be allowed.

8.) Yaquina Bay Bridge:

Completed in 1936 after two years of construction, the bridge replaced the Yaquina Bay Ferry and was a key portion of the coast highway system. The bridge led to development of the business district along Highway 101 in Newport, dramatically increasing tourism on the Oregon Coast. OCZMA has categorized the bridge as having importance to the state.

Owner: State of Oregon.

Current Use: Bridge.

Conflicting Use: None.

Site of Special Historic Significance: Yes.

Structure of Special Historic Significance: Yes.

Conclusion: If necessary to expand the bridge, it should be in the same corridor. Any expansion shall preserve the bridge silhouette by locating on the west side. Any modification or alteration to the bridge or the site shall be reviewed by the Planning Commission to assure the maintenance of its historic value consistent with the provisions contained in the Zoning Ordinance.

9.) Royal A. Bensell Home:

Located at 757 S.W. 13th Street, this home was built in 1885 by Royal A. Bensell, an infantryman to the Grande Ronde Reservation in the Civil War. He was a co-owner of a steam sawmill at Depot Slough and was involved in direct lumber shipments to San Francisco. Bensell served as a representative to the State Legislature from Western Benton County from 1868-1882, and was justice of the peace and collector of customs for the Yaquina District in the 1880's. Mr. Bensell also served as mayor of Newport from 1908-10, 1915-17, and part of 1921. The OCZMA notes this home as being of historical importance to the county.

Owner: Dr. Russell Guiss.

Current Use: Residence.

Conflicting Use: Yes.

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: No.

Conclusion: The structure has undergone wholesale structural and aesthetic changes during the last 25 years through the efforts of the current owners, Dr. and Mrs. Russell Guiss. These alterations have irrevocably altered the original appearance and character of the house by commingling contemporary building materials and designs with the original.

10.) Ocean House Hotel Site and U.S. Coast Guard Station:

The Ocean House Hotel was built in 1866-67 by James R. Bayley⁶ and Samuel Case. Case, the proprietor, came to the area as an infantryman to serve at the Siletz Reservation. The present U.S. Coast Guard Station is located on the Ocean House Hotel Site and was built in about 1935. The OCZMA has listed the site as having historical importance to the county. A Lincoln County Historical society marker identifies the Ocean House site, and it is shown on their map.

Owner: U.S. Coast Guard.

Current Use: Coast Guard Station.

Conflicting Use: None.

Site of Special Historic Significance: Yes.

⁶ Mayor of Newport from 1884-85, 1892-93, and 1897-99.

Building of Special Historic Significance: Yes.

Conclusion: The historic marker for the site should be maintained, as should the typical 1930's Coast Guard style. This is a significant anchor to the original town site. Any modification or alteration to the building or the site shall be reviewed by the Planning Commission to assure the maintenance of its historic value consistent with the provisions contained in the Zoning Ordinance.

11.) Abbey Hotel/Bayview Hotel Site:

Peter Morton Abbey was one of Newport's pioneer settlers in 1867. He built the Bayview Hotel in 1871 on the waterfront and moved it back against the hill in 1911. The hotel was torn down in 1935. The Abbey Hotel, built in 1911 at 704 S.W. Bay Boulevard, operated until it burned in 1964. It was a three-story wooden building with 45 rooms. George Bahr, the owner in 1964, replaced the hotel with a restaurant-bar called "The Abbey," which was subsequently torn down for a parking lot in 1986. The OCZMA has recognized the site as having historic importance.

Owner: City of Newport.

Current Use: Public parking lot and rest rooms.

Conflicting Use: Yes (zoned for water-related uses).

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: No.

Conclusion: Preservation of neither site is required. A sidewalk marker may be appropriate.

12.) The Grand:

This two and one-half story wooden structure at 618 S.W. Bay Boulevard is one of the oldest structures, if not the oldest, on the Newport waterfront. It was built in 1886 as an Oddfellows or Masonic Lodge in Olsonville (about a half a mile up the bay from its present location) and was established as a boarding house. It is now known as "Circa 1886," a gift shop. The building has historic significance to the county according to the OCZMA.

Owners: Mo's Enterprises, Inc.

Current Use: Vacant.

Conflicting Use: While the building's location provides much of its historical significance, the designation of the area for water related uses could pose a conflict.

The building is one of the city's few historic buildings, and is in poor condition as a result of years of deferred maintenance while it was operated as a gift shop by the previous owner. It does not appear practicable for the building to be repaired or moved; however, there may be an opportunity for the Lincoln County Historical Society to document the value to the structure to the community before it is removed.

Site of Special Significance: No.

Building of Special Significance: Yes.

Conclusions: Due to the poor condition of the building, preservation is not required. The Lincoln County Historical Society should be afforded an opportunity to document the historic significance of the building prior to it being demolished.

13.) New Cliff House/Gilmore Hotel:

Located on the ocean at the end of N.W. 3rd Street, this hotel was completed in 1913 by W.D. Wheeler. He and Peter Gilmore traded businesses in 1921, Gilmore taking over the hotel and Wheeler taking on Gilmore's chicken ranch outside of town. The Gilmore is the last of the turn-of-the-century oceanfront resort hotels in Newport still standing. Completely restored, it is currently operating as the Sylvia Beach Hotel.

Owner: Sylvia Beach Hotel, Inc.

Current Use: Hotel.

Conflicting Use: No (zoned for tourist commercial).

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: Yes.

Conclusion: The structure is restored. The Planning Commission shall review any future alterations to assure the maintenance of the historic value. Such review shall be consistent with provisions contained in the Zoning Ordinance.

14.) Old Oddfellows Hall:

Located on the southwest corner of S.W. Hurbert Street and U.S. Highway 101, this large wooden frame structure was completed in 1912. Besides the Oddfellows, it has also housed Newport's U.S. Post Office and various retail businesses. A restaurant is currently in operation there.

Owner: Charles Thompson.

Current Use: Restaurant and other retail businesses.

Conflicting Use: Yes. The building has been substantially altered. The area is zoned for retail commercial uses but has a parking problem.

Site of Special Historic Significance: No.

Building of Special Historic Significance: No.

Conclusion: Neither the site nor the building should be preserved.

15.) Scott House:

Located on S.E. Bay Boulevard across from Port Dock 5, this house was built in 1928 by General Ulysses S. Grant McAlexander, a World War I veteran known as the "Rock of Marne." The house was built on the foundation of Dr. James R. Bayley's mansion and has been partially rehabilitated. Since this house is not the original structure and has been altered, it has no special historic significance. The site itself has been significantly altered in anticipation of commercial development.

Owner: Magna Corporation.

Current Use: Restaurant and lounge (Gracie's at Smuggler's Cove).

Conflicting Use: Yes (zoned for high density residential).

Site of Special Historic Significance: No.

Building of Special Historic Significance: No.

Conclusion: The building and the site are not significant and not worth any preservation effort.

16.) Oar House Bed and Breakfast:

The Oar House Bed and Breakfast is located at 520 S.W. 2nd Street. Built in approximately 1900 for Mrs. C.H. Bradshaw as "The Bradshaw," a rooming house, it has functioned in that capacity for 75 of its 88 years. On the corner of S.W. 2nd and S.W. Brook Streets, it is an L-shaped cross-gabled Craftsman style building. Although altered by the addition of some auxiliary structures, wall openings, and room partitions, the building retains most of its original fabric and function. Photographs dated 1907 and 1910 indicate little change to the main structure configuration except for the addition of the cupola in 1981.

Owners: Jan G. LeBrun.

Current Use: Bed and breakfast and residence.

Conflicting Use: No (zoned for high density residential and is developed residentially).

Site of Special Historic Significance: Yes.

Building of Special Historic Significance: No (building has been substantially altered).

Conclusion: The building and site do have the potential to be of special historic significance, but alterations to the building have compromised the historic quality. This site will need to be looked at closer to make a final determination of its significance.

Besides the above sites and structures, the bayfront and the Nye Beach areas are two potential historic districts. No specific study and determination has been made, but the importance of those two areas for their historic significance suggests that the city should explore the possibility of designating them as historic districts.

As for archaeological sites, all of the Newport Planning area falls within the "high density" archaeological site density classification shown in the 1976 Lincoln County Statewide Inventory of Historic Sites and Buildings⁷. In addition, the state archaeologist has said that areas as far as five miles upstream on all streams and rivers emptying into the ocean are archaeological sensitive areas.

⁷ State of Oregon Department of Transportation (Parks and Recreation Division), State of Oregon Inventory of Historic Sites and Buildings, 1974.

Conclusions:

- 1.) The Newport planning area contains several historic sites and buildings and two potential historic districts.
- 2.) Many of the sites and buildings are worth preserving, whereas some alterations and remodels have destroyed the historic qualities.
- 3.) While there are no conflicting uses among the sites currently listed, the inventory of historical-cultural sites developed thus far does contain several structures that are in precarious physical condition. Those sites may also be subject to a use change that could diminish their historic value.
- 4.) All of the Newport planning area is archaeologically sensitive.

GOALS/POLICIES
HISTORY

Goals: To maintain and preserve identified historic and cultural resources, to encourage private and public efforts aimed at preservation, to provide public information concerning the city's historic resources, and to provide public access to important historic-cultural sites where appropriate and possible.

Policy 1: The City of Newport shall work with the Lincoln County Historical Society and the State Advisory Committee on historic preservation, as well as with local residents to maintain and update the inventory of historically and culturally significant resources.

Policy 2: The City of Newport shall cooperate with the Lincoln County Historical Society and the Chamber of Commerce in the establishment of historical markers and information to increase awareness of Newport's historic background.

Policy 3: The City of Newport may consider the creation of historic districts, property acquisition, ordinance provisions, tax benefits, and other incentives to facilitate the preservation of an historic area.

Policy 4: The City of Newport shall encourage property owners making alterations to identified historic structures to maintain their historic value. The Planning Commission shall review all proposals for modification or alteration to structures designated in the inventory as having historical significance. In determining whether or not the proposal complies with this policy, the following shall be considered by the Planning Commission in their review:

- (a) Whether or not the proposed use or alteration is compatible with the historic nature of the structure.
- (b) Whether or not the proposed alteration to the exterior of the structure will maintain its historic value.

Policy 5: The bayfront and the Nye Beach areas will be considered for historic district status. The Goal 5 analysis and possible ordinance development will be completed by the next regularly scheduled periodic review.

Policy 6: The City of Newport shall protect Mike Miller Park and allow conflicting uses as outlined in this section.

NATURAL FEATURES

Introduction:

Various sections of Newport's Comprehensive Plan have anticipated a demand for additional land to accommodate growth. Sometimes that growth encroaches into areas that are environmentally sensitive or geologically hazardous. Unfortunately, not all developers or other users of the land are aware that several environmental factors exist restricting the development potential of much of the land in the Newport area. Many areas have limitations for development, so special care must be taken prior to and during construction. If care is not taken in those areas, major financial and property losses and possible loss of life may occur.

The prevention of loss of property and/or life is a goal unto itself and should be a major consideration when identifying environmental constraints. But there are also properties that are the site of significant natural features. To protect those features, care must also be taken in nearby development.

This section of the plan will discuss the various environmental issues that face the City of Newport. Where possible, sensitive or hazardous lands will be identified and policies will be developed to protect them. Where not known, procedures must be established to identify and protect these areas.

Geology:

The underlying geology of an area dictates the land forms created by erosive forces. Wind and rain sculpt the land into hills and valleys, wave action builds beaches, streams and rivers flatten mountains, and the earth's internal forces push the land upward to start the process over again.

People, too, shape the land to serve their needs. Houses and shopping centers are built, roads are cut, land is cleared, all to facilitate the needs and desires of a greater number of people. But how do all these forces interact and how do we avoid situations that are in conflict? To answer these questions, we must first examine the underlying geology and then identify inherent problems created because of that geology.

The Newport area is predominantly composed of five geologic units: the Nye mudstone, the Astoria formation, the Yaquina formation, the Cape Foulweather basalt, and the Quaternary marine deposits. A bulletin describing the characteristics of the five units and mapping the general location of each is the Environmental Geology of Lincoln

County, Oregon, prepared by the State of Oregon Department of Geology and Mineral Industries.¹ The map of the Newport area also shows a geologic cross section that bisects the heart of Newport.

The Environmental Geology bulletin contains an appendix that summarizes planning concerns in the Newport area:

"Coastal erosion and landslides are extensive from Otter Rock southward to Yaquina Head. Here the abundance of landslides is due to the steep seaward dip of the underlying bedrock. Problems are especially apparent where highway fills have been placed across canyons or small valleys. Repairs are required annually in these areas. Sliding extends east of the highway, and in some areas the power lines require frequent repair and realignment.

"There are large landslides on both the north and south sides of Yaquina Head. The landslide on the south side has made several buildings unusable. In Agate Beach, subsurface drainage is restricted and a public sewerage system is necessary before additional developments are made.

"In the vicinity of Jumpoff Joe [sic] in Newport, the sea coast has retreated as much as several hundred feet since the turn of the century. A number of homes have been destroyed or badly damaged in recent years [the 1940's] as a result of landslides in this area. Before any additional shoreline areas are developed, the stability of the slope should be studied by soil engineers and geologists. Often an apparently stable slope can be reactivated by the addition of houses and streets.

"From Nye Beach southward to Yaquina Bay the shoreline is being eroded by storm waves. People considering building structures on these cliffs should be aware that the cliffs are eroding back about one foot per year, and erosion could be much more severe if landslides occur. The practice of placing embankments over steep vegetated slopes is extremely hazardous because the vegetation will decompose to produce a slip plain at the interface between the embankment and the original ground.

"East of the shoreline in Newport from about Nye Beach south to the bay, the marine terraces are overlain by loose dune sand. These sands are stabilized where covered by vegetation; however, where the vegetation has been removed or none has grown, the sand is exposed to erosion or transport by wind. Frequently during high winds, the sand can be observed drifting across streets and into properties adjacent to the street.

¹ State of Oregon Department of Geology and Mineral Industries, Bulletin 81: Environmental Geology of Lincoln County, Oregon, 1973.

"Just east of Newport, in the vicinity of McLean Point, much of the slope has been affected by landslides. Development in this area should proceed with great caution. The making of steep cuts, removal of toe support, the additional weight of embankments on the upper slopes, and the addition of moisture from the developments, including subsurface sewage disposal, all add to the instability of the slope. Serious problems can arise, especially following periods of extremely heavy rainfall. Developments in this area could suffer serious slope problems unless the slopes and embankments are properly constructed and a public sewerage system is installed.

"The area south of Yaquina Bay from Highway 101 eastward as far south as Henderson Creek is subject to a seasonal high water table. Before development reaches a greater density, a public sewerage system should be installed. A high water table creates problems for foundations of structures, and in some areas the water will stand at the surface after a heavy rainfall."²

The geologic and climatic environment of Newport is attended by a variety of natural hazards that have the potential for creating serious problems involving property. On the other hand, an understanding of these conditions and a sensible approach to coping with them in the planning stages of development can eliminate much of the grief that might otherwise occur.

In order for planning and development to go forward in such a way as to lessen the damage brought on by these conditions, the data and suggestions in this section are introduced as policies for the City of Newport. Local sites shall be evaluated by qualified geologists in order to protect the individual land owners, investors, and developers from problem areas in Newport that are subject to geologic hazards. The geologists shall also make suggestions as to how these problems can be avoided or corrected.

Areas Subject to Geologic Hazards

Marine Terraces

A significant portion of Newport is situated on a marine terrace. These elevated platforms, representing former strand- lines of the sea, extend the full length of the city, interrupted only by headlands and the Yaquina Bay. The terrace materials consist of weakly cemented sand, silt, and pebbly sand overlain in many areas by old, fairly stable dunes. Bedrock beneath the terrace and dune sediments tilts seaward and is exposed in sea cliffs in some places.

² ibid. pgs. 168-169.

"The margins of these terrace areas adjacent to the ocean are attractive places to build, and many small beach cottages, permanent homes, condominiums, and motels occupy these locations. Unfortunately, the sea cliffs at the terrace margins are slowly but continually receding. Wave erosion during storms and high tides undermines the cliffs, while rain, wind, and frost loosen the upper portions; as a result, masses of terrace material slip seaward at unpredictable rates and in unexpected places.

"In general, marine terrace margins can be expected to retreat from 6 inches to 1 foot per year; however, in certain areas, recession can average more than 10 feet per year. In some locations, erosion may not be evident for a decade and then 10 or 15 feet of the cliff may drop off in a single season. Occasionally, very large areas involving a number of acres of land may slide seaward, such as in the Jump-Off [sic] Joe area of Newport.

"Excessive slippage along terrace margins is due to the sliding of weakened, water-saturated bedrock along its seawardtilted bedding planes. Of course, the overlying terrace sediments move with it. Particularly vulnerable to bedding-plane failure is the Nye Mudstone. This type of movement may have vertical and horizontal components of only 2 feet to as much as 50 feet. At first the surface of the slide block is not disrupted, but it is generally back-tilted, or rotated down, on the landward side. Water often accumulates in a sag pond at the back of the slide.

"The surface of these slump areas may range from 50 to 100 feet wide and from 200 to 1,000 feet long. To the untrained eye, such apparently level areas of ocean frontage might appear to be desirable building sites. Unfortunately, however, these areas are extremely unstable since the ground surface must adjust to constant wave erosion at the toe of the slide. In a short time, the entire slump block can be eroded away. During the limited life of the slump block, home owners will be plagued with continual problems of settlement, such as cracks in walls, jammed doors and windows, and water- and sewer-line difficulties."³

Old Dune Areas

In certain areas, such as South Beach and Nye Beach, large old sand dunes have developed a thick soil profile and have remained stable for many years. "However, the need for easily excavated fill material and the preparation of ground for building sites has led to the removal of the stabilizing soil layer and has exposed loose sand. If these exposed areas are not immediately stabilized, the wind will soon erode basins and troughs, causing the sand to migrate to adjacent housing areas where it can cover driveways, sidewalks, streets, and lawns."⁴

³ ibid., p. 127.

⁴ ibid., p. 132.

Sandspits and Active Dunes

"Sandspits and their active dunes are of recent origin and should be regarded as relatively temporary features. Some parts of the spits and dunes are built up quickly by water and wind and destroyed by the same agents a few years later. Their instability results from the interplay of numerous environmental factors, including ocean currents, size and number of storms, volume of stream sediment entering the ocean, and variations in tides and wind patterns."⁵

Sandspits and active dunes are found mostly at the mouth of Yaquina Bay and in South Beach. "Preservation of vegetation on the dunes south of Yaquina Bay is recommended since excavation into loose sand could initiate further dune migration....It is essential that the foredune be preserved. Construction in this dune area could be hazardous."⁶

Hillside Development Areas

"Nearly all aspects of hillside land development combine to create slope instability unless the entire construction project is properly engineered. It should be emphasized that slope failure may occur 5 [sic] to 10 [sic] years after the start of the development, by which time the developer may have divested himself of interest and responsibility.

"Development of hillside properties⁷ has a considerable adverse effect on slope stability. Whenever material is excavated from a side hill, it results in a steeper than natural slope. Material excavated from the cut is usually placed immediately downslope to provide a nearly horizontal area for a yard or garden. Both operations create instability by oversteepening and adding weight to the slope.

"Most hillside housing developments progress gradually....By the time the development is complete, nearly half of the ground surface is covered by buildings, streets, driveways, and sidewalks, preventing normal infiltration of precipitation. Not only will the total rainfall be concentrated in small areas, but additional water will build up from septic-tank drainage, roof drains, and lawn sprinkling, causing possible oversaturation of downslope soils and eventual slope failure involving large sections of the total hillside area."⁸

⁵ ibid., p. 132.

⁶ ibid., p. 132.

⁷ Properties with a slope greater than 12%.

⁸ State of Oregon, Bulletin 81: Environmental Geology of Lincoln County, Oregon, p. 135.

Inland Mountainous Areas

"Construction inland from the coast...usually involves steep topography along the valleys of the major rivers and smaller streams. (Flood-plain development and its associated hazards are discussed under 'Flood-prone Areas,' below.) Since the early days of settlement...these valleys have provided the best access inland from the ocean. As a result, farms, small towns, roads, and highways have followed them. Logging roads have penetrated far into the mountainous areas along the steep walls of the smaller tributary streams, and some of these roads have come into permanent use.

"The valleys were excavated by streams to great depth during the ice ages of the Pleistocene when sea levels were considerably lowered. Melting of the ice during interglacial episodes caused a rise in sea level and gradual drowning and silting up of the lower reaches of the valleys. Meandering streams now impinge on the steep walls, removing support of the weathered rock and soil mantle, causing new landslides and renewed movement of old slide masses. Man-made cuts for road construction, basement excavations, and other purposes have the same effect on the potentially unstable soil and rock."⁹

Summary

The Newport area has many places that are subject to geologic hazards. As the city grows, those areas are being encroached upon more and more. Another conflict is that those areas with the worst geologic problems are also the areas most desirable for development and, therefore, command the highest prices.

The different geologic units pose different problems that cannot be summarized in a general section of any report. Consequently, it is necessary to generally identify hazardous areas and require site specific studies prior to development. All possible geologic hazards should be explored and satisfactory solutions determined prior to any construction. If correction will be uneconomical, the project should be abandoned. To ignore a geologic hazard is to invite disaster.

⁹ ibid. p. 135.

Earthquakes:

The Pacific Northwest experienced a subduction zone earthquake estimated at magnitude 9 on January 26, 1700. The earthquake generated a tsunami that caused damage as far away as Japan. Cascadia subduction zone earthquakes and associated tsunamis have occurred on average every 500 years over the last 3,500 years in the Pacific Northwest. The time between events has been as short as 100 to 200 years and as long as 1000 years. The geologic record indicates that over the last 10,000 years approximately 42 tsunamis have been generated off the Oregon Coast in connection to ruptures of the CSZ (19 of the events were full-margin ruptures and arrived approximately 15-20 minutes after the earthquake).¹⁰

Earthquake-induced damages are difficult to predict, and depend on the size, type, and location of the earthquake, as well as site-specific building and soil characteristics. Presently it is not possible to accurately forecast the location or size of earthquakes, but it is possible to predict the behavior of soil at any particular site. In many major earthquakes, damages have primarily been caused by the behavior of the soil. The Department of Geology and Mineral Industries (DOGAMI) has developed maps for the City of Newport that show areas of higher risk (relative to other areas) during a damaging earthquake. Specifically, the maps display relative amplification hazards, relative liquefaction hazards, areas subject to earthquake-induced landslides, and hazards attributed to the combined effects of ground shaking. The maps are referenced as Figures NA-4 to NA-7 in the Newport Addendum to the Lincoln County Natural Hazard Mitigation Plan, dated July 2015.

Newport's concentrated population and resources, as well as the soil characteristics and relative earthquake hazards, as depicted on the referenced maps, are cause for further study and significant effort toward mitigating the earthquake hazards, including seismically upgrading essential facilities and ensuring new development adheres to modern, earthquake-resistant building codes.

¹⁰ Oregon Natural Hazard Mitigation Plan. Department of Land Conservation and Development, 2015.

Tsunami's:

The Oregon coast is well known for its spectacular scenery and natural resources. However, because the coast lies at the interface between land and the Pacific Ocean, it also is a zone of great instability and vulnerability. Over time, we have gained a greater awareness of our coast's geologic hazards and its risks to people and property.

Coastal Oregon is not only vulnerable to chronic coastal hazards such as coast erosion from winter storms and sea level rise, but it is also subject to the potentially catastrophic effects of a Cascadia earthquake event and related tsunami. These types of powerful and devastating earthquakes of magnitude 9+ are generated at the Cascadia Subduction Zone (CSZ) where the eastward-moving Juan de Fuca tectonic plate dives under the westward-moving North American plate just off the Oregon coast. These large earthquakes will occur under the ocean just offshore of our coast and will produce extremely destructive tsunamis that can strike the coast 15 and 20 minutes after the earthquake, leaving devastation in their path. It is likely that in most Oregon coast communities, including [insert jurisdiction name], the only warning of an approaching tsunami will be the earthquake itself.

The geologic record shows that the largest of these large CSZ earthquakes and accompanying tsunamis occur about every 500 years, plus or minus 200 years. The last such earthquake and tsunami occurred over 300 years ago, on the evening of January 26th, 1700. This means that we are in the time window where a destructive CSZ earthquake and tsunami could occur and the probability of that occurrence will continue to increase over time. This time the stakes are much higher as the great earthquake and catastrophic tsunami could occur when tens of thousands of Oregonians and visitors are enjoying coastal beaches and towns. To address this increasing risk and substantially increase resilience within our community, the City of Newport is proactively addressing tsunami preparedness and mitigation within its land use program. Land use planning that addresses tsunami risk is an essential tool to help increase resilience to a potentially catastrophic tsunami event within Newport.

The Department of Geology and Mineral Industries (DOGAMI) have developed Tsunami Inundation Maps (TIMs) which provide the essential information for defining tsunami risk along the Oregon coast.^{11A} The City of Newport, by this reference, has adopted the TIM's applicable to its corporate limits and urban growth boundary, as a part of its comprehensive plan hazard inventory. The TIMs are referenced in the tsunami related plan policies and land use regulations for purposes of differentiating between areas of higher versus lower risk, which inform the placement of essential and certain special occupancy facilities, evacuation route planning and the application of tsunami resistant building codes.

DOGAMI has further completed a study to provide local government with a quantitative assessment of the time, speed, and challenges affecting tsunami evacuation in Newport

^{11A} DOGAMI Tsunami Inundation Map Linc-06 and Linc-07, Tsunami Inundation Maps for Newport North-South, Lincoln County, Oregon, Plate 1

and nearby coastal communities for the worst case scenario identified with the TIM mapping.^{11B} This “Beat the Wave” analysis and mapping is a resource the City may use to refine its tsunami resiliency planning efforts.

Flood-prone Areas:

"Stream flooding: Flooding of the coastal lowlands in Lincoln County is an annual menace, occurring several times in some years. Major floods causing extensive damage have occurred at least ten times since 1921, generally in December or January, but some have been as early as November 20 or as late as March 31. The interval between major floods has been from 1 year to as long as 15 years, with the average just over 5 years.

"Floods are always associated with periods of heavy rainfall, especially after the ground has been soaked to near capacity or after the ground has been deeply frozen. Snow melt can add considerably to the flood intensity. Near the mouths of streams, flooding can be markedly increased by high tides resulting from strong onshore winds during severe winter storms.

"Destructive flooding by streams occurred in Lincoln County during the winters of 1921, 1931, 1964-65, and 1972. Summarized briefly here, the high water inundated the flood plains of all the major streams. Houses, barns, and livestock were lost; bridges, sections of railroad, and boat docks were swept away; logs and debris from inland were carried out to sea and lodged on distant beaches; residential and business areas of some communities were under water, as were also some resorts; highways throughout the County were blocked by floodwaters and landslides. During the 1964-65 floods, the entire County was isolated.

"Control of flooding in Lincoln County by construction of flood-control dams appears to be extremely unlikely due to the configuration of the stream valleys relative to the cost and effectiveness of a reservoir. Levees and dikes can offer some protection from floods in the lower reaches of the streams where the tidal effect is pronounced.

"The severity of floods in Lincoln County and Newport together with the infeasibility [sic] of adequate flood control structures points out that flood control measures must be in the form of flood-plain zoning regulations."¹²

^{11B} DOGAMI Open File Report O-19-05, Tsunami Evacuation Analysis of Newport, Lincoln County, Oregon

¹² ibid., p. 125.

The outline of flood-prone areas on the Flood Insurance Rate Maps (FIRM) prepared by the Federal Emergency Management Agency (FEMA) should be adequate for determining flood prone areas. "Flood-plain zoning and strict construction criteria are imperative if the annual flood loss is to be reduced....It is essential that local government, the land developer, real estate agent, builder, and prospective lot-buyer become aware of areas of potential flooding before committing themselves to developing the property."¹³

"Ocean Flooding: Ocean flooding is unpredictable and can occur any time of the year. Its causes include storms at sea, strong westerly winds, tidal forces, and large unusual waves. Large unusual waves, although of short duration, can be very destructive. They include tsunamis caused by earthquakes on the sea floor and additive waves created when the crests of several in-phase waves are superimposed and reach the shore simultaneously.

"In the past 33 years [1940-1973], wind and high tides have twice caused excessive flood damage along Oregon's coast. A third destructive wave was a tsunami resulting from the Alaska 'Good Friday' earthquake of 1964; smaller seismic waves have occurred since that time. Although there is no accurate method of predicting the frequency and magnitude of ocean flooding, the occurrence of three damaging floods in 33 years suggests an average of about once every 10 years. Similar waves in the future will probably be even more destructive because of the greatly increased construction of residences, motels, and condominiums at or just above the normal high-tide line. The presence of logs above normal high-tide level is clear evidence of the elevations the sea can reach."¹⁴

Again, the Flood Insurance Rate Maps have determined from past experience the maximum wave elevations for velocity flooding (V Zones) and areas of shallow marine flooding (AO Zones). The siting of future structures should be based on these maps.

Ocean Shorelands:

This section summarizes inventory information about the shorelands adjacent to the Pacific Ocean. Policy statements follow the inventory information. Identification of the shorelands boundary was based upon the consideration of several characteristics of the land. Resources and hazard areas within the ocean-related portion of the shorelands boundary are mapped on the Ocean Shorelands Map on page 50 (that map can be used by property owners and developers to help determine the level of review required before issuance of development permits). These include:

- 1.) Beaches, as identified in the Oregon Beach Law.

¹³ ibid, 140.

¹⁴ ibid, p. 141.

- 2.) Dunes, as identified in the 1980 Newport Comprehensive Plan by RNKR Associates.¹⁵
- 3.) Younger, stabilized dunes and open sand and wet interdunes as identified in the Soil Conservation Service (SCS) study Beaches and Dunes of the Oregon Coast (for areas not identified in the RNKR study).¹⁶
- 4.) Areas of 100-year coastal flood with wave action as identified on the Flood Insurance Rate Maps.
- 5.) Shoreland protection measures as mapped by RNKR Associates.¹⁷
- 6.) Significant shoreland and wetland biological habitat identified by Dr. D.W. Thomas and the U.S. Fish and Wildlife Service.¹⁸
- 7.) Coastal headlands.
- 8.) Areas necessary for water-dependent and water-related uses, specifically recreational uses and navigation facilities.
- 9.) Landslide areas as identified by RNKR Associates in 1979 (map numbers 13:25 through 16:25).
- 10.) Features of exceptional scenic quality.
- 11.) Riparian vegetation along streams is included within significant wildlife habitat areas.
- 12.) The conditionally stable dunes landward of the foredune.
- 13.) The older, stabilized dunes of the South Beach dune sheet.
- 14.) The deflation plain east of the foredune and the stabilized dunes.

¹⁵ RNKR Associates, Environmental Hazard Inventory: Coastal Lincoln County, Oregon, 1979.

¹⁶ U.S. Soil Conservation Service, Beaches and Dunes of the Oregon Coast, 1975.

¹⁷ RNKR Associates, Environmental Hazard Inventory: Coastal Lincoln County, Oregon, 1979.

¹⁸ D.W. Thomas, Significant Shoreland and Wetland Biological Habitats and Riparian Vegetation, 1981.

Beaches and Dunes

Ocean Beaches

Formations: There are four stretches of ocean beach within the Newport urban growth boundary (UGB):

- 1.) Beverly Beach: The area from Yaquina Head to north of Schooner Creek.
- 2.) Agate Beach: The area from Yaquina Head south to Jump-Off Joe Rock.
- 3.) Nye Beach: The area from Jump-Off Joe Rock south to the north jetty.
- 4.) South Beach: The area south of the south jetty to the southern urban growth boundary.

The sand of the Newport beaches is similar to other Oregon beaches. Sea cliff erosion and marine deposition or erosion are the major factors affecting the supply of sand on the beach. The stability and movement of sand on the beach varies seasonally. The sand is generally eroded from beaches during winter storms. Gentler waves in summer deposit sand on the beach.

This on-and-off shore movement of sand is in addition to the transport of sand along the beach (littoral drift). There appears to be a seasonal reversal in the direction of sand transport along the beach. Waves from the south-west accompany the prevailing winds in the winter months and wind and waves from the northwest predominate during the summer. Sand movement appears to be essentially in balance when averaged over several years. This condition is known as "zero net littoral drift."

The impact of this zero net littoral drift and the extension of the jetties at the entrance to Yaquina Bay has been accretion of sand adjacent to the north and south jetties. The accumulation of sand by the jetties has resulted in some further erosion at greater distances from the jetty. The accumulation of sand on either side of the jetties at the mouth of Yaquina Bay led to dune formation when much of that sand blew inland.

Recreational Uses: The recreational values of the beaches have long been recognized by Oregonians. These beaches are important resources that have long held an attraction for residents and visitors. As the name implies, many agates have been found at Agate Beach. Agate Beach, Nye Beach, and South Beach have razor clams. The beaches, especially during the summer, are populated with beachcombers, surfers, sailboarders, runners, kite fliers, and many other recreation enthusiasts.

Oregon Beach Law: The 1967 Legislature passed the Oregon Beach Law (ORS 390.605-390.700) to codify the public's right to use the dry sand areas of the beaches.

The Shoreland Boundary Line was established by that legislation to resolve the question of ownership and the right of the public to use the dry sand areas of the Oregon beaches. In the landmark court case of State Ex Rel Thronton v. Hay, the Oregon Supreme Court said that the state had effectively proven the public's right to use the land seaward of the shoreland boundary line even though the ownership may rest with a private land owner. (It should be noted that the wet sand areas are property of the state as determined by the 1899 Oregon legislature except where sold before 1947.)

The area between the mean high water and the vegetation line is an area where the public's right is paramount but where private ownership is recognized. The state legislature grappled with the question of erosion and the receding nature of the coast line in creating this in between area and in 1969 exempted these lands from taxation.

The Oregon Beach Law also regulates improvements, motor vehicle and aircraft use, pipelines, cable or conduit crossings, and removal of natural products on the ocean shore (ORS 390.635- 390.725). Implementation requirements of the Land Conservation and Development Commission's Beaches and Dunes Goal further restricted permits for beach front protective structures to where development existed before January 1, 1977. Pursuant to this requirement, the Oregon Transportation Commission adopted new Beach Improvement Standards on March 28, 1978.

In addition to the above law, Goal 18/"Beaches and Dunes" limits the issuance of permits for beach front protective structures to those areas where development existed on January 1, 1977. Development means houses, commercial and industrial buildings, and vacant subdivision lots that are physically improved through the construction of streets and the provision of utilities to the lot. Also included are areas where an exception to (2) of the implementation requirements of Goal 18 has been approved.

Dune Areas

The material underlying much of the area within the Newport UGB is sand. Most of this is marine terrace deposits, although these are sometimes difficult to distinguish from older sandstone bedrock or older stabilized dunes. Once the old town area of the city between Nye Beach and the bayfront had dunes, but the area is now largely developed and little remains of these dunes.

All of these areas have sandy soils of either the Netarts, Warrenton, or Yaquina series wherever the soil profile has begun to develop. These series have been mapped by the SCS, and the maps are on file at the Newport Planning Department. It is important to protect these lands from erosion that would create open sand area.

There is a small area with active hummock dunes between Yaquina Bay State Park and the north jetty that is not shown separately on the Ocean Shorelands map because it lies seaward of the beach zone line. The most significant dune area is in South Beach, which is discussed below.

South Beach Dune Complex

The information about dune forms summarized below is drawn from the Beaches and Dunes Handbook for the Oregon Coast¹⁹ and the report and mapping of RNKR Associates in Environmental Hazard Inventory: Coastal Lincoln County, Oregon.²⁰ These are the most recent sources of information concerning the South Beach dunes.

The South Beach dune complex is the largest dune area in Newport. It was built up from the sand supply on the accretion beach next to the south jetty. RNKR Associates described several types of dune landforms within this South Beach dune sheet, which is the only dune complex identified within the Newport UGB. These dunes are shown on Sheet 4 of the Ocean Shorelands Map (beginning on page 50). The dune complex is located primarily within South Beach State Park, although it extends a short way north and south of the park.

The four dune landforms identified in this area are:

- 1.) Active foredunes: a ridge of sand adjacent to the swash zone of the beach extending south from the mouth of Yaquina Bay.
- 2.) Conditionally stable dunes: present on the landward side of the active foredunes.
- 3.) Older stabilized dunes: present in approximately the center of South Beach State Park.
- 4.) Deflation plain: present on the landward side of the other dune types.

Each of these dune types has different resource values, hazards, and development limitations.

The active foredune collects sand blown from the open beach. The foredune develops where European beach grass causes wind-blown sand to accumulate in a long ridge. These dunes need protection if they are to remain effective barriers to wind erosion and ocean storms. Foredunes are dynamic landforms subject to substantial growth in height and width on accretion beaches, and are vulnerable to rapid removal on eroding beaches. Therefore, buildings are not appropriate on active foredunes.

The conditionally stable dunes landward of the foredune have developed a denser vegetative cover, including more plant species. Although no longer subjected to wind

¹⁹ U.S. Soil Conservation Service, Beaches and Dunes of the Oregon Coast, 1975.

²⁰ RNKR Associates, Environmental Hazard Inventory: Coastal Lincoln County, Oregon, 1979.

erosion like foredunes, conditionally stable dunes have not had time for significant soil development. Conditionally stable dunes may be appropriate for development with special precautions in places that are not subject to hazards such as ocean flooding.

The older, stabilized dunes of the South Beach dune sheet exhibit soil development and tree cover. Since this dune area is entirely within a state park, no development is anticipated.

To the east of the foredune and the stabilized dunes is an extensive deflation plain. A deflation plain is created when the wind removes dry sand particles from areas landward of the foredune. The summer water table limits the depth of sand removal because groundwater moisture binds the sand together. Standing water is common during the winter when the water table is higher. Some deflation plains are subject to ocean flooding.

All of South Beach is known to have a groundwater aquifer, these dunes deposits are generally thin, and they cannot (as in other places on the Oregon coast) be relied on to supply large volumes of ground water. The dune sands rarely exceed 15 feet in thickness (except in a small area of South Beach) and are deposited directly on marine terrace material. The dune aquifer is not subject to significant development pressures because much of the aquifer is within South Beach State Park. Areas outside the park slated for development are or will be served by municipal water and sewer systems.

The primary value of the South Beach dune complex is recreational. Two deflation plain wetlands south of the old jetty railroad and open sand areas have been identified as significant habitat, as discussed below. The parcel of land between South Beach State Park and Yaquina Bay has been identified as being suited for tourist commercial uses subject to compliance with zoning regulations.

In addition to the dune forms in the South Beach Dune Complex described above, the following additional dune landforms are located within the Newport UGB:

- 1.) Open sand dunes areas, in the absence of vegetation, operate only in response to sand supply and wind. Open dune sand areas are defined as wind-drifted sand in the form of dunes and ridges which are essentially devoid of vegetation.

Active open dune sand areas are highly dynamic and may advance onto forest land, pasture land, crop land, roads, railroads, lakes, and stream channels, thereby endangering residential, commercial, and industrial property. Yet, at the same time, many open sand dunes have tremendous aesthetic and recreational importance.

- 2.) Interdunes include a broad range of geomorphic landforms varying from wet open dune sand forms to wet areas in recent and older stabilized dunes.

In general, broad areas that are both stable and wet were mapped as wet interdune,

and the stabilized area was shown as being secondary. This arrangement points out the major unit to be managed. Most wet interdunes are principally wildlife habitat areas. However, many areas mapped as wet interdunes are old deflation plains or reexposed coastal terraces. A primary development limitation is the inability of some wet interdune areas to accommodate subsurface sewage disposal.

- 3.) Younger stabilized dunes are youthful, cross-bedded, windstable dune landforms that have weakly-developed sandy soils with little or no development of cemented nodules, lenses, or horizons. Vegetation on these dunes ranges from native grasses, European beachgrass, and shrubs such as scotch broom and tree lupine to woody species. The dominant tree is shore pine, but Sitka spruce, western hemlock, Douglas Fir, western red cedar, Oregon crabapple, and red alder also occur.

The younger stabilized dunes are differentiated from older stabilized dunes by differences in soil profile characteristics and the predominance of shore pine and other woody species. Texture and cementation are the primary criteria use for differentiation, although organic matter, depth, and distribution are also considered.

The younger stabilized dune mapping unit includes the stabilized dunes and transition forests. These areas contain many species of birds, mammals, amphibians, and reptiles. Occasional snags serve as nesting areas for a variety of birds.

Younger stabilized dunes offer opportunities for the placement of man-made facilities. Established vegetation provides shelter from the wind and a location from which to venture out into the open sand. However, on-site investigation is needed because building sites may be limited by slope, depth of water table, and horizontal and vertical permeability if septic- tanks are used. Some septic drain field failures have been reported in areas mapped as younger stabilized dunes. Surface or subsurface drainage that significantly reduces soil moisture in stable areas might result in the killing of low shrubs and should be avoided. Excavation and vegetation removal in stabilized dune areas needs to be well managed to prevent exposure of open sand to wind erosion and subsequent blow-outs.

Shoreland Hazards

Ocean Flooding

Ocean flooding is the inundation of lowland areas along the coast by salt water due to tidal action, storm surge, or tsunamis (seismic sea waves). Landforms in Newport subject to ocean flooding include beaches, the bases of sea cliffs, marshes and low-lying interdune areas. All areas shown on the Flood Insurance Rate Map in Zone V and areas below the 10 foot elevation south of and adjacent to the south jetty are considered to be areas subject to ocean flooding.

The National Flood Insurance Program (FIA) requires that all living areas or residences built or rebuilt within the floodplain be built so that the lowest habitable floor is at least one foot above the base flood level. In addition, buildings, foundations, and other structures must be built so that flood problems are not worsened in other areas. The City of Newport flood plain management regulations for coastal high hazard zones have been recognized as appropriate by FEMA.²¹

Shoreline Protection Measures

Ocean wave undercutting and consequent sea cliff erosion has been identified as a major source of beach sand. The following description of landslide areas also notes the role of ocean wave action. In an effort to protect property from cliff retreat, sand movement, and ocean flooding, several shoreline protection features have been built.

RNKR Associates mapped riprap armor along the shoreline in order to inventory these features. These are shown on the Ocean Shorelands map beginning on page 50. Control of shoreline protection features by local authorities is needed to prevent unexpected changes in beach equilibrium or aggravated erosion of adjacent lands. RNKR suggested several questions to be answered in the review of new shoreline protection structures which have been incorporated into ordinances controlling development along the shoreland.

In addition to city policies and regulations, beach areas within the vegetation line established by ORS 390 are under the jurisdiction of the Oregon State Parks and the Division of State Lands. A permit is required from those agencies prior to the construction of any beach front protective structures.

²¹ Federal Emergency Management Agency, letter to the City of Newport, 1987.

Landslide and Coastal Erosion Areas

Landslide and Coastal Erosion areas were mapped within the Newport urban growth boundary in the 2004 document titled Evaluation of Coastal Erosion Hazard Zones Along Dune and Bluff Backed Shorelines In Lincoln County, Oregon: Cascade Head to Seal Rock, by the Oregon Department of Geology and Mineral Industries (OFR O-04-09). The document and maps are included here by reference. The report describes several types of mass movement (mud flow, slump, soil creep, and debris avalanche) and defines the mapped landslide areas:

Prehistoric Mass Movements: Generally speaking, these are very large landslide and slide blocks that predate historical observations on the Oregon coast (about 150 years) and are deeply eroded with no evidence of recent slide activity.

Potentially Active Mass Movements: These are areas of mass movements that are currently stable (no bowed trees or cracked soil and pavement) but with evidence of recurrent movement in the last 150 years. Unlike the prehistoric slides, these features are generally not extensively eroded and have well-preserved topography indicative of recent movement. Many show no evidence of movement since 1939 or 1967 aerial photography but are probably more likely to have movements than the prehistoric slide areas.

Active Mass Movements: These areas have evidence such as bowed trees and cracked soil or pavement that indicate ongoing down slope movement of large masses of soil or rock.

Quaternary Landslides: Quaternary landslides were mapped by Snively and others (1976 and 1996). These landslides are shown in inland portions of the City and were not investigated in the 2004 DOGAMI report.

Landslide Terrain: Areas identified as landslide terrain were interpreted by Schlicker and others (1973) from aerial photos and reconnaissance-level fieldwork. The terrain may be landslide or just rolling topography similar to that produced by landslide processes and needs to be field checked.

Bluff and Dune-Backed Shoreline Hazard Areas: Coastal bluff and dune-backed shoreline areas characterized by existing, active erosion processes and three zones of potential future erosion (high, moderate, and low) that respectively depict decreasing risk of becoming active in the future as modeled in the DOGAMI report. The respective hazard zones are more particularly described as follows:

Active Erosion Hazard Zones – For dune-backed shorelines, the active hazard zone encompasses the active beach to the top of the first vegetated foredune, and includes those areas subject to large morphological changes adjacent to the mouths of bays due to inlet migration. On bluff-backed shorelines the active hazard zone

includes actively eroding coastal bluff escarpments and active or potentially active coastal landslides.

High Risk Erosion Hazard Zones – For dune backed shorelines, the high risk scenario is based on a large storm wave event (wave heights 47.6 ft high) occurring over the cycle of an above average high tide, coincident with a 3.3 ft storm surge. For bluff-backed shoreline areas, the high risk zone portrays bluff retreat that would occur if only gradual erosion at a relatively low mean rate were to occur over a 60-year period after the slope reaches and maintains its ideal angle of repose (for talus of the bluff material).

Moderate Risk Erosion Hazard Zones – For dune-backed shorelines, the moderate risk scenario is based on an extremely severe storm event (waves 52.5 ft high) coupled with a long term rise in sea level of 1.31 ft. For bluff-backed shoreline areas, the moderate risk zone portrays an average amount of bluff retreat that would occur from the combined processes of block failures, retreat to an angle of repose, and erosion for 60 to 100 years.

Low Risk Erosion Hazard Zones – For dune-backed shorelines, the low risk scenario is similar to the moderate risk approach but incorporates a 3.3 ft vertical lowering of the coast as a result of a Cascadia subduction zone earthquake. For bluff-backed shoreline areas, the low risk zone illustrates a worst case for bluff retreat in 60-100 years considering maximum bluff slope failure, erosion back to an ideal angle of repose, and gradual bluff retreat for 100 years.

Shoreland Resources

Significant Habitats

Significant material regarding shoreland and wetland biological habitats and riparian vegetation along the ocean shoreline in Lincoln County were compiled by Dr. D.W. Thomas in September 1981.²² Recent aerial photographs and additional information from the Nature Conservancy, Oregon Department of Fish and Wildlife (ODFW), the U.S. Army Corps of Engineers, OCC&DC, and the U.S. Fish and Wildlife Service National Wetlands Inventory were obtained during that study. In July 1983, the City of Newport, in coordination with Lincoln County and the Oregon Department of Fish and Wildlife, reexamined the Thomas Study in the South Beach dune complex. The Ocean Shorelands Map (beginning on page 50) was amended to include only those areas considered by ODFW to be significant shoreland and wetland biological habitat (see the description of South Beach's significant habitat areas on the next page).

²² D.W. Thomas, Significant Shoreland and Wetland Biological Habitat and Riparian Vegetation, 1981.

The City of Newport also amended the Ocean Shoreland map to exclude the Yaquina Estuary north and south jetties and existing jetty access roads as significant habitat.

The following significant shoreland and wetland biological habitats on Newport's ocean shorelands have been noted and are shown on the Ocean Shorelands map (beginning on page 50):

- > Grant Creek west of Highway 101.
- > An unnamed drainage east and west of Highway 101 just to the north of the Newport Municipal Airport property and south of South Beach State Park.
- > South Beach dune complex.
- > The cliffs and offshore rocks at Yaquina Head.

Coastal Headlands

There are two headlands within the Newport urban growth boundary, and one is the well-known Jump-Off Joe Rock. A prominent headland in the last century, only skeletal remains are left, and it is now a minor promontory of the marine terrace upon which most of the City of Newport is located. It has been subject to rapid and substantial marine erosion and seacliff retreat. (See the History and the Parks and Recreation sections of this plan.)

The remaining and more prominent coastal headland is Yaquina Head. This headland is formed by the Cape Foulweather basalt. The surficial extent of this geologic unit was mapped in 1973 by Schlicker.²³ The seaward exposure of this unit is included within the shorelands boundary as a major visual resource of the Newport area. Walker, Havens, and Reickson's Visual Resources Analysis of the Oregon Coastal Zone identified Yaquina Head as an area with potential for an exceptional coastal experience. Congress designated about 100 acres of the Head as an Outstanding Natural Area (ONA) on March 5, 1979, in Section 119 of Public Law 96-199. The act also provided for wind energy research within the ONA. The boundary of the Yaquina Head ONA established by this act is shown on the Ocean Shorelands map.

Once the site of a privately-owned commercial quarry, the primary developed land uses on this headland now are the Yaquina Head Lighthouse and a few residences.

²³ State of Oregon, Bulletin 81: Environmental Geology of Lincoln County, Oregon, 1973.

Recreation Associated with the Pacific Ocean

Yaquina Head, city and state parks, and several public rights-of-way to the ocean beaches provide for recreational opportunities along the ocean shorelands. The designation of the beaches as a special recreational area by the State of Oregon and the acquisition and development of Agate Beach, South Beach, and Yaquina Bay State parks encompass all of the area that is especially suited for recreation along the ocean shorelands within the Newport UGB. Public access to the beach outside of state parks occurs over public rights-of-way or specially acquired parcels. Major public access points are noted on the Ocean Shorelands map and the Inventory Of Oregon Coastal Beach Access Sites, published by Benkendorf and Associates,²⁴ hereby included within this plan by reference.

Navigation Facilities

Navigation facilities are important uses in the ocean shorelands area. Navigation facilities currently consist of the jetties at the mouth of Yaquina Bay, the Yaquina Bay Lighthouse, and the Yaquina Head Lighthouse.

GOALS/POLICIES
NATURAL FEATURES

Goal 1: To protect life and property, to reduce costs to the public, and to minimize damage to the natural resources of the coastal zone that might result from inappropriate development in environmentally hazardous areas.

Policy 1: In areas of known hazards, the City of Newport shall require a site evaluation of the potential dangers posed by environmental hazards prior to city review and approval of a proposed development. It shall be the applicant's burden to show that construction in an environmentally hazardous area is feasible and safe. Site investigations in geologic hazardous areas shall be prepared by a registered geologist or engineer.

Policy 2: The city shall maintain and, where necessary, update ordinances that control development in an environmentally hazardous area.

Policy 3: Where hazardous areas are not specifically identified but a potential hazard may exist, the City should establish procedures within its land use regulations to require a site-specific analysis tool, such as a geologic report.

²⁴ Benkendorf and Associates, Inventory of Oregon Coastal Beach Access Sites, 1989.

Policy 4: The city shall continue its participation in the Flood Insurance Program administered by the Federal Emergency Management Agency.

Policy 5: Development within the Ocean Shorelands Boundary, as identified on the Ocean Shorelands Map, shall comply with development criteria established within the Zoning Ordinance, except to the extent development is permitted in accordance with the variance procedures of the Zoning Ordinance. The city shall, from time to time, evaluate those regulations to assure compliance with city goals.

Policy 6: Nonstructural solutions to problems of erosion or flooding shall be preferred to structural solutions. Where flood and erosion control structures are shown to be necessary, they shall be designed to minimize adverse impacts on water currents, erosion, and accretion patterns.

Policy 7: Engineering solutions or other measures to provide appropriate safeguards shall be required prior to issuance of building permits in identified hazardous areas if required by a geological report.

Policy 8: The City of Newport will utilize DOGAMI's Tsunami Inundation Maps as the basis of a zoning overlay to guide the placement of new essential and special occupancy structures and develop related tsunami hazard resiliency measures.

Policy 9: Enact building codes to enhance resiliency of structures within tsunami inundation areas, with an emphasis on those serving high-risk populations or that are necessary for post tsunami recovery.

Policy 10: Provide for the development of vertical evacuation structures in areas where reaching high ground is impractical.

Goal 2: Promote public education of known hazards, and facilitate orderly and expedient evacuation of residents and visitors in response to a catastrophic event.

Policy 1: Periodically update, implement, and refine natural hazard mitigation and emergency operations plans, and ensure city ordinance and regulations respond to plan recommendations.

Policy 2: Encourage and support hazard education, outreach, training and practice.

Policy 3: Develop robust and redundant evacuation routes that are well signed and integrated with evacuation assembly areas, shelters and supply caches.

Policy 4: Collaborate with local, state, and federal partners to effectively leverage

resources, and establish a culture of preparedness supporting evacuation route planning to minimize risk and maximize hazard resiliency.

Goal 3: To protect and, where practical, enhance identified environmentally sensitive areas.

Policy 1: Identified environmentally sensitive areas shall be mapped on the Ocean Shorelands Map.

Policy 2: Residential development and commercial and industrial buildings shall be prohibited on active foredunes, conditionally stable foredunes that are subject to ocean undercutting or wave overtopping, and beaches and deflation plains that are subject to ocean flooding. Other development in these areas shall be permitted only if the findings required in Policy 8, below, are met and it is demonstrated that the proposed development:

- > Is adequately protected from any geologic hazards, wind erosion, undercutting, ocean flooding and storm waves; and
- > Is designed to minimize adverse environmental effects.

Policy 3: Foredunes shall not be breached by non-natural causes except in an emergency and shall be restored after the emergency by the party causing the breach.

Policy 4: The city shall cooperate with federal and state agencies, private individuals, and others in the determination of natural areas.

Policy 5: The city will complete the Goal 5 process for wetlands identified on the U.S. Fish and Wildlife Service Wetland Inventory maps by the next regularly scheduled periodic review.

Policy 6: The criteria for review of all shore and beach front protective structures shall provide that:

- > Visual impacts are minimized;
- > Necessary access to the beach is maintained;
- > Negative impacts on adjacent property are minimized; and
- > Long-term or recurring costs to the public are avoided.

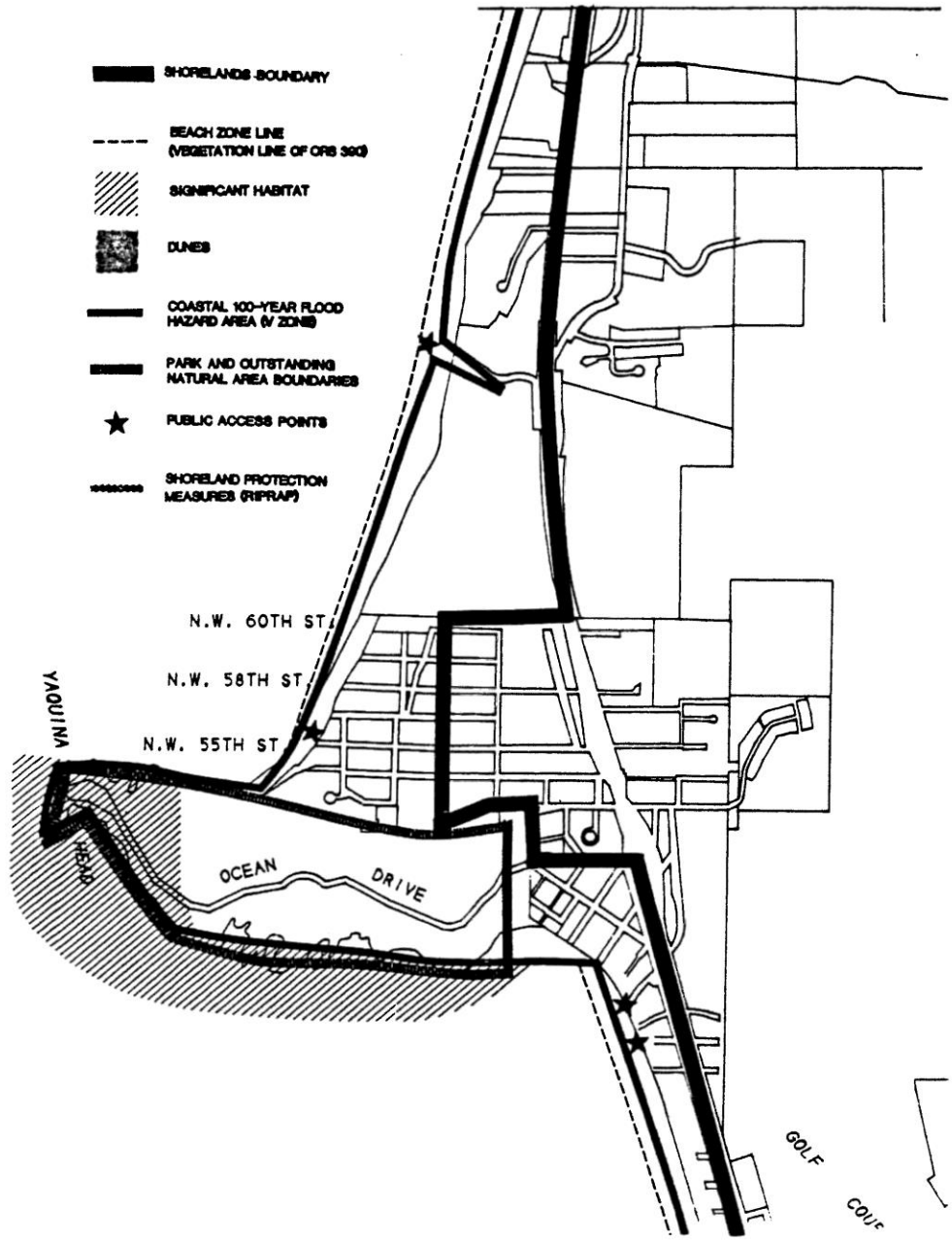
Policy 7: Significant shoreland and wetland biological habitats and coastal headlands shall be protected. Uses in these areas shall be consistent with the protection of natural values.

Policy 8: Development in beach and dune areas other than older, stabilized dunes shall only be permitted if the following issues are examined and appropriate findings are made:

- > The type of use proposed and the adverse effects it might have on the site and adjacent areas;
- > Temporary and permanent stabilization programs and the planned maintenance of new and existing vegetation;
- > Methods for protecting the surrounding area from any adverse effects of the development; and
- > Hazards to life, public and private property, and the natural environment that may be caused by the proposed use.

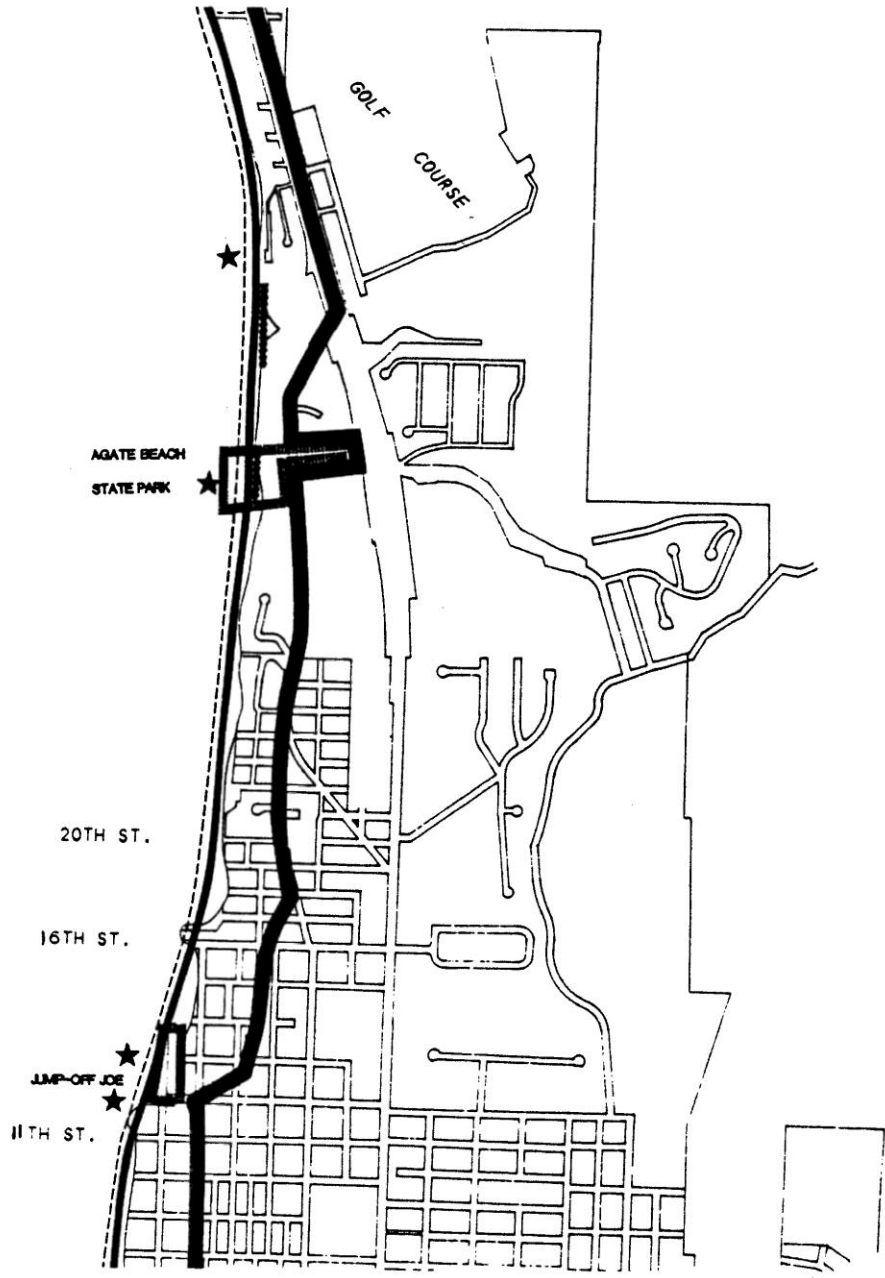
Policy 9: Excavations and fill shall be limited to those minimal areas where alteration is necessary to accommodate allowed development. Cleared areas, where vegetation is removed during construction, shall be revegetated or landscaped to prevent surface erosion and sedimentation of near shore ocean waters.

OCEAN SHORELANDS



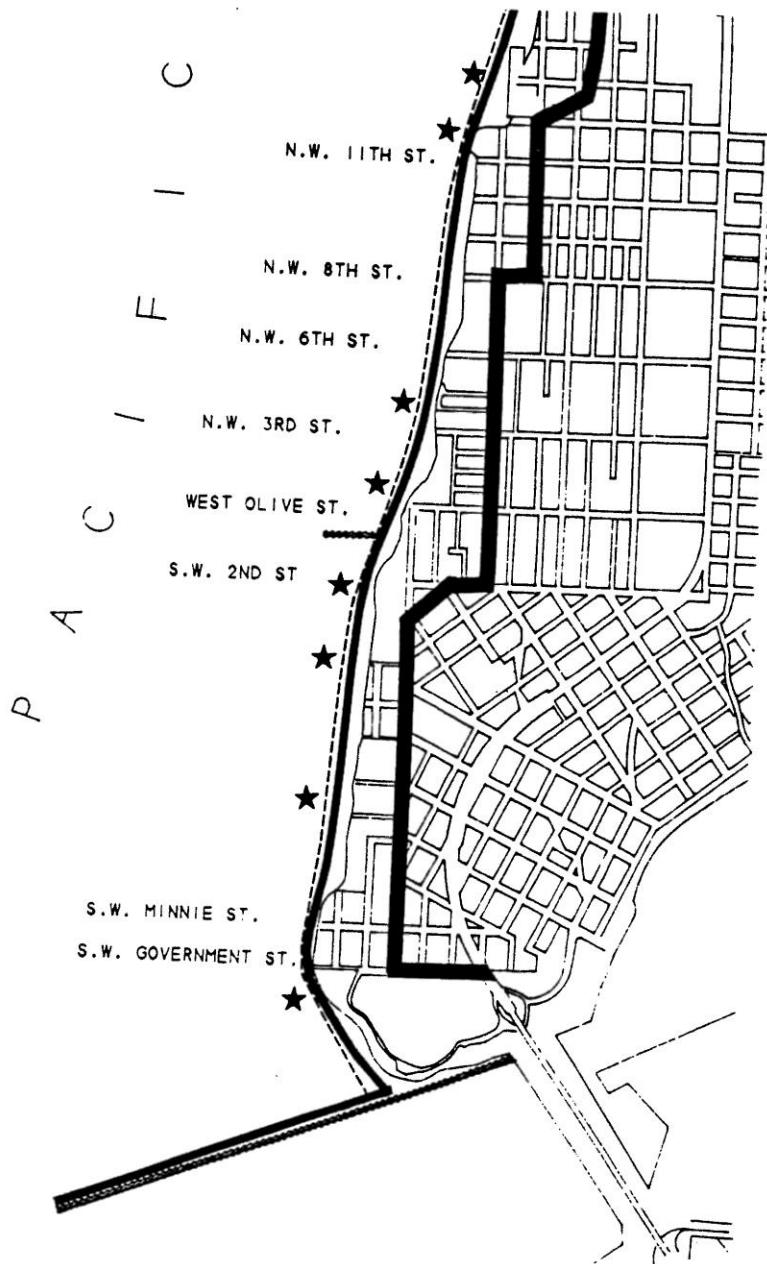
Page 50. CITY OF NEWPORT COMPREHENSIVE PLAN: Natural Features.

OCEAN SHORELANDS



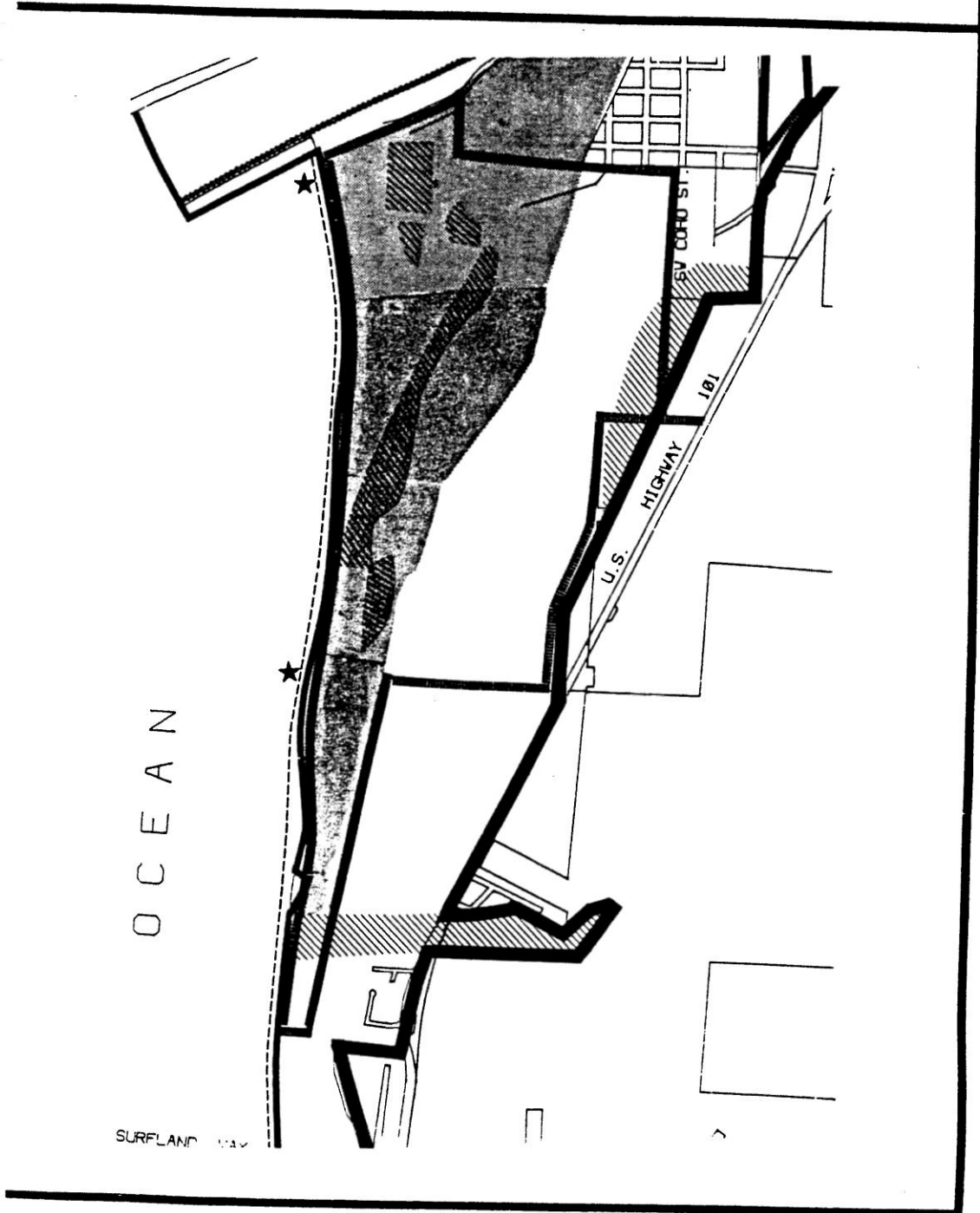
Page 51. CITY OF NEWPORT COMPREHENSIVE PLAN: Natural Features.

OCEAN SHORELANDS



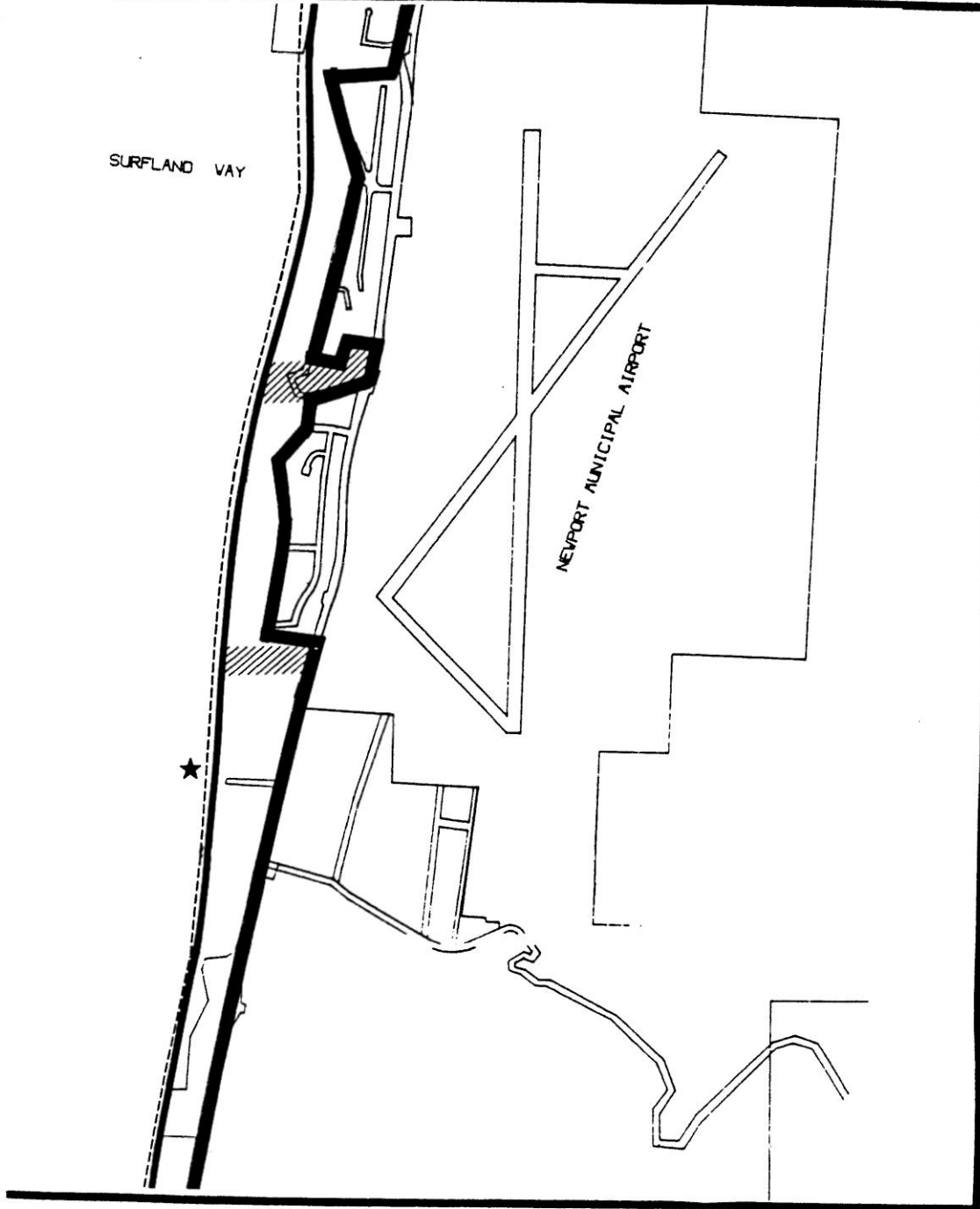
Page 52. CITY OF NEWPORT COMPREHENSIVE PLAN: Natural Features.

OCEAN SHORELANDS



Page 53. CITY OF NEWPORT COMPREHENSIVE PLAN: Natural Features.

OCEAN SHORELANDS



Page 54. CITY OF NEWPORT COMPREHENSIVE PLAN: Natural Features.

FOREST LANDS

Introduction:

Forest lands comprise more than 90% (572,000 acres) of the total area of Lincoln County. They are the source of raw materials for the county's leading industry: timber and forest products. Forest lands provide the watersheds necessary for municipal water supplies and for recreation, and they are the principal habitat for big game and spawning and nursery areas for anadromous fish. Consequently, forest lands are a valuable aesthetic, economic, and recreational resource. Within the city's urban growth boundary (UGB), however, commercial forestry is neither visible nor desired.

Economic Importance:

The relevance of these holdings to the economic well being and livability of Lincoln County is evident. Forests are a renewable, productive resource of importance not only to the county, but to the state and nation as well. Because of its various interests, the Newport area faces a major challenge in balancing the competing needs for commercial forest uses, outdoor recreation, environmental protection, and urban uses. To this end, Newport has two major tasks in the Comprehensive Plan: First, there must be an identification of those lands that are forest lands; and, second, there must be a determination of the ultimate disposition of those lands during the next 20 years.

Forest Lands Identified:

The criteria for identifying Newport's forest lands are the following:

- > Lands composed of existing and potential forest lands that are suitable for commercial forest uses.
- > Other forested lands needed for watershed protection, wildlife and fisheries habitat, and recreation.
- > Lands where extreme conditions of climate, soil, and topography require the maintenance of vegetative cover irrespectively of use.
- > Other forested lands in urban and agricultural areas that provide urban buffers, windbreaks, wildlife and fisheries

habitat, livestock habitat, scenic corridors, and recreational use.

This task can be further broken down by identifying those forest lands that are commercial and those that are "other" forest lands where the production of trees is not the primary importance (e.g., open space, watershed protection, habitat, recreation, erosion protection, view, aesthetics, etc.).

With these criteria in mind, the City of Newport has identified the following potential commercial forest lands within the UGB:

- 1.) 80 acres just east of the Jefferies Creek City Park (owned by the Beaver State Land Company).
- 2.) 75 acres between Highway 20 and the Bay Road (owned by Dr. Wallace High).
- 3.) 95 acres north of the Newport Municipal Airport (owned Double D Enterprises).
- 4.) 66± acres north of the airport (owned by the City of Newport).
- 5.) 500± acres south of Thiel Creek Road (owned by Double D Enterprises).

(Other forest lands within the UGB are identified and discussed in the Environment, Parks and Recreation, and Yaquina Bay Estuary sections of this plan.)

Summary and Conclusions:

The city has determined that all of the above parcels and a number of smaller ones that are privately owned and wooded are either committed to urban development or are needed for urban uses; therefore, because of size, location, proximity to existing or planned public facilities and services, or topography, they are not suitable for commercial forestry uses.

- 1.) Due to location, size, and adjacent conflicting uses, suitable lands are not available for commercial forestry within the City of Newport's urban growth boundary.
- 2.) There are some forest lands within the urban growth boundary that provide aesthetic scenic and environmental qualities.

GOALS/POLICIES/IMPLEMENTATION MEASURES **FOREST LANDS**

Goal: To conserve where appropriate those forest lands possessing significant aesthetic, scenic and environmental qualities and providing for the conversion of other forested acreage to urban uses.

Policy 1: The City of Newport will encourage retaining existing trees and woodlands consistent with the needs of urban development.

Policy 2: The city will promote the conservation of existing forest lands having high value aesthetic, scenic, and environmental qualities.

Policy 3: Forest lands within city, county, state, and federal parks shall be managed.

Policy 4: The inclusion of additional commercial forest lands within the UGB shall occur only upon a finding that the land is needed for urban development.

Policy 5: Forested lands in the UGB but outside Newport city limits which may be currently suitable for commercial forest uses may be used for those purposes regardless of current zoning when done in accordance with applicable forest management practices and regulations.

Policy 6: Forest lands within the city limits may be used for forestry purposes; however, conflicts with urban uses shall be minimized and preference given to properly developed urban uses in instances of adverse affects on such urban uses.

Implementation Measure 1: The city will develop and adopt appropriate management regulations for woodlands with the city limits.

Implementation Measure 2: The city will, as a part of reviewing any land use decision before the Planning Commission or City Council, make recommendations for the retention of valued woodlands.

Implementation Measure 3: The city will review and study the advisability of mandatory regulations governing vegetative cover, both natural and restored, on development projects prior to the next regularly scheduled periodic review.

Implementation Measure 4: Appropriate Zoning Ordinance regulations shall be investigated and considered to promote the conservation of high value recreational and scenic woodlands prior to the next regularly

scheduled periodic review.

AGRICULTURE

Introduction:

Commercial agriculture plays only a minor role in the economy of Lincoln County and is essentially non-existent within the City of Newport's urban growth boundary (UGB) except for nurseries and some limited acreage providing firewood and incidental timber income.

Agriculture county-wide has seen significant decreases in acreage from 30 years ago. Also, while the 1980 Comprehensive Plan recognized declines in sales as well, since that time livestock has held roughly steady, while income from small woodland products, nurseries, and greenhouses has tripled. Only specialty crops have seen a significant decline since the early 1980's (see Table 1 on page 60).

The primary non-forest commercial agricultural activity in Lincoln County is found in nurseries, greenhouses, and specialty horticulture, some of which takes place in the Newport area. There is also occasional logging and thinning of wooded parcels within the city for firewood, but none on a sustaining commercial level.

No specific information is available on agricultural production by county area or by city.

Summary:

The City of Newport has no commercial agricultural land within the urban growth boundary. Thus, no need exists for addressing the statewide goal for protection for such lands.

Table 1
Lincoln County
Estimated Gross Agricultural Income
(in thousands of dollars)

	1975	1980	1981	1982	1983	1984	1985	1986	1987	1988
CROPS:										
Small Woodland Products	0	1,500	0	0	0	1,500	1,350	1,560	2,350	4,430
Nursery and Greenhouse	0	700	0	0	0	1,000	1,080	1,900	2,000	2,500
Specialty and Other Crops	1,129	197	1,884	2,475	2,826	160	180	170	182	350
LIVESTOCK:										
Cattle and Calves	690	1,139	1,163	1,229	980	1,003	900	926	1,111	923
Sheep and Lambs	30	123	124	89	92	161	225	148	246	222
Dairy Products	315	255	309	312	380	350	495	420	385	276
Miscellaneous	104	158	176	180	188	234	225	165	142	146
TOTAL:	2,268	4,072	3,656	4,285	4,466	4,408	4,455	5,289	6,416	8,847

Source: Lincoln County Extension Office.

WATER QUALITY

Introduction:

Water is an important resource in need of management. Various sections of the City of Newport's Comprehensive Plan deal with different aspects of water quality.¹ One aspect of that management program is to maintain water quality.

Sensitive Aquifers:

The only area that is not covered in other sections of this plan is that of sensitive aquifers. The State Department of Environmental Quality (DEQ) has prepared a map that shows sensitive aquifers in the Newport area, two of which are in the Newport urban growth boundary (UGB). Both are in areas on either side of Yaquina Bay. The area north of Yaquina Bay appears to be about the width of the city from the bay to Big Creek. The one in South Beach appears to again be the width of the city from the bay to the south end of South Beach State Park. It is impossible to determine exact boundaries due to the scale of the map.

The city does not draw water from that aquifer for meeting domestic, commercial, or industrial water demands. Although aquifers are important, the one within Newport proper is not as critical as others that do supply water needs. Policies directed toward this aquifer should be more for maintaining a certain level of quantity and quality.

Lincoln County administers subsurface permits for septic tanks in the Newport city limits, while the state is the primary enforcement agency for contaminants that occur because of urban development. The city must rely on those agencies to provide the expertise on the limited issue of the aquifer quality. The city will, however, cooperate with the county and state in their planning and enforcement activities.

¹ The Yaquina Bay Estuary section addresses the management of estuarine resources.

GOALS/POLICIES
WATER QUALITY

Goal: To maintain a level of water quality that is consistent with state and federal regulations.

Policy 1: The Department of Environmental Quality has identified major water table areas with sensitive aquifers within the Newport urban growth boundary. A program to regulate these areas has not yet been developed by the DEQ. Once a program is developed, the city will comply with DEQ to carry out this program.

Policy 2: Any development will be required to leave some amount of permeable surface as required by the Zoning Ordinance.

AIR QUALITY

National Ambient Air Quality Standards (NAAQS) have been adopted by federal and state governments to protect the public health and welfare from the known adverse effects of air pollution. The federal government has set primary standards which define levels of air quality that protect the public health. Secondary ambient air quality standards define levels judged by the federal government as necessary to protect the public welfare. Oregon's control strategies have been directed to meet the more stringent secondary air quality standards.¹

The pollutants for which standards have been established are common ones that have been shown to be harmful. These standards are exhibited in Table 1.

Table 1
National Ambient Air Standards

Pollutant	Averaging Time	Federal Standards	
		Primary (Health)	Secondary (Welfare)
Total Suspended Particulate	Annual Geometric Mean	75µg/m ³	60µg/m ³
	24 Hours	260µg/m ³	150µg/m ³
PM10	Annual Arithmetic Mean	50µg/m ³	50µg/m ³
	24 Hours	150µg/m ³	150µg/m ³
Ozone	1 Hour	0.12 ppm	0.12 ppm
Carbon Monoxide	8 Hours	9.0 ppm	9.0 ppm
Sulfur Dioxide	Annual Arithmetic Mean	0.03 ppm	-
	24 Hours	0.14 ppm	-
	3 Hours	-	0.5 ppm
Nitrogen Dioxide	Annual Arithmetic Mean	0.053 ppm	0.053 ppm
Lead	Calendar Quarter	1.5µg/m ³	1.5µg/m ³

Notes: µg/m³ = Micrograms of pollutant per cubic meter of air
ppm = parts per million

¹ State of Oregon Department of Environmental Quality, 1987 Oregon Air Quality Annual Report, 1988.

The Department of Environmental Quality (DEQ) is the state agency responsible for monitoring air quality in Oregon. This department sees that urban areas meet air quality standards and that air quality in the rest of the state does not deteriorate.

The DEQ works with local governments in five airsheds to reduce pollutants to acceptable levels. For areas with identified air quality problems, DEQ has established extensive monitoring and sampling stations. For other areas, monitoring and sampling is done periodically, usually in response to a specific complaint.

The Newport area is within the Willamette Valley Region. The DEQ has not identified Newport as being within a problem area. The meteorology of the area assures a good mixing of the air. In addition, the Newport area does not have significant point sources of pollutants. Therefore, the air quality of Newport is quite good.

However, non-point sources of pollutants do exist here. The major sources are vehicles, road dust, open fires (including wildfires), and wood stoves. If acute problems from these sources do arise, they can be dealt with on a case-by-case basis.

Conclusion:

Air quality in the Newport area is good. No major point sources of pollutants are within the Newport UGB. Non-point sources are few and can be handled on a case-by-case basis.

GOALS/POLICIES
AIR QUALITY

Goal: To protect the air quality of the Newport area while maintaining a climate conducive to economic growth.

Policy 1: The City of Newport will comply with state and federal agencies, especially the Department of Environmental Quality and the Environmental Protection Agency, to assure a continued high level of air quality.

NOISE

Introduction:

When unwanted sounds intrude into our environment, "noise" exists. Most Americans accept some level of noise as a tolerable nuisance--part of our modern, technological way of life. Noise, however, can be more than a nuisance; it can, according to studies conducted by the U.S. Environmental Protection Agency (EPA), degrade the livability of a community and damage the physical and mental health of a person.

Noise as a Physical Phenomenon:

The loudness, or magnitude of sound, is commonly measured in decibels (dB). For human beings, the audible spectrum ranges from 0 to 140 dB. An illustration of this scale is provided in Table 1.

Table 1
Loudness Range of Common Sounds¹
(Measured at Source or Indicated Distance)

Sound Source	dB	Typical Response
	150	
Sonic Boom	140	Painfully Loud
	130	
Jet Takeoff (200 ft.)	120	Limits of Amplified Speech
Auto Horn (3 ft.)	110	Maximum Vocal Effort
Shout (0.5 ft.)	100	Very Annoying
Heavy Truck (50 Ft.)	90	Annoying
Pneumatic Drill (50 ft.)	80	Telephone Use Difficult
Freeway Traffic (50 ft.)	70	
Air Conditioning		
Unit (20 ft.)	60	
Living Room	50	Quiet
Library	40	
Soft Whisper	30	Very Quiet
	20	
Leaves Rustling	10	Just Audible
	5	Threshold of Hearing

¹ Council on Environmental Quality, The First Annual Report, Washington D.C., 1970.

Other noise sources include industrial and construction activities and normal human activity. The time and duration of these noise generators are variable depending on the type of activity.

In City Noise:

The Newport area contains relatively few chronic noise problems. Traffic related noises account for a majority of the sources within the city, most of which occurs in commercial areas, thus minimizing the conflicts with sensitive areas such as schools or residential areas.

Airports, also, can be serious sources of noise; this is particularly true where an airport serves jet aircraft. The Newport Municipal Airport is principally a general aviation facility, although jet planes occasionally use it. However, there does exist a potential for more jet traffic, according to the Airport Master Plan ². Too, the U.S. Coast Guard has plans to build a helicopter base on airport property. Newport's Airport Master Plan contains a detailed analysis of noise and its affects on the surrounding area. Year 2008 noise contours have been determined, and it appears that the 55 Ldn (day-night average sound level) falls within an area that is not noise sensitive.

Noise Restriction: ³

In exercising its general powers to protect the health, safety, and welfare of its citizens, the City may address noise problems in a variety of ways, including under the general power of the City to regulate nuisances and through the land use approval process. The City currently has an ordinance to regulate noise nuisances under the general power of the City to regulate for nuisances. This ordinance may be amended by the City Council as needed. The City also currently addresses noise nuisance issues in the land use process. For example, the Newport Zoning Ordinance conditional use permit approval criteria and the extension, expansion, or enlargement of nonconforming uses criteria both consider the impact of nuisances such as noise that may be generated by the proposed conditional use or the nonconforming use.

Conclusions:

Newport has relatively few noise pollution problems. The few acute problems that do arise can be handled as nuisances and dealt with on a complaint basis. If warranted, the police may use the DEQ to determine if a state or federal law has been violated. If it has, it is the responsibility of the DEQ to enforce.

² FORESITE Group, Airport Master Plan, 1991.

³ Section amended by Ordinance No. 1883 (March 21, 2005).

GOALS/POLICIES
NOISE QUALITY

Goal: To cooperate with the state and federal agencies responsible for noise regulation.

Policy 1: The City of Newport recognizes that noise can cause problems, thereby affecting the livability of the city. The city will cooperate and comply with state and federal agencies responsible for the enforcement of state and national regulations regarding noise.

Policy 2: The City may consider noise issues as appropriate in the land use process by including noise nuisance issues within land use approval criteria. 4

4 Policy 2 Amended by Ordinance No, 1883 (March 21, 2005) .

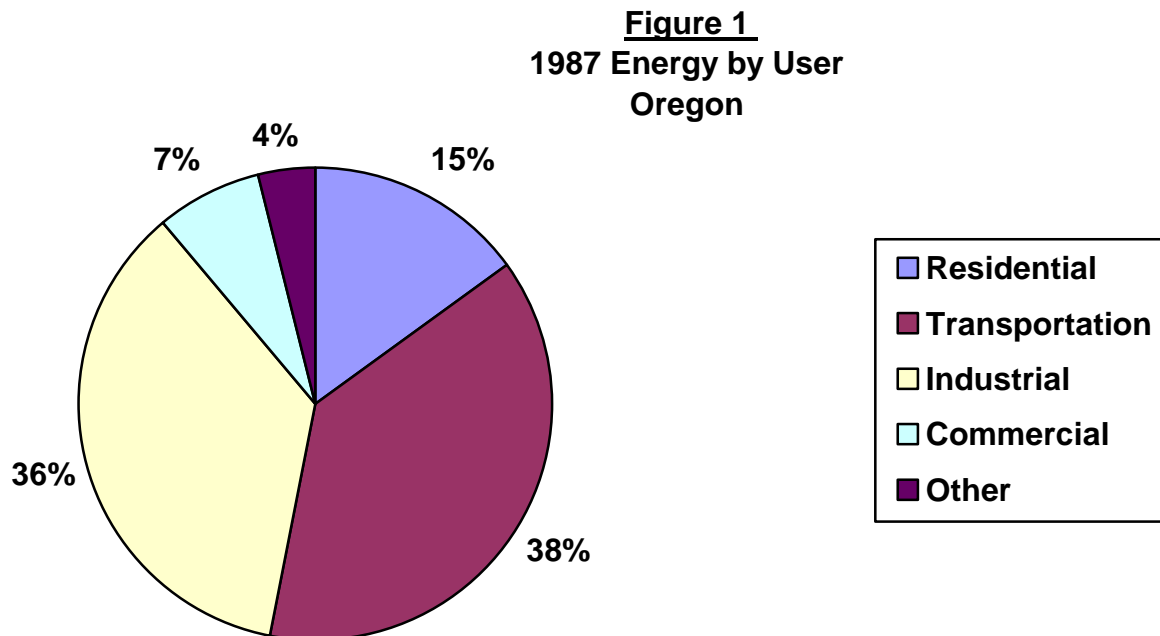
ENERGY CONSERVATION

Introduction:

Newport is an energy consumer rather than a producer. Specific data on all energy types is not available for the Newport area, so this section will rely on the State of Oregon's Department of Energy (ODOE) for such information. Consequently, the following discussion represents an overview and analysis of the State of Oregon Third Biennial Energy Plan as it applies to the Newport area.

Energy Consumption:

Figure 1 depicts the amount of energy used in 1987 by the various energy users. The graph is for the state as a whole.



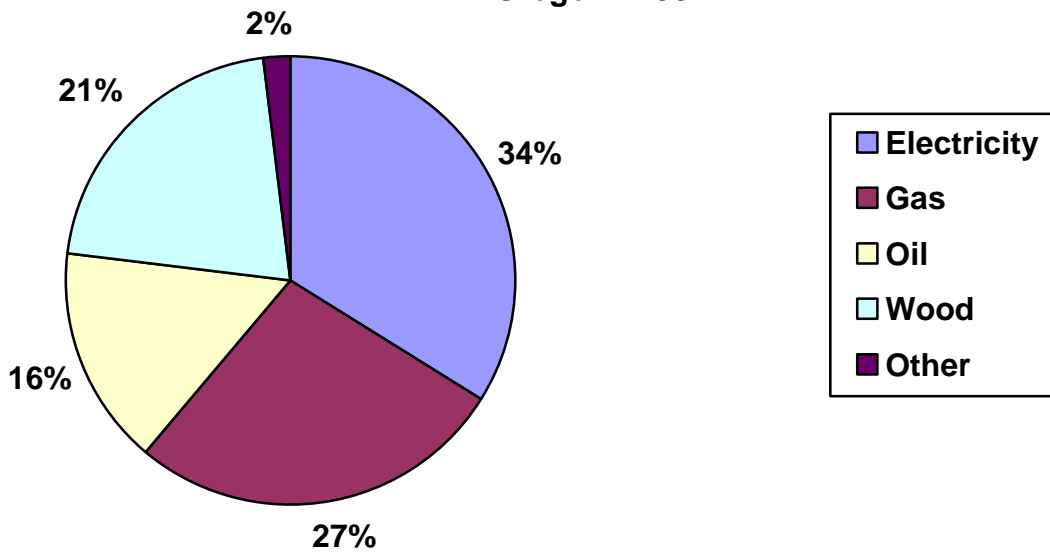
Newport's graph is undoubtedly different, however, in that there is not the industrial development present as in the rest of the state. The percentage of industrial energy consumption is lower, then, while the percentage of the other energy is most likely higher. The exact amount is unknown.

Residential:

The Oregon Department of Energy estimates that our households spent about \$850 million on electricity, natural gas, and heating oil in 1987; this averages to about \$800.00 per household. About 40% was spent to run household appliances, another 40% went to home heating, and the remaining 20% was used to heat water. In addition, space heating was supplemented significantly by wood (no estimate of the dollar amount of wood used was available).

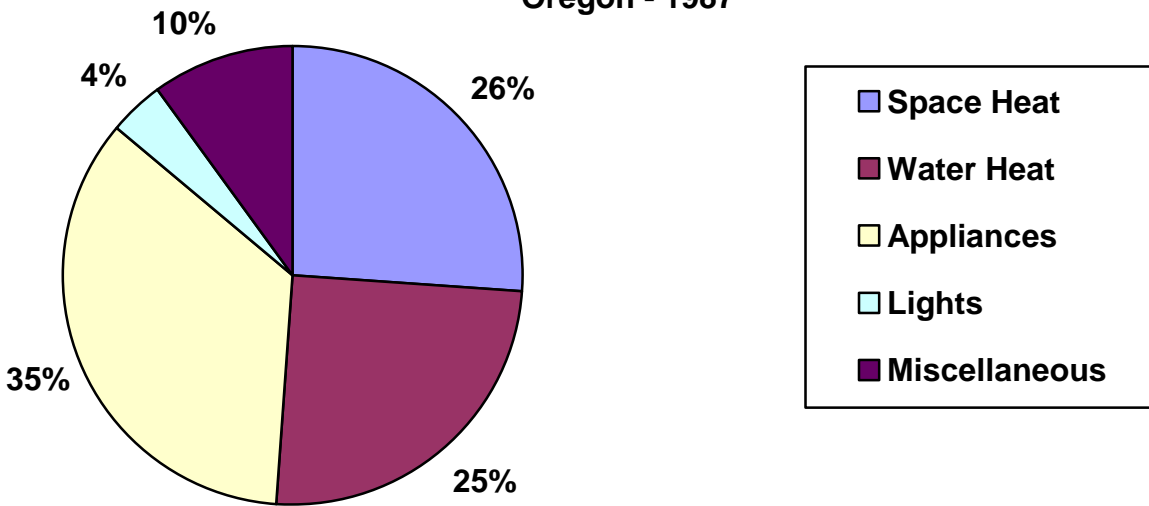
Home heating is the largest single use of energy for most households since most homes have electric, gas, or oil heating systems. One-third of all households also use wood stoves as a primary or back-up heat source. Figure 2 compares the amount of usable heat (the amount it takes to heat the household) each energy source provided.

Figure 2
Home Space Heating Use by Source
Oregon - 1987



Virtually all homes use electricity. The 1987 residential electric bill was nearly \$700 million for the State of Oregon. Figure 3 on the next page displays how the total is split among space heat, water heat, and appliances. The miscellaneous group includes up to 50 small household appliances (stereos, blenders, water bed heaters, toasters, etc.).

Figure 3
Residential Electricity Use
Oregon - 1987



Transportation:

This is the largest energy user (it accounted for 38% of total energy consumed in 1987). With few exceptions, transportation relies wholly on oil products. Nearly two-thirds of its energy comes from gasoline. Fifty-three percent of the gasoline was sold to fuel household vehicles--cars, light trucks, and vans. Another 15% was used for travel by tourists, businesses, and governments. Ships, railroads, and aircraft used about 18%, and the trucking industry used 14%.

Commercial:

Energy mainly provides comfort and convenience to customers, employees, students, patients, and other building occupants; thus, energy to light, heat, cool, and ventilate buildings represents more than two-thirds of the energy used by this sector. Cooking in restaurants and refrigeration in grocery stores are the other major energy uses.

Electricity accounts for nearly 60% of commercial energy use, while most of the rest is oil and gas. On page 71, Table 1 lists the major segments.

Manufacturing:

Industries use energy mainly to turn raw or unfinished materials into final products. In Oregon, the major consumers are the lumber, paper, primary metals, good, chemicals, and electronics industries. The Newport area has no industry of any significant size in any of those categories.

Table 1
Commercial Statistics: 1986

Activity	Percent of Electricity Use	Percent of Fuel Use
Grocery	12	1
Restaurants	13	19
Lodging	5	5
Retail	12	3
Office	7	2
Health	7	3
Hospitals	5	11
Schools	8	26
Government	5	7
Other	26	23
Total	100	100

Conservation:

Because Newport is a consumer rather than a producer of energy, efficiency is Newport's main energy conservation potential. For residences, weatherization provides the largest energy savings. The Uniform Building Code (UBC) currently requires extensive insulation and other energy saving construction for new homes. According to the ODOE, about 14% of the housing stock in the state is "fully weatherized" and about 12% is "unweatherized." In between is the 74% that is partially weatherized. ODOE estimates that one-third of the conservation potential from weatherization has been attained.

Conservation opportunities for commercial buildings varies depending on the type of business. For most, more efficient lighting is the single greatest way to save energy. Grocery stores, however, can save considerable amounts of energy by switching from open to closed cooler and frozen food cases. Restaurants can best conserve in their manner of cooking, water heating, and refrigeration.

Transportation can profit from more efficient vehicles and by reducing the amount of travel. Industrial uses can also benefit by the use of more efficient machinery, especially electric motors.

Conclusions:

Newport is an energy consumer, with the two largest users being residences and transportation. Because we are an energy importer, conservation is the best approach to energy savings.

GOALS/POLICIES
ENERGY CONSERVATION

Goal: To conserve energy.

Policy 1: The City of Newport shall encourage energy conservation through strict enforcement of Uniform Building Code energy efficiency standards.

Policy 2: The city shall cooperate with energy utilities in their energy conservation programs.

Policy 3: The city will encourage the use of forms of transportation (e.g., bicycles and mass transit) that are more energy efficient.

Policy 4: The city will encourage neighborhood commercial areas in order to conserve energy.

Policy 5: The city shall encourage the location of high density residential areas near high capacity transportation corridors in order to achieve greater energy efficiency.

SOLID WASTE

Background:

The City of Newport acquired its present sanitary landfill site in 1964-65. Located just north of Newport's urban growth boundary (UGB), the site covers an area of 53 acres. The operation of the landfill is contracted by the Lincoln County Solid Waste Consortium.

In 1971, the legislature amended ORS 451 by adding 451.555, which allowed county service districts to be formed for the purpose of comprehensive planning of public facilities. Lincoln County, the City of Newport, and four other cities formed a solid waste advisory committee in that year. The committee worked with a consultant, U.M.A. Nortec, Inc., and finished preparing a solid waste management plan for Lincoln County in June of 1974; this was part of a comprehensive water, sewerage, and solid waste management plan. In December of 1974, the plan was essentially approved by the State Department of Environmental Quality (DEQ) with certain conditions. The Lincoln County Board of Commissioners then ordered the plan adopted with modifications in April of 1975.

In 1976, the voters of Lincoln County approved a bond measure to fund the adopted plan. The plan called for a refuse processing facility to be located at the existing City of Newport landfill. It was to have a grinding facility, air classification system, and--at some future date--a conveyor belt driven magnetic separator. The combustible fraction was to be sold to Georgia Pacific for boiler fuel, and non-recoverable or non-recyclable materials were to be buried in the landfill. A new site was also to be located for future landfill purposes. This plan, however, was never implemented.

The Environmental Quality Commission ordered the closure of the three main landfill sites in Lincoln County in 1978, and, in January of 1979, the County Commissioners decided to hire a new consulting firm to perform a new study for a landfill site only. R.A. Wright Engineering completed this study,¹ and they also prepared a Preliminary Design and Operational Plan for the finally selected site at Moolack Creek. This site covered approximately 100 acres and was estimated at that time to be sufficient through 1990. The Lincoln County Solid Waste Consortium is currently considering alternatives for solid waste disposal once the facility is full and closed. It appears that trucking the waste to a site that can accept the refuse is the best alternative. The city has and will continue to work closely with Lincoln County to assure adequate and environmentally acceptable disposal of solid waste.

¹ R.A. Wright Engineering, Solid Waste Landfill Site Search, Phase I, for Lincoln County, 1979.

GOALS/POLICIES
SOLID WASTE

Goal 1: To provide for the solid waste disposal for the City of Newport in an efficient and environmentally sensitive manner.

Policy 1: Lincoln County shall take the lead role in the provision of solid waste disposal. The City of Newport will coordinate on solid waste disposal by continuing to have representation at the Solid Waste Consortium or its successor.

Policy 2: The city shall be in compliance with state and federal solid waste regulations.

Policy 3: The city shall encourage recycling.

WETLANDS

Senate Bill 3:

On July 26, 1989, Governor Neil Goldschmidt signed into law Senate Bill 3, a major piece of legislation that strengthened Oregon's wetlands management program. Although significant legislation, it did not create a major new program. Rather, Senate Bill 3 sought to improve wetland management through changes to existing planning and regulatory statutes.

The Legislative Assembly established clear policy for the state regarding wetland resources. The findings and policy in Senate Bill 3 described the functions and values of wetlands, as well as articulating Oregon's approach to regulation, protection, and development. The new law also established a uniform definition of "wetland" for planning and regulatory purposes. The measure furthermore provided a new definition of "mitigation," which emphasized efforts to avoid adverse influences and reduce unavoidable impacts before resorting to compensation.

This law requires that the Division of State Lands (DSL) conduct and maintain an inventory of the state's wetlands. The inventory is to be distributed to all city and county planning agencies and will be used by local governments to notify DSL of activities to be conducted in inventoried wetlands.

The statute also gives local governments the option to develop conservation plans. The plans focus on wetland resources in a specific geographic area, providing an opportunity for management decisions to be made in a broader context than is possible through the existing site-by-site permitting process. Wetland conservation plans will contain a detailed inventory and assessment of wetlands in the plan area, designating wetland areas for protection, conservation, or development. Plans must provide for full replacement through mitigation of any planned wetland losses. Approval of a wetland conservation plan will result in expedited review of permits for removal and fill in wetland areas designated for development in the plan. In limited cases, it can result in reauthorization of fill and removal without individual permit review by DSL.

Senate Bill 3 also made Oregon law consistent with Federal regulations. Federal law charges the U.S. Army Corp of Engineers and the Environmental Protection Agency (EPA) with the wetland regulatory programs. Other federal agencies (e.g., the U.S. Department of Fish and Wildlife and the U.S. Soil Conservation Service) also provide significant input into wetland regulation.

Inventory:

The City of Newport and the U.S. Department of Fish and Wildlife have mapped wetlands within the city's urban growth boundary (UGB). The city's delineations are on the Ocean Shorelands Map (beginning on page 50) incorporated in this section. These maps indicate, although they do not specifically state, that the following areas are wetlands:

- > Portions of the South Beach dune complex.
- > An unnamed drainage east and west of Highway 101 just to the north of the Newport Municipal Airport property and south of the South Beach State Park.
- > Grant Creek west of Highway 101.
- > Moore Creek west of Highway 101.
- > The Thiel Creek drainage basin within the Newport UGB.

In addition to the city's designated sites, the U.S. Department of Fish and Wildlife has identified the sites on the map entitled "National Wetlands Inventory, Newport North."

The city, state, and federal governments have designated and mapped wetland boundaries within the Newport urban growth boundary; however, the scale of those maps makes it difficult to determine exact wetland boundaries. State and Federal wetland regulations, though, require that all wetlands be identified and exact boundaries established. This can be done by a site-by-site analysis as development is proposed or by an area-wide analysis in advance of any development.

The city received a grant from the State Department of Land Conservation and Development (DLCD) for the preparation of a wetland conservation plan (WCP) for the South Beach area from the northern boundary of the airport to approximately S.E. 35th Street.¹ Scientific Resources, Inc. (SRI), was hired to delineate wetland boundaries and classify those wetlands by functional value. Once completed, the city will have a detailed inventory and classification scheme for the South Beach area. The plan will then be considered for inclusion in whole or in part into Newport's Comprehensive Plan. Goals and policies to implement the wetland conservation plan will also be considered at that time. Completion is scheduled for early 1991.

As for the rest of the city's urban growth boundary, the more general maps from the U.S. Department of Fish and Wildlife, the Division of State Lands, and the city will have to be used until a more detailed inventory can be performed. Proposals for development that may be within wetland boundaries will then need to obtain separate determinations of permit requirements. The city can assist property developers and regulatory agencies by serving as a liaison between the developer and those agencies.

¹ Scientific Resources, Inc., Wetlands Conservation Plan for South Beach, Oregon, 1990 (DRAFT).

In the meantime, city staff will study the general wetland areas more closely before the next periodic review and prepare a more detailed inventory as time and money permits. Once again, assistance from state and federal agencies will be needed in making final determinations.

GOALS/POLICIES
WETLANDS

Goal 1: To identify and regulate identified wetlands consistent with state and federal laws.

Policy 1: The city will coordinate with state and federal agencies in the delineation and regulation of wetlands.

Policy 2: The city shall, until more detailed information is developed, use the South Beach wetland study, the National Wetland Inventory, and other official sources for the identification of wetlands. That information shall be used to guide property owners in the development of their property.

Implementation Measure 1: The city shall complete the wetland study for South Beach. The study may be the basis for a wetland conservation plan consistent with state law.

Implementation Measure 2: The city will conduct a complete inventory of wetlands within the UGB prior to the next Periodic Review, subject to budgetary and time restraints.

AGGREGATE AND MINERAL RESOURCES¹

Introduction:

There are no known mineral and aggregate Goal 5 resources within the City of Newport's urban growth boundary (UGB); however, a mineral and aggregate resource site does exist immediately outside the current UGB and city limits. That site, known as the Iron Mountain Rock Quarry, has been identified as a significant Goal 5 resource in the Lincoln County Comprehensive Plan.

Mineral and Aggregate Resources:

Even though the actual resource is outside the city's UGB, the quarry is close enough that a Goal 5 analysis must be performed. A complete set of findings and conclusions is attached as Appendix "A," and, by reference, is incorporated herein.

The basic conclusion of the analysis--based on economic, social, environmental, and energy consequences--is that the consequences of conflicts between the quarry and nearby uses are primarily economic and social. Surrounding land uses do not threaten the rock resource itself, but complaints about quarry activities can severely constrain or prohibit the use of the resource. The inability to use the resource for highway maintenance and construction projects increases the cost of these projects. Transportation is the key component in the price of aggregate. Forced reliance on sites more distant from Newport will dramatically increase the cost of construction on the central coast.

Once the analysis has been done, the Goal 5 rule (OAR 660-16-010) provides: "Based on the determination of the economic, social, environmental, and energy consequences, a jurisdiction must develop a program to achieve the Goal."

The rule allows three methods for implementing a program to achieve the goal of resource protection. The first method requires preserving the resource site regardless of the effect on conflicting uses. The second method involves protecting the resource to a desired extent but allowing identified conflicting uses in a limited fashion. The third method is to allow the conflicting uses fully, regardless of any adverse effects on the resource. This last choice is permissible only if (1) conflicting uses are found to be more valuable than the resource and (2) there is no ability to mitigate the adverse consequences of conflicts between the resource and uses in the impact area.

¹ Section added by Ordinance No. 1691 (11-15-93).

The requirements to implement a decision to limit conflicting uses are found in OAR 660-16-010(3). The Comprehensive Plan and land use regulations must specify what uses and activities will be prohibited, what uses are allowed fully, and what uses are conditionally allowed. The implementation program, including development regulations, must include clear and objective standards.

Conclusion:

In light of the above, the City of Newport recognizes that the Iron Mountain Rock Quarry is a significant Goal 5 mineral and aggregate resource. However, the property within the current UGB is important for the provision of adequate housing. It is therefore necessary to allow conflicting uses on the adjacent property subject to use limitations and design criteria.

GOALS/POLICIES
AGGREGATE AND MINERAL RESOURCES

Goal: To protect the Iron Mountain Quarry and allow conflicting uses, subject to the limitations and development criteria contained in the City of Newport Zoning Ordinance.

Policy 1: The city shall create an Iron Mountain Impact Area, or IMIA (see Figure 1 on page 80c), where limitations and development criteria shall be introduced. The development criteria shall be established to balance the need to protect the resource site and development rights of property within the impact area, and the criteria shall be both clear and objective.

Policy 2: Any City of Newport urban growth boundary amendment within Lincoln County's Iron Mountain Impact Area shall address this section and Goal 5 of the Statewide Planning Goals. Adequate findings of fact that speak to all the criteria shall be made before any urban growth boundary modification may be made.

IRON MOUNTAIN IMPACT AREA WITHIN CITY UGB



Page 80c. CITY OF NEWPORT COMPREHENSIVE PLAN: Aggregate and Mineral Resources.

APPENDIX A
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- 1.0 NATURE OF THE REQUEST
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(The following attachments are hereby, by reference, incorporated herein. They are found in Planning Department File No. 5-CP-92.)

- Attachment A Lincoln County Comprehensive Plan - Mineral and Aggregate Resources
- Attachment B ODOT Letter to the City of Newport
- Attachment C DLCD Technical Bulletin - Planning for Mineral and Aggregate Resources
- Attachment D Iron Mountain Geophysical Investigation
- Attachment E Iron Mountain Quarry Report
- Attachment F Impact Area Map
- Attachment G Noise Control Regulations
- Attachment H Vibration and Air Blast
- Attachment I DLCD Model Comprehensive Plan Policies
- Attachment J DLCD Model Mineral and Aggregate Resources Ordinance

1.0 NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) requests that Lincoln County and the City of Newport adopt comprehensive plan amendments for the Iron Mountain Rock Quarry. ODOT requests that the respective comprehensive plans accurately identify Iron Mountain as a significant Goal 5 resource site, and that the county and city adopt a program to protect this resource.

This report presents information to support findings and conclusions to amend the respective comprehensive plans.

2.0 BACKGROUND

2.1 History of Iron Mountain

ODOT surveyed the Iron Mountain site as a material source in 1937 in conjunction with construction of the Coast Highway. The State of Oregon, through ODOT, has owned and operated the site as a noncommercial quarry since 1942. The state and its contractors have used material from Iron Mountain for a variety of public projects, including construction of the old Alsea Bay bridge.

Various users have extracted more than 300,000 cubic yards of material from the site since the state bought it in 1942. Although the amount of material removed in recent years has only averaged between 3,000 and 4,000 cubic yards per year, the site is an extremely important resource because of its public ownership, location, quality of material, and quantity of reserves.

2.2 Purpose of Public Resource Sites

ODOT maintains a network of state-controlled or state-owned material source sites throughout Oregon. The state bought many sites years ago in conjunction with a specific highway project but did not sell them upon completion of a project because of the continuing need for stone and gravel. ODOT needs large amounts of high quality material protected for use in maintenance activities, reconstruction or safety projects, and highway modernization projects.

The 1991 Oregon Highway Plan estimates that nearly 2,000 miles of state highways require modernization and over 1,100 miles of pavement require immediate treatment in order to achieve ODOT's goal of achieving 90 percent fair or better road pavement conditions by the year 2010. Furthermore, many highway bridges are nearing the end of their 50 year expected lifespan and require major rehabilitation or replacement. Meeting the needs of the highway system requires large amounts of high quality material. For example, repaving just one mile of a two-lane highway requires between 4,000 and 5,000 tons of quality aggregate.

State-owned or state-controlled material sources serve two primary functions. First, they are a source of aggregate material for maintenance activities (so the state does not have to purchase rock from suppliers or pay royalties to land owners). Second, state-controlled material sites are prospective sources available to any contractor on major highway projects. ODOT offers these sites to contractors without charging a royalty for the rock. This arrangement helps ensure an economical source of material for rock and fosters more competitive bids for highway contracts. More competitive bids result in more efficient use of taxpayers' money and allows ODOT to maintain and improve more highway miles.

2.3 Lincoln County Comprehensive Plan

The Land Conservation and Development Commission acknowledged the Lincoln County Comprehensive Plan to comply with the Statewide Planning Goals in December 1982. The plan identifies the Iron Mountain site as one of 58 significant Goal 5 mineral and aggregate resource sites. The plan includes an estimate of demand for aggregate material in Lincoln County and concludes that crushed quarry rock is the major source of aggregate. Iron Mountain is one of six major sites identified in the plan as available for crushed rock production. Attachment A.

Iron Mountain is listed in the county plan as a Category 1 site. These sites are found on land zoned for forestry uses and, according to the county plan, are not adversely affected by uses allowed in the zone. The county plan states: "Other uses of forest land which are permitted or reviewed on a conditional basis will not conflict with or preempt the use of the forest quarries." [Comprehensive Plan, Goal 5 inventory, Part III, p. 13]

By designating the Iron Mountain resource as a Category 1 site, the county determined that the site would not be affected by conflicting uses. This designation is consistent with a determination to preserve the resource in accordance with the Goal 5 administrative rule (OAR 660-16-005(1)). If conflicting uses did not threaten the resource, the county's original decision would be sufficient. However, both the county and city have authorized uses that either individually, or cumulatively, may adversely affect the Iron Mountain resource.

Today, Iron Mountain can no longer be classified as a forest quarry, far removed from conflicting uses. It is on the periphery of an urbanizing area. The exiting program to protect the site from conflicting uses through case-by-case review of applications for conflicting uses on nearby properties is insufficient to protect the

resource and does not comply with Goal 5. The goal does not allow resource protection decisions to be deferred to a permit review stage. Local comprehensive plans must clearly identify what conflicting uses will be allowed, prohibited, or conditionally allowed under clear and objective standards.

2.4 Need for Present Action

Iron Mountain and ODOT's ability to obtain materials from this resource is threatened. Urban development is encroaching on the boundary of the site, thus increasing the likelihood of future conflicts between quarrying activities and neighbors of the site. In 1980, ODOT expressed its concerns to the City of Newport about the annexation of land (including state-owned property) adjacent to the Iron Mountain quarry. Attachment B. Although the state's property was not included, land next to the southern boundary of the site was annexed to the city and, in 1990, rezoned to allow high density residential use.

In September 1990, the city proposed annexing and rezoning an additional 15 acres bordering the state-owned quarry site for residential use. In recent years, the city has approved requests for high density residential zoning totaling 36.12 acres adjacent to the Iron Mountain Rock Quarry site. Complete buildout at densities, authorized by the Newport Zoning Ordinance, could result in more than 800 new dwelling units. A large increase in residential densities is likely to result in more complaints about the quarry and threaten ODOT's ability to use the site.

ODOT appealed the city's most recent action to the Oregon Land Use Board of Appeals (LUBA). On June 29, 1992, LUBA remanded the annexation and rezoning decision to the city. In doing so, LUBA sustained ODOT's contention that the city misconstrued the applicable law, made a decision not supported by evidence in record, and violated Goal 5 by not adequately analyzing the impacts nearby residential uses may have on the protected aggregate resource.

Finally, ODOT has objected to Newport's final periodic review order, contending that the city's recent actions approving development near Iron Mountain are inconsistent with the county's plan to protect the resource. ODOT believes the city must consider protection of Iron Mountain during periodic review.

These reasons--previous approval of conflicting uses near the quarry, LUBA's remand of the most recent decision to allow conflicting uses, and the city's periodic review--require further examination of land use plans for the Iron Mountain area. The county and city should adopt comprehensive plan amendments that recognize the site's significance and enact a program to protect the site from conflicting uses.

2.5 Description of Proposed Mining Activities

ODOT will develop Iron Mountain gradually over many years. The site has not been used and is not intended to be used for commercial production. Therefore, use of the site will be intermittent and dependent on ODOT demand for rock. Full use of the estimated five million cubic yards of high-quality aggregate will take place over at least 50 years.

The Iron Mountain development plan calls for mining the resource using hill removal and multiple benching techniques. Seven "lifts," or phases, are planned. Each lift will remove approximately 25 to 30 vertical feet of material. The hill removal technique is planned for the first four lifts; benching will be employed for additional mining below 325 feet elevation. Because of the extremely hard nature of the basalt, quarry operators will occasionally use controlled blasting to prepare the material for excavation.

During the hill removal phase of the operation, each lift will be mined so that material is first extracted from the northern through southeastern portions of the site. A berm will be retained on the western and southwestern portion of the site to screen adjacent land uses from the effects of dust and noise. The western and southern portions of the site will be mined last in each phase of the operation, with the berm retained until the next lower lift is developed. For safety reasons, the berm must be removed and redeveloped when the next lower lift of the mine is excavated. ODOT will require that quarry operators retain all vegetation in all unmined areas to screen the site from view.

Below the 325 foot level, operations will mine using a vertical benching technique. Lifts will be removed to create 12 foot wide benches with nearly vertical slopes. ODOT proposes to backfill the three benches dug into the mountain; reclaimed slopes will be in accordance with Department of Geology and Mineral Industries (DOGAMI) standards.

Approximately 40,000 cubic yards of soil and 400,000 cubic yards of overburden will be removed during mining. Overburden will be trucked down the mountain to the stockpile site in the southwestern portion of the property. Stockpiles will be seeded and mulched to control erosion and will be contoured to screen properties west of the site from haul road traffic.

ODOT will ensure that the site is reclaimed in accordance with state regulations administered by DOGAMI. The department has filed a reclamation plan with DOGAMI for its approval.

3.0 COMPLIANCE WITH STATEWIDE PLANNING GOAL 5

3.1 Goal 5

Statewide Planning Goal 5 states in part--

"To conserve open space and protect natural and scenic resources.

"Programs shall be provided that will

- (1) insure open space,
- (2) protect scenic and historic areas and natural resources for future generations
- (3) promote healthy and visually attractive environments in harmony with the natural landscape character...

"Where conflicting uses have been identified, the economic, social, environmental, and energy consequences of the conflicting uses shall be determined and programs developed to achieve the goal."

In addition to the mandatory language of the Goal, the goal guidelines suggest the following--

"In conjunction with the inventory of mineral and aggregate resources, sites for removal and processing of such resources should be identified and protected."

3.2 Goal 5 Administrative Rules (OAR Chapter 660, Division 16)

The Goal 5 rule specifies the requirements and procedures local government must follow to comply with Goal 5. Goal compliance involves six basic steps:

- 1.) Identify a resource's location, quality, and quantity
- 2.) Determine the resource's significance
- 3.) Identify the conflicting uses
- 4.) Analyze the economic, social, environmental, and energy consequences of conflicts
- 5.) Determine the level of protection for the resource
- 6.) Implement a program to protect significant resources

3.3 Effect of Goal 5 Compliance

Goal 5 requires local governments to inventory resources and develop programs to protect significant resources. In the case of mineral and aggregate resource sites, the goal requirement to protect resources translates to protecting the site for its eventual use through mining. See Eckis v. Linn County, ___Or___ LUBA (LUBA No. 90-132, September 11, 1991).

Planning for mineral and aggregate resources under Goal 5 is explained in Attachment C.

Because development of the aggregate resource is synonymous with protection of the site, identification of an impact area and analysis of conflicting uses must recognize the nature of surface mining activities. Not only is mining at aggregate resource sites adversely affected by surrounding land uses, but mining may affect the use of property near the site.

4.0 REQUIREMENTS OF THE GOAL 5 ADMINISTRATIVE RULE

4.1 Inventory Requirements

The Lincoln County Comprehensive Plan already identifies the Iron Mountain site as a significant Goal 5 resource site. As such, ODOT is not obligated to defend or rejustify the importance of this resource site. The following inventory information augments information in the Lincoln County and Newport comprehensive plans concerning the site's significance.

4.11 Location

The Iron Mountain quarry is located on approximately 49 acres in Section 20, Township 10 South, Range 11 West, Willamette Meridian. The property is also identified as Lincoln County tax lots 600 and 700, Section 20, Township 10 South, Range 11 West. The state also owns tax lot 800, a stockpile site which is an integral part of the Iron Mountain surface mining operation.

Iron Mountain is an intrusive basalt formation. This formation consists of very hard, fine-grained material suitable for many highway uses and is very consistent in its make-up. ODOT conducted tests on the mountain to determine the quality and extent of the resource. See attachments D and E. It believes that the resource most certainly extends underneath adjacent property not owned by the state.

The protected Goal 5 aggregate resource site must include the entire state property and portions of the mountain under ownership by the Boise Cascade Corporation. Protection of this area is critical to ensure that other valuable construction materials are protected for use and that areas necessary for aggregate processing are protected consistent with Goal 5.

ODOT will not mine the entire property. Instead, it will leave a large amount of material in place to buffer operations for surrounding land uses, provided that surrounding land uses are similarly restricted. The development plan proposes mining laterally to the 325 foot contour line on the western and southern flanks of the mountain.

4.12 Quality

Local governments in Oregon rely on three tests to help determine the relative quality of an aggregate resource. The tests are--Resistance to Abrasion (OSHD Test Method 211), Sodium Sulfate Soundness (OSHD Test Method 206), and the Oregon Air Degradation test (OSHD Test Method 208). These tests are the best indicators of quality aggregate for use as road base, asphalt, and concrete. Lesser quality materials are used for fill and embankment.

Samples from the Iron Mountain quarry have been tested by the Central Highway Laboratory in Salem against these and other tests. The test results show that material from the Iron Mountain quarry substantially exceeds these tests and is highly desirable for a wide range of highway construction uses. See Attachment E, pp. 4-5.

The inventory of mineral and aggregate resources in the Lincoln County plan does not refer to specific quality measures. Sites are rated as having poor, marginal, variable, or good quality. Among the 58 sites inventoried in the comprehensive plan, 15 are characterized as having good quality, 8 as having variable quality, 2 as having marginal quality, 19 as having poor quality, and 14 with unknown quality. Iron Mountain's rating in the current plan is variable.

Available information shows that Iron Mountain's quality is excellent. Variability of the resource is minimal. Because similar test data is unavailable for other sites, a comparison of the resource at Iron Mountain with other similar sites in Lincoln County is difficult. However, assuming that the quality ratings in the county comprehensive plan are accurate, Iron Mountain has better quality rock than most other sites in the region.

4.13 Quantity

The Lincoln County Comprehensive Plan identifies the quantity of material at inventoried sites as large, medium, small, and unknown. The plan identifies the Iron Mountain site as a small resource.

Based on field reconnaissance and subsurface exploration, ODOT estimates the total volume of usable rock will be more than 5 million cubic yards. This estimate only takes into account the volume of material that could be economically extracted from state property. Land not owned by the state contains additional reserves of the same rock resource.

4.14 Conclusion

The large reserve of high-quality rock found at Iron Mountain is uncommon in the coastal region of Oregon. Most basalt historically surveyed by ODOT in the coast range is highly weathered and does not meet quality specifications for highway use. The large amount of high-quality rock makes the Iron Mountain site one of the most important sources owned by ODOT.

The location near U.S. Highway 101 makes this source even more valuable since transportation of aggregate to any project in the Newport vicinity is relatively easy. The nearest commercial source to Newport is the Cedar Creek Quarry, over 20 miles from the center of Newport. In contrast, Iron Mountain is a mere 5 miles from the center of Newport.

The Iron Mountain quarry is a significant resource site by virtue of its location, quality, and quantity, and should be retained on the inventory of significant Goal 5 resources in the Lincoln County Comprehensive Plan.

4.2 Conflicting Uses

Identifying conflicting uses to a significant resource site requires two principal steps: (1) designating and justifying an impact area surrounding the resource and (2) determining conflicting uses allowed by the zoning ordinance and identifying conflicts with other significant Goal 5 resources.

4.21 Impact Area

The Goal 5 rule (OAR 660-16-000(2)) requires identification of an impact area surrounding the resource site if different from the resource site itself. The impact area is the area in which identified conflicting uses may adversely affect the resource. Although "impact area" is not defined in either the goals or in the Goal 5 rule, the impact area for a mineral and aggregate resource site must be the area which includes uses that could adversely affect the resource, but also the area including those uses which could be affected by the presence of a significant resource. See Portland Audubon Society v. Clackamas County, 14 Or LUBA 433, 442 (1986).

Noise, dust, odor, and blasting effects may adversely affect surround land uses. Conversely, the complaints expressed by surrounding property owners about these effects, as well as complaints about traffic and the effects to visual quality influence whether, or how, a resource may be mined.

To assess potential impacts surrounding the resource site, ODOT believes that an impact area between 400 and approximately 1,400 feet from the property boundary is an appropriate impact area. See Attachment F. Land west and south of the quarry is committed to or contemplated for residential uses. The impact area here must be larger to reflect the sensitivity of home owners to surface mining. Land east and north of the quarry is undeveloped forest land zoned for forestry use. Few conflicts exist, and few conflicting uses would be allowed in this zone. The impact area on the northern and eastern boundaries of the site can be much smaller than the area on western and southern boundaries.

4.211 Noise

The identified impact area is appropriate to evaluate the consequences attributable to noise for several reasons. First, existing vegetation on the perimeter of the quarry site is dense and can help minimize noise produced by either quarry operations or haul trucks.

Second, most noise-sensitive properties, as defined by the Department of Environmental Quality (DEQ) regulations (OAR 340-35-015(38)), are located west of the Iron Mountain site. Most of these properties within the impact area are separated by roughly the same distance from mining operations at Iron Mountain as they now are from traffic noise on Highway 101.

Any noise from quarry activities is not expected to exceed noise control standards at these properties because of the level of background noise.

Third, ODOT requires, as a condition of any contract with the state, that contractors comply with state environmental regulations.

Noise control regulations are described in Attachment G.

4.212 Dust

The identified impact area is appropriate to evaluate impacts of fugitive dust because of prevailing winds off the Pacific Ocean that will blow dust generated by the operation away from settlements. Furthermore, dense vegetation will be retained to capture fallout on surrounding properties.

4.213 Blasting

The air pressure (noise) and seismic (ground vibration) effects of blasting are not regulated by any Oregon state agency, except when DOGAMI regulates mine activities to protect groundwater or minimize adverse effects to surrounding wells. Based on the proposed mining plan, no blasting will occur any closer than 100 feet to the nearest property line. Contractors using state-controlled quarries are required to use safe blasting techniques and conduct pre-blast inspections to minimize effects to surrounding property. The possible effects of blasting and mitigation techniques are discussed in Attachment H.

4.214 Visual

The existing quarry site is largely invisible to surrounding properties. Neither Iron Mountain nor the surrounding area are identified as a significant Goal 5 visual resource in either the county or city comprehensive plans. The mine development plan calls for continuing the existing practice of mining behind a screen of the existing landform and vegetation.

4.215 Traffic

Traffic is not expected to be a significant conflict or consequence of protecting the Iron Mountain Quarry. ODOT owns and maintains exclusive ownership of the haul road leading to the public road system. Trucks serving the regional landfill located north of Iron Mountain, residents of the area, and the state police office currently use the same road system that serves Iron Mountain. ODOT has committed to share the cost of improvements at the intersection with Highway 101. Improvements may include left and right turn refuges.

4.216 Conclusion

Quarry activities may affect surrounding property. Goal 5, however, requires that significant resource sites be protected from conflicting uses. For aggregate resources, protection from conflicting uses requires analyzing the consequences of allowing uses that will likely result in future complaints or requests for restriction on lawful mining activities. ODOT believes that the appropriate impact area in which to analyze conflicting uses includes all land near the quarry that could be developed with conflicting uses. Special emphasis is placed on land near the site which is either or may be developed in the future, based on current zoning.

4.22 Conflicting Uses

The Goal 5 rule (OAR 660-16-005) requires identification of conflicting uses. A conflicting use is one which, if allowed, could adversely affect a Goal 5 resource site. Identifying conflicting uses is primarily done by examining uses authorized by zoning districts within the impact area. Within the impact area, three zoning districts exist: Public Facilities (P-F) and Timber Conservation (T-C) in Lincoln County's jurisdiction and High Density Residential (R-4) in the City of Newport's jurisdiction.

4.221 Public Facilities (P-F)

The quarry site and the State of Oregon's property containing material stockpiles (Tax Lot 800) are within the impact area. Typically, ownership of property is not a factor in determining whether conflicting uses to a resource are present. However, in this case, public ownership of property directly associated with surface mining operations means that uses which are not compatible with aggregate operations will not be developed, or will be developed with the full understanding of potential effects on the resource. Clearly, it is not in the interests of the state for ODOT to develop incompatible uses. Therefore, any uses allowed by the Public Facilities zoning district should not be treated as conflicting uses to the aggregate resource.

4.222 Timber Conservation (T-C)

Most of the property surrounding the Iron Mountain quarry is zoned Timber Conservation. The Timber Conservation zone allows 20 permitted and conditional uses. However, new requirements of Goal 4 and the Goal 4 administrative rule (OAR 660, Division 06) will apply to Lincoln County no later than February 1993. As such, the following analysis only considers uses allowed by the Goal 4 rule and their likelihood of representing conflicts to the aggregate resources.

4.2221 Allowed uses not applicable to the analysis. The following uses may be allowed pursuant to the Goal 4 rule but are not appropriately considered in the analysis:

- Exploration for mineral and aggregate resources;
- Exploration and production of geothermal, gas, and oil;
- Solid waste disposal sites ordered established by the Environmental Quality Commission;
- Mining and processing of oil, gas, and other subsurface resources;
- Mining and processing of mineral and aggregate resources;
- Temporary asphalt and concrete batch plants;
- Expansion of existing airports;
- Public road and highway projects;

Activities involving development of a mineral resource cannot conflict with mineral or aggregate resource protection since the purpose of protecting the resource is for its eventual use through mining.

The Environmental Quality Commission does not have the authority to order establishment of a solid waste disposal site in Lincoln County. Therefore, such a facility is not a conflict.

No airport exists anywhere near Iron Mountain and, therefore, cannot conflict with surface mining. The area's terrain limits serious consideration of a future airport.

No public roads and highways exist on the resource site and cannot adversely affect protection or use of the resource. Road construction projects, in fact, will directly benefit from protection of the Iron Mountain site.

4.2222 Allowed uses that will not conflict with the mineral and aggregate resource:

- Forest operations or forest practices;
- Temporary onsite auxiliary structures;
- Physical alterations to the land auxiliary to forest practices;
- Farm use;
- Local distribution lines within existing rights-of-way;
- Temporary portable facilities for processing of forest products;
- Towers and fire stations for forest fire protection;
- Widening of roads within existing rights-of-way;
- Water intake facilities, canals, and distribution lines for farm use;
- Uninhabitable structures accessory to fish and wildlife enhancement;
- Permanent facilities for the processing of forest products;

Permanent logging equipment repair and storage;
Log scaling and weigh stations;
Solid waste disposal site;
Communication facilities and transmission towers;
Fire stations for rural fire protection;
Utility facilities for generating 5 megawatts or less of power;
Aids to navigation and aviation;
Firearms training facility;
Cemeteries.

The above uses fail to satisfy the DEQ definition of noise sensitive property and do not have other characteristics that would make them sensitive to quarry operations. These uses, if allowed within the impact area surrounding the Iron Mountain Quarry, would pose no threat to quarry operations or force a significant change in mining activities.

4.2223 Allowed uses that may pose conflicts with surface mining activities, but are unlikely to be sited near the resource site:

Forest management dwellings;
Private hunting and fishing operations without lodging;
Caretaker residences for public parks and fish hatcheries;
Temporary forest labor camps;
Destination resorts;
Water intake, treatment and pumping facilities, and distribution lines;
Reservoirs and water impoundments;
Private seasonal accommodations for fee hunting operations;
New electrical, gas, oil, and geothermal distribution lines;
Private accommodations for fishing occupied on a temporary basis;
Forest management research and experimentation facilities.

The above uses may meet the definition of noise sensitive property or could be adversely affected by mining activities such as blasting and ground vibration (e.g., reservoirs or water, gas, and utility distribution lines). However, they are activities that have specific requirements for their location and, as such, are highly unlikely to be sited at or near Iron Mountain. They will generally be treated as conflicting uses to aggregate development at the site.

4.2224 Allowed uses that may pose a conflict to the mineral and aggregate resource:

Maintenance, repair, or replacement of existing dwellings;
Parks and campgrounds;
Home occupations;
Mobile homes as a temporary dwelling for the term of a hardship;
New non-forest dwellings.

The above-listed uses meet the definition of noise sensitive property in DEQ noise control regulations. OAR 340-35-015(38) defines noise sensitive property as:

...real property normally used for sleeping, or normally used as schools, churches, hospitals, or public libraries. Property used in industrial or agricultural activities is not noise sensitive property unless it meets the above criteria in more than an incidental manner.

Nine residences are located within the impact area. All the residences are sited on existing parcels zoned Timber Conservation west of Iron Mountain. The nearest residence to the quarry is approximately 100 feet west of the ODOT property boundary. All other existing residences are located adjacent to the old Coast Highway (Avery Street). The nearest of these residences is over 1,000 feet from the present quarry site.

The potential for additional homes on T-c zoned parcels west of the quarry is limited since few, if any, vacant parcels exist. It is possible to site a residence on one of the larger forest parcels north and east of Iron Mountain. Regardless of any program to protect Iron Mountain, approval of a residence would be subject to strict regulations of the county zoning ordinance. Although the likelihood of siting a non-forest dwelling in the forest surrounding Iron Mountain is remote, dwellings will be treated as conflicting uses.

Parks or campgrounds are unlikely to be developed at or near Iron Mountain because of the availability of similar sites in the Newport area. Nevertheless, existing zoning does not prohibit such uses, and they should be treated as potential conflicting uses to the aggregate resource.

4.223 High Density Residential (R-4)

All property zoned R-4 within the impact area is vacant; therefore, there are no existing conflicting uses. The identification of conflicting uses must focus on those uses authorized by the R-4 zone.

4.2231 Noise sensitive uses. Most uses allowed in the R-4 zone could fall under the definition of "noise sensitive property" as defined in DEQ noise regulations.

The following uses are authorized by the R-4 zone, could meet the definition of noise sensitive property, and will be treated as conflicting uses:

- Residential Uses
- Parks
- Hospitals and Clinics
- Schools
- Libraries and Museums
- Churches
- Clubs and Lodges
- Tourist Accommodation Facilities
- Child Care Facilities

4.2232 Commercial or truck gardening and nurseries represent potential conflicting uses to a quarry operation to the extent that dust-sensitive crops could be grown. Although the likelihood of such activities becoming established in the impact area is remote, they will be treated as potential conflicting uses.

4.2233 Nothing about the nature of utility facilities indicates that such activities or structures would conflict with nearby quarrying operations. They should not be considered conflicting uses.

4.2234 A golf course is not a conflicting use to a gravel quarry. Courses are often sited near land uses, such as airports, which produce much noise. Furthermore, a regulation 9 hole golf course generally includes at least 65 acres of land. Only 21 acres of land zoned R-4 exists within the Iron Mountain impact area. Golf courses will not be treated as conflicting uses for this analysis.

4.224 Other Goal 5 Resources

Neither the Lincoln County nor the City of Newport comprehensive plans identify the Iron Mountain site or the surrounding proposed impact area as the site of another significant Goal 5 resource. Consideration of other natural resource values is not necessary to enact a protection program for the Iron Mountain site.

4.23 Conclusion

Within the impact area surrounding Iron Mountain, few conflicting uses are found. Uses authorized for

the state-owned property zoned Public Facilities (P-F) should not be characterized as conflicting uses.

Existing conflicting uses to the quarry site are limited to nine dwellings within approximately 1/4 mile west of the site. These dwellings represent few conflicts with future quarry operations as they have been established since original development of the quarry and have not significantly threatened the resource. These uses will be examined as conflicting uses, however, so that quarry operations can be modified, if necessary, to minimize conflicts with them.

Other uses allowed by forestry zoning are unlikely to be sited near Iron Mountain. However, to the extent that these uses are noise sensitive or may otherwise be affected by surface mining, they should be treated as conflicting uses to the aggregate resource.

Uses allowed in the City of Newport R-4 zone that meet the DEQ definition of noise sensitive property, or which otherwise may be adversely affected by quarrying activities, shall be considered conflicting uses to the aggregate resource.

4.3 ESEE Analysis

The Goal 5 rule (OAR 660-16-005(2)) requires that if conflicting uses to the resource are identified, the economic, social, environmental, and energy (ESEE) consequences of the conflicts must be determined. "Both the impacts on the resource site and on the conflicting use must be considered in analyzing the ESEE consequences. The applicability and requirements of other Statewide Planning Goals must also be considered, where appropriate, at this stage of the process."

For clarity, the ESEE consequences will be analyzed by examining (a) the effect on use of the aggregate resource if conflicting uses are allowed fully without restriction and (b) the effect on the conflicting uses if development of the aggregate resource is allowed fully without restriction.

4.31 Economic

4.311 Effect on use of the aggregate resource if conflicting uses are allowed fully

The economic consequences of allowing conflicting uses to be established next to the Iron Mountain site are significant. Although urban encroachment upon an aggregate site does not have any measurable effect on the resource itself, extraction of the resource can be severely curtailed or prohibited by complaints from neighbors. Because the intent of aggregate resource protection under Statewide Planning Goal 5 is to allow mining of the resource, protection programs must ensure mining operations are not made completely uneconomical because of neighbor complaints.

Economic consequences of allowing conflicting uses fully can be characterized in at least three ways. First, uses of the resource may be completely prevented. Second, use of the resource may be constrained by costly mitigation measures that would otherwise be unnecessary if conflicting uses were not present. Third, complaints about quarry activities may delay permit decisions at key times during the construction bid process.

Total loss of the resource would have severe economic ramifications. Iron Mountain contains an exceptionally valuable source of material. Based on the estimate of 5 million cubic yards of mineable, high-quality material, the value of the resource is between \$35 million and \$49 million. This assumes \$7.00 to \$9.85 per cubic yard of material as the price of pit-run aggregate in the region.

In other terms, Iron Mountain alone contains enough material to pave a significant part of the Oregon Coast Highway. ODOT's Lincoln Beach/Fogarty Creek project used more than 31,000 cubic yards of material for a 1.9 mile reconstruction project. This quantity is less than three percent of the volume Iron Mountain reserve. At this rate of use, Iron Mountain contains enough material to reconstruct approximately 68 miles, or 17 percent, of the coast highway in Oregon. Highway 101 runs 64.7 miles through Lincoln County.

ODOT estimates that the cost of hauling material by a standard 10-yard dump truck to be about \$45 per hour. Any increase in haul distance because a more convenient site is una-

vailable increases the cost of the raw material by \$4.50 per yard per hour. Historically, projects on the north coast and the Portland metropolitan area have required hauling aggregate as much as 75 miles to a project site. Such long distance hauling of material dramatically increases the cost of roadbuilding, and it is unnecessary if sufficient sources of material are available where needed.

Even assuming that use of a resource site is not totally precluded, constraints on quarry operations to eliminate conflicts with surrounding property may be costly. Economic use of certain portions of the quarry site could be curtailed, or the operator would have to establish elaborate measures to eliminate conflicts with surrounding properties. Additional measures to reduce conflicts with quarrying activities increases the cost of surface mining. The increased cost of surface mining translates into higher costs for raw materials. Higher raw material costs adversely affect the amount and size of highway projects.

Lack of a clear program to protect and allow the needed development of a resource also has economic consequences. In the permitting process, highway projects may be much more sensitive to delays caused by neighbor opposition than is a commercial quarry. Opposition to surface mining can be equally successful by delaying a decision as obtaining an outright denial.

Highway project managers must balance precise time schedules. Delay in the permit process may cause a manager to select another, less desirable source of material in order to meet other construction deadlines.

However, alternative sources of rock are not always economically viable. For example, based on ODOT calculations, using the next nearest source of quality aggregate (Cedar Creek Quarry) for a project similar to Lincoln Beach in Newport would cost approximately \$105,000 more than if material were obtained from Iron Mountain.

Additional costs of material due to delay or use of another source depletes money budgeted for a specific project. Projected budget overruns can force cancellation of a project. If a project is not canceled, another project may be scaled back, delayed, or canceled to overcome higher material costs on another project.

4.312 Effect on conflicting uses if development of the resource is allowed

The need for affordable housing in the City of Newport has driven recent actions to rezone land adjacent to the quarry for high density residential development. The Newport Comprehensive Plan anticipates a need for 800 additional multiple-family dwelling units. The city's buildable lands inventory indicates land zoned to accommodate 2,000 units; however, site constraints--such as steep slopes or wetlands and development of single-family dwellings on property zoned for high density residential--lower the amount of land actually available.

ODOT does not foresee any adverse economic consequences on surrounding property that can be directly attributed to quarry activities at Iron Mountain. ODOT is not aware of any diminished property values surrounding any of its material source sites in the state. The economic consequences to undeveloped property are speculative at this point.

Since ODOT's primary goal is to prevent future conflicts arising between quarry activities at Iron Mountain and surrounding properties, it expects that newly established uses will assume a portion of the obligation to mitigate conflicts. Mitigating surface mining impacts typically involves building design and orientation considerations, sound insulation, and visual and noise screening. The cost of such measures to the developer may influence the economics of a housing development.

Development of housing on land currently zoned for high density residential will result in more people adjacent to quarry activities and increase the likelihood that ODOT must respond to complaints about accepted and lawful mining practices. High density housing, on the other hand, allows a developer to spread the cost of mitigation built into the project among more units. Compared to low density development, the unit cost of the same mitigation measures will be less for high density development.

4.32 Social

4.321 Effect on use of the aggregate resource if conflicting uses are allowed fully.

The consequences of allowing conflicting uses adjacent to quarry operations are not directly applicable to protection of the rock resource itself. However, the social consequences of development upon surrounding land uses may cause significant modification of quarry operations.

Based upon current zoning near the quarry, more than 450 new residential units could be constructed. This represents the potential for more than 450 complaints about use of the aggregate resource for highway projects.

If conflicting uses are allowed near the site, it is possible that the resource could not be developed because of the inability to meet environmental regulations designed to protect the livability of surrounding property. Requiring measures to protect conflicting land uses from the impacts typically generated by quarry operations could result in additional costs to mine as explained in the discussion of economic consequences.

The inability to use the source or the constraints on its use because of local opposition could have an adverse effect on the quality of the region's highway system. The level of development contemplated for Highway 101 could be scaled back or significantly delayed.

4.322 Effect on conflicting uses if development of the resource is allowed.

The consequences to conflicting uses resulting from development of the quarry resource can be characterized in two ways. First, residents near the quarry may be directly affected by noise, dust, and traffic associated with mining activities. Second, the city may experience indirect effects if the ability to develop high density housing is restricted near the quarry and not accounted for at another location in the community.

Noise from quarry operations could adversely affect individual perceptions about the livability of their property. ODOT anticipates that the distance separating the quarry from existing and potential conflicting uses will mitigate noise impacts. Ensuring that newly established conflicting uses mitigate newly created conflicts will further protect the aggregate resource.

It is nearly impossible to positively determine, in advance, the effects or magnitude of potential noise from quarry activities. This site is not presently being mined on any large scale. The cost of setting up the necessary equipment (loaders, crushers, processing equipment, etc.) to conduct noise tests is prohibitive and is not contemplated by ODOT.

Because the site is not and will not be a permanent, year-round commercial operation, the adverse effects, if any, on surrounding noise sensitive properties should be minimal.

Operations of the quarry will typically only occur when there is a need to supply aggregate materials for a nearby public road project. Larger projects, such as those on Highway 101, are widely publicized with a beginning and ending date identified. When the quarry operates, area residents will have prior knowledge of the duration of any potential noise impacts.

Nevertheless, intermittent use of the quarry could affect surrounding residents. Noise, while measurable, is also based on people's perceptions. If people are accustomed to only occasional activity at the site, they may perceive that periods of very intensive quarry activity are more disruptive than a steady, predictable level of use. ODOT will take steps so that the effects of any activity at the site will be mitigated.

While it is not certain that any adverse effects will occur, ODOT and its contractors will take measures to avoid conflicts with surrounding properties. The mine development plan calls for retention of an earthen berm on the west and southwest boundaries of the pit. This will create an amphitheater effect to direct sound brought about as part of the operations to the east and southeast, away from sensitive properties. Retention of existing vegetation surrounding mining and processing activities should also help attenuate any noise

generated.

Additionally, DEQ regulations require operations to meet quantifiable standards for noise levels. All ODOT contractors must comply with these regulations.

Adverse effects of any blasting activities will be significantly more limited than the effects of noise due to processing activities. The intent of blasting is not to cause loud noises or to cast flyrock onto surrounding property. Instead, it is occasionally employed to loosen deposits for their extraction. How blasting occurs--and the potential impacts resulting from it--depends upon the structure of the rock resource, the geologic composition of surrounding land, and meteorological conditions at the time of blasting. Blasting professionals rigorously monitor the conditions under which safe blasting can occur to avoid injury or damage to property.

Dust impacts are similarly expected to be intermittent and insignificant. Prevailing ocean breezes should direct any fugitive dust away from the most sensitive properties west of the quarry operation. Thick vegetation surrounding the site should capture dust generated by truck traffic, minimizing adverse effects on surrounding properties. Retention of vegetative buffers and watering, oiling, or paving the haul road are expected to further minimize dust. ODOT will also retain the forested hillsides of the site through each phase of the mine's development. Doing so will keep the majority of the quarry screened from view and minimize visual impacts to surrounding properties.

Additional traffic will occur during times of active mining. This will create the potential for noise, dust, and vehicle conflicts. The volume of traffic using the ODOT haul road is difficult to determine in advance, since usage depends on the size of the highway project being constructed. Federal law regulates the noise impacts from construction vehicles. Dust can be mitigated by treatment of haul road and retention of vegetation buffers. Vehicle conflicts should not be significant.

The area already experiences regular truck traffic due to the nearby regional landfill. Additionally, any construction project in the immediate vicinity for which rock from the Iron Mountain quarry is used would affect vehicle movement in a manner typical of major highway construction projects. Safety hazards between quarry truck traffic and surrounding residents is a possibility, although unlikely given the level of traffic management associated with highway construction projects. The potential for conflict can be reduced by maintaining distance between residential development and roadways and by installing fences or barrier vegetation.

4.33 Environmental

4.331 Effect on use of the aggregate resource if conflicting uses are allowed fully

ODOT does not expect that any adverse environmental consequences would result from allowing conflicting uses near the aggregate resource. However, if a new noise sensitive use is sited in such a manner that causes the quarry to violate noise control standards, ODOT will be forced to modify or curtail operations at the quarry. The consequences of such action are discussed above as economic consequences.

4.332 Effect on conflicting uses if development of the resource is allowed

The environmental consequences if development of the aggregate resource were allowed have been discussed above as social consequences. Quarry development has the potential of adversely affecting air quality (dust and noise) and visual quality of the immediate area. State law requires that mined land be reclaimed for a future beneficial use. Because the effects of mining can be mitigated or corrected, there should not be a significant adverse environmental effect.

4.34 Energy

4.341 Effect on use of the aggregate resource if conflicting uses are allowed fully

The energy consequences of allowing conflicting uses to the extent of precluding use of the resource for a local highway project could be extensive. The distance traveled between an aggregate resource site and a job site is the most critical part in assessing energy consumption.

If material from Iron Mountain is unavailable for projects in the Newport area, energy use to bring rock from other locations could be extensive. For example, contractors trucking aggregate over the coast range from the Willamette Valley will consume much more energy than usage of a local source. Even hauling rock from the nearest major commercial source, the Cedar Creek Quarry, will use much more energy than hauling from Iron Mountain. As discussed above, energy savings translate into economic savings.

ODOT has the authority to require use of state-controlled sources for highway projects. Requiring any contractor to use the Iron Mountain site for Highway 101 projects near Newport is likely in order to save energy and money.

4.342 Effect on conflicting uses if development of the resource is allowed

Allowing the quarry operation at the Iron Mountain site is not expected to influence energy consumption of the conflicting uses. If, however, a developer of high density housing is severely restricted in building in the impact area and must look elsewhere in the community, the effects could be beneficial. High density development is more efficient if constructed near employment opportunities and community services near the Newport commercial core.

4.35 Requirements of other applicable statewide planning goals

4.351 Goal 4 - Forest Lands

The Iron Mountain quarry site is inventoried as forest land in the Lincoln County Comprehensive Plan. Aggregate operations on this site are not expected to conflict with the protection of forest land, forest practices, or other activities necessary and appropriate for management of soil, air, water, fish and wildlife resources, the provision for recreational opportunities, and agricultural uses. Use of the quarry is a transient or temporary land use which should not preclude forest activities on surrounding lands.

Mining and processing of aggregate and mineral resources are permissible uses of forest lands as specified by the Goal 4 administrative rule (OAR 660-06-025 (4)(f)). No aspects of the quarry's development, as envisioned by ODOT, would force a significant change in or significantly increase the cost of accepted forest or farming practices on surrounding lands dedicated for resource use. Similarly, no aspects of proposed operations are expected to significantly increase the fire hazards, the cost of fire suppression, or the risks to fire suppression personnel.

4.352 Goal 6 - Air, Water, and Land Resources Quality

Compliance with Goal 6 does not necessarily require that compliance with applicable environmental quality standards have been met prior to approval. Compliance with the goal can be shown if the proposed use can meet environmental standards via conditions on operations. See Eckis v. Linn County, 19 Or LUBA 15, 34-6, (1990). The nature of this quarry operation is such that any environmental effects will be limited. As discussed in the discussion of ESEE consequences, the effects of dust and noise resulting from quarry operations can be mitigated by mining and reclamation techniques.

No processing method is contemplated at present. Any crushing equipment used on the site will require permits from DEQ; state contractors are required to obtain and comply with all permits.

To date, mining at Iron Mountain has been exempt from state reclamation requirements by virtue of the limited amount of material removed from the site. ODOT has submitted a reclamation plan to DOGAMI for its approval. DOGAMI's approval of the reclamation plan

and operating permit will be based on consistency with local land use requirements.

4.353 Goal 10 - Housing

Protection of the Iron Mountain Quarry site as a significant Goal 5 resource may have consequences for Newport's ability to demonstrate continued compliance with Goal 10. Compliance with Goal 10 requires local governments to provide for needed housing units within urban growth boundaries.

As identified above, development of property immediately adjacent to the Iron Mountain site has been rezoned for high density residential development. This approximately 20 acre tract is potentially valuable land for affordable housing.

Newport's Comprehensive Plan anticipates a need for 800 new multiple family dwelling units before the year 2010. Land currently zoned to allow high density housing could provide for 2,000 additional units; however, the city planning department believes that this number is overly optimistic for several reasons.

First, because the Zoning Ordinance allows single-family dwellings in the high density zoning district (R-4), some available parcels have been developed at significantly less than planned densities.

Second, the inventory of buildable lands does not precisely identify physical development constraints. An unknown portion of the inventory consists of small or irregularly-shaped lots that will not contribute significantly to satisfying the need for high density housing. The inventory of R-4 land also includes steep land generally unsuitable for apartment development. According to the city, those lands that are relatively flat and suitable for apartment development may, upon further investigation, be wetlands.

Third, the availability of sewer and water may further limit the amount of buildable R-4 land.

Because of development constraints, the estimate of land in Newport available for high density residential development may be high. Land on the southern boundary of the ODOT property could be desirable for future apartment development.

Newport may have other options to satisfy demand for affordable housing. Replanning and redirected development in the center of the city could result in more efficient provision of public and private services. Concentrating development in the existing city would also take pressure off land on the urban fringe, including land near Iron Mountain.

4.354 Goal 12 - Transportation

Statewide Planning Goal 12 requires local governments "[t]o provide and encourage a safe, convenient, and economic transportation system." The primary purpose of state ownership of the Iron Mountain quarry site is to ensure the low-cost availability of rock products for highway construction. The site is less than one mile from U.S. Highway 101 and will be used for highway projects near Newport. Protection of the site furthers Goal 12 by assisting economical development of the transportation system.

4.355 Goal 13 - Energy Conservation

Energy conservation benefits depend upon the relationship of aggregate resource to the places the material will be used. Protection and availability of the Iron Mountain site offers ideal opportunities to conserve energy. If the Iron Mountain site were not available, use of other--more distant--sites for projects in the Newport area would result in longer transportation distances and greater energy consumption.

4.356 Goal 14 - Urbanization

Goal 14 requires the orderly and efficient transition from rural to urban land uses. Development of mineral or aggregate resources is not strictly a rural land use; however,

quarry activities are more incompatible with urban development than they are with sparsely developed rural areas. The goal requires that changes in urban growth boundaries consider the economic, social, environmental, and energy consequences of the change.

The consequences of urban development near the Iron Mountain site are discussed above. Based on this analysis, the adverse effects of urban development on the quarry could be significant without appropriate mitigation.

5.0 DETERMINATION AND PROGRAM TO ACHIEVE THE GOAL

5.1 Summary of ESEE Analysis

ODOT has clearly documented the significance of the Iron Mountain resource. The site contains at least five million cubic yards of material. The material has been found to meet ODOT specifications for its use in highway projects. The site is one of the most valuable sources owned by the state.

The impact area includes land surrounding the site which may be developed with a conflicting use according to existing zoning. Land already committed to development, or developable under existing zoning, is the major area of impact at this time and requires a larger impact area west of the site. Commercial forest land borders more than half of the state-owned property. Uses allowed by the county forest zone are unlikely to conflict with development of the quarry. The impact area can be smaller. Any future plan or zone change from forestry use to urbanizable land would require a reevaluation of the impact area surrounding Iron Mountain on the southern, eastern, and northern boundaries.

Conflicting uses to the Iron Mountain quarry are mainly those that meet the definition of noise sensitive in the DEQ noise control regulations. Eleven existing residences and the majority of uses allowed in the Newport zone are conflicting uses. Uses allowed by the Lincoln County public facilities zone or forestry zone pose few, if any, conflicts. Other uses, although not provided for by current zoning, could be compatible with quarry activities. Industrial and commercial uses not sensitive to noise or dust could be appropriate near the quarry in the future.

The consequences of conflicts between the quarry and nearby uses are primarily economic and social. Surrounding land uses do not threaten the rock resource itself. Complaints about quarry activities can severely constrain or prohibit ODOT's use of the resource. The inability to use the resource for highway maintenance and construction projects increases the cost of these projects. Transportation is the key component in the price of aggregate. Forced reliance on sites more distant from Newport will dramatically increase the cost of construction on the central coast.

5.2 Program to Achieve the Goal

The Goal 5 rule (OAR 660-16-010) states: "Based on the determination of the economic, social, environmental, and energy consequences, a jurisdiction must develop a program to achieve the Goal."

The rule allows three methods for implementing a program to achieve the goal of resource protection. The first method requires preserving the resource site regardless of the effect on conflicting uses. The second method involves protecting the resource to a desired extent but allowing identified conflicting uses in a limited fashion. The third method is to allow the conflicting uses fully, regardless of any adverse effects on the resource. This last choice is permissible only if conflicting uses are found to be more valuable than the resource and there is no ability to mitigate the adverse consequences of conflicts between the resource and uses in the impact area.

The ESEE analysis shows that development of Iron Mountain may have adverse effects on nearby property. The analysis also shows that urban development of nearby property may have adverse effects on the Iron Mountain resource. Therefore, the most appropriate method to comply with Goal 5 is to protect the resource site with limitations on conflicting uses.

The requirements to implement a decision to limit conflicting uses are found in OAR 660-16-010(3). The comprehensive plan and land use regulations must specify what uses and activities will be prohibited, what uses are allowed fully, and what uses are conditionally allowed. The implementation program, including development regulations, must include clear and objective standards.

The Lincoln County and City of Newport program should include several elements:

- 1.) The county needs to amend the plan to identify Iron Mountain as a Category 3 site. A category 3 site is a potential site located in probable conflict areas.
- 2.) The county needs to adopt updated comprehensive plan policies and zoning regulations to ensure protection of significant Goal 5 resources. Model policies and zoning regulations found in attachments I and J. The model policies and land use regulations address the procedure for designating a significant site consistent with Goal 5 and contain suggested substantive development standards.
- 3.) The county needs to adopt an extraction area and impact area as comprehensive plan and zoning designations. The city concurrently needs to adopt an impact area designation for affected property within its jurisdiction. Both designations are implemented by policies, site specific conditions adopted as part of this Goal 5 decision, and zoning regulations.

5.3 Quarry Development Conditions

- 1.) The haul road between the quarry and the public road system shall be paved or treated with dust suppression emulsion to control dust.
- 2.) ODOT shall retain vegetation suitable as a visual screen within a 50 foot setback from property boundaries.
- 3.) No operation shall commence without approval of all applicable state agency permits.
- 4.) All overburden stockpiles shall be stabilized from erosion as required by DOGAMI.
- 5.) All quarry operations and vehicles shall comply with applicable DEQ noise control standards.
- 6.) Blasting shall be restricted to 9:00 a.m. - 5:00 p.m., Monday through Friday. No blasting shall occur on Saturdays, Sundays, or the following legal holidays: New Year's Day, Memorial Day, July 4, Labor Day, Thanksgiving Day, or Christmas Day.
- 7.) Notice of blasting events shall be provided in a manner calculated to be received by occupants of noise sensitive property within the impact area at least 48 hours prior to the blasting event.
- 8.) Berms or screening shall be developed or incorporated into the mining plan for the active mine area as defined by the DOGAMI operating permit. Overburden stockpiles shall be placed so as to screen quarry operations from surrounding properties as best is practicable and shall be stabilized in accordance with the operating permit and reclamation plan approved by DOGAMI.
- 9.) The entire site shall be developed and reclaimed in a manner that permits uses allowed by the underlying zone.

5.4 Uses in the Impact Area

- 5.41 The following uses authorized by existing zoning may be allowed within the impact area subject to the underlying zone requirements:

Forest operations or forest practices;

Temporary onsite auxiliary structures;
Physical alterations to the land auxiliary to forest practices;
Farm use;
Local distribution lines within existing rights-of-way;
Temporary portable facilities for processing of forest products;
Towers and fire stations for forest fire protection;
Widening of roads within existing rights-of-way;
Water intake facilities, canals, and distribution lines for farm use;
Water intake, treatment and pumping facilities, and distribution lines;
Reservoirs and water impoundments;

New electrical, gas, oil, and geothermal distribution lines;
Uninhabitable structures accessory to fish and wildlife enhancement;
Permanent facilities for the processing of forest products;
Permanent logging equipment repair and storage;
Log scaling and weigh stations;
Solid waste disposal site;
Communication facilities and transmission towers;
Fire stations for rural fire protection;
Utility facilities for generating 5 megawatts or less of power;
Aids to navigation and aviation;
Firearms training facilities;
Cemeteries;
Commercial or truck gardening and horticultural nurseries;
Future urban uses which are not sensitive or otherwise conflicting with surface mining activities, subject to planning and zoning in accordance with the statewide planning goals.

5.42 The following uses authorized by existing zoning shall be prohibited within the impact area:

County zoning:

Private hunting and fishing operations without lodging;
Caretaker residences for public parks and fish hatcheries;
Parks and campgrounds;
Temporary forest labor camps;
Destination resorts;
Private seasonal accommodations for fee hunting operations;
Private accommodations for fishing occupied on a temporary basis;
Forest management research and experimentation facilities.

City zoning:

Hospitals, sanitariums, or nursing homes;
Schools, libraries, colleges, churches, clubs, lodge halls, and museums;
Motels, hotels, condominium hotels, and time-share projects;
Bed and breakfast facilities;
Boarding, lodging, or rooming houses;
Golf courses;
Recreational vehicle parks;
Hostels.

5.43 The following uses authorized by existing zoning may be allowed, subject to criteria and standards of the underlying zone and the program to protect Iron Mountain:

Child care facilities;
Condominiums;
Dwellings;
Mobile home parks.

5.5 Impact Area Development Standards

Uses listed in subsection 5.43, above, may be allowed in the impact area upon demonstrating that the proposed use satisfies the following criteria and standards:

- 1.) The proposed use will not directly interfere with or cause an adverse impact on lawfully established and lawfully operating mining activities.
- 2.) The proposed use will not directly interfere with or threaten to cause the mining operation to violate environmental standards contained in permits issued by state agencies.
- 3.) The proposed use will not cause the mining operation to violate noise control standards and ambient air quality and emission standards as measured at the proposed use.

- 4.) The applicant for a use in the impact area shall submit an analysis prepared by an acoustical engineer demonstrating that the applicable DEQ noise control standards are met or can be met by a specified date by the mining activities at Iron Mountain. Noise impact analysis must address activities proposed through the life of the quarry. If noise mitigation measures are necessary to ensure mining activities' continued compliance with noise control standards, such measures shall be a condition of approval. If the applicant for a use in the impact area cannot demonstrate that DEQ noise control standards will be met, the use shall not be approved in the impact area.
- 5.) As a condition of approval for a new use in the impact area, the permittee shall execute a waiver of remonstrance and restrictive covenant in favor of ODOT. The waiver of remonstrance and restrictive covenant shall specify that owners and tenants of uses within the impact area cannot object to the terms of a permit sought by ODOT or its contractors from the city, county, a state agency, or a federal agency, and may not object to lawful mining activities at Iron Mountain.
- 6.) Any proposal to change existing comprehensive plan and zone designations within the impact area shall consider whether the impact area and program to protect the resource will continue to protect Iron Mountain.

6.0 NATURE OF THE REQUEST

The City of Newport is considering expanding the urban growth boundary (UGB) into an area that is within the Iron Mountain Impact Area. That area has been already identified as next to and affected by a Statewide Planning Goal 5 resource, the Iron Mountain Quarry. In order for the city to accept the UGB extension, adequate findings of fact that address the Aggregate and Mineral Resources of the Newport Comprehensive Plan and Goal 5 must be made. This report presents information to support findings and conclusions to meet the policy requirement.

The background material, compliance with Statewide Planning Goal 5, inventory requirements, and a definition and method of determining conflicting uses have already been discussed and adopted as part of the Comprehensive Plan. Those materials can be found in the first four sections of this appendix. It is, therefore, not necessary to repeat that information here. However, the identification of conflicting uses, the environmental, social, energy, and economic analysis, and a program to achieve the goal must be done for the current request. The rest of this report will address those issues.

7.0 CONFLICTING USES

The Goal 5 rule (OAR 660-16-005) requires identification of conflicting uses. A conflicting use is one which, if allowed, could adversely affect a Goal 5 resource site. Identifying conflicting uses is primarily done by examining uses authorized by zoning districts within the impact area.

7.21. Light Industrial (I-1)

The proposed zoning on the subject property is I-1/"Light Industrial." All property zoned I-1 within the impact area is vacant, so there are no existing conflicting uses. The identification of conflicting uses must focus on those uses authorized by the I-1 zone.

- 7.211. Noise sensitive uses. Many uses allowed in the I-1 zone could fall under the definition of "noise sensitive property" as defined in DEQ noise regulations.

The following uses authorized by the I-1 zone could meet the definition of noise sensitive property, will be treated as conflicting uses, and are not allowed:

Agricultural Production--Crops
 Veterinary Services
 Animal Services (Except Veterinary)

Sections 6.0 - 9.5 of Appendix "A" added by Ordinance No. 1701 (March 21, 1994).

Dog Grooming
 Farm Labor and Management Services
 Manufacturing of Glass Products Made of Purchased Glass
 Manufacturing of Office, Computing, and Accounting Machinery
 Manufacturing of Measuring, Analyzing, and Controlling Instruments; Photographic, Medical, and Optical Goods; Watches and clocks
 Communication
 General Merchandise Stores
 Food Stores
 Automotive Dealers and Gasoline Service Stations
 Apparel and Accessory Stores
 Furniture, Home Furnishing, and Equipment
 Miscellaneous Retail
 Finance, Insurance and Real Estate Offices
 Hotels, Rooming Houses, Camps and Other Lodging Places
 Personal Services
 Business Services
 Motion Pictures
 Theatrical Producers (Except Motion Pictures), Bands, Orchestras, and Entertainers
 Health Services
 Legal Services
 Educational Services
 Social Services
 Arboreta, Botanical, and Zoological Gardens
 Membership Organizations
 Miscellaneous Services
 Public Administration
 Manufacturing of Food and Kindred Products
 Glass and Glassware Pressed or Blown
 Residences

- 7.212. Some uses may or may not be in conflict depending on how they are developed. These uses must be looked at on a case-by-case basis and conditioned to meet the goals of this section and the Goal 5 requirements. Hence the following uses are conditional uses subject to the review and approval standards contained in the Zoning Ordinance:

Manufacturing of Beverages
 Miscellaneous Manufacturing Industries
 Building Materials, hardware, Garden Supplies, and Mobile Home Dealers
 Eating and Drinking Places
 Dance Halls, Studios, and Schools
 Commercial Sports
 Miscellaneous Amusement and Recreation Services
 Miscellaneous Services
 Tobacco Manufacturing
 Manufacturing of Wood Containers
 Leather and Leather Products
 Manufacturing of Fabricated Metal Products (Except machinery and Transportation Equipment)
 Manufacturing of machinery (Except Electrical)
 Manufacturing of Electric and Electronic Machinery, Equipment, and Supplies
 Manufacturing of Transportation Equipment
 Pipe Lines (Except Natural Gas)
 Electric, Gas, and Sanitary Services

- 7.213. Some uses may be allowed in the Impact area and not pose a conflict because they are not sensitive uses. Those uses are hereby permitted and are as follows:

Forest Services
 Building Construction--General Contractors and Operative Builders
 Construction Other Than Building Contractors--General Contractors

Construction--Special Trade Contractors
Manufacturing of Apparel and Other Finished Products Made from Fabrics and Similar Materials
Manufacturing of Furniture and Fixtures
Printing, Publishing and Allied Industries
Local and Suburban Transit and Interurban Highway Passenger Transportation
Motor Freight Transportation and Warehousing
U.S. Postal Service
Transportation by Air
Transportation Services
Wholesale Trade--Durable Goods
Wholesale Trade--Nondurable Goods
Automotive Repair, Services and Garages
Miscellaneous Repair Services
Bowling Alleys and Billiard and Pool Establishments

7.22. Conclusion

Within the I-1 zone surrounding Iron Mountain, no conflicting uses are currently found. However, the I-1 zone does allow many uses that are conflicting, many that may be conflicting, and many that are not conflicting.

8.1 ESEE ANALYSIS

The Goal 5 rule (OAR 660-16-005(2)) requires that if conflicting uses to the resource are identified, the economic, social, environmental, and energy (ESEE) consequences of the conflicts must be determined. "Both the impacts on the resource site and on the conflicting use must be considered in analyzing the ESEE consequences. The applicability and requirements of other Statewide Planning Goals must also be considered, where appropriate, at this stage of the process."

8.11. Economic

8.111. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.311 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

8.112. Effect on conflicting uses if development of the resource is allowed:

The need for additional industrial land within the City of Newport has driven recent actions to rezone land adjacent to the quarry for light industrial development. The Newport Comprehensive Plan anticipates a need for additional commercial and industrial lands in significant quantities. The area around Iron Mountain is one of the few areas within or outside the city that can accommodate that need.

In addition to the need question, the subject I-1 property within the Iron Mountain Impact Area has been considered for other zoning designations. The residential and commercial zones allow too many conflicting uses to be appropriate next to the quarry. Other city zoning designations, such as the Water and Public zones, are also not appropriate since the property is not near the water and it is not publicly owned. The only remaining zoning is the industrial zoning.

The city has three industrial zones, I-1, I-2, and I-3. The I-3 zone is heavy industrial and allows uses such as lumber mills and other factories. While this may be appropriate if the quarry were the only consideration, properties to the west and south are within residential districts. In fact, the intent of the I-3 is outlined in the Zoning Ordinance and reads as follows:

The intent of this zone is to provide for industrial uses that involve production and processing activities generating noise, vibration, dust, and fumes. Typically, this zone requires good access to transportation, large lots, and segregation from other uses due to nuisances.

Because of the proximity of the residential uses and zones, the I-3 zone is not appropriate for the

subject property.

The I-2 zone has similar considerations. The intent of the I-2 zone states:

The intent of this zone is to provide areas suitable for industrial activities, including manufacturing, fabricating, processing, packing, storage, repairing, and wholesaling. This classification should be applied to industrial areas having good access to transportation facilities and not near residential zones.

Again, because of the proximity of the residential uses and zones, the I-2 zone is not appropriate.

The I-1 zone, however, has this as the intent:

The intent of this zone is to provide for commercial and industrial uses that can be located near residential or commercial zones. Uses that are associated with excessive noise, dust, vibration, or fumes shall be prohibited.

The I-1 zone thus becomes the most appropriate because it may be located near residential zones. Also, because the zone does allow many uses that will not conflict with the quarry, it is the most appropriate next to the quarry. Through the process of elimination, the I-1 zone becomes the most logical for the subject property.

The I-1 zoning also gives the private property owner a use for the property that is compatible with the neighborhood. ODOT is on record that the subject property should not be developed with sensitive uses. Residential and commercial zones do not comply with that criterion. The I-1 is a logical zone to apply to the land so as to serve the dual goal of protecting the quarry and providing the owner with an economical use of the property.

8.12. Social

8.121. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.321 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

8.122. Effect on conflicting uses if development of the resource is allowed:

The consequences to conflicting uses resulting from development of the quarry resource can be characterized in two ways. First, persons working near the quarry may be directly affected by noise, dust, and traffic associated with mining activities. Second, the city may experience indirect effects if the ability to develop industrial uses is restricted near the quarry and not accounted for at another location in the community.

These consequences can be easily mitigated, however, by either limiting the types of uses to those that are not sensitive to the impacts from the quarry operation, by developing property in such a way so that uses that may be sensitive are sited and built to mitigate negative impacts, or by both. Uses that have been identified as allowed or conditional in this analysis are such uses. Uses that are identified as sensitive should not be allowed under any circumstance. Therefore, the best way to address the potential social consequences is to develop a program to assure that conflicting uses are prohibited or built in such a way as to not be affected by the quarry operation.

8.13. Environmental

8.131. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.331 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

8.132. Effect on conflicting uses if development of the resource is allowed:

The environmental consequences, if development of the aggregate resource were allowed, have been

discussed above as social consequences. Quarry development has the potential of adversely affecting air quality (dust and noise) and visual quality of the immediate area. State law requires that mined land be reclaimed for a future beneficial use. Because the effects of mining can be mitigated or corrected, there should not be a significant adverse environmental effect.

8.14. Energy.

8.141. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.341 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

8.142. Effect on conflicting uses if development of the resource is allowed:

Allowing the quarry operation at the Iron Mountain site is not expected to influence energy consumption of the conflicting uses.

8.15. Requirements of other applicable statewide planning goals.

8.151. Goal 4 - Forest Lands:

See section 4.351 of this appendix.

8.152. Goal 6 - Air, Water, and Land Resources Quality:

See section 4.352 of this appendix.

8.153. Goal 9 - Economic Development:

Statewide Planning Goal 9 requires the each city provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens. Comprehensive plans for urban areas must provide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies. The city has already determined that the subject property is necessary to meet the industrial land needs consistent with this goal.

8.154. Goal 10 - Housing:

Because the property under consideration does not allow housing, this goal will not be affected by the proposed inclusion into the Iron Mountain Impact Area other than that the I-1 zoning is the most appropriate zoning considering the proximity of residential zoning and uses.

8.155. Goal 12 - Transportation:

See section 4.354 of this appendix.

8.156. Goal 13 - Energy Conservation:

See Section 4.355 of this appendix.

8.157. Goal 14 - Urbanization:

See Section 4.356 of this appendix.

9.0 **DETERMINATION AND PROGRAM TO ACHIEVE THE GOAL**

9.1 Summary of ESEE Analysis

ODOT has clearly documented the significance of the Iron Mountain resource. The site contains at least five million cubic yards of material. The material has been found to meet ODOT specifications for its use in highway projects. The site is one of the most valuable sources owned by the state.

The consequences of conflicts between the quarry and nearby uses are primarily economic and social. Surrounding land uses do not threaten the rock resource itself. Complaints about quarry activities can severely constrain or prohibit ODOT's use of the resource. The inability to use the resource for highway maintenance and construction projects increases the cost of these projects. Transportation is the key component in the price of aggregate. Forced reliance on sites more distant from Newport will dramatically increase the cost of construction on the central coast.

9.2. Program to Achieve the Goal

The Goal 5 rule (OAR 660-16-010) states: "Based on the determination of the economic, social, environmental, and energy consequences, a jurisdiction must develop a program to achieve the Goal."

The rule allows three methods for implementing a program to achieve the goal of resource protection. The first method requires preserving the resource site regardless of the effect on conflicting uses. The second method involves protecting the resource to a desired extent but allowing identified conflicting uses in a limited fashion. The third method is to allow the conflicting uses fully, regardless of any adverse effects on the resource. This last choice is permissible only if conflicting uses are found to be more valuable than the resource and there is no ability to mitigate the adverse consequences of conflicts between the resource and uses in the impact area.

The ESEE analysis shows that development of Iron Mountain may have adverse effects on nearby property. The analysis also shows that urban development of nearby property may have adverse effects on the Iron Mountain resource. Therefore, the most appropriate method to comply with Goal 5 is to protect the resource site with limitations on conflicting uses.

The requirements to implement a decision to limit conflicting uses are found in OAR 660-16-010(3). The comprehensive plan and land use regulations must specify what uses and activities will be prohibited, what uses are allowed fully, and what uses are conditionally allowed. The implementation program, including development regulations, must include clear and objective standards.

9.3. Uses in the Impact Area that are zoned I-1

9.43. The following uses authorized by the existing I-1 zone shall be prohibited with the impact area:

- Agricultural Production--Crops
- Veterinary Services
- Animal Services (Except Veterinary)
- Dog Grooming
- Farm Labor and Management Services
- Manufacturing of Glass Products Made of Purchased Glass
- Manufacturing of Office, Computing, and Accounting Machinery
- Manufacturing of Measuring, Analyzing, and Controlling Instruments; Photographic, Medical, and Optical Goods; Watches and clocks
- Communication
- General Merchandise Stores
- Food Stores
- Automotive Dealers and Gasoline Service Stations
- Apparel and Accessory Stores
- Furniture, Home Furnishing, and Equipment
- Miscellaneous Retail
- Finance, Insurance and Real Estate Offices
- Hotels, Rooming Houses, Camps and Other Lodging Places
- Personal Services
- Business Services
- Motion Pictures
- Theatrical Producers (Except Motion Pictures), Bands, Orchestras, and Entertainers
- Health Services
- Legal Services

Educational Services
Social Services
Arboreta, Botanical, and Zoological Gardens
Membership Organizations
Miscellaneous Services
Public Administration
Manufacturing of Food and Kindred Products
Glass and Glassware Pressed or Blown
Residences

- 9.32. The following uses authorized by the existing I-1 zone may be allowed, subject to criteria and standards of the underlying zone and the issuance of a conditional use permit consistent with the program to protect the Iron Mountain quarry:

Manufacturing of Beverages
Miscellaneous Manufacturing Industries
Building Materials, hardware, Garden Supplies, and Mobile Home Dealers
Eating and Drinking Places
Dance Halls, Studios, and Schools
Commercial Sports
Miscellaneous Amusement and Recreation Services
Miscellaneous Services
Tobacco Manufacturing
Manufacturing of Wood Containers
Leather and Leather Products
Manufacturing of Fabricated Metal Products (Except machinery and Transportation Equipment)
Manufacturing of machinery (Except Electrical)
Manufacturing of Electric and Electronic Machinery, Equipment, and Supplies
Manufacturing of Transportation Equipment
Pipe Lines (Except Natural Gas)
Electric, Gas, and Sanitary Services

- 9.31. The following uses authorized by existing zoning may allowed within the impact area subject to the underlying zone requirements:

Forest Services
Building Construction--General Contractors and Operative Builders
Construction Other Than Building Contractors--General Contractors
Construction--Special Trade Contractors
Manufacturing of Apparel and Other Finished Products Made from Fabrics and Similar Materials
Manufacturing of Furniture and Fixtures
Printing, Publishing and Allied Industries
Local and Suburban Transit and Interurban Highway Passenger Transportation
Motor Freight Transportation and Warehousing
U.S. Postal Service
Transportation by Air
Transportation Services
Wholesale Trade--Durable Goods
Wholesale Trade--Nondurable Goods
Automotive Repair, Services and Garages
Miscellaneous Repair Services
Bowling Alleys and Billiard and Pool Establishments

9.5. Impact Area Development Standards

Uses listed in subsection 9.43 above, may be allowed in the impact area upon demonstrating that the proposed use satisfies the criteria and standards contained in Sections 2-4-14.025 and 2-5-3 of the Zoning Ordinance.

10.0 NATURE OF THE REQUEST (3)

3 Section 10.0 -14.2 of Appendix "A" added by Ordinance No. 1878 (October 18, 2004)

The City of Newport is considering expanding the urban growth boundary (UGB) into an area that is within the Iron Mountain Impact Area. The properties included within the proposed UGB expansion that are also within the Iron Mountain Impact Area include Lincoln County Assessor's Map # 10-11-20 Tax Lots 200, 300, 301, 400, 500, and 501. Those properties would be designated on the Newport Comprehensive Plan Map as "Industrial".

The "Industrial" map designation is implemented by three possible industrial zone classifications: I-1/"Light Industrial", I-2/"Medium Industrial", and I-3/"Heavy Industrial". The proposed UGB expansion includes property to be designated with both I-2 and I-3 zone classifications. In order for the city to accept the UGB expansion, adequate findings of fact that address the Aggregate and Mineral Resources of the Newport Comprehensive Plan and Goal 5 must be made. The I-1/"Light-Industrial" designation has been previously addressed in this appendix and therefore the analysis for I-1 zone property has been completed. This report presents information to support findings and conclusions to meet the policy requirements for I-2 and I-3 zone designations.

The background material, compliance with Statewide Planning Goal 5, inventory requirements, and a definition and method of determining conflicting uses have already been discussed and adopted as part of the Comprehensive Plan. Those materials can be found in the first four sections of this appendix. It is, therefore, not necessary to repeat that information here. However, the identification of conflicting uses, the environmental, social, energy, and economic analysis, and a program to achieve the goal must be done for the current request. The rest of this report will address those issues.

11.0 CONFLICTING USES

The Goal 5 rule (OAR 660-16-005) requires identification of conflicting uses. A conflicting use is one which, if allowed, could adversely affect a Goal 5 resource site. Conflicting uses (as established in Section 4.216) are those uses that will likely result in future complaints or requests for restriction on lawful mining activities. Identifying conflicting uses is primarily done by examining uses authorized by zoning districts within the impact area. Three types of impacts were previously evaluated (in Section 4.322) for the effect on conflicting uses if development of the resource (Iron Mountain) is allowed. To summarize from Section 4.322

- noise impacts may affect surrounding residents even if the noise impact is intermittent;
- effects from blasting will be significantly more limited than the effects of noise due to processing activities; and
- dust impacts are similarly expected to be intermittent and insignificant.

The ESEE analysis reached the conclusion in Section 5.1 (Summary of ESEE Analysis) that "Industrial and commercial uses not sensitive to noise or dust could be appropriate near the quarry in the future."

ODOT has established a set of Quarry Development Conditions in Section 5.3 of Section 5.0 (Implementation and Program to Achieve The Goal) that further limit the potential for impacts on surrounding properties. ODOT, for example, to implement the Goal 5 program, restricts blasting activities to 9:00 a.m. – 5:00 p.m. Monday through Friday and does not blast on a number of holidays. Additionally, as part of the implementation of Goal 5, ODOT provides notice to noise sensitive properties at least 48 hours prior to the blasting event.

11.21. Medium Industrial (I-2) and Heavy Industrial (I-3)

Proposed zoning on the subject property is I-2/"Medium Industrial" and I-3/"Heavy Industrial". All property to be zoned I-2 or I-3 within the impact area is vacant or is in an existing residential use, so there are no existing conflicting uses other than the existing residential use. The identification of future conflicting uses must focus on those uses authorized by the I-2 and/or the I-3 zone.

11.211. Noise, dust or blast sensitive uses. Very few uses allowed in the I-2 and/or I-3 zone would fall under the definition of "noise sensitive property" as defined in DEQ noise regulations. Additionally, few uses would generally be considered dust sensitive uses or would be considered blast/ground vibration sensitive uses. As the adopted Goal 5 analysis, prepared by the ODOT and adopted by the City as Appendix A of the Aggregate and Mineral Section of the Comprehensive Plan, concludes that ground/vibration and dust issues are minimal concerns, the main focus is on uses that may be considered noise sensitive properties. Because a conflicting use is one that may object to the continued operation of the Iron Mountain quarry, an easement in favor of the owner and operators of the Iron Mountain Quarry to protect the continued use of the quarry is required by the Newport Zoning Ordinance of the owner/developer of land in the Iron Mountain Impact Area. All uses of the

property will therefore be subject to the easement requirements. Additionally, some uses will be prohibited outright while other uses will be allowed upon a showing that the use meets the development criteria and standards 1 through 5 found in Section 5.5 (Impact Area Development Standards).

The following uses authorized by the I-2 and/or I-3 zone could meet the definition of noise sensitive property. These uses will be treated as conflicting uses and will not be allowed:

Hotels, Rooming Houses, Camps and Other Lodging Places
Residences

The following uses authorized by the I-2 and/or I-3 zone could meet the definition of noise sensitive property and will be allowed as authorized (either permitted outright or conditionally by the I-2 and/or I-3 zone) subject to the requirement that the proposed use satisfies the criteria and standards 3 through 5 found in Section 5.5:

Veterinary Services
Animal Services (Except Veterinary)
Dog Grooming
Finance, Insurance and Real Estate Offices
Eating and Drinking Places
Miscellaneous Amusement and Recreation Services
Personal Services
Business Services
Motion Pictures
Educational Services (Correspondence & Vocational Schools)
Social Services (Day Care)
Membership Organizations
Miscellaneous Services
Public Administration

- 11.212. Some uses may or may not be dust and/or blast sensitive uses depending on how they are developed. As dust and blast impacts have been determined to be negligible, these uses will be allowed in the I-2 and/or I-3 zone (either permitted outright or conditionally as specified in the Zoning Ordinance) subject to standard 5 of Section 5.5.

Flat Glass and Glass and Glassware Pressed or Blown
Manufacturing of Beverages
Chemicals and Allied Products
Pipe Lines (Except Natural Gas)
Electric, Gas, and Sanitary Services
Manufacturing of Glass Products Made of Purchased Glass
Manufacturing of Office, Computing, and Accounting Machinery
Manufacturing of Measuring, Analyzing, and Controlling Instruments;
Photographic, Medical, and Optical Goods; Watches and clocks

- 11.213. Some uses may be allowed in the Impact area and not pose a conflict because they are not sensitive uses. Those uses are hereby permitted as allowed by the I-2 and/or I-3 zone designation and consist of those uses not mentioned above in Section 11.211 and Section 11.212.

11.22. Conclusion

Within the proposed I-2 zone and I-3 zones surrounding Iron Mountain, no conflicting uses are currently found other than the existing residential use. However, the I-2 and the I-3 zone does allow uses that are conflicting, uses that may be conflicting, and uses that are not conflicting.

12.1 ESEE ANALYSIS

The Goal 5 rule (OAR 660-16-005(2)) requires that if conflicting uses to the resource are identified, the economic, social, environmental, and energy (ESEE) consequences of the conflicts must be determined. "Both

the impacts on the resource site and on the conflicting use must be considered in analyzing the ESEE consequences. The applicability and requirements of other Statewide Planning Goals must also be considered, where appropriate, at this stage of the process."

12.11. Economic

12.111. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.311 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

12.112. Effect on conflicting uses if development of the resource is allowed:

The need for additional industrial land within the City of Newport has driven recent actions to rezone land adjacent to the quarry for medium and heavy industrial development. The Newport Comprehensive Plan anticipates a need for additional commercial and industrial lands in significant quantities. The area around Iron Mountain is one of the few areas within or outside the city that can accommodate that need and is the best location to fulfill the need for industrial land as documented by the UGB application material.

The city has three industrial zones, I-1, I-2, and I-3. The I-3 zone is heavy industrial and allows uses such as lumber mills and other factories. The intent of the I-3 is outlined in the Zoning Ordinance and reads as follows:

The intent of this zone is to provide for industrial uses that involve production and processing activities generating noise, vibration, dust, and fumes. Typically, this zone requires good access to transportation, large lots, and segregation from other uses due to nuisances.

Because of the location near the quarry and away from residential zones, the I-3 zone is appropriate for the subject property.

The I-2 zone has similar considerations. The intent of the I-2 zone states:

The intent of this zone is to provide areas suitable for industrial activities, including manufacturing, fabricating, processing, packing, storage, repairing, and wholesaling. This classification should be applied to industrial areas having good access to transportation facilities and not near residential zones.

Again, because of the location away from residential zones, the I-2 zone is appropriate.

12.12. Social

12.121. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.321 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

12.122. Effect on conflicting uses if development of the resource is allowed:

The consequences to conflicting uses resulting from development of the quarry resource can be characterized in two ways. First, I-2 and I-3 zone uses near the quarry may be directly affected by noise, dust, and associated with mining activities. However, as noted in Section 4.322, "because the site is not and will not be a permanent year-round commercial operation, the adverse effects, if any, on surrounding noise sensitive properties should be minimal." Noise sensitive property under OAR 340-35-015 (38) is defined as "...real property used for sleeping, or normally used as schools, churches, hospitals, or public libraries." Very few allowed uses in the I-2 or I-3 zones meet this definition. The intent of both the I-2 and I-3 zones is to allow for uses that should be conducted away from residential areas. Therefore, most of the I-2 and I-3 zone uses will not be conflicting uses because of noise sensitivity. Additionally, the blasting and dust impacts from mining operations are expected to be minimal and ODOT will operate the quarry in such a manner as to minimize those impacts.

Second, the city may experience indirect effects if the ability to develop industrial uses is restricted near the quarry and not accounted for at another location in the community.

These consequences can be easily mitigated, however, by either limiting the types of uses to those that are not sensitive to the impacts from the quarry operation, by developing property in such a way so that uses that may be sensitive are sited and built to mitigate negative impacts, and/or by requiring potential conflicting uses to shoulder the consequences of the potential conflicting use choosing to site near the quarry. Uses that have been identified as allowed or conditional in this analysis are such uses. Some uses that are identified as sensitive, such as residences, should not be allowed under any circumstance. Therefore, the best way to address the potential social consequences is to develop a program to assure that conflicting uses are prohibited, built in such a way, and/or agree to shoulder the consequences of locating next to the quarry so that the quarry operation is not affected.

12.13. Environmental

12.131. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.331 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

12.132. Effect on conflicting uses if development of the resource is allowed:

The environmental consequences, if development of the aggregate resource were allowed, have been discussed above as social consequences. Quarry development has the potential of adversely affecting air quality (dust and noise) and visual quality of the immediate area. State law requires that mined land be reclaimed for a future beneficial use. Because the effects of mining can be mitigated or corrected, there should not be a significant adverse environmental effect.

12.14. Energy.

12.141. Effect on use of the aggregate resource if conflicting uses are allowed fully:

Section 4.341 of this appendix adequately addresses this factor. It is incorporated by reference into this section.

12.142. Effect on conflicting uses if development of the resource is allowed:

Allowing the quarry operation at the Iron Mountain site is not expected to influence energy consumption of the conflicting uses.

12.15. Requirements of other applicable statewide planning goals.

12.151. Goal 4 - Forest Lands:

See section 4.351 of this appendix.

12.152. Goal 6 - Air, Water, and Land Resources Quality:

See section 4.352 of this appendix.

12.153. Goal 9 - Economic Development:

Statewide Planning Goal 9 requires that each city provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens. Comprehensive plans for urban areas must provide for at least an adequate supply of sites of suitable sizes, types, locations, and service levels for a variety of industrial and commercial uses consistent with plan policies. The city has determined that the subject property is necessary to meet the industrial land needs consistent with this goal.

12.154. Goal 10 - Housing:

Because the property under consideration does not allow housing, this goal will not be affected by the proposed inclusion into the Iron Mountain Impact Area other than that the I-2 and I-3 zoning of the subject property is the most appropriate zoning considering the intent of the I-2 and I-3 zones.

12.155. Goal 12 - Transportation:

See section 4.354 of this appendix.

12.156. Goal 13 - Energy Conservation:

See Section 4.355 of this appendix.

12.157. Goal 14 - Urbanization:

See Section 4.356 of this appendix.

13.0 **DETERMINATION AND PROGRAM TO ACHIEVE THE GOAL**

13.1 Summary of ESEE Analysis

ODOT has clearly documented the significance of the Iron Mountain resource. The site contains at least five million cubic yards of material. The material has been found to meet ODOT specifications for its use in highway projects. The site is one of the most valuable sources owned by the state.

The consequences of conflicts between the quarry and nearby uses are primarily economic and social. Surrounding land uses do not threaten the rock resource itself. Complaints about quarry activities can severely constrain or prohibit ODOT's use of the resource. The inability to use the resource for highway maintenance and construction projects increases the cost of these projects. Transportation is the key component in the price of aggregate. Forced reliance on sites more distant from Newport will dramatically increase the cost of construction on the central coast.

13.2. Program to Achieve the Goal

The Goal 5 rule (OAR 660-16-010) states: "Based on the determination of the economic, social, environmental, and energy consequences, a jurisdiction must develop a program to achieve the Goal."

The rule allows three methods for implementing a program to achieve the goal of resource protection. The first method requires preserving the resource site regardless of the effect on conflicting uses. The second method involves protecting the resource to a desired extent but allowing identified conflicting uses in a limited fashion. The third method is to allow the conflicting uses fully, regardless of any adverse effects on the resource. This last choice is permissible only if conflicting uses are found to be more valuable than the resource and there is no ability to mitigate the adverse consequences of conflicts between the resource and uses in the impact area.

The ESEE analysis shows that development of Iron Mountain may have adverse effects on nearby property. The analysis also shows that urban development of nearby property may have adverse effects on the Iron Mountain resource. Therefore, the most appropriate method to comply with Goal 5 is to protect the resource site with limitations on conflicting uses.

The requirements to implement a decision to limit conflicting uses are found in OAR 660-16-010(3). The comprehensive plan and land use regulations must specify what uses and activities will be prohibited, what uses are allowed fully, and what uses are conditionally allowed. The implementation program, including development regulations, must include clear and objective standards.

13.3. Uses in the Impact Area that are zoned I-2 or I-3

13.31. The following uses authorized by the existing I-2 zone shall be prohibited within the impact area:
Hotels, Rooming Houses, Camps and Other Lodging Places
Residences

13.32. The following uses authorized by the I-2 could meet the definition of noise sensitive property and will be allowed as authorized (either permitted outright or conditionally by the I-2 zone) subject to the

requirement that the proposed use satisfies the criteria and standards 3 through 5 found in Section 5.5:

Veterinary Services
Animal Services (Except Veterinary)
Dog Grooming
Finance, Insurance and Real Estate Offices
Eating and Drinking Places
Personal Services
Business Services
Motion Pictures
Miscellaneous Amusement and Recreation Services
Correspondence Schools & Vocational Schools
Social Services
Membership Organizations
Miscellaneous Services
Public Administration

- 13.33. Some uses may or may not be dust and/or blast sensitive uses depending on how they are developed. As dust and blast impacts have been determined to be negligible, these uses will be allowed in the I-2 zone (either permitted outright or conditionally as specified in the Zoning Ordinance) subject to standard 5 of Section 5.5.

Flat Glass and Glass and Glassware Pressed or Blown
Manufacturing of Beverages
Chemicals and Allied Products
Pipe Lines (Except Natural Gas)
Electric, Gas, and Sanitary Services
Manufacturing of Glass Products Made of Purchased Glass
Manufacturing of Office, Computing, and Accounting Machinery
Manufacturing of Measuring, Analyzing, and Controlling Instruments;
Photographic, Medical, and Optical Goods; Watches and Clocks

- 13.34. The remaining uses (not mentioned in 13.32 and 13.33 above) authorized (either permitted outright or conditionally) by the existing I-2 zoning may allowed within the impact area subject to the underlying zone requirements and upon demonstrating that the proposed use satisfies applicable criteria and standards contained in Section 2-4-14.025 of the Newport Zoning Ordinance.

- 13.35. The following uses authorized by the existing I-3 zone shall be prohibited within the impact area:

Residences

- 13.36. The following uses authorized by the I-3 could be noise sensitive property and will be allowed as authorized (either permitted outright or conditionally by the I-3 zone) subject to the requirement that the proposed use satisfies the criteria and standards 3 through 5 found in Section 5.

Veterinary Services
Animal Services (Except Veterinary)
Dog Grooming
Social Services
Public Administration

- 13.37. Some uses may or may not be dust and/or blast sensitive uses depending on how they are developed. As dust and blast impacts have been determined to be negligible, these uses will be allowed in the I-3 zone (either permitted outright or conditionally as specified in the Zoning Ordinance) subject to standard 5 of Section 5.5.

Flat Glass and Glass and Glassware Pressed or Blown
Manufacturing of Beverages
Chemicals and Allied Products

Pipe Lines (Except Natural Gas)
Electric, Gas, and Sanitary Services
Manufacturing of Glass Products Made of Purchased Glass
Manufacturing of Office, Computing, and Accounting Machinery
Manufacturing of Measuring, Analyzing, and Controlling Instruments;
Photographic, Medical, and Optical Goods; Watches and Clocks

13.38. The remaining uses (not identified in 13.36 and 13.37 above) authorized (either permitted outright or conditionally) by the existing I-3 zoning (see 14.2) may be allowed within the impact area subject to the underlying zone requirements and upon demonstrating that the proposed use satisfies applicable criteria and standards contained in Section 2-4-14.025 of the Newport Zoning Ordinance.

14.0 USES ALLOWED OUTRIGHT AND CONDITIONALLY IN THE I-2 AND I-3 ZONES

14.1 Uses Allowed Outright and Conditionally in the I-2 Zone by Standard Industrial Classification (SIC):

Major Group 01: Agricultural Production—Crops - 013 (Field Crops, Except Cash Grains), 016 (Vegetables & Melons), 017 (Fruits & Tree Nuts), 018 (Horticultural Specialists), 019 (General Crops, Primary Crops)

Major Group 07: Agricultural Services - 071 (Soil Preparation Services), 072 (Crop Services), 076 (Farm Labor & Management Services), 078 (Landscape & Horticultural Svcs.), 074 (Veterinary Services), 075 (Animal Services, Except Veterinary), Dog Grooming

Major Group 08: Forestry - 084 (Gathering of Misc. Forest Products, Except Tree Seeds), 085 (Forest Services)

Major Group 14: Mining and Quarrying of Nonmetallic Minerals, Except Fuels - 142 (Crushed & Broken Stone, Including Riprap), 144 (Sand & Gravel), 145 (Clay, Ceramic, & Refractory Minerals), 148 (Nonmetallic Minerals Services, Except Fuels)

Major Group 15: Building Construction--General Contractors and Operative Builders
152 (General Building Contractors, Residential Bldgs), 153 (Operative Builders), 154 (General Building Contractors, Nonresidential Bldgs. & Residential Bldgs)

Major Group 16: Construction Other Than Building Construction --General Contractors
161 (Highway & Street Construction, Except Elevated Highways), 162 (Heavy Construction, Except Highway & Street Construction)

Major Group 17: Construction--Special Trade Contractors - 171 (Plumbing, Heating (Except Electric), & Air Conditioning), 172 (Painting, Paper Hanging, & Decorating), 173 (Electrical Work), 174 (Masonry, Stonework, Tile Setting, & Plastering), 175 (Carpentering & Flooring), 176 (Roofing & Sheet Metal Work), 177 (Concrete Work), 178 (Water Well Drilling), 179 (Misc. Special Trade Contractors)

Major Group 20: Manufacturing of Food and Kindred Products - 201 (Meat Products), 202 (Dairy Products), 202 (Canned & Preserved Fruits and Vegetables), 204 (Grain Mill Products), 205 (Bakery Products), 206 (Sugar & Confectionery Products), 207 (Fats & Oils), 208 (Beverages), 209 (Misc. Food Preparation & Kindred Products)

Major Group 21: Tobacco Manufacturing - 211 (Cigarettes), 212 (Cigars), 213 (Tobacco (Chewing & Smoking) & Snuff), 214 (Tobacco Stemming & Drying)

Major Group 22: Textile Mill Products - 221 (Broad Woven Fabric Mills, Cotton), 222 (Broad Woven Fabric Mills, Man-Made Fiber & Silk), 223 (Broad Woven Fabric Mills, Wool (Including Dyeing & Finishing)), 224 (Narrow Fabrics & Other Small wares Mills: Cotton, Wool, Silk, & Man-Made Fiber), 225 (Knitting Mills), 226 (Dyeing & Finishing Textiles, Except Wool Fabrics and Knit Goods), 227 (Floor Covering Mills), 228 (Yard & Thread Mills), 230 (Miscellaneous Textile Goods)

Major Group 23: Manufacturing of Apparel and Other Finished Products Made From Fabrics and Similar Materials - 231 (Mens', Youths', & Boys' Suits, Coats, & Overcoats), 232 (Mens', Youths', & Boys' Furnishings,

Work Clothes, & Allied Garments), 233 (Womens', Misses', & Juniors' Outerwear), 234 (Womens', Misses', Childrens' & Infants' Undergarments), 235 (Hats, Caps & Millinery), 236 (Girls', Childrens', & Infants' Outerwear), 237 (Fur Goods), 238 (Misc. Apparel & Accessories), 239 (Misc. Fabricated Textile Products)

Major Group 24: Lumber and Wood Products, Except Furniture - 241 (Logging Camps & Logging Contractors), 242 (Sawmills & Planning Mills), 243 (Millwork, Veneer, Plywood, & Structural Wood Members), 244 (Wood Containers), 245 (Wood Buildings & Mobile Homes), 249 (Miscellaneous Wood Products)

Major Group 25: Manufacturing of Furniture and Fixtures - 251 (Household Furniture), 252 (Office Furniture), 254 (Partitions, Shelving, Lockers, & Office & Store Fixtures), 259 (Misc. Furniture & Fixtures)

Major Group 26: Paper and Allied Products - 261 (Pulp Mills), 262 (Paper Mills, Except Building Paper Mills), 263 (Paperboard Mills), 264 (Converted Paper & Paperboard Products, Except Containers & Boxes), 265 (Paperboard Containers & Boxes)

Major Group 27: Printing, Publishing, and Allied Industries - 271 (Newspapers; Publishing & Printing), 272 (Periodicals; Publishing & Printing), 273 (Books), 274 (Misc. Publishing), 275 (Commercial Printing), 276 (Manifold Business Forms), 277 (Greeting Card Publishing), 278 (Blankbooks, Looseleaf Binders, & Bookbinding & Related Work), 279 (Service Industries For the Printing Trade)

Major Group 28: Chemicals and Allied Products - 281 (Industrial Inorganic Chemicals), 282 (Plastics Materials & Synthetic Resins, Synthetic Rubber, Synthetic & Other Man-Made Fibers, Except Glass), 283 (Drugs), 284 (Soap, Detergents, & Cleaning Preparations, Perfumes, Cosmetics, & Other Toilet Preparations), 285 (Paints, Varnishes, Lacquers, Enamels, & Allied Products), 286 (Industrial Organic Chemicals), 287 (Agricultural Chemicals), 289 (Misc. Chemical Products)

Major Group 29: Petroleum Refining and Related Industries - 291 (Petroleum Refining), 295 (Paving & Roofing Materials), 299 (Misc. Products of Petroleum & Coal)

Major Group 30: Rubber and Miscellaneous Plastics Products - 301 (Tires & Inner Tubes), 302 (Rubber & Plastics Footwear), 303 (Reclaimed Rubber), 304 (Rubber & Plastics Hose & Belting), 306 (Fabricated Rubber Products, NEC), 307 (Misc. Plastics Products)

Major Group 31: Leather and Leather Products - 311 (Leather Tanning & Finishing), 313 (Boot & Shoe Stock & Findings), 314 (Footwear, Except Rubber), 315 (Leather Gloves & Mittens), 316 (Luggage), 317 (Handbags & Other Personal Leather Goods), 319 (Leather Goods, NEC)

Major Group 32: Stone, Clay, Glass, and Concrete Products - 321 (Flat Glass), 322 (Glass & Glassware Pressed or Blown), 323 (Glass Products, Made of Purchased Glass), 324 (Cement, Hydraulic), 325 (Structural Clay Products), 326 (Pottery & Related Products), 327 (Concrete, Gypsum & Plaster Products), 328 (Cut Stone & Stone Products), 329 (Abrasive, Asbestos & Misc. Nonmetallic Mineral Products)

Major Group 33: Primary Metal Industries - 331 (Blast Furnaces, Steel Works & Rolling & Finishing Mills), 332 (Iron & Steel Foundries), 333 (Primary Smelting & Refining of Non-Ferrous Metals), 334 (Secondary Smelting & Refining of Non-Ferrous Metals), 335 (Rolling, Drawing & Extruding of Non-Ferrous Metals), 336 (Nonferrous Foundries), 339 (Misc. Primary Metal Products)

Major Group 34: Fabricated Metal Products, Except Machinery and Transportation Equipment - 341 (Metal Cans & Shipping Containers), 342 (Cutlery, Hand Tools & General Hardware), 343 (Heating Equipment, Except Electric & Warm Air; & Plumbing Fixtures), 344 (Fabricated Structural Metal Products), 345 (Screw Machine Products, & Bolts, Nuts, Screws, Rivets & Washers), 346 (Metal Forging & Stamping), 347 (Coating, Engraving & Allied Svcs.), 348 (Ordinance & Accessories, Except Vehicles & Guided Missiles), 359 (Misc. Fabricated Metal Products)

Major Group 35: Machinery, Except Electrical - 351 (Engines & Turbines), 352 (Farm & Garden Machinery & Equipment), 353 (Construction, Mining & Materials Handling Machinery & Equipment), 354 (Metalworking Machinery & Equipment), 355 (Special Industry Machinery, Except Metalworking Machinery), 356 (General Industrial Machinery & Equipment), 357 (Office, Computing & Accounting Machinery), 358 (Refrigeration & Service Industry Machinery), 359 (Misc. Machinery, Except Electrical)

Major Group 36: Electrical and Electronic Machinery, Equipment and Supplies - 361 (Electric Transmission & Distribution Equipment), 362 (Electrical Industrial Apparatus), 363 (Household Appliances), 364 (Electrical Lighting & Wiring Equipment), 365 (Radio & Television Receiving Equipment, Except Communication Type), 366 (Communication Equipment), 367 (Electronic Components & Accessories), 369 (Misc. Electrical Machinery, Equipment & Supplies), 371 (Motor Vehicles & Motor Vehicle Equipment)

Major Group 37: Transportation Equipment - 372 (Aircraft & Parts), 373 (Ship & Boat Building & Repairing), 374 (Railroad Equipment), 375 (Motorcycles, Bicycles & Parts), 376 (Guided Missiles & Space Vehicles & Parts), 379 (Misc. Transportation Equip.)

Major Group 38: Measuring Analyzing, and Controlling Instruments; Photographic, Medical, and Optical Goods; Watches and Clocks - 381 (Engineering, Laboratory, Scientific & Research Instruments & Associates Equip.), 382 (Measuring & Controlling Equip.), 383 (Optical Instruments & Lenses), 384 (Surgical, Medical & Dental Instruments & Supplies), 385 (Ophthalmic Goods), 386 (Photographic Equipment & Supplies), 387 (Watches, Clocks, Clockwork Operated Devices & Parts)

Major Group 39: Miscellaneous Manufacturing Industries - 391 (Jewelry, Silverware, & Plated Ware), 393 (Musical Instruments), 394 (Toys & Amusement, Sporting & Athletic Goods), 395 (Pens, Pencils & Other Office & Artists' Materials), 396 (Costume Jewelry, Costume, Novelties, Buttons, & Misc. Notions, Except Precious Metals), 399 (Misc. Manufacturing Industries)

Major Group 40: Railroad Transportation - 401 (Railroads), 404 (Railway Express Service)

Major Group 41: Local and Suburban Transit and Interurban Highway Passenger Transportation - 411 (Local & Suburban Passenger Transportation), 412 (Taxicabs), 414 (Passenger Transportation Charter Service), 415 (School Buses), 417 (Terminal & Service Facilities for Motor Vehicle Passenger Transportation)

Major Group 42: Motor Freight Transportation and Warehousing - 421 (Trucking, Local & Long Distance), 422 (Public Warehousing), 423 (Terminal & Joint Terminal Maintenance Facilities for Motor Freight & Transportation)

Major Group 43: U.S. Postal Service - 431 (U.S. Postal Service)

Major Group 44: Water Transportation – 441 (Deep Sea Foreign Transportation), 442 (Deep Sea Domestic Transportation), 444 (Transportation on Rivers & Canals), 445 (Local Water Transportation), 446 (Services Incidental To Water Transportation)

Major Group 45: Transportation By Air – 451 (Air Transportation, Certified Carriers), 452 (Air Transportation, Noncertified Carriers), 453 (Fixed Facilities & Services Related To Air Transportation)

Major Group 46: Pipe Lines, Except Natural Gas – 461 (Pipe Lines, Except Natural Gas)

Major Group 47: Transportation Services – 471 (Freight Forwarding), 472 (Arrangement of Transportation), 474 (Rental of Railroad Cars), 478 (Misc. Services Incidental To Transportation)

Major Group 48: Communication – 481 (Telephone Communication (Wire or Radio)), 482 (Telegraph Communication (Wire or Radio)), 483 (Radio & Television Broadcasting), 489 (Communication Services, NEC)

Major Group 49: Electric, Gas, and Sanitary Services – 491 (Electric Services), 492 (Gas Production & Distribution), 493 (Combination Electric & Gas & Other Utility Service), 494 (Water Supply), 495 (Sanitary Services), 496 (Steam Supply), 497 (Irrigation Systems)

Major Group 50: Wholesale Trade--Durable Goods – 501 (Motor Vehicles & Automotive Parts & Supplies), 502 (Furniture & Home Furnishing), 503 (Lumber & Other Construction Materials), 504 (Sporting, Recreational, Photographic & Hobby Goods, Toys & Supplies), 505 (Metals & Minerals, Except Petroleum), 506 (Electrical Goods), 507 (Hardware, & Plumbing & Heating Equipment & Supplies), 508 (Machinery, Equipment & Supplies), 509 (Misc. Durable Goods)

Major Group 51: Wholesale Trade--Nondurable Goods – 511 (Paper & Paper Products), 512 (Drugs, Drug Proprietaries & Druggists' Sundries), 513 (Apparel, Piece Goods & Notions), 514 (Groceries & Related

Products), 515 (Farm-Product Raw Materials), 516 (Chemicals & Allied Products), 517 (Petroleum & Petroleum Products), 518 (Liquor Stores), 519 (Misc. Nondurable Goods)

Major Group 52: Building Materials, Hardware, Garden Supply and Mobile Home Dealers – 521 (Lumber & Other Building Materials Dealers), 523 (Paint, Glass & Wallpaper Stores), 525 (Hardware Stores), 526 (Retail Nurseries, Lawn & Garden Supply Stores), 527 (Mobile Home Dealers)

Major Group 53: General Merchandise Stores – 531 (Department Stores), 533 (Variety Stores), 539 (Misc. General Merchandise Stores)

Major Group 55: Automotive Dealers and Gasoline Service Stations – 551 (Motor Vehicle Dealers (New & Used)), 552 (Motor Vehicle Dealers (Used Only)), 553 (Auto & Home Supply Stores), 554 (Gasoline Service Station), 555 (Boat Dealers), 556 (Recreational & Utility Trailer Dealers), 557 (Motorcycle Dealers), 559 (Automotive Dealers, NEC)

Major Group 56: Apparel and Accessory Stores – 561 (Men's & Boys' Clothing & Furnishing Stores), 562 (Women's Ready-to-Wear Stores), 563 (Women's Accessory & Specialty Stores), 564 (Children's & Infants' Wear Stores), 565 (Family Clothing Stores), 566 (Shoe Stores), 568 (Furriers & Fur Shops), 569 (Misc. Apparel & Accessory Stores)

Major Group 57: Furniture, Home Furnishings, and Equipment Stores – 571 (Furniture, Home Furnishings, & Equipment Stores, Except Appliances), 572 (Household Appliance Stores), 573 (Radio, Television & Music Store)

Major Group 58: Eating and Drinking Places – 581 (Eating & Drinking Places)

Major Group 59: Miscellaneous Retail – 591 (Drug Stores & Proprietary Stores), 592 (Liquor Stores), 593 (Used Merchandise Stores), 594 (Misc. Shopping Goods Stores), 596 (Non-store Retailers), 598 (Fuel & Ice Dealers), 599 (Retail Stores, NEC)

Major Group 60: Banking – 601 (Federal Reserve Bank), 602 (Commercial & Stock Savings Banks), 603 (Mutual Savings Banks), 604 (Trust Companies Not Engaged in Deposit Banking), 605 (Establishments Performing Functions Closely Related to Banking)

Major Group 61: Credit Agencies Other Than Banks – 611 (Rediscount & Financing Institutions for Credit Agencies Other Than Banks), 612 (Savings & Loan Associations), 613 (Agricultural Credit Institutions), 614 (Personal Credit Institutions), 615 (Business Credit Institutions), 616 (Mortgage Bankers & Brokers)

Major Group 62: Security and Commodity Brokers, Dealers, Exchanges, and Services – 621 (Security Brokers, Dealers, & Flotation Companies), 622 (Commodity Contracts Brokers & Dealers), 623 (Security & Commodity Exchanges), 628 (Services Allied With the Exchange of Securities or Commodities)

Major Group 63: Insurance – 631 (Life Insurance), 632 (Accident & Health Insurance & Medical Service Plans), 633 (Fire, Marine & Casualty Insurance), 635 (Surety Insurance), 636 (Title Insurance), 637 (Pension, Health & Welfare Funds), 639 (Insurance Carriers, NEC)

Major Group 64: Insurance Agents, Brokers, and Service – 641 (Insurance Agents, Brokers & Service)

Major Group 65: Real Estate – 651 (Real Estate Operators (Except Developers) & Lessors), 653 (Real Estate Agents & Managers), 654 (Title Abstract Offices), 655 (Subdividers & Developers)

Major Group 66: Combinations of Real Estate, Insurance, Loans, Law Offices – 661 (Combinations of Real Estate, Insurance, Loans, Law Offices)

Major Group 67: Holding and Other Investment Offices – 671 (Holding Offices), 672 (Investment Offices), 673 (Trusts), 679 (Miscellaneous Investment)

Major Group 70: Hotels, Rooming Houses, Camps and Other Lodging Places – 701 (Hotels, Motels & Tourist Courts), 702 (Bed & Breakfast Inns), 703 (Camps & Trailer Parks), 704- (Organization Hotels & Lodging Houses, on Membership Basis)

Major Group 72: Personal Services – 721 (Laundry, Cleaning & Garment Services), 721 (Coinop Self-Service Laundry), 722 (Photographic Studios, Portrait), 723 (Beauty Shops), 724 (Barber Shops), 726 (Funeral Service & Crematories), 729 (Misc. Personal Services)

Major Group 73: Business Services – 731 (Advertising), 732 (Consumer Credit Reporting Agencies, Mercantile Reporting Agencies & Adjustment & Collection Agencies), 733 (Mailing, Reproduction Commercial Art & Photography & Stenographic Services), 734 (Services to Dwelling & Other Buildings), 735 (News Syndicates), 736 (Personnel Supply Services), 737 (Computer & Data Processing Svcs.), 739 (Misc. Business Services)

Major Group 75: Automotive Repair, Services and Garages – 751 (Automotive Rental & Leasing, Without Drivers), 752 (Automobile Parking), 753 (Automotive Repair Shops), 754 (Automotive Services, Except Repair)

Major Group 76: Miscellaneous Repair Services – 762 (Electrical Repair Shops), 763 (Watch, Clock & Jewelry Repair), 764 (Reupholstery & Furniture Repair), 769 (Misc. Repair Shops & Related Services)

Major Group 78: Motion Pictures – 781 (Motion Picture Production & Allied Services), 782 (Motion Picture Distribution & Allied Services), 7832 (Motion Picture Theaters, Except Drive-in), 7833 (Drive-in Motion Picture Theaters)

Major Group 79: Amusement and Recreation Services, Except Motion Pictures – 7932 (Billiard & Pool Establishments), 7933 (Bowling Alleys), 794 (Commercial Sports), 799 (Misc. Amusement & Recreation Services)

Major Group 82: Educational Services – 824 (Correspondence Schools & Vocational Schools)

Major Group 83: Social Services – 835 (Day Care Services)

Major Group 86: Membership Organizations – 861 (Business Associations), 862 (Professional Membership Organizations), 863 (Labor Unions & Similar Labor Organizations), 864 (Civic, Social, & Fraternal Associations), 865 (Political Organizations)

Major Group 88: Private Households – 881 (Private Households (Residences))

Major Group 89: Miscellaneous Services – 891 (Engineering, Architectural & Surveying Services), 892 (Noncommercial Educational, Scientific & Research Organizations), 893 (Accounting, Auditing & Bookkeeping Services), 899 (Services, NEC)

Major Group 91: Executive, Legislative, and General Government, Except Finance – 911 (Executive Offices), 912 (Legislative Bodies), 913 (Executive & Legislative Offices Combined), 919 (General Government, NEC)

Major Group 92: Justice, Public Order, and Safety – 921 (Courts), 922 (Public Order & Safety)

Major Group 97: National Security and International Affairs – 971 (National Security), 972 (International Affairs)

14.2 Uses Allowed Outright and Conditionally in the I-3 Zone by Standard Industrial Classification (SIC):

Major Group 01: Agricultural Production—Crops - 013 (Field Crops, Except Cash Grains), 016 (Vegetables & Melons), 017 (Fruits & Tree Nuts), 018 (Horticultural Specialists), 019 (General Crops, Primary Crops)

Major Group 07: Agricultural Services - 071 (Soil Preparation Services), 072(Crop Services), 076 (Farm Labor & Management Services), 078 (Landscape & Horticultural Svcs.), 074 (Veterinary Services), 075 (Animal Services, Except Veterinary), (Dog Grooming)

Major Group 08: Forestry - 084 (Gathering of Misc. Forest Products, Except Tree Seeds), 085 (Forest Services)

Major Group 14: Mining and Quarrying of Nonmetallic Minerals, Except Fuels - 142 (Crushed & Broken Stone, Including Riprap), 144 (Sand & Gravel), 145 (Clay, Ceramic, & Refractory Minerals), 148 (Nonmetallic Minerals Services, Except Fuels)

Major Group 15: Building Construction--General Contractors and Operative Builders - 152 (General Building Contractors, Residential Bldgs), 153 (Operative Builders), 154 (General Building Contractors, Nonresidential Bldgs. & Residential Bldgs)

Major Group 16: Construction Other Than Building Construction--General Contractors - 161 (Highway & Street Construction, Except Elevated Highways), 162 (Heavy Construction, Except Highway & Street Construction)

Major Group 17: Construction--Special Trade Contractors - 171 (Plumbing, Heating (Except Electric), & Air Conditioning), 172 (Painting, Paper Hanging, & Decorating), 173 (Electrical Work), 174 (Masonry, Stonework, Tile Setting, & Plastering), 175 (Carpentering & Flooring), 176 (Roofing & Sheet Metal Work), 177 (Concrete Work), 178 (Water Well Drilling), 179 (Misc. Special Trade Contractors)

Major Group 20: Manufacturing of Food and Kindred Products - 201 (Meat Products), 202 (Dairy Products), 202 (Canned & Preserved Fruits and Vegetables), 204 (Grain Mill Products), 205 (Bakery Products), 206 (Sugar & Confectionery Products), 207 (Fats & Oils), 208 (Beverages), 209 (Misc. Food Preparation & Kindred Products)

Major Group 21: Tobacco Manufacturing - 211 (Cigarettes), 212 (Cigars), 213 (Tobacco (Chewing & Smoking) & Snuff), 214 (Tobacco Stemming & Drying)

Major Group 22: Textile Mill Products - 221 (Broad Woven Fabric Mills, Cotton), 222 (Broad Woven Fabric Mills, Man-Made Fiber & Silk), 223 (Broad Woven Fabric Mills, Wool (Including Dyeing & Finishing)), 224 (Narrow Fabrics & Other Small wares Mills: Cotton, Wool, Silk, & Man-Made Fiber), 225 (Knitting Mills), 226 (Dyeing & Finishing Textiles, Except Wool Fabrics and Knit Goods), 227 (Floor Covering Mills), 228 (Yard & Thread Mills), 230 (Miscellaneous Textile Goods)

Major Group 23: Manufacturing of Apparel and Other Finished Products Made From Fabrics and Similar Materials - 231 (Men's, Youths', & Boys' Suits, Coats, & Overcoats), 232 (Men's, Youths', & Boys' Furnishings, Work Clothes, & Allied Garments), 233 (Women's, Misses', & Juniors' Outerwear), 234 (Women's, Misses', Children's & Infants' Undergarments), 235 (Hats, Caps & Millinery), 236 (Girls', Children's, & Infants' Outerwear), 237 (Fur Goods), 238 (Misc. Apparel & Accessories), 239 (Misc. Fabricated Textile Products)

Major Group 24: Lumber and Wood Products, Except Furniture - 241 (Logging Camps & Logging Contractors), 242 (Sawmills & Planning Mills), 243 (Millwork, Veneer, Plywood, & Structural Wood Members), 244 (Wood Containers), 245 (Wood Buildings & Mobile Homes), 249 (Miscellaneous Wood Products)

Major Group 25: Manufacturing of Furniture and Fixtures - 251 (Household Furniture), 252 (Office Furniture), 254 (Partitions, Shelving, Lockers, & Office & Store Fixtures), 259 (Misc. Furniture & Fixtures)

Major Group 26: Paper and Allied Products - 261 (Pulp Mills), 262 (Paper Mills, Except Building Paper Mills), 263 (Paperboard Mills), 264 (Converted Paper & Paperboard Products, Except Containers & Boxes), 265 (Paperboard Containers & Boxes)

Major Group 27: Printing, Publishing, and Allied Industries - 271 (Newspapers; Publishing & Printing), 272 (Periodicals; Publishing & Printing), 273 (Books), 274 (Misc. Publishing), 275 (Commercial Printing), 276 (Manifold Business Forms), 277 (Greeting Card Publishing), 278 (Blankbooks, Looseleaf Binders, & Bookbinding & Related Work), 279 (Service Industries For the Printing Trade)

Major Group 28: Chemicals and Allied Products - 281 (Industrial Inorganic Chemicals), 282 (Plastics Materials & Synthetic Resins, Synthetic Rubber, Synthetic & Other Man-Made Fibers, Except Glass), 283 (Drugs), 284 (Soap, Detergents, & Cleaning Preparations, Perfumes, Cosmetics, & Other Toilet Preparations),

285 (Paints, Varnishes, Lacquers, Enamels, & Allied Products), 286 (Industrial Organic Chemicals), 287 (Agricultural Chemicals), 289 (Misc. Chemical Products)

Major Group 29: Petroleum Refining and Related Industries - 291 (Petroleum Refining), 295 (Paving & Roofing Materials), 299 (Misc. Products of Petroleum & Coal)

Major Group 30: Rubber and Miscellaneous Plastics Products - 301 (Tires & Inner Tubes), 302 (Rubber & Plastics Footwear), 303 (Reclaimed Rubber), 304 (Rubber & Plastics Hose & Belting), 306 (Fabricated Rubber Products, NEC), 307 (Misc. Plastics Products)

Major Group 31: Leather and Leather Products - 311 (Leather Tanning & Finishing), 313 (Boot & Shoe Stock & Findings), 314 (Footwear, Except Rubber), 315 (Leather Gloves & Mittens), 316 (Luggage), 317 (Handbags & Other Personal Leather Goods), 319 (Leather Goods, NEC)

Major Group 32: Stone, Clay, Glass, and Concrete Products - 321 (Flat Glass), 322 (Glass & Glassware Pressed or Blown), 323 (Glass Products, Made of Purchased Glass), 324 (Cement, Hydraulic), 325 (Structural Clay Products), 326 (Pottery & Related Products), 327 (Concrete, Gypsum & Plaster Products), 328 (Cut Stone & Stone Products), 329 (Abrasive, Asbestos & Misc. Nonmetallic Mineral Products)

Major Group 33: Primary Metal Industries - 331 (Blast Furnaces, Steel Works & Rolling & Finishing Mills), 332 (Iron & Steel Foundries), 333 (Primary Smelting & Refining of Non-Ferrous Metals), 334 (Secondary Smelting & Refining of Non-Ferrous Metals), 335 (Rolling, Drawing & Extruding of Non-Ferrous Metals), 336 (Nonferrous Foundries), 339 (Misc. Primary Metal Products)

Major Group 34: Fabricated Metal Products, Except Machinery and Transportation Equipment - 341 (Metal Cans & Shipping Containers), 342 (Cutlery, Hand Tools & General Hardware), 343 (Heating Equipment, Except Electric & Warm Air; & Plumbing Fixtures), 344 (Fabricated Structural Metal Products), 345 (Screw Machine Products, & Bolts, Nuts, Screws, Rivets & Washers), 346 (Metal Forging & Stamping), 347 (Coating, Engraving & Allied Svcs.), 348 (Ordinance & Accessories, Except Vehicles & Guided Missiles), 359 (Misc. Fabricated Metal Products)

Major Group 35: Machinery, Except Electrical - 351 (Engines & Turbines), 352 (Farm & Garden Machinery & Equipment), 353 (Construction, Mining & Materials Handling Machinery & Equipment), 354 (Metalworking Machinery & Equipment), 355 (Special Industry Machinery, Except Metalworking Machinery), 356 (General Industrial Machinery & Equipment), 357 (Office, Computing & Accounting Machinery), 358 (Refrigeration & Service Industry Machinery), 359 (Misc. Machinery, Except Electrical)

Major Group 36: Electrical and Electronic Machinery, Equipment and Supplies - 361 (Electric Transmission & Distribution Equipment), 362 (Electrical Industrial Apparatus), 363 (Household Appliances), 364 (Electrical Lighting & Wiring Equipment), 365 (Radio & Television Receiving Equipment, Except Communication Type), 366 (Communication Equipment), 367 (Electronic Components & Accessories), 369 (Misc. Electrical Machinery, Equipment & Supplies), 371 (Motor Vehicles & Motor Vehicle Equipment)

Major Group 37: Transportation Equipment - 372 (Aircraft & Parts), 373 (Ship & Boat Building & Repairing), 374 (Railroad Equipment), 375 (Motorcycles, Bicycles & Parts), 376 (Guided Missiles & Space Vehicles & Parts), 379 (Misc. Transportation Equip.)

Major Group 38: Measuring Analyzing, and Controlling Instruments; Photographic, Medical, and Optical Goods; Watches and Clocks - 381 (Engineering, Laboratory, Scientific & Research Instruments & Associates Equip.), 382 (Measuring & Controlling Equip.), 383 (Optical Instruments & Lenses), 384 (Surgical, Medical & Dental Instruments & Supplies), 385 (Ophthalmic Goods), 386 (Photographic Equipment & Supplies), 387 (Watches, Clocks, Clockwork Operated Devices & Parts)

Major Group 39: Miscellaneous Manufacturing Industries - 391 (Jewelry, Silverware, & Plated Ware), 393 (Musical Instruments), 394 (Toys & Amusement, Sporting & Athletic Goods), 395 (Pens, Pencils & Other Office & Artists' Materials), 396 (Costume Jewelry, Costume, Novelties, Buttons, & Misc. Notions, Except Precious Metals), 399 (Misc. Manufacturing Industries)

Major Group 40: Railroad Transportation - 401 (Railroads), 404 (Railway Express Service)

Major Group 41: Local and Suburban Transit and Interurban Highway Passenger Transportation - 411 (Local & Suburban Passenger Transportation), 412 (Taxicabs), 414 (Passenger Transportation Charter Service), 415 (School Buses), 417 (Terminal & Service Facilities for Motor Vehicle Passenger Transportation)

Major Group 42: Motor Freight Transportation and Warehousing - 421 (Trucking, Local & Long Distance), 422 (Public Warehousing), 423 (Terminal & Joint Terminal Maintenance Facilities for Motor Freight & Transportation)

Major Group 43: U.S. Postal Service - 431 (U.S. Postal Service)

Major Group 44: Water Transportation – 441 (Deep Sea Foreign Transportation), 442 (Deep Sea Domestic Transportation), 444 (Transportation on Rivers & Canals), 445 (Local Water Transportation), 446 (Services Incidental To Water Transportation)

Major Group 45: Transportation By Air – 451 (Air Transportation, Certified Carriers), 452 (Air Transportation, Noncertified Carriers), 453 (Fixed Facilities & Services Related To Air Transportation)

Major Group 46: Pipe Lines, Except Natural Gas – 461 (Pipe Lines, Except Natural Gas)

Major Group 47: Transportation Services – 471 (Freight Forwarding), 472 (Arrangement of Transportation), 474 (Rental of Railroad Cars), 478 (Misc. Services Incidental To Transportation)

Major Group 48: Communication – 481 (Telephone Communication (Wire or Radio)), 482 (Telegraph Communication (Wire or Radio)), 483 (Radio & Television Broadcasting), 489 (Communication Services, NEC)

Major Group 49: Electric, Gas, and Sanitary Services – 491 (Electric Services), 492 (Gas Production & Distribution), 493 (Combination Electric & Gas & Other Utility Service), 494 (Water Supply), 495 (Sanitary Services), 496 (Steam Supply), 497 (Irrigation Systems)

Major Group 50: Wholesale Trade--Durable Goods – 501 (Motor Vehicles & Automotive Parts & Supplies), 502 (Furniture & Home Furnishing), 503 (Lumber & Other Construction Materials), 504 (Sporting, Recreational, Photographic & Hobby Goods, Toys & Supplies), 505 (Metals & Minerals, Except Petroleum), 506 (Electrical Goods), 507 (Hardware, & Plumbing & Heating Equipment & Supplies), 508 (Machinery, Equipment & Supplies), 509 (Misc. Durable Goods)

Major Group 51: Wholesale Trade--Nondurable Goods – 511 (Paper & Paper Products), 512 (Drugs, Drug Proprietaries & Druggists' Sundries), 513 (Apparel, Piece Goods & Notions), 514 (Groceries & Related Products), 515 (Farm-Product Raw Materials), 516 (Chemicals & Allied Products), 517 (Petroleum & Petroleum Products), 518 (Liquor Stores), 519 (Misc. Nondurable Goods)

Major Group 52: Building Materials, Hardware, Garden Supply and Mobile Home Dealers
521 (Lumber & Other Building Materials Dealers), 523 (Paint, Glass & Wallpaper Stores), 525 (Hardware Stores), 526 (Retail Nurseries, Lawn & Garden Supply Stores), 527 (Mobile Home Dealers)

Major Group 53: General Merchandise Stores – 531 (Department Stores), 533 (Variety Stores), 539 (Misc. General Merchandise Stores)

Major Group 55: Automotive Dealers and Gasoline Service Stations – 551 (Motor Vehicle Dealers (New & Used)), 552 (Motor Vehicle Dealers (Used Only)), 553 (Auto & Home Supply Stores), 554 (Gasoline Service Station), 555 (Boat Dealers), 556 (Recreational & Utility Trailer Dealers), 557 (Motorcycle Dealers), 559 (Automotive Dealers, NEC)

Major Group 59: Miscellaneous Retail – 598 (Fuel & Ice Dealers), 599 (Retail Stores, NEC)

Major Group 75: Automotive Repair, Services and Garages – 752 (Automobile Parking)

Major Group 83: Social Services – 835 (Day Care Services)

Major Group 88: Private Households - 881 (Private Households (Residences))

Major Group 91: Executive, Legislative, and General Government, Except Finance – 911 (Executive Offices), 912 (Legislative Bodies), 913 (Executive & Legislative Offices Combined), 919 (General Government, NEC)

Major Group 92: Justice, Public Order, and Safety – 921 (Courts), 922 (Public Order & Safety)

Major Group 97: National Security and International Affairs – 971 (National Security), 972 (International Affairs)

HOUSING *

BACKGROUND

Newport has changed considerably since it last adopted its Housing Element of its Comprehensive Plan in 2011. Newport grew from 9,989 people in 2010 to 10,591 people in 2021, an addition of 602 people or 6% growth. Between 2012 and 2021 the City of Newport permitted 396 new units, of which 45% were for single-family units and 55% were for multifamily units.

Housing has long been unaffordable for many in Newport and the surrounding region and has become harder to afford for many people over the last decade. In 2000, 36% of households in Newport were cost burdened and by 2016-2020, 40% of households were cost burdened. Cost burden was most common among renters, 53% of whom were cost burdened in 2016-2020 and 27% of whom were severely cost burdened.

Homeownership is also becoming less affordable in Newport and the surrounding region. The median sales price of housing in Newport in December 2021 was \$403,500. Between December 2016 to December 2021, the median sales price in Newport increased by \$198,000 (96%).

A *Newport Housing Capacity Analysis Report* (HCA) for the years 2022 to 2042 is enclosed as Appendix “D” to the Comprehensive Plan. It considers these issues and is intended to comply with statewide planning policies that govern planning for housing and residential development, including Goal 10 (Housing) and OAR 660 Division 8. The methods used for this study generally follow the *Planning for Residential Growth* guidebook, published by the Oregon Transportation and Growth Management Program (1996).

The HCA is focused on the technical analysis to understand Newport’s housing needs over the next 20 years. It presents information about buildable land and residential capacity in Newport, as well as expected population and housing growth. Further, the HCA identifies key housing needs and provides information necessary to develop policy responses to address the identified housing needs. A document titled *Newport Housing Production Strategy* contains policies and actions developed by the City using the information from the Housing Capacity Analysis.

Technical analysis contained in the HCA was informed by a range of assumptions that influenced the outcomes. The City of Newport and ECONorthwest solicited input about these assumptions from the City’s Project Advisory Committee, Planning Commission, City Council, and the public. Local review and community input were essential to developing a locally appropriate and politically viable HCA that will serve as the technical basis for the *Newport Housing Production Strategy*, which will be considered and approved by resolution of the City Council.

* Section replaced in its entirety by Ordinance No. 2207 (3/6/23)

¹ Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042. The City would need about 115 new dwelling units to accommodate this growth.

How much population growth is Newport planning for?

Newport’s population within its urban growth boundary (UGB) is expected to grow by around 1,348 people between 2022 and 2042, at an average annual growth rate of 0.5%. This is based on Newport’s historical growth rate over the 2000 to 2021 period.¹

Exhibit 1. Forecast of Population Growth, Newport UGB, 2022 to 2042

Source: ECONorthwest based on US Decennial Census 2000, and Portland State University, Population Research Center 2021.

12,010	13,358	1,348	11% increase
Residents in 2022	Residents in 2042	New Residents 2022 to 2042	0.5% AAGR

How much housing will Newport need?

To accommodate the city’s forecasted population growth of 1,348 people, Newport needs to plan for 626 new dwelling units or about 31 new dwelling units per year over the 20-year planning period.² About 50% of new housing will be single-family detached; 10% will be single-family attached; 15% will be duplexes, triplexes, and quadplexes; and 25% will be multifamily housing (with five or more units per structure).

How much buildable residential land does Newport currently have?

Newport has 863 acres of vacant or partially vacant land which can accommodate over 6,800 dwelling units. When removing land included in the Constructability Analysis (which includes land that the City identified as potentially being difficult to serve with infrastructure), Newport still has 413 acres of vacant or partially vacant unconstrained land which can accommodate nearly 3,800 dwelling units. Newport has sufficient land to accommodate population growth. Chapter 6 of the HCA estimates Newport’s capacity for new housing based on Newport’s unconstrained buildable acres.

What are the key housing needs in Newport?

- **Newport’s existing housing mix is predominately single-family detached.** In the 2015-2019 period, 64% of Newport’s housing was single-family detached, 7% was single-family attached, 13% was multifamily housing (with two to four units per

¹ Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042, at an annual average growth rate of 0.1%. Newport considered this growth for the official analysis of land sufficiency within the Newport UGB, as required by Goal 10, OAR 660-008, and OAR 660-032.

Given that Newport’s growth rate over the past 20 years has been much greater than the current official forecast, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast, which will allow the City to better prepare for an uncertain future. Even when using the historical growth rate to project future population growth, Newport has sufficient land capacity to accommodate growth.

² Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042. The City would need about 115 new dwelling units to accommodate this growth.

structure), and 16% was multifamily housing (with five or more units per structure). Between 2012 and 2021, Newport issued building permits for 396 units, of which 45% were single-family units (both single-family detached and attached) and 55% were multifamily of all types.

- **Demographic changes across Newport suggest increases in demand for single-family attached housing and multifamily housing.** The key demographic and socioeconomic trends that will affect Newport's future housing needs are an aging population, increasing housing costs, and housing affordability concerns for millennials, Generation Z, and Latino populations. The implications of these trends are increased demand from smaller, older (often single-person) households and increased demand for affordable housing for families, both for ownership and rent.
- **Newport needs more affordable housing types for homeowners.** Housing sales prices increased in Newport over the last four years. Between 2016 and 2021, the median sales price in Newport increased by \$198,000 (96%).

A household earning 100% of Newport's median household income (\$57,400) could afford a home valued between about \$201,000 and \$230,000, which is less than Newport's median home sales price of \$403,500. A household can start to afford median home sales prices in Newport at about 186% of Newport's median household income.

- **Newport needs more affordable housing types for renters.** To afford the average asking rent of \$1,360 (which does not include basic utility costs), a household would need to earn about \$54,400 or 95% of MFI. About 54% of Newport's households earn less than \$54,000 and cannot afford these rents. In addition, about 16% of Newport's households have incomes of less than \$17,220 (30% of MFI) and are at risk of becoming homeless.

What are the key findings of the Housing Capacity Analysis?

The key findings and conclusions of the Newport's Housing Capacity Analysis are that:

- **Newport may grow faster than the official population forecast from Portland State University.** According to Newport's official population forecast from Portland State University, Newport's UGB is forecast to grow by 248 people between 2022 and 2042, resulting in the demand for 115 new dwelling units over the 20-year planning period. However, if Newport grew at the same pace it did between 2000 and 2021, it would add 1,348 new people and 626 new dwelling units. Given that Newport's growth rate over the past 20 years has been much greater than current projections, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast.
- **Newport has sufficient land to accommodate population growth over the 20-year planning period.** Even using the historical growth rate which is greater than the official population forecast from Portland State University, Newport has sufficient land to accommodate population growth. The barriers to growth in Newport are more about infrastructure deficiencies, ability to build housing that is affordable, and other issues discussed below.
- **Newport's needed housing mix is for an increase in housing affordable to renters and homeowners, with more attached and multifamily housing types.** Historically,

about 64% of Newport's housing was single-family detached. While 50% of new housing in Newport is forecast to be single-family detached, the City will need to provide opportunities for the development of new single-family attached housing (10% of new housing); duplexes, triplexes, quadplexes (15% of new housing); and multifamily structures with 5 or more units (25% of new housing).

- The factors driving the shift in types of housing needed in Newport include changes in demographics and decreases in housing affordability. The aging of baby boomers and the household formation of millennials and Generation Z will drive demand for renter and owner-occupied housing, such as single-family detached housing, accessory dwelling units, townhouses, cottage housing, duplexes, triplexes, quadplexes, and multifamily structures. These groups may prefer housing in walkable neighborhoods, with access to services.
- Newport complied with the requirements of House Bill 2001 (2019) to allow duplexes on lots where single-family detached housing is allowed. Newport also allows other missing middle housing types, such as cottage housing, townhouses, duplexes, triplexes, and quadplexes. Allowing this wider range of housing in more areas will likely result in a change in mix of housing developed over the next 20 years, especially in areas with large areas of vacant buildable land.
- Without diversification of housing types and policies to support development of housing affordable to households with incomes below 80% of MFI (\$57,400), lack of affordability will continue to be a problem, possibly growing in the future if incomes continue to grow at a slower rate than housing costs. About 40% of Newport's households are cost burdened (paying more than 30% of their income on housing), including a cost burden rate of 53% for renter households.
- **Newport has a need for additional housing affordable to lower and middle-income households.** Newport has a need for additional housing affordable to households with extremely low incomes and very low incomes, people experiencing homelessness, and households with low and middle incomes. These needs include existing unmet housing needs and likely housing needs for new households over the 20-year planning period.
 - About 33% of Newport's households have extremely low incomes or very low incomes, with household incomes below \$28,700. At most, these households can afford \$720 in monthly housing costs. Median gross rent in Newport was \$896 in the 2015-2019 period and has increased since, but rents were generally closer to \$1,360 (or more) for currently available rental properties. Development of housing affordable to these households (either rentals or homes for sale) rarely occurs without government subsidy or other assistance. Meeting the housing needs of extremely low-income and very low-income households will be a significant challenge to Newport.
 - About 33% of Newport's households have low or middle incomes, with household incomes between \$28,700 and \$68,900. These households can afford between \$720 to \$1,720 in monthly housing costs. Households at the lower end of this income category may struggle to find affordable rental housing, especially with growing costs of rental housing across Oregon. Some of the households in this group are likely part of the 40% of all households that are cost burdened. Development of rental housing affordable to households in

this income category (especially those with middle incomes) can occur without government subsidy.

- The need for these types of affordable housing have impacts on Newport's economy if people who live in Newport cannot find housing, much less affordable housing, to locate in Newport. People working in Newport frequently commute from places like Toledo, Lincoln City, Waldport, Corvallis, and unincorporated areas of Lincoln County.
- **Housing for people experiencing homelessness is an increasingly pressing problem.** The Point-in-Time count for Lincoln County in 2021 estimated 460 people experiencing homelessness, up from 260 people in 2019. The Point-in-Time count is acknowledged to be an undercount of homelessness, suggesting that the number of people in Lincoln County is higher, not lower, than the 2021 estimate.
- **Newport's housing market is affected by groups of people who live part of the year in Newport.** These include:
 - **Second homeowners.** Second homes are likely to continue to grow in Newport. It is reasonable to expect that Newport may add about 100 new second homes over the 20-year period. Possibly more if Newport attracts more second homeowners. In addition, some existing housing may convert to second homes over time. Second homes are most likely to be in areas with views of the ocean, especially in areas with lower development densities.
 - **Vacation rentals.** Newport regulates vacation rentals, requiring conditional use permits to authorize vacation rentals and regulating where they are allowed to locate. Newport caps the number of vacation rentals to 176 throughout the city. As a result, there should not be growth in the number of new, legal vacation rentals in Newport.
 - **Student housing.** OSU expects the number of students present in Newport to grow from 100 students in summer (when most students are present) to between 200 and 250 students. OSU owns land in the Wilder area and plans to build 50 to 80 dwelling apartment units, with a mix of studios to four-bedroom units. OSU expects to have two students per dwelling unit and that development of this housing will be completed in 2023.
 - **Seasonal employees.** The number of seasonal employees who need housing increases substantially in the summer with increased tourism and the summer fishing season. Seasonal employees in tourism-related industries typically need to seek out their own lower-cost housing during their time in Newport. Seasonal employees in the fishing/seafood processing industries often rely on employer-provided workforce housing. However, employers have struggled to acquire property in Newport that is affordable and meets their workforce housing needs, instead renting rooms for their seasonal workforce in local hotels.

Temporary housing that could meet the needs of seasonal workers includes smaller shared units, such as dormitory housing, studio apartments, accessory dwelling units, student housing, and other small, less costly housing. Some of these types of development could be employer-supplied workforce housing.

- **Newport has sufficient land to accommodate growth but there are key barriers to growth in Newport.** The constructability analysis examined the financial feasibility of different development types given costs of development and the estimated costs of building infrastructure necessary for housing. This analysis found:
 - **Infrastructure deficiencies.** Many areas within Newport have significant infrastructure deficiencies, such as the need for collector and local roads, bridges, culverts, water pipes and pump stations, water storage tanks, wastewater pipes and lift stations, and other types of infrastructure. The areas with the highest costs and largest infrastructure deficiencies were in northern Newport to the east of Highway 101 and areas around Highway 20 above the Bay Front. Infrastructure cost limitations could impact close to 300 acres of buildable land, which has capacity for more than 2,000 dwelling units.
 - **Development costs.** Development costs are higher in Newport. Local developers report that lack of local contractors for certain types of work, limited suppliers for building materials, requirements for deep foundations and special materials and design to meet building code, the need for geotechnical reports, and the need for more extensive grading and retaining walls in hilly areas all contribute to higher development costs. Builders and developers estimated roughly 10-20% higher construction costs than in the mid-Willamette Valley.
 - **Areas of greater development feasibility.** Areas in South Beach, such as the Wilder area or the adjacent land south of the Oregon Coast Community College, appear to have greater financial feasibility for development. In these areas, a mix of housing types appears financially feasible. These areas may provide better opportunities for development over the next 5 to 10 years, including for development of housing affordable to people who live and work in Newport.
 - **There is potential for infill, but costs can still be problematic.** The smaller infill areas studied in the constructability analysis did not have major infrastructure needs, but with small sites, even the need for extending local streets, making frontage improvements, or upgrading existing pump capacity could make development challenging.
 - **Challenges in other areas.** The constructability analysis did not include all land in Newport. It is probable that lands not included in the constructability analysis also have a range of developability status and similar issues with infrastructure deficiencies in some places.
 - **Addressing the infrastructure gap.** Given the estimated cost of infrastructure development from the constructability analysis (over \$100 million, excluding the cost of local roads, across the nine areas examined), Newport is not going to be able to address the infrastructure gap without outside assistance.

The *Newport Housing Production Strategy* will include recommendations for a wide range of policies to support the development of housing for people experiencing homelessness and housing for extremely low to middle-income households. The *Housing Production Strategy* will also include recommendations that are intended to improve equitable outcomes for housing development, as well as strategies to support the development of all types of housing.

HOUSING GOALS AND POLICIES

Goal 1: To provide for the housing needs of the citizens of Newport in adequate numbers, price ranges, and rent levels which are commensurate with the financial capabilities of Newport households.

Goal 2: To provide adequate housing that is affordable to Newport workers at all wage levels.

Policy 1: The City of Newport shall assess the housing needs of Newport residents to formulate or refine specific action programs to meet those needs. The Newport Housing Production Strategy will describe the tools the City has or may implement to support development and preservation of housing.

Policy 2: The city shall work with private developers, nonprofits, and federal, state, and local government agencies in the provision and improvement of government assisted and workforce housing, affordable to households with income below 60% of Median Family Income and households with incomes of 60% to 120% of Median Family Income.

Policy 3: The city shall encourage diversity and innovation in residential design, development and redevelopment that is consistent with community goals.

Policy 4: The City of Newport shall designate and zone land for different housing types in appropriate locations. Higher density housing types shall be located in areas that are close to major transportation corridors and services.

Policy 5: The City of Newport shall coordinate planning for housing with provision of infrastructure. The Community Development Department shall coordinate with other city departments and state agencies to ensure the provision of adequate and cost-effective infrastructure to support housing development.

Policy 6: The City of Newport shall discourage, and in some cases, prohibit the development of residences in known environmentally hazardous or sensitive areas where legal and appropriately engineered modifications cannot be successfully made. In support of this policy, the city shall inventory, and to the greatest extent possible, specifically designate areas that are not buildable or require special building techniques.

Policy 7: As much as possible, the City of Newport shall protect residential development from impacts that arise from incompatible commercial and industrial uses; however, the city also recognizes that some land use conflicts are inevitable and cannot be eliminated. Where such conflicts occur, the uses shall be buffered, where possible, to eliminate or reduce adverse effects. Residences that develop next to objectionable uses are assumed to be cognizant of their actions, so no special effort by the adjacent use is required. The residential development will, therefore, be responsible for the amelioration of harmful effects.

Policy 8: The City of Newport recognizes that mobile homes and manufactured dwellings provide an affordable alternative to the housing needs of the citizens of Newport. The city shall provide for those types of housing units through appropriate zoning provisions.

Policy 9: Consistent with the 2022 Newport Housing Capacity Analysis by ECONorthwest (Appendix “D”), the City of Newport will encourage development of multifamily housing, including student housing, throughout the City in areas that allow multifamily development. Increasing the supply of multifamily housing is crucial to meeting the needs of Newport’s workforce and lower-income households, as well as to supporting student growth at the Hatfield Marine Science Center. The City will identify and implement appropriate tools to support multifamily and student housing development.

ECONOMY

BACKGROUND

The Economic section presents the results an economic opportunities analysis for the City of Newport.¹ Consistent with statewide planning Goal 9 and OAR 660-009, the primary goals of the economic opportunities analysis are to (1) determining whether Newport has enough employment land through conducting an economic opportunities analysis (EOA) and (2) developing a strategy to guide economic development policy and actions in Newport. These documents: (1) are informed by recent data, (2) consider the viewpoints of various stakeholder groups in the community, (3) express an economic development vision for Newport, and (4) clearly articulate the city's role in implementing the strategy.

Purpose

The purpose of the Economy section of the Newport Comprehensive Plan is to meet the requirements of Statewide Planning Goal 9 and its Administrative Rule (OAR 660-009). State policy requires the Economy section to identify economic opportunities for Newport. The goals of the Economy section are to:

- (1) Inventory industrial and other employment land,
- (2) Identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand Newport,
- (3) Describe the City's strategy for economic development, and
- (4) Provide guidance for making decisions about use of employment lands.

This section evaluates the existing employment land supply within the Newport Urban Growth Boundary to determine if it is adequate to meet present and future employment needs.

Framework for economic development planning in Oregon

The Economic section is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The Land Conservation and Development Commission adopted amendments to this administrative rule in January 2007.² The analysis in this Element is designed to conform to the requirements for an Economic Opportunities Analysis in OAR 660-009 as amended.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The Economic Opportunities Analysis (EOA) requires communities to identify the major

¹ *Newport Economic Opportunities Analysis*, prepared by ECONorthwest, July 2012

² The amended OAR 660-009, along with a Goal 9 Rule Fact Sheet, are available from the Oregon Department of Land Conservation and Development at <http://www.oregon.gov/LCD/econdev.shtml>.

categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends; identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning or some other public input based process in conjunction with state agencies.

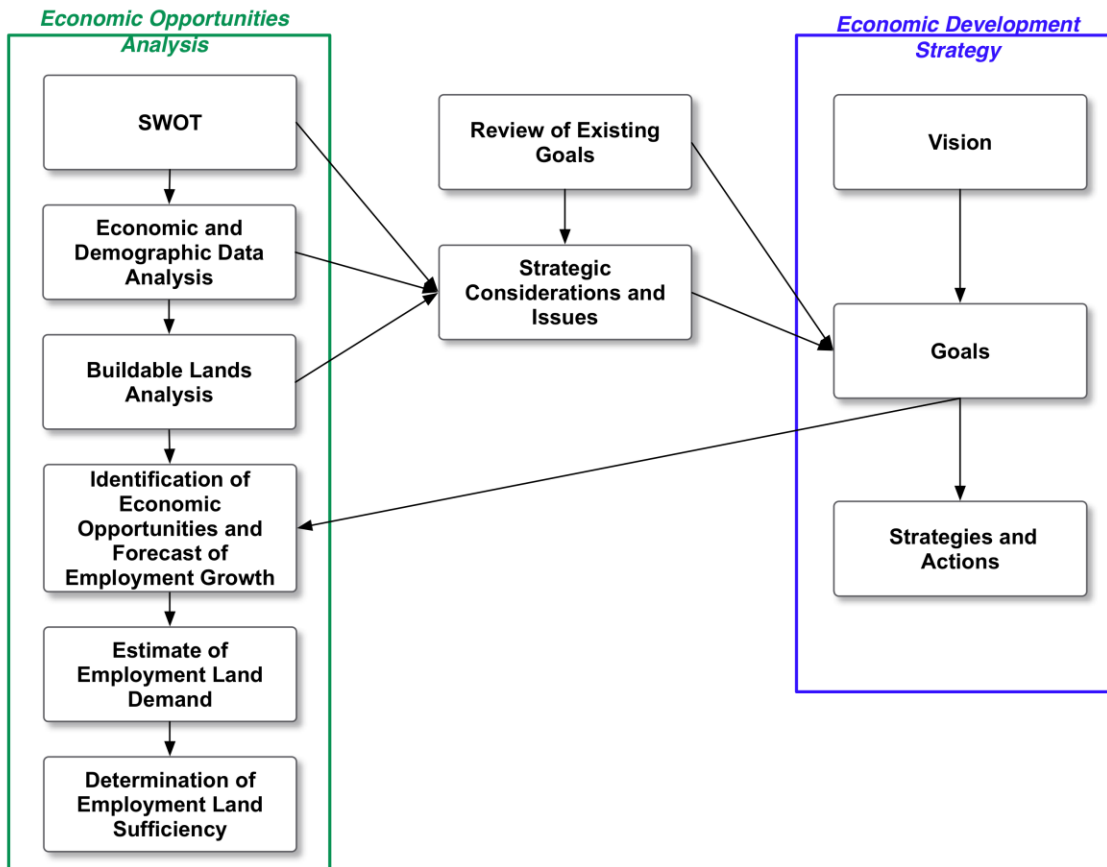
2. *Industrial and commercial development policies (OAR 660-009-0020)*. Cities with a population over 2,500 are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.
3. *Designation of lands for industrial and commercial uses (OAR 660-009-0025)*. Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies, and must designate serviceable land suitable to meet identified site needs.

This Element presents an Economic Opportunities Analysis and the economic development strategy and action plan for Newport. Figure 1 shows the relationship between the EOA and the economic development strategy for Newport. The purpose of each product is:

- **Economic Opportunities Analysis.** The EOA is intended to determine whether Newport has enough employment land. The EOA requires inventorying existing employment lands and identifying economic opportunities, an analysis that is guided by Goal 9.
- **Economic Development Strategy and Action Plan.** This document articulates a community economic development vision and includes specific actions for how to achieve that vision. The economic development vision and goals are intended to: (1) provide direction about economic development policy for the City, especially policy relating to land use and (2) coordinate economic development

efforts among the organizations in Newport that work on economic development issues.

Figure 1. Newport process for economic development analysis



Source: ECONorthwest

Organization of the Economic section

The remainder of this section is organized as follows:

- **Land Available for Industrial and Other Employment Uses** presents a regional inventory of industrial and other employment lands.
- **Land Demand and Site Needs in Newport** presents the employment forecast for Newport and an estimate of how much land is needed to accommodate the 20-year employment forecast. It also describes the types of sites that are needed to accommodate industries that are likely to locate or expand in Newport.
- **Implications** presents a comparison of land supply and site needs and discusses the implications of the Economic Opportunities Analysis.
- **Economic Vision, Goals, Policies, and Actions** presents a high-level summary of Newport’s economic development strategy.

LAND AVAILABLE FOR INDUSTRIAL AND OTHER EMPLOYMENT USES

The buildable lands inventory is intended to identify commercial and industrial lands that are available for development for employment uses within the Newport UGB. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. Population and employment growth drive *demand* for land. The amount of land needed depends on the type of development and other factors.

This section presents the *residential* buildable lands inventory for the City of Newport. The results are based on analysis of Geographic Information System data provided by City of Newport staff and Lincoln County Tax Assessment data. The analysis also used aerial orthophotographs for verification. This section includes tabular summaries and narrative descriptions. The results also include several series of maps that are available from the City’s Community Development Department. The methods used to conduct the inventory are summarized in the full Economic Opportunities Analysis Report.

Land base

Table 1 shows acres within the Newport UGB and city limits in 2011. According to the City GIS data, Newport has about 8,179 acres in 7,668 tax lots within its UGB. The UGB includes areas within Yaquina Bay that are not developable. Newport has about 7,151 acres within its City Limits. Additionally, the City has about 1,028 acres between the City Limits and Urban Growth Boundary (the UGA).

Table 1. Acres in Newport UGB and City Limit, 2012

Area	Tax Lots	Total Acres	Acres in Tax Lots
City Limits	7,066	7,151	8,060
Urban Growth Area	602	1,028	3,808
Total	7,668	8,179	11,868

Source: City of Newport GIS data; analysis by ECONorthwest
 Note: Table includes all areas within the UGB, including non-residential areas
 Urban Growth Area is the unincorporated area between the City Limits and Urban Growth Boundary

Table 1 summarizes all land in the Newport UGB. The next step was to identify the employment land base (e.g., lands with plan designations that allow employment). The land base includes traditional employment designations—Commercial, Industrial, and Shoreland—as well as public lands (including the Newport Airport which is presented as a separate category). Most lands in the Public plan designation are considered committed, however, a review of lands designated Public with City Staff identified some lands with development capacity.

Table 2 shows that about 3,437 acres within the Newport UGB is included in the employment land base (including lands in Airport and Public designations). Thus, about 42% of land within the Newport UGB is included in the employment land base. The land base includes all land in tax lots that have any portion that is in an employment or public plan designation.

Table 2. Lands designated for employment uses, Newport UGB, 2012

Area	Value
Newport UGB	
Number of Tax Lots	7,668
Acres in UGB	8,179
Newport Employment Land	
Tax Lots in Employment Designations (Comm/Ind/Shoreland)	1,919
Acres in Land Base in Employment Designations	1,570
Newport Airport Land	
Tax Lots in Airport	3
Acres in Airport	541
Newport Public Land	
Tax Lots in Public	207
Acres in Public	1,326

Source: City of Newport GIS data; analysis by ECONorthwest

The third step in the inventory was to classify lands into mutually-exclusive categories that relate to their development status. The categories include:

- Vacant land
- Partially vacant land
- Undevelopable land
- Developed land
- Public land
- Semi-public land
- Destination resort land

See Economic Opportunities Analysis Report for detailed definitions of these categories, which were used to perform a preliminary classification. The next step was to show the results in map form overlaid on a 2009 aerial photo to validate the classifications. After validating the classifications, City staff reviewed and commented on the draft maps.

Table 3 shows all employment land in the Newport UGB by classification and plan designation. The results show that of the 3,437 acres in the UGB, about 2,509 acres are in classifications with no development capacity, and the remaining 928 acres have development capacity.

Analysis by plan designation shows that about 11% (404 acres) of the employment land in the Newport UGB is designated Commercial, 17% (573 acres) is designated Industrial, and 29% (594 acres) are in Shoreland. A total of 1,867 acres (nearly 50%) are in Public plan designations (note that the Airport is in the Public plan designation). The majority of land in the Public plan designation is committed, but a few sites owned by the city and port were considered available for development during the planning

period. These lands are both in the Public plan designation and public ownership. These lands were classified as Vacant (approximately 206 acres).

Table 3. Employment acres by classification and plan designation, Newport UGB, 2012

Classification	Plan Designation											
	Commercial		Industrial		Shoreland		Airport		Public		Total	
	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac
Developed	907	263	102	82	549	62	2	537	44	250	1,604	1,194
Semi-Public	21	9	5	12	4	61	0	0	12	4	42	87
Public	47	12	1	0	37	317	1	4	116	859	202	1,192
Unbuildable	32	7	1	0	12	22	0	0	15	7	60	37
Vacant	107	55	71	441	6	1	0	0	20	206	204	703
Partially Vacant	4	7	7	38	4	130	0	0	0	0	15	174
Destination Resort	2	51	0	0	0	0	0	0	0	0	2	51
Total	1,120	404	187	573	612	594	3	541	207	1,326	2,129	3,437
Total	53%	12%	9%	17%	29%	17%	0%	16%	10%	39%	100%	100%

Source: City of Newport data; analysis by ECONorthwest

Note: Areas in shown as Airport are in the Public plan designation. They are shown separately here because of economic activities at the airport.

Table 4 shows employment acres by classification and constraint status for the Newport UGB in 2012. Analysis by constraint status (the table columns) shows that about 1,674 acres are classified as built or committed (e.g., unavailable for development), 1,355 acres were classified as constrained, and 408 were classified as vacant and suitable for employment uses.

Table 4. Employment acres by classification, Newport UGB, 2012

Classification	Tax Lots	Total Ac	Land not suitable for new Employment		Land suitable for Employment
			Developed Ac	Constrained Ac	Suitable Ac
Land with no development capacity					
Developed		1,604	814	381	0
Semi-Public		42	74	12	0
Public		202	679	513	0
Unbuildable		60	26	11	0
Subtotal	1,908	2,509	1,592	917	0
Land with development capacity					
Vacant		204	0	372	331
Partially Vacant		15	81	40	53
Destination Resort		2	0	27	24
Subtotal	221	928	81	439	408
Total	2,129	3,437	1,674	1,355	408

Source: City of Newport data; analysis by ECONorthwest

Vacant buildable land

The next step in the commercial and industrial buildable land inventory was to net out portions of vacant tax lots that are unsuitable for development. Areas unsuitable for development fall into three categories: (1) developed areas of partially vacant tax lots, (2) areas with physical constraints (in this instance areas with shoreline buffers,

wetlands, geologic buffers, or floodways), or (3) lands that are already committed to a use (public/quasi-public or private open space).

Table 5 shows land with development capacity (e.g., lands classified as vacant, partially vacation, or destination resort) by constraint status. The data show that about 81 acres within tax lots with development capacity are developed. An additional 439 acres have development constraints that are unsuitable for employment uses, leaving about 408 vacant suitable employment acres within the UGB.

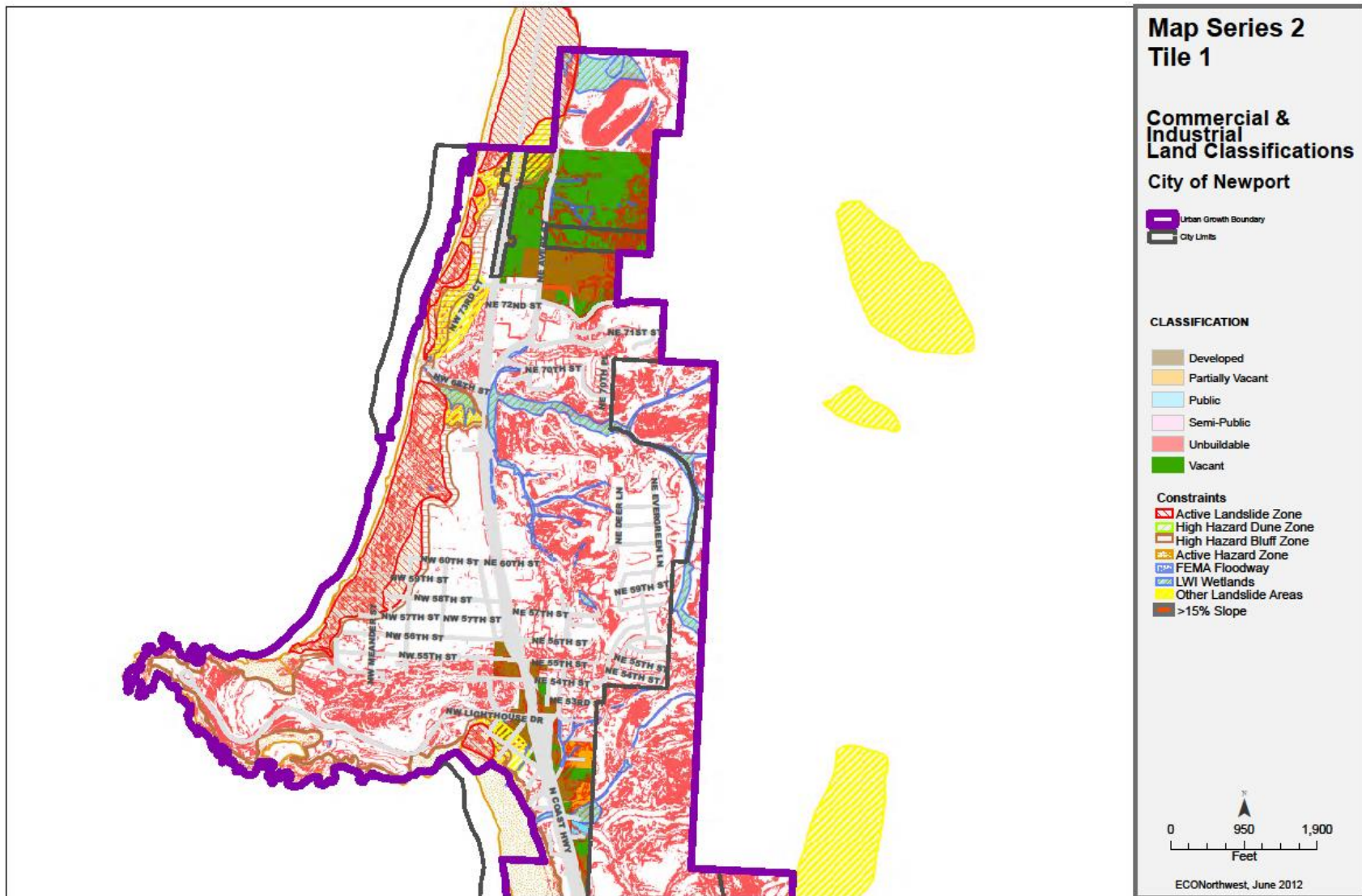
Table 5. Employment land with development capacity (Vacant, Partially Vacant, and Destination Resort) by constraint status, Newport UGB, 2012

Plan Designation/ Classification	Tax Lots	Total Acres in Tax Lots	Developed Acres	Constrained Acres	Suitable Acres
Commercial					
Vacant	107	55	0	19	36
Partially Vacant	4	7	2	3	2
Destination Resort	2	51	0	27	24
Subtotal	113	113	2	49	62
Industrial					
Vacant	71	441	0	251	190
Partially Vacant	7	38	9	20	9
Subtotal	78	479	9	270	199
Shoreland					
Vacant	6	1	0	1	1
Partially Vacant	4	130	71	17	42
Subtotal	10	131	71	18	42
Public					
Vacant	20	206	0	102	104
Subtotal	20	206	0	102	104
TOTAL	221	928	81	439	408

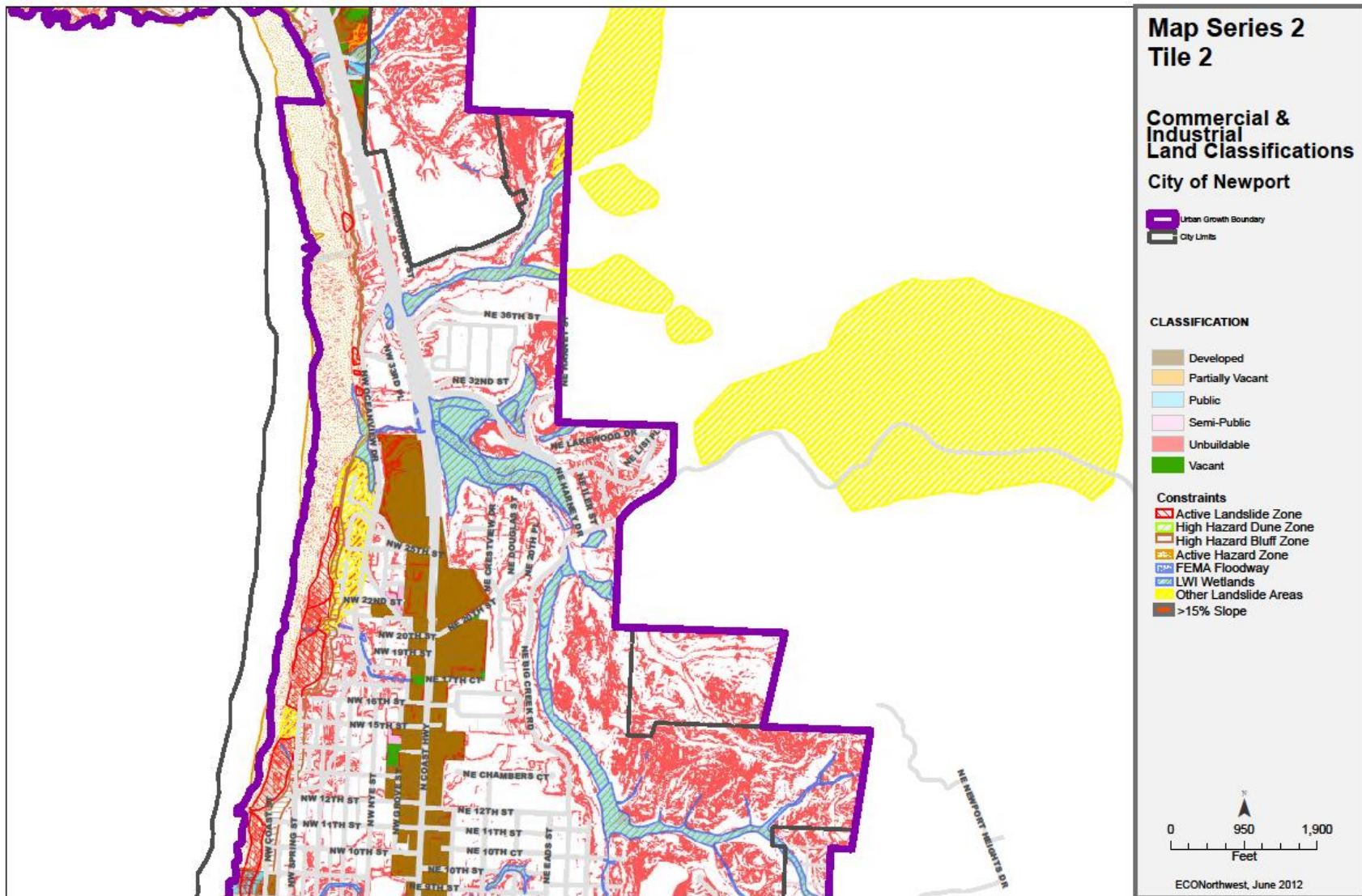
Source: City of Newport GIS data; analysis by ECONorthwest

Maps 1 through 6 show commercial and industrial land in Newport by development status with development constraints. The maps show the City of Newport in six tiles (maps), from the northern edge of the UGB to the southern edge of the UGB.

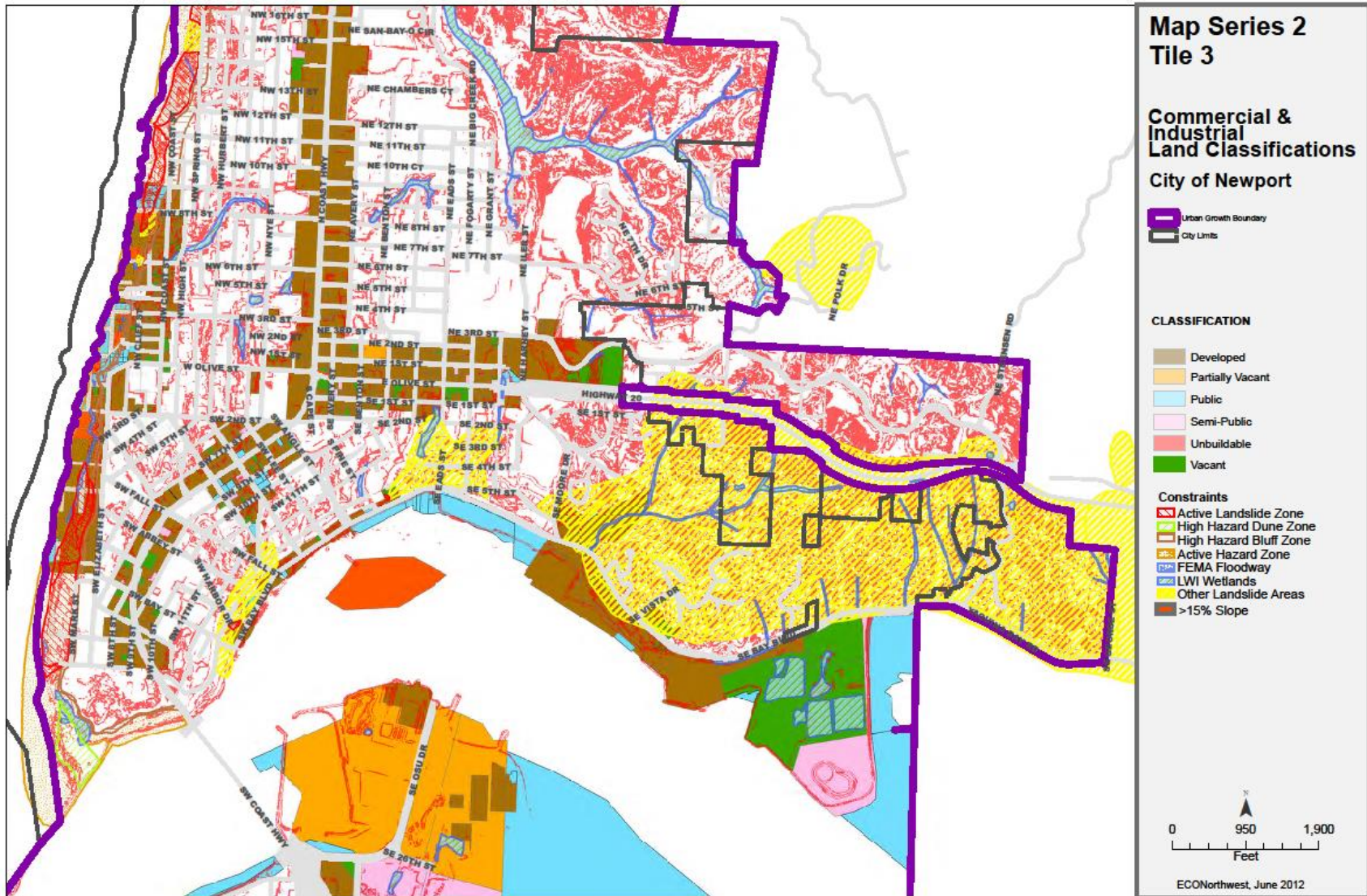
Map 1. Employment land by classification with development constraints, Tile 1, Newport UGB, 2012



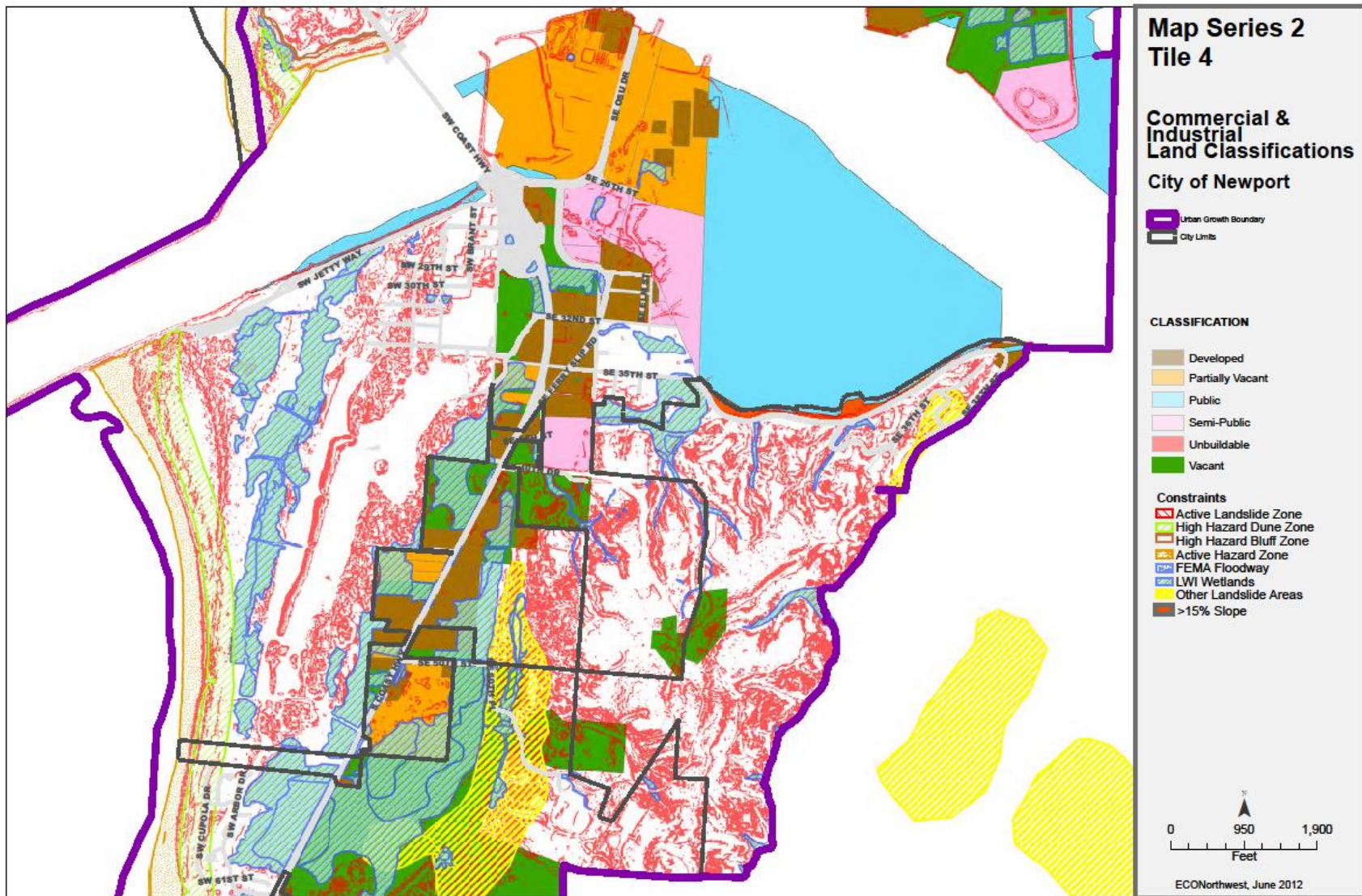
Map 2. Employment land by classification with development constraints, Tile 2, Newport UGB, 2012



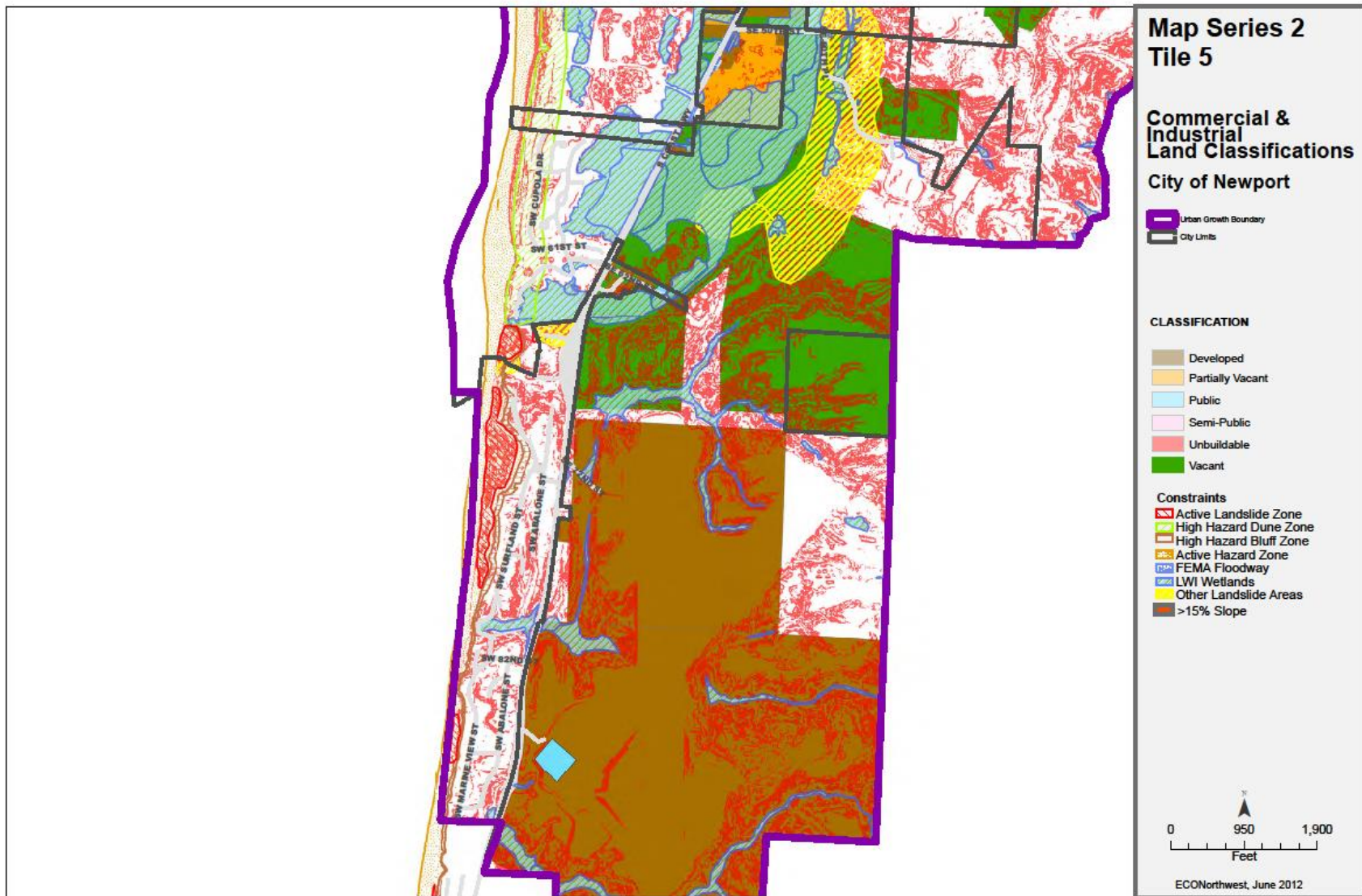
Map 3. Employment land by classification with development constraints, Tile 3, Newport UGB, 2012



Map 4. Employment land by classification with development constraints, Tile 4, Newport UGB, 2012



Map 5. Employment land by classification with development constraints, Tile 5, Newport UGB, 2012



Map 6. Employment land by classification with development constraints, Tile 6, Newport UGB, 2012

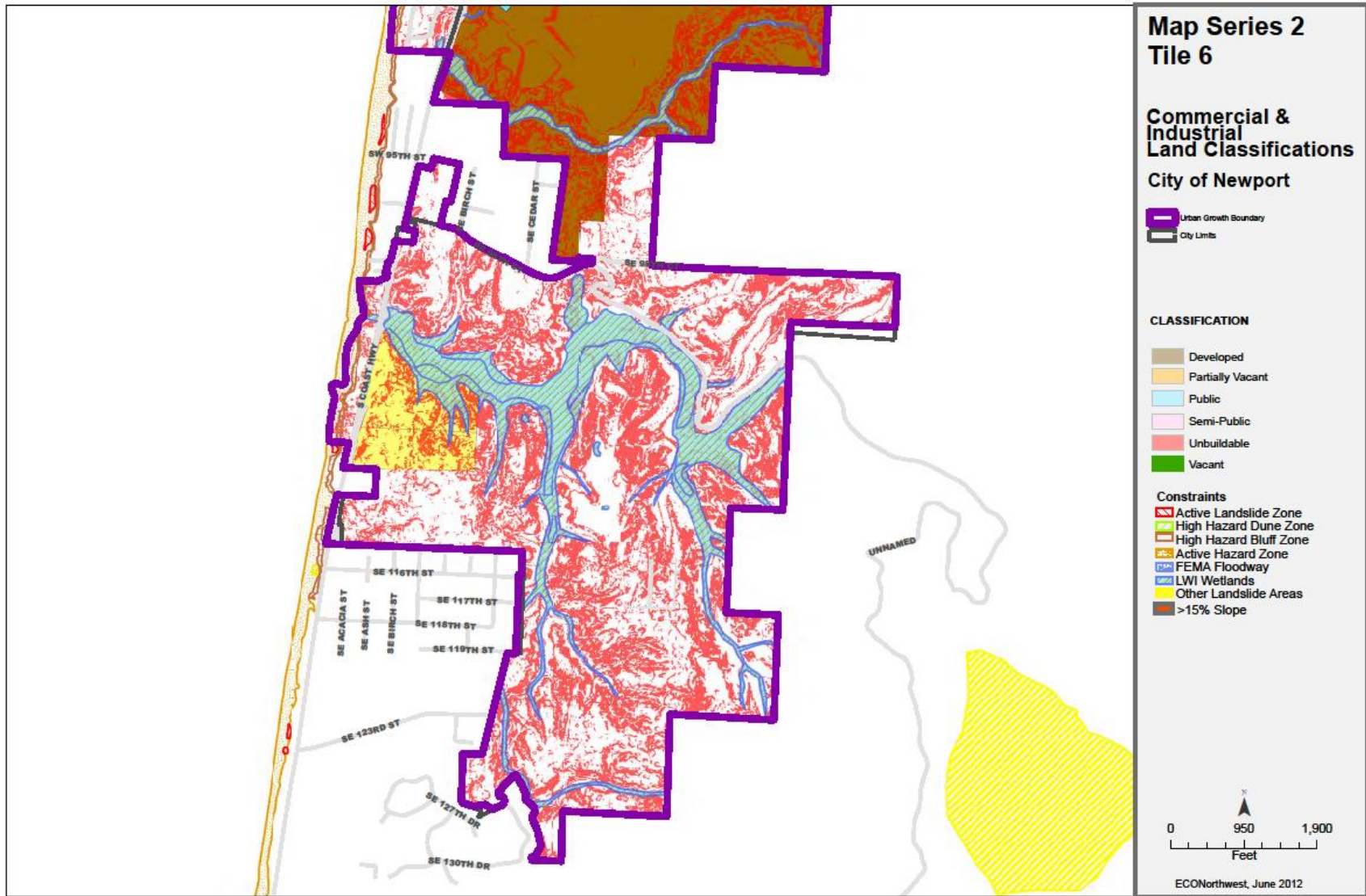


Table 6 shows the size of lots by plan designations for suitable employment land. Newport has nearly 195 lots that are smaller than 2 acres (with 106 acres of land). Newport has 16 lots between 2 and 10 acres (80 acres of land), four lots between 10 and 20 acres in size (51 acres of land), and six lots 20 acres and larger (171 acres of land).

Table 6. Lot size by plan designation, suitable acres, Newport UGB, 2012

Plan Designation	Suitable Acres in Tax Lot								Total
	<0.25	>=0.25 and <0.50	>=0.50 and <1.00	>=1.00 and <2.00	>=2.00 and <5.00	>=5.00 and <10.00	>=10.00 and <20.00	>=20.00 and <50.00	
Acres									
Commercial	7	4	5	2	3	16	24	0	62
Industrial	13	3	17	9	19	34	12	94	199
Public	1	2	1	0	8	0	15	78	104
Shoreland	42	0	1	0	0	0	0	0	42
Subtotal	62	9	23	12	30	50	51	171	408
Tax Lots									
Commercial	88	11	7	2	1	2	2	0	112
Industrial	27	9	21	7	5	5	1	3	78
Public	9	3	1	0	3	0	1	3	20
Shoreland	9	0	1	0	0	0	0	0	10
Subtotal	133	23	30	9	9	7	4	6	220

Source: City of Newport GIS data; analysis by ECONorthwest

The data in Table 6 suggest that Newport has a deficiency of larger commercial sites. Newport has no commercial sites over 20 acres, 2 sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows commercial uses outright—which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

Redevelopment potential

Redevelopment potential addresses land that is classified as developed that may redevelop during the planning period. While many methods exist to identify redevelopment potential, a common indicator is improvement to land value ratio. Different studies have used different improvement to land value ratio thresholds to identify redevelopment potential.

One of the key issues in preparing an accurate inventory of employment lands in Newport is how to identify and inventory under-utilized or redevelopable lands. This study does not make a distinction between under-utilized and redevelopable sites. The inventory consistently uses the term "redevelopable" since it is consistent with the terminology of the statewide land use program.³ For the purpose of this study,

³ In this instance, the terminology is a little confusing. OAR 660-009-0005(1) defines redevelopment as follows: "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period. For the purpose

however, the definition of “redevelopable” land is considered synonymous with “under-utilized” properties.

In the context of the Newport commercial and industrial buildable lands inventory, redevelopment potential addresses land that was initially classified as developed that may redevelop during the planning period. While many methods exist to identify redevelopment potential, a common indicator is improvement to land value ratio. A threshold used in some studies is an improvement to land value ratio of 1:1. Not all, or even a majority of parcels that meet this criterion for redevelopment potential will be assumed to redevelop during the planning period.

The factors that affect redevelopability are many, but the economics are pretty straightforward. Redevelopment occurs when achievable rents exceed the current return on investment of the land and improvements. The reality, of course, is much more complicated. One way to think about the market for land is “highest and best use” which is a function of:

1. Achievable Pricing – Given the product type and location, what lease rates or sales prices are achievable?
2. Entitlements – What do local regulations allow to be built?
3. Development Cost – What is the cost to build the range of product types allowed (entitled) at that location?
4. Financing – What is the cost of capital, as well as the desired returns necessary to induce development of that form?

Conversations with commercial realtors and developers confirm the conclusion that it is difficult to develop reliable models of redevelopment potential. The factors are complicated and are location and time specific. Moreover, public policy can play a significant role in facilitating redevelopment.

One approach to estimating redevelopment would be using supply side approaches using GIS datasets. The problem with supply side approaches is that the base data available to conduct empirical analyses is quite coarse and as a result, the analyses are limited and the results have varying levels of inaccuracy. The improvement to land value approach has some problems; for example, it does not make distinctions for land intensive employment uses that require minimal built structure investments. Despite this limitation, it has utility in identifying districts that may be worth focusing resources on.

More robust approaches can consider employment densities, floor area ratios, and other factors. Often, however, the quality of the data is a limiting factor and the cost of generating new or cleaning existing data sets is prohibitive. For this study, we attempted to use employment density combined with improvement to land value ratios. Our

of clarity, we use the term developed to mean land committed to existing productive employment uses and redevelopable as lands that have potential for redevelopment during the planning period.

assessment was the results were unreliable and unsuitable as a valid indicator of redevelopment potential.

Thus, this study uses a demand-based approach to estimating how much land will be redeveloped over the 20-year planning period. The study makes demand-side deductions from total employment growth to account for new employment that will not need any new land. This approach, however, will not meet key city objectives in developing economic development strategies.

One foundational element of the city’s strategy is to identify districts that are “ripe” for redevelopment and then to focus efforts on those districts. To identify potential districts, we analyzed the improvement to land value ratio of all commercial properties within the UGB. That analysis was followed by field assessment and discussions with city staff and other experts.

Table 7 shows improvement to land ratios for developed land in Newport. About one-quarter of Newport’s developed sites (319 acres of land) have an improvement to land value ratio of less than 0.25, suggesting that these sites have high redevelopment potential. Another 8% of Newport’s developed land has an improvement to land ratio of between 0.25 and 1.0 and 11% of Newport’s land has a ratio of between 1.0 and 2.0, suggesting redevelopment potential. Higher improvement to land value ratios suggest decreasing probability of redevelopment potential.

Table 7. Improvement to land value ratio, land classified as “developed,” Newport UGB, 2012

Plan Designation	Improvement to Land Value Ratio							No Data	Total
	>0.00 - <0.25	>=0.25 - 0.50	>=0.50 - <0.75	>=0.75 - <1.00	>=1.00 and <2.00	>=2.00 - <3.00	>=3.00		
Acres									
Airport	167	-	-	-	-	-	-	370	537
Commercial	15	20	35	19	82	20	28	42	263
Industrial	5	11	11	6	14	9	14	11	82
Public	131	2	-	0	1	2	71	43	250
Shoreland	1	3	1	1	48	1	42	95	192
Total									
Acres	319	36	47	27	147	33	155	561	1,324
Percent of Acres	24%	3%	4%	2%	11%	2%	12%	42%	100%
Tax Lots									
Airport	1	-	-	-	-	-	-	1	2
Commercial	54	74	100	87	188	51	71	282	907
Industrial	6	17	11	11	16	10	7	24	102
Public	6	4	-	5	5	5	15	4	44
Shoreland	5	11	7	9	21	3	17	480	553
Total									
Tax Lots	72	106	118	112	230	69	110	791	1,608
Percent of Acres	4%	7%	7%	7%	14%	4%	7%	49%	100%

Source: City of Newport GIS data; analysis by ECONorthwest

Of particular interest for the purpose of this study is low-improvement value commercial land. The improvement to land value ratio analysis in Table 8 shows 89 acres of commercial land with an improvement to land value ratio of less than 1.0:1.0; 35 of those acres have an improvement to land value ratio of less than 0.5:1.0. Rows with darker shading have more redevelopment potential.

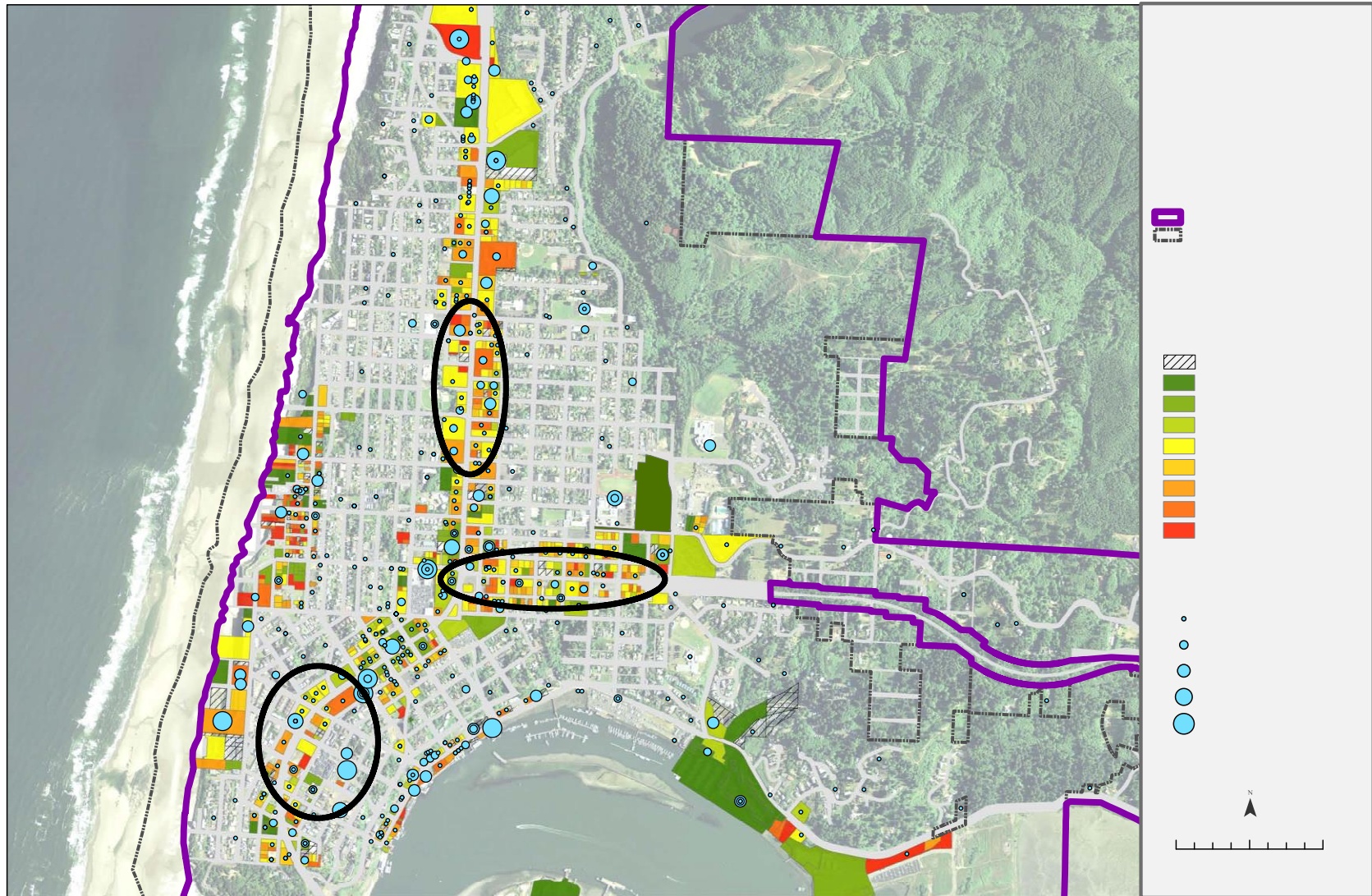
Table 8: Developed commercial land by improvement-to-land value ratio, Newport UGB, 2012

Improvement to Land Value Ratio	Tax Lots		Acres	
	Number	Percent	Number	Percent
>0.00 - <0.25	54	6%	15	6%
>=0.25 - 0.50	74	8%	20	8%
>=0.50 - <0.75	100	11%	35	13%
>=0.75 - <1.00	87	10%	19	7%
>=1.00 and <2.00	188	21%	82	31%
>=2.00 - <3.00	51	6%	20	8%
>=3.00	71	8%	28	11%
No Data	282	31%	42	16%
Total	907	100%	263	100%

Source: City of Newport GIS data; analysis by ECONorthwest

Map 7 shows the location of potential commercial redevelopment districts, based on direction from the Technical Advisory Committee and city staff to focus commercial redevelopment strategies on the Highway 101 and Highway 20 corridors north of Yaquina Bay.

Map 7. Potential commercial redevelopment districts



Source: City of Newport GIS data; analysis by ECONorthwest

EMPLOYMENT LAND DEMAND IN NEWPORT

OAR 660-009 requires cities to maintain a 20-year inventory of sites designated for employment. To provide for at least a 20-year supply of commercial and industrial sites consistent with local community development objectives, Newport needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. Demand for commercial and industrial land will be driven by development in the target industry clusters, the expansion and relocation of existing businesses, and new businesses locating in Newport. The level of this business expansion activity can be measured by employment growth in Newport.

This section summarizes key findings from in the Economic Opportunities Analysis report from: (1) Appendix A: National, State, County, and Local Economic Trends, (2) Appendix B: Factors Affecting Future Economic Growth in Newport, and (3) Appendix C: Employment Forecast and Site Needs for Industrial and other Employment Uses. This section focuses on the issues related to growth of industries with the most potential growth industries for Newport.

Newport's competitive and comparative advantages

Economic development opportunities in Newport will be affected by local conditions as well as the national and state economic conditions. Economic conditions in Newport relative to these conditions in other coastal communities form Newport's competitive and comparative advantages for economic development. These advantages have implications for the types of firms most likely to locate or expand in Newport.

There is little that Newport can do to influence national and state conditions that affect economic development. Newport can, however, influence local factors that affect economic development. Newport's primary advantages are: access to the ocean, location in the central Oregon Coast, access to Highways 101 and 20, range of businesses in Newport, interest of business groups to work together, and high quality of life. Newport is likely to attract businesses that prefer to locate near to the ocean or businesses that have a choice of where to locate and prefer the quality of life factors in Newport.

The local factors that form Newport's competitive and comparative advantages are summarized below.

- **Location.** Newport is located in Lincoln County, along Highway 101, at the center of Oregon's Coast. Newport is one of the largest coastal communities and a regional center for retail trade, services, and government activity. Businesses in Newport have access to natural resources from surrounding rural areas, such as ocean products, wood products, agricultural products, and other resources. Businesses that need access to or want to attract customers from other coastal communities may locate in Newport.
- **Transportation.** Businesses and residents in Newport have access to a variety of modes of transportation: automotive (Highways 101 and 20), cargo vessels (at the newly renovated International Terminal), air (the Newport Municipal Airport),

rail (in Toledo via the Willamette and Pacific Railroad), and transit (Lincoln County Transit). Businesses that need access to multiple modes of transportation, especially automotive and cargo vessels, may choose to locate in Newport. Newport's distance from Interstate 5, the Willamette Valley, and Portland are a barrier to attracting businesses that need direct access to I-5 or access to markets in the Willamette Valley.

- **Marine-related.** One of Newport's primary advantages is being on the Oregon Coast, with direct access to the Pacific Ocean. Newport's economy has developed with the following advantage:
 - **Proximity and access to the ocean.** Access to the ocean from Yaquina Bay is direct and fast. Boats in the Bay can get to the open ocean in about 10 minutes. This direct access to the ocean from a protected bay is relatively unique in the Northwest. Businesses that make frequent trips to and from the ocean may find Newport's access to the ocean appealing.
 - **Marine industries.** Newport has a wide-ranging of existing marine industries: the NOAA fleet, research and education, law enforcement, commercial fishing, seafood processing, recreational fishing, tourism-related ocean activities, and services for the marine industries. These industries form the base of a marine research and ocean observing industry cluster. Newport has opportunities to attract more marine industries, including small businesses that provide goods or services to marine businesses.
 - **Agreement about marine uses.** Newport has a wide-range of marine stakeholders, such as: the Port of Newport, NOAA, the Hatfield Marine Science Center, commercial or recreational fishermen, the Coast Guard, and many others. These stakeholders are generally in agreement about the types of uses that should occur in Yaquina Bay, which focus on research, aquaculture, energy production, and transportation. The collaborative nature of the relationship among marine users is an advantage for economic development because there is broad agreement about the types of marine uses in and around Newport.
 - **Existing marine infrastructure.** Newport's existing marine infrastructure is an advantage for attracting businesses. The community will need to make investments, such as those that brought the NOAA fleet to Newport or the renovation to the International Terminal, to continue attracting marine-related businesses. In addition, the concentration of marine uses in Newport gives the Port advantages in attracting funding for the dredging necessary to accommodate large vessels.
- **Tourism.** The existing tourism industry in Newport is an advantage for economic development. Tourism results in \$116.8 million in direct spending annually, supporting about 1,600 jobs, and resulting in lodging tax revenues of approximately \$2.2 million annually. While direct spending and lodging tax revenues have grown since 2000, employment in tourism industries has remained relatively flat over the 10-year period.

Newport's tourism infrastructure includes destinations such as the Oregon Coast Aquarium, recreational amenities, overnight accommodations, restaurants, retail, and cultural amenities. The amenities not only contribute to the success of Newport's tourism industries but enhance the quality of life for residents in and around Newport. The existing tourism industry in Newport offers opportunities to increase tourism and grow employment directly and indirectly related to tourism.

- **Buying power of markets.** The buying power of Newport's households, residents of nearby communities, and visitors provide a market for goods and services. Newport's role as a regional center for retail and services is a competitive advantage for attracting retail and other services.
- **Labor market.** The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available but the quality, skills, and experience of available workers.

Businesses in Newport have access to workers in Newport and from neighboring communities. Businesses need access to reliable skilled workers, both with and without higher education. Businesses that need skilled workers but that do not require a specialized college degree may find workers within the greater Newport area. These workers can gain job skills through training at the Oregon Coast Community College or on-the-job training. Some businesses, especially organized involved in research and education, may need to attract workers that have specialized college degrees from other parts of Oregon or out-of-state.

- **Public policy.** Public policy can impact the amount and type of economic growth in a community. The City can impact economic growth through its policies about the provision of land and redevelopment. Success at attracting or retailing firms may depend on the availability of attractive sites for development and public support for redevelopment. In addition, businesses may choose to locate in Newport (rather than another coastal community) based on: the City's tax policies, development changes (i.e., systems development charges), the availability and cost of public infrastructure (i.e., transportation or sanitary sewer), and attitudes towards businesses.

Potential growth industries

An analysis of growth industries in Newport should address two main questions: (1) Which industries are most likely to be attracted to Newport? and (2) Which industries best meet Newport's vision for economic development? The types of industries that Newport wants to attract have the following attributes: high-wage, stable jobs with benefits; jobs requiring skilled and unskilled labor; employers in a range of industries that will contribute to a diverse economy; and industries that are compatible with Newport's community values. The industries presented in the following section are consistent with the City's vision and goals for economic development, presented at the end of the Housing section.

The industries that fit with the Community's aspirations for growth, Newport's economic conditions, regional and national growth potential, and that fit with Newport's comparative advantages are:

- **Marine and ocean observing research and education.** Newport has been a growing center for marine and ocean research and education, with establishment of the Hatfield Marine Science Center in Newport more than 50 years ago. Since then, other marine and ocean research and educational institutions have located in Newport, such as the Oregon Coast Aquarium and, most recently, the National Oceanic and Atmospheric Administration (NOAA)'s Pacific Marine Operations Center.

Growing the existing cluster of marine and ocean research and educational institutions has been a goal in Newport. In 2008, The Yaquina Bay Economic Foundation (YBEF) developed the document "Establishing Newport, Oregon as a Hub of Ocean Observing Activities in the Pacific Northwest: A Strategic Framework." This document describes the goal of developing an ocean observing industry cluster as a method of economic development to attract jobs to and grow jobs in Newport.

The Framework describes a range of ocean-observing economic activities, including research (aboard vessels and from sea floor "cabled" observatories), marine education, developing hardware used for ocean observing, and repair and maintenance of vessels and equipment. The data generated through the local research is valuable to commercial and recreational fishermen or cargo shippers.

Key economic development opportunities in the ocean-observing industry cluster include:

- *Operations and maintenance of marine research vessels.* With the deployment of UNOLS vessel R/V Oceanus, the NOAA Pacific research fleet, and wave energy test berth, there will be a steady demand for personnel and services to operate and maintain these vessels. These include vessel piloting, navigation, crew support services, equipment operation, vessel maintenance, and logistics.

- *Development of facilities to support marine research operations and maintenance.* These include development and expansion of dock facilities, construction of storage and maintenance buildings, deployment of cranes and loaders, construction of access roadways and surfaces for forklift transport of equipment to vessels, and hiring skilled operations and maintenance personnel.
- *Development of facilities and programs to support marine education.* These include expansion of facilities at the Oregon Coast Aquarium, development of marine education camps and facilities, implementation of educational programs including eco-tourist based learning experiences, and expansion of marine education research.
- *Instrument design, manufacturing, deployment, sales, and service.* With the Newport region being a hub for marine science research, the demand will grow for companies to supply, operate, and maintain ocean instruments, including sensors, underwater instrumentation, telecommunications gear, and autonomous underwater vehicles, along with skilled personnel in the fields of design, engineering, manufacturing, operations, maintenance, and customer relations.
- *Expanded marine research.* As federal and state investments in marine research and education increase, so will Newport's role grow, adding scientists, researchers, technicians, and students. This will result in expanded research facilities, including labs, conference facilities, residential facilities, and offices.
- **International commerce.** The Port of Newport is one of the few deep draft ports on the Oregon Coast, which is accessible by large cargo vessels. The Port stopped shipping via large cargo vessels about a decade ago because the physical condition of the docks and Port infrastructure required repairs. The Port is in the process of renovating the International Terminal of the Port. The Terminal is a 17-acre facility with about 1,000 feet of deep-water waterfront, docks, and storage facilities.

Once renovation of the International Terminal is completed, the Port will be able to accommodate cargo ships, by the beginning of the second quarter of 2013. The Port is considering export opportunities for the International Terminal, such as exporting logs, which would result in about four to six ships carrying cargo from Newport per year. Over the long term, the International Terminal may attract one ship per month and may ship other goods in addition to logs, such as value added lumber, other wood products (e.g., paper products or wood chips), or other agricultural products (e.g., hay bales). One goal of renovation of the International Terminal is creating 50 new jobs between 2013 and 2018.

Operation of the International Terminal depends access to Highways 20 and Highway 101 from the north, for trucks carrying logs.

- **Fishing and seafood processing.** Newport is one of Oregon's largest commercial fishing ports accounting for about one-third of the State's commercial fishing activity. In 2008, Newport was home to about 238 fishing vessels,

including both short-haul boats that fish in Oregon's Coastal fisheries and distant-haul boats that fish in Alaska's fisheries. Newport's commercial fishing vessels generated 61 million pounds of seafood, with a value of \$32.5 million in 2008, accounting for about one-third of the seafood harvested in Oregon. The economic contribution of the fishing industry on personal income in Newport in 2008 was about \$123 million, accounting for about 30% of statewide economic contribution from fishing.⁴

- **Tourism.** Tourism plays an important role in Newport's economy. The 2005 EOA showed that about 33% of employment in Newport was related to tourism or arts. In 2010, about 36% of employment was in the sectors most directly related to tourism: accommodation and food service, arts and recreation, and retail trade. The strengths of Newport's tourism cluster include:
 - Destinations such as the Oregon Coast Aquarium
 - Recreational amenities, such as sightseeing tours or fishing charters
 - Overnight accommodations, such as bed and breakfast inns, hotels, motels, RV parks and campgrounds, and private vacation rentals
 - A wide range of restaurants, including fine dining
 - Arts and cultural opportunities, such as art dealers, museums, or performance arts

⁴ The most recently available report describing Newport's fishing industry is: "Oregon's Commercial Fishing Industry, Year 2007 and 2008 Review." Oregon Department of Fish and Wildlife and Oregon Coastal Zone Management Association, Inc.

Employment and employment forecasts

Goal 9 requires that cities provide for an adequate supply of commercial and industrial sites consistent with plan policies. To meet this requirement, Newport needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. The Economic Opportunities Analysis report presents the forecast for employment growth in Newport in detail. This section summarizes the results of the forecast for employment growth and land needs

Table 9 presents the forecast of employment growth by land use type in Newport's UGB from 2012 to 2032. Table 9 shows Newport's employment base in 2012, with about 10,060 *total* employees,⁵ and forecast for 12,276 employees in 2032, an increase of 2,216 employees at an average annual growth rate of 1.0%.

Table 9 forecasts growth in all land-use types and it forecasts a shift in the composition of Newport's employment:

- **Industrial** will increase from 11% of employment in Newport in 2010 to 15% by 2032. The cause of this expected growth is faster growth in target industry businesses that require industrial land, such as manufacturing related to ocean observing businesses, ship and boat repair businesses, seafood processing, or businesses related to international shipping.
- **Commercial** employment will decrease from 72% of employment in Newport in 2010 to 70% by 2032. Although employment in commercial businesses will decrease as a percent of total employment, commercial employment will account for the majority of employment growth (1,300 new jobs).
- **Government** employment will decrease from 17% of employment in Newport in 2010 to 15% by 2032. Even with this decrease in the share of total employment, government employment will grow by nearly 160 people over the 20-year period. This employment will be the result of growth in public educational and research organizations, as well as growth in government to provide additional services to Newport's growing population.

⁵ The forecast of employment in Newport is based on an estimate of *covered* employment in 2010. Covered employment does not include all workers in an economy, most notably excluding sole proprietors. Appendix C in the Economic Opportunities Analysis report describes the approach to converting from covered employment to total employment.

Table 9. Forecast of employment growth in by building type, Newport UGB, 2012–2032

Land Use Type	2012		2032		Change 2012 to 2033
	Employment	% of Total	Employment	% of Total	
Industrial	1,108	11%	1,841	15%	733
Commercial	7,269	72%	8,593	70%	1,324
Government	1,683	17%	1,841	15%	158
Total	10,060	100%	12,276	100%	2,216

Source: ECONorthwest

Note: Green shading denotes an assumption by ECONorthwest

Some new employment will locate on underutilized land, such as the districts along Highway 101 identified in the buildable lands analysis as having development capacity. Table 9 shows employment growth on underutilized lands and on vacant lands. Table 10 assumes that some employment will locate on underutilized lands, reducing the need for vacant employment land:

- Some employment growth will occur on sites with existing built space.** Some employment will locate in existing buildings, such as buildings with vacant spaces that can accommodate business tenants. In addition, existing businesses may be able to accommodate new employment by making more efficient use of existing office space (e.g., adding a new cubicle). This forecast assumes that 10% of commercial employment can be accommodated this way and that 50% of government employment can be accommodated in existing built space.
- Some employment growth will be accommodated on land with additional capacity.** Some employment growth will be accommodated on land with additional development capacity, through infill or redevelopment. Some parcels with an existing building may have capacity to add another building, which is infill development. In other cases, the existing building may be obsolete, resulting in redevelopment of the existing building, with increased capacity to accommodate employment. This forecast assumes that 15% of commercial employment will be accommodated through infill or redevelopment.

Using these assumptions, 211 new employees will be accommodated on underutilized land and 1,805 new employees will require vacant (including partially vacant) land over the 2012 to 2032 period.

Table 10. New employment locating on underutilized land or vacant land, Newport, 2032

Land Use Type	New Employment	Employment on Underutilized Land			Emp. on Vacant Land
		Existing Built Space	Land with Additional Capacity		
Industrial	733	0	0	733	
Commercial	1,324	132	199	993	
Government	158	79	0	79	
Total	2,216	211	199	1,805	

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

Table 11 shows demand for vacant (including partially vacant) land in Newport over the 20-year period. The assumptions used in Table 11 are:

- **Employment density.** Table 11 assumes the following number of employees per acre (EPA): Industrial will have an average of 10 employees per acre and Commercial and government will have an average of 20 EPA.

These employment densities are consistent with employment densities in Oregon cities of similar size as Newport. Some types of employment will have higher employment densities (e.g., a multistory office building) and some will have lower employment densities (e.g., a convenience store with a large parking lot).

- **Conversion from net-to-gross acres.** The data about employment density is in *net* acres, which does not include land for public right-of-way. Future land need for employment should include land in tax lots needed for employment plus land needed for public right-of-way. One way to estimate the amount of land needed for employment including public right-of-way is to convert from *net* to *gross* acres based on assumptions about the amount of land needed for right-of-way.⁶ A net to gross conversion is expressed as a percentage of gross acres that are in public right-of-way.

Net-to-gross factors generally range from 15% to 20% for cities like Newport. Given that Newport has an existing well developed street system, this forecast uses a net-to-gross conversion factor of 15% for industrial and 20% for commercial and government.

Using these assumptions, the forecasted growth of 1,805 new employees will result in the following demand for vacant (and partially vacant) employment land: 86 gross acres

⁶ OAR 660-024-0010(6) uses the following definition of net buildable acre. "Net Buildable Acre" consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

of industrial land, 63 gross acres of commercial land, and 5 gross acres of land for government uses.

Table 11 . Demand for vacant land to accommodate employment growth, Newport, 2012 to 2032

Land Use Type	Emp. on Vacant Land	EPA (Net Acres)	Land Demand (Net Acres)	Land Demand (Gross Acres)
Industrial	733	10	73	86
Commercial	993	20	50	63
Government	79	20	4	5
Total	1,805		127	154

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

IMPLICATIONS FOR INDUSTRIAL AND OTHER EMPLOYMENT LAND NEED

This section provides a brief summary of the implications of the economic opportunities needs analysis for Newport. It includes a general comparison of land supply and demand and description of the characteristics of needed sites. The buildable lands analysis is followed by a discussion of the key implications of the analysis for Newport.

Comparison of land capacity and demand

Table 12 shows the inventory of suitable employment land by plan designation. Table 3 presented an estimate of demand for vacant (including partially vacant) land needed to accommodate employment growth over the planning period. Table 12 compares the supply of buildable land with the demand for employment land:

- **Industrial.** Newport has a supply of nearly 200 acres of buildable land designated for industrial uses. The employment forecast projects demand for 86 acres of industrial land. **Newport has more industrial land than the City is projected to need over the 20-year period, with a surplus of 113 gross acres of industrial land.**
- **Commercial.** Newport has 62 acres of land designated for commercial uses and 42 acres designated for Shoreland uses. According to the City's zoning code, the purpose of land designated for shore land uses is for use by water-dependent businesses. **Newport has a surplus of 41 acres of land for commercial uses.**

Table 12. Sufficiency of employment land to accommodate employment growth, gross acres, Newport, 2012 to 2032

Land Use Type	Land Supply (Gross Acres)	Land Demand (Gross Acres)	Land Surplus (Deficit)
Industrial	199	86	113
Commercial			
Commercial	62		
Shoreland	42		
Commercial Subtotal	104	63	41

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

The employment forecast identified demand for five acres of land to accommodate government uses. These uses can be accommodated in a number of ways: (1) on land designated for Public uses, (2) on land designated for Commercial use, or (3) through redevelopment of land with underutilized buildings.

Newport has a deficiency of larger commercial sites. Newport has no commercial sites over 20 acres, two sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows

commercial uses outright—which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

Characteristics of needed sites

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. The Administrative Rule defines site characteristics as follows in OAR 660-009-0005(11):

(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

Friends of Yamhill County v. City of Newberg, 62 Or LUBA 5 (2010), established a two-prong test for establishing relevant "site characteristics" as follows: (1) that the attribute be "typical of the industrial or employment use" and (2) that it have "some meaningful connection with the operation of the industrial or employment use." The first of those prongs, that the attributes be "typical," appears expressly in OAR 660-009-0015(2), which refers to "site characteristics typical of expected uses." In upholding LUBA's two prong test, the Court of Appeals agreed, "[t]hat 'necessary' site characteristics are those attributes that are reasonably necessary to the successful operation of particular industrial or employment uses, in the sense that they bear some important relationship to that operation." Friends of Yamhill County v. City of Newberg, 240 Or App 738, 747 (2011).

This section presents a high-level discussion of the characteristics of land needed to accommodate the targeted industries, based on the identified need for: 86 gross acres of industrial land and 63 gross acres of commercial land. The following discussion summarizes the site characteristics and provides an overview of the two-prong test established for site characteristics under Friends of Yamhill County v. City of Newberg.

MARINE AND OCEAN OBSERVING RESEARCH AND EDUCATION

- **Location within the City.** Locational requirements of businesses in marine and ocean observing research and education cluster vary, depending on the type of business.

Newport has a limited supply of land with direct or nearby access to the Bay Front and should identify opportunity sites in these areas for use by marine and ocean observing organizations. The economic development strategy includes an action item of identifying specific opportunity sites for growth of this cluster within Newport.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic.

Organizations involved in research and education typically need access to the waterfront (i.e., a place to dock ships). While some organizations may prefer to have offices near the waterfront, others may find a location away from the water front acceptable.

Businesses involved with maintenance and manufacturing typically need to have a location along the water front (e.g., for ship maintenance), while others may prefer a location near Highway 20 or the airport.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Some marine and ocean observing businesses require access to the waterfront to do business, for docking ships or to be located near their customers. Some marine and ocean observing businesses need more access to the highway for automotive or freight transportation or the airport.

- **Size of sites.** Marine and ocean observing research and education firms will require a variety of site sizes.

- Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites “a minimum acreage” as a site characteristic. The size of sites required by businesses in this cluster will vary. Some businesses may require no new space and make use of space within an existing building, such as a small firm involved in research. Other businesses may require a larger site (e.g., one to two acres) to build a new facility. A large organization could require a five- to ten-acre site.
- Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee and customer parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** Development constraints include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. Office-based businesses may be willing to

locate on land with slopes of 15% or more. Manufacturing, maintenance, and related businesses will need relatively flat sites.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) or with slopes of 15% or more may make it more difficult for developers to obtain financing or obtain insurance. Office and other types of commercial development requires level floorplates to reduce costs and offer maximum flexibility, as well as level areas to provide for freight access and pedestrian walkways that meet ADA standards.

- **Transportation access.** Transportation access may include automotive, shipping access, or access to the airport.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic. All businesses will need automotive access. Businesses that manufacture products for use outside of Newport will need sufficient access to Highway 101 and possibly to Highway 20. Businesses in this cluster are likely to require boat and shipping access in the Bayfront.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

All businesses in this industry require automotive access to function, for delivery of freight or access by customers and employees. Businesses that need highway access need it to minimize the amount of freight traffic on local streets, helping to improve mobility, minimize commercial traffic in residential neighborhoods, minimize adverse effects on urban land use

and travel patterns. Businesses that require boat and shipping access need it for boats and ships belonging to the business or their customers.

INTERNATIONAL COMMERCE

- **Location within the City.** Businesses involved in international commerce will prefer to locate near the Port of Newport's facilities. Some of these businesses may require a Bayfront location and some may not need waterfront access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic.

Newport has a limited supply of land with direct or nearby access to the Bay Front, especially land near the Port of Newport's facilities. The Port, however, has some vacant land near the terminal that could be made available for related uses. The City and Port should identify opportunity sites in these areas for use by businesses in this cluster.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Businesses in international commerce require access to the waterfront, especially land near the Port, to do business, for docking ships or gaining access to Port facilities.

- **Size of sites.** The size of sites required by businesses in this cluster will vary.
 - Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites "a minimum acreage" as a site characteristic. The size of the site will depend on the type of business. Warehouse and distribution firms may require a relatively small site (e.g., 1- to 2-acres) for small-scale businesses or may require a large site (e.g., 20- or more acres) for large-scale operations. Small businesses may prefer to locate in existing buildings (if available).
 - Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** The buildable lands inventory identifies development constraints to include: steep slopes (over 15%), floodways,

wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. However, businesses in this cluster will need relatively flat sites.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) or sites within constrained areas or with slopes of 5% or more will be unsuitable for warehousing and shipping.

- **Transportation access.** Transportation access includes include automotive and shipping access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic. All businesses will need automotive access. Business in this cluster may need direct access to Highway 20 and to Highway 101. Businesses in this cluster will require access to shipping from the International Terminal at the Port of Newport.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

All businesses in this industry require automotive access to function, for delivery of freight or access by customers and employees. Businesses will require boat and shipping access need it for boats and ships belonging to the business or their customers.

FISHING AND SEAFOOD PROCESSING

- **Location within the City.** Businesses involved in fishing and seafood processing are likely to require a Bay Front location, with waterfront access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic. Newport has a limited supply of land with direct or nearby access to the Bay .

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Fishing businesses require direct access to the Bay and waterfront for docking ships. Seafood processors need to be located near the fisherman for easy access to the seafood being processed.

- **Size of sites.** The size of sites required by businesses in this cluster will vary.

- Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites “a minimum acreage” as a site characteristic. The size of the site will depend on the type of business. Some businesses may require relatively small locations on the waterfront, such as an office with a place to dock fishing vessels. Seafood processors firms may require a relatively small site (e.g., 1- to 2-acres) for small-scale businesses or may require a large site (e.g., 10- or more acres) for large-scale operations. Small businesses may prefer to locate in existing buildings (if available).

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** The buildable lands inventory identifies development constraints to include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. However, businesses in this cluster will need relatively flat sites.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites “site configuration including shape and topography” as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be unsuitable for development. OAR 660-009-0005(2) says:

"Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) or sites within constrained areas or with slopes of 5% or more will be unsuitable for fishing or seafood processing.

- **Transportation access.** Transportation access includes include automotive and shipping access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic. All businesses will need automotive access. Business in this cluster may need direct access to Highway 20 and to Highway 101. Businesses in this cluster will require access to shipping from the International Terminal at the Port of Newport.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

All businesses in this industry require automotive access to function, for delivery of freight or access by customers and employees. Businesses will require boat and shipping access need it for boats and ships belonging to the business or their customers.

TOURISM

- **Location within the City.** Businesses involved in tourism are likely to locate in areas that visitors frequent.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic.

Tourism businesses will require a location in areas where visitors frequent, such as along Highway 101, in Nye Beach, or in the Historic Bayfront. Some businesses may prefer a location with an ocean view, such as restaurants or overnight-accommodations.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Tourism businesses must locate in areas frequented by visitors.

- **Size of sites.** Businesses providing services to visitors will require a variety of site sizes.

- Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites "a minimum acreage" as a site characteristic. Some businesses, such as a retail store or small restaurant, in this cluster can locate on a small site (1-acre or less) and in an existing building. Some businesses, such as restaurants or overnight-accommodations, may need larger sites (2- to 5-acres) and may prefer to build new facilities. Need for sites larger than 5-acres will be restricted to large businesses, generally those building new facilities.
- Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee and customer parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** The buildable lands inventory identifies development constraints to include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. However, businesses in this cluster can locate on sites with somewhat steeper slopes.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Businesses providing tourism services require sites where constraints do not prohibit building. Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) will be unsuitable for businesses in this cluster. Some businesses in this cluster can locate on sites with slopes of up to 25%, consistent with slopes considered buildable for residential uses.

- **Transportation access.** Businesses providing services to visitors will need access to local streets, with space for parking.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic. All businesses will need automotive access. Some will require access to Highway 101 or Highway 20 and some may prefer to locate in an area with access to local streets.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Access to public streets with capacity to accommodate traffic volumes is necessary to accommodate necessary freight movement to support commercial development, as well as to provide safe and convenient access for customers and employees.

- **Visibility.** Businesses in this cluster generally requires a site with high visibility, either along Highway 101 or in one of Newport’s districts with other services for visitors.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites “visibility” as a site characteristic.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Many of the desired commercial businesses require from exposure to traffic and storefront view to the road to attract passing motorists and other customers.

Implications

The conclusion of the economic opportunities analysis is that Newport has enough land to accommodate the forecast for employment growth over the next 20-years. The City's challenge is managing the existing land base and infrastructure to retain existing businesses and attract new businesses. The actions proposed in the Economic Development Strategy focus on these issues, emphasizing the City's role in managing these issues.

- **Identify and manage opportunity sites for the target industries.** The community's aspiration for economic development is growth of businesses related to marine and ocean observing research and education. In addition, the community wants to grow employment in international commerce, fishing, and tourism. A key factor in growing employment in these clusters to Newport is whether the City has an attractive land-base with the characteristics and infrastructure needed by businesses in these cluster.

Businesses in all of these clusters compete for land in similar areas: along the Bay Front and in South Beach. There is a limited amount of vacant land with direct access to the Bay Front. The Economic Development Strategy includes an action of identifying opportunity sites for the marine and ocean observing cluster.

Some vacant land along the Bay is likely to be used for international commerce (e.g., land owned by the Port) and some will continue to be used for fishing and related industries. For other land with direct Bay access, the City will need to work with stakeholders and land-owners to prioritize development of key properties with Bay access.

Newport has no commercial sites over 20 acres, two sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows commercial uses outright—which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

The City's economic development strategy also identifies annexation policy as a potential tool to work with property owners in the unincorporated areas of the UGB to clarify issues such as infrastructure provision outside of the city limits. The project ultimately will result in an Urban Growth Management Agreement (UGMA) between the City of Newport and Lincoln County that includes the South Beach area. The Newport City Council has a goal of accomplishing this in the next five years. Having a well-defined annexation strategy is important to the City because it can ensure efficient provision of municipal services and adequate sites for businesses.

- **Facilitating redevelopment along Highway 101.** Newport has a substantial amount of land that is potentially redevelopable. Map 7 shows three districts with concentrations of redevelopment potential: (1) along Highway 101 around the City Center District, (2) along Highway 20, east of the intersection with Highway

101, and (3) along Highway 101 between NE 6th Street and NE 12th Street. These areas all include underutilized and vacant land.

The City has limited resources available to encourage redevelopment. While each of these areas offers redevelopment opportunities, we recommend the City consider focusing effort on redevelopment around the City Center District. This area is a gateway from the south to the northern side of Newport. It is connected to the Historic Bayfront and is near City Center. This area includes larger parcels with relatively low improvement to land value ratio, some of which are unused.

The Economic Development Strategy includes an action to evaluate creating an urban renewal district (URD) north of Yaquina Bay. The purpose of the District is to address the issues of underutilized commercial and industrial properties and infrastructure deficiencies, with the purpose of spurring new development. We recommend considering the commercial portions of the Highway 101 and Highway 20 corridors in the District.

The URD would provide a source of financing for upgrades and improvements to public infrastructure. Improvements in areas the City targets for redevelopment along Highway 101 can catalyze redevelopment of key commercial areas. Without a source of financing for the improvements, encouraging redevelopment in key areas of Highway 101 will be more difficult for the City.

- **Making infrastructure investments in key areas.** The City has limited funds to maintain existing infrastructure and facilities and very little financial capacity to make strategic investments. Existing funds are generally used for basic maintenance. The lack of funds leaves the City in a reactive position for addressing infrastructure problems.

The City has some funds available from urban renewal for investment in the South Beach area. We recommend making investments in South Beach on key opportunity sites that need infrastructure improvements to enable development of marine and ocean observing businesses.

The Strategy also includes actions for maintaining and improving infrastructure: to the International Terminal, necessary to support fishing, and infrastructure used by visitors. There may be opportunities for infrastructure investments that benefit businesses in multiple clusters, such as improvements to marine infrastructure used by fisherman and the Port. In addition, improvements to roads connecting the Bay Front with Highway 20 may benefit multiple users.

Given the limited funding available, the City will need to seek infrastructure grants. There may be opportunities for public-private partnerships that improve infrastructure.

ECONOMIC VISION, GOALS, POLICIES, AND ACTIONS

This part of the Economic section presents Newport's vision for economic development and the goals, policies, and actions to implement the vision. The memorandum "Newport Economic Development Strategy" dated July 30, 2012 presents the full action plan for implementing the economic development strategy.

City of Newport's Role in Economic Development

A number of organizations are working on economic, business, and workforce development in the region. Many of these have representation on the technical advisory committee (TAC) for this project. These organizations include:

- City of Newport
- Lincoln County
- Economic Development Alliance of Lincoln County
- Greater Newport Chamber of Commerce
- Oregon Coast Community College, Small Business Development Center
- Port of Newport
- Yaquina Bay Economic Foundation
- Yaquina Bay Ocean Observing Initiative

With so many organizations having an interest in economic development, it is critical that roles be clearly defined. Moreover, coordination amongst the organizations will be important as the community moves into implementation of the strategy.

The focus of this section is primarily on the City's role: what resources can the City commit to economic development and what roles are most appropriate for the City. Following are foundational assumptions about the City's role:

- The City plays a support role in economic and business development
- The City is one of several organizations that provide and maintain infrastructure
- The City has some limited staff and financial resources that can be invested in appropriate economic development activities
- The City has an obligation to adopt an economic development strategy, policies to manage employment lands, and maintain a 20-year supply of commercial and industrial sites under Goal 9 and OAR 660-009.
- The City is not the appropriate organization to coordinate business recruitment and retention activities or to house staff that are coordinating business recruitment and retention activities

The economic development vision, strategies and actions that follow primarily focus on those activities that the City would lead on, or that relate directly to an activity the City would lead on. This approach is consistent with the intent of this project: to articulate the City's role in economic development. It does not, however, provide details on the

activities of partner organizations, nor does it commit partner organizations to any specific activity.

Vision for Economic Development

The City of Newport embraces change and works collaboratively to create a dynamic, entrepreneurial, and forward looking community.

Newport's dynamic and collaborative waterfront community represents its diverse economy – an innovative and technologically advanced fishing and seafood industry; a rapidly growing marine research enterprise; and a resourceful coastal tourism and recreation industry. Newport's citizens place a high value on education, invest in lifelong learning, and upgrade skills for tomorrow's economy. People and families are attracted to the region for its diverse job opportunities and entrepreneurial environment. Residents invest in a quality of life reflected in numerous recreational opportunities, substantial infrastructure and support services, a vibrant arts community, and a beautiful and sustainable natural environment.

Goals, Policies, and Actions for Economic Development

The goals, policies and actions build from the vision for economic development as well as Newport's key competitive advantage for economic development: (1) the City's proximity and access to the ocean, (2) the City's attraction of visitors, (3) the City's role as a regional employment center, (4) existing urban infrastructure (i.e., road system or wastewater system), and (5) existing workforce and relationships among businesses, nonprofits, and agencies.

Each topic below includes a broad goal statement and description of strategic considerations and issues related to the goal that must primarily be addressed through strategies and actions on the part of the City.

JOB GROWTH

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

Newport wants to promote economic conditions and a positive business climate that encourages growth of jobs through growth of existing businesses and attraction of new businesses. Newport wants to strike a balance between economic development strategies to help existing businesses grow (i.e., economic gardening) and to attract new businesses. The City wants to focus on growth of jobs in the following employment clusters, as targeted industries: marine and ocean observing research and education, tourism, fisheries, and international commerce.

Strategic considerations

The City and its community partners have limited resources to invest in developing infrastructure and promoting economic development. Which industries offer the most opportunity for growth of jobs, of the type that the community wants to invest resources

in growing? What are the high priority growth industries that the community should make investments in?

The information below describes the targeted industries and presents issues that can be addressed through actions by the City or its community partners.

- The employment cluster identified by the Technical Advisory Committee (TAC) as being most important to grow is marine and ocean observing research and education. The TAC prioritized taking actions to grow the other three other clusters as approximately equal.
- Newport has had some success at developing employment in marine and ocean observing research and education. The three categories of businesses in this cluster are: (1) research or education organizations, (2) maintenance of equipment, and (3) manufacturers of equipment, such as that used in research and education or energy production. Stakeholders in Newport who want to grow employment in the marine and ocean observing cluster will need to take actions to facilitate that growth.
- Tourism is one of Newport's existing employment clusters, with about 1,500 jobs in and direct travel spending of \$122.7 million annually from tourism-related industries in 2010.⁷ Tourism is seasonal, with the majority of tourism spending in summer and the lowest tourism spending in winter. If growing employment in tourism is a high priority, actions will be required to capture a larger share of regional tourism spending, and reduce the volatility of tourism's seasonality.
- Newport has one of three deep draft ports on the Oregon Coast, which creates opportunities for international commerce. With completion of the renovation of the Port of Newport's International Terminal, the Port will be able to accommodate deep draft cargo vessels for shipping. The types of goods likely to be shipped from the International Terminal include logs, other wood products, value-added wood products (e.g., dimensional lumber), or other agricultural products. The primary product that the Port expects to ship is logs. The Port and its partners may need to take actions to diversify the types of products shipped from the Port and developing other opportunities for economic development related to the Port.
- Fishing and seafood processing continue to be important industries in Newport. Newport is one of Oregon's largest commercial fishing ports, accounting for about one-third of the State's commercial fishing activity. In 2008, Newport was home to about 238 fishing vessels, including both short-haul boats that fish in Oregon's Coastal fisheries and distant-haul boats that fish in Alaska's fisheries. Newport's commercial fishing vessels generated 61 million pounds of seafood, with a value of \$32.5 million in 2008, accounting for about one-third of the seafood harvested in Oregon. The economic contribution of the fishing industry on personal income in Newport in 2008 was about \$123 million, accounting for

⁷ Dean Runyan Associates, *Newport Travel Impacts, 1991-2010p*, May 2011

about 30% of statewide economic contribution from fishing.⁸ Changes in fishing permits and quotas as well as retention of the fishing fleet are key issues for Newport.

- Newport is a regional center of activity on the Central Oregon Coast, with regional retailers, a government center, and the location of regional educational and research agencies. Newport's retailers serve the Central Coast region. Newport can take actions to capitalize on that role as a regional center to recapture retail leakage, capture a larger share of spending from visitors, and increase the share of retail spending in Newport region.
- Newport has an aging population. According to Census data, the average age of Newport's residents has increased from 40.9 years old in 2000 to 43.1 years old in 2010. This trend is consistent with national trends. Newport has an older population on average than the State (38.4 years old) and younger than the County (49.6 years old). The aging of the population is a combination of the aging of long-term residents of Newport and in-migration of older workers or retirees. These demographic trends create some economic opportunities, such as attracting older entrepreneurs (and their business opportunities) and providing services to the aging population (e.g., recreational services or medical services).
- Newport's economic and business climate may be perceived as challenging to some businesses that consider moving to Newport. Some potential issues include: (1) a lack of attractive land in good locations ready for development, (2) lack of some services (e.g., major medical facilities or cohesive business and shopping areas), (3) lack of coordination about economic development issues. The City and its partners in economic development will need to take steps to address these issues.

Policies and actions

Given the strategic considerations outlined above, what actions can the City and its partners take to promote job growth in the high priority target industries? The following policies and actions should take into account the limited resources available for public investment in infrastructure and efforts to support economic development.

Action: Create and staff a Business Growth and Recruitment Coordinator function

Description: In the past, the area had a staff position that focused on business development and recruitment. This position was housed with the Greater Newport Chamber of Commerce. Historically, the City of Newport partially funded the position and contributed about \$40,000 annually from transient room tax revenues. This function, however, could also be contracted.

⁸ The most recently available report describing Newport's fishing industry is: "Oregon's Commercial Fishing Industry, Year 2007 and 2008 Review." Oregon Department of Fish and Wildlife and Oregon Coastal Zone Management Association, Inc.

The TAC also indicated that YBOOI will be submitting a proposal to the Oregon Innovation Council (Oregon InC) to support economic development of ocean observing and research. This proposal would include a staff position and would not exclusively focus on the Newport area.

The TAC was unanimous in their support for re-creating and staffing a similar position. This action is an overarching approach to provide resources for many of the development and coordination functions that are not currently met. This position would complement and help to coordinate the activities of other organizations (the City, the Port of Newport, the Economic Development Alliance of Lincoln County, YBOOI and others). The TAC was also clear that the position needed a very clear work program in order to achieve the desired outcomes.

The business growth and recruitment coordinator would have several roles: (1) to work with local businesses on expansion efforts; (2) to work on recruiting new businesses—particularly in the target industry sectors; (3) to conduct research and analysis in support of local business development; and (4) to coordinate activities among the economic development partners.

An essential first step for the community partners is to develop a work plan for the business recruitment coordinator for the first 1-2 years.

Rationale: The business growth and recruitment coordinator will address a critical development and coordination role that does not currently exist.

Who does it: Ideally, the TAC prepares work plan, position description and secures funding and determines the preferred host organization. An alternative would be to form an ad hoc committee that has representation of key organizations.

Possible funding sources: City of Newport, Local economic development partner organizations; other grant sources.

When: Initiate in year 1; continues through five-year period

Benchmarks: Development of a work plan; hiring of a business growth and recruitment coordinator; implementation of the work plan.

Policy 1. The City shall help facilitate growth of employment in the marine and ocean observing research and education cluster

Action 1.1. Identify a person or organization responsible for coordinating among stakeholders

Description: One person should be responsible for coordinating growth of this cluster among stakeholders. This person will be responsible for coordinating with stakeholders, assisting businesses in negotiating local and state regulations, and leading efforts to grow employment in this cluster. The TAC also indicated that YBOOI will be submitting a proposal to the Oregon Innovation Council (Oregon InC) to support economic development of ocean observing and research. This proposal is being developed in partnership with the Economic Development

Alliance of Lincoln County. This proposal would include a staff position and would not exclusively focus on the Newport area. Moreover, YBOOI is applying for nonprofit status.

This would not be a City staff position, however, the City would play a support role on this strategy. This position would coordinate activities with the Business Growth and Recruitment Coordinator. This function could be overseen by YBOOI or the Economic Development Alliance of Lincoln County with support from the business growth and recruitment coordinator. The rationale for this, in part, is that marine research and ocean observing are a significant employment cluster that is not specific to Newport.

Rationale: The growth of this cluster will require efforts of a range of community stakeholders. Having a coordinator will ensure that progress is being made on key initiatives.

Who does it: YBOOI coordinator (if funded by Oregon InC); otherwise, business growth and recruitment.

Possible funding sources: Oregon Innovation Council, Economic development partner organizations, other State grants, and private foundations.

When: Initiate work in year 1; continue through five-year period.

Benchmarks: Hiring of a coordinator; development of a work plan based on the business plan described in Action 1.2; implementation of the work plan.

Action 1.2 Update the strategic and business plan to guide growth of the marine and ocean observing cluster

Description: The purpose of the strategic and business plan is to plan for development in the marine and ocean observing cluster. The plan should first define the scope of the marine research and ocean observing cluster (e.g., the types of businesses and support services needed for a healthy cluster) through market research. The plan should document the types of businesses desired in the cluster, the infrastructure needed by these businesses, and the characteristics of sites needed by these businesses (e.g., location, site size, etc.). This analysis should also explore links to the fishing and seafood processing industries.

The Port of Newport was in the process of updating its strategic plan in 2012. The Port's strategic plan should include a task to coordinate with the update the strategic and business plans for growth of the marine and ocean observing cluster.

Rationale: The TAC identified a need to develop a detailed understanding of this cluster and develop a strategy based on data and analysis to capitalize on marine and ocean observing.

Who does it: YBOOI members and staff from the Economic Development Alliance of Lincoln County will coordinate the initial strategy development as well

as funding proposals. The other economic development partners, including the City, will play a support role in this effort.

Possible funding sources: Grants, Oregon Innovation Council

When: Develop strategy in year 1; implementation in Years 1 through 5

Benchmarks: Completion of the strategic/business plan; implementation of the strategy.

Action 1.3 Identify opportunity sites for growth of the marine and ocean observing cluster

Description: The locational requirements of businesses in marine and ocean observing research and education cluster vary, depending on the type of business.

- Organizations involved in research and education may need access to the waterfront (i.e., a place to dock ships). While some organizations may prefer to have offices near the waterfront, others may find a location away from the water front acceptable.
- Businesses involved with maintenance and manufacturing may need to have a location along the water front (e.g., for ship maintenance), while others may prefer a location near Highway 20 or the airport.

Newport has a limited supply of land with direct or nearby access to the Bay Front and should identify opportunity sites in these areas for use by marine and ocean observing organizations. This task will use data from the commercial and industrial buildable lands inventory.

The inventory should be comprehensive and should identify and document sites that are available for the range of related use: office, lab space, collaborative space, warehousing, dock access, maintenance yards, and manufacturing. It should also identify any dock space that could be shared or used for non-exclusive uses.

This action will require close collaboration with Oregon State University (OSU) and the Port of Newport—both of whom own and manage key properties in South Beach. OSU is in the process of identifying needs for marine research and ocean observing on their site as part of an update of the Hatfield Marine Science Center master plan. The City should work with OSU to clarify whether private businesses could be located on the campus. The Port of Newport has also indicated that portions of their South Beach site may have development potential.

This action should also consider strategic sites on the north side of Yaquina Bay, including the Port of Newport's proposed International Shipping Terminal. Sites on the north side can provide additional docking capacity. The inventory and evaluation should include other sites outside of water-dependent and water-related uses. While the emphasis is on water uses, not all businesses that are within the marine research and ocean observing sector will require water access. Some businesses may require industrial sites, others, office space. For such

sites in South Beach, the city could consider providing incentives to encourage property owners reserve the sites for businesses related to the marine and ocean observing cluster. The incentives may be in the form of extending infrastructure to southern sites that do not have infrastructure.

The identification of key sites would build on the buildable lands inventory conducted as a part of the update of the Economic Opportunities Analysis, and the strategic plan developed for the marine research and ocean observing sector.

Rationale: Having adequate sites in appropriate locations is a prerequisite for sitting new businesses. While the buildable land inventory in the updated Economic Opportunity Analysis identifies sites with development capacity, it did not go the next step and identify which sites are appropriate for target industries. This action would make those determinations.

Who does it: City of Newport

Possible funding sources: City of Newport

When: Year 2, start date contingent upon completion of Action 1.2

Benchmarks: Identification of opportunity sites

Action 1.4 Stakeholder workshops

Description: These types of workshops should be held periodically to maintain momentum and foster relationships. Stakeholders would discuss their role in the cluster, opportunities for growing the cluster in Newport, and each stakeholder's capacity to contribute to growth of the cluster. These workshops provide stakeholders in Newport an opportunity to ask questions about other stakeholder's locational needs, assess opportunities to attract new agencies/businesses to Newport, and understand the needs of businesses that might consider moving to Newport. The Yaquina Bay Ocean Observing Initiative conducted a stakeholder strategy retreat in July of 2011. That retreat brought state and local stakeholders in the marine and ocean observing research and education cluster together to collaboratively identify strategies for growing the cluster and defined a set of actions for moving the initiative forward.

Rationale: As a member of YBOOI, the City of Newport is an important partner and should be consistently involved in this activity. The workshops would allow Newport city staff and city policy makers to network with economic development partners to better understand initiatives being undertaken in other communities and businesses and identify linkages and opportunities.

Who does it: Yaquina Bay Ocean Observing Initiative/Economic Development Alliance are lead in coordinating these meetings. It is essential that city of Newport staff and policy makers are consistently engaged in this process and are aware of how city resources can leverage this sector.

Possible funding sources: These meetings can be coordinated at minimal cost.

When: Year 2.

Benchmarks: Holding the workshops; attending workshops; information sharing; refinement of strategies identified during the workshops.

Policy 2. The City shall encourage growth of tourism-related employment

Action 2.1. Develop tourism-related amenities and facilities.

Description: Work with the private sector and non-profit organizations to encourage development of amenities and facilities that would support and increase tourism. These amenities could include a golf course, events facility, or other facilities. These projects would not be constructed or maintained by the City. The City has historically provided funding to external organizations through grants funded by transient lodging tax revenues for such amenities.

Rationale: Support for strategic private and non-profit investments in amenities and facilities will encourage tourism.

Who does it: City of Newport Administration/City Committees, Greater Newport Chamber of Commerce.

Possible funding sources: Transient lodging tax grants.

When: Years 1 through 5 based on priorities and cost.

Benchmarks: Completion of projects.

Action 2.2. Work with the Port of Newport and the Greater Newport Chamber of Commerce to study opportunities to make Newport a destination for cruise ships and other recreational activities.

Description: Newport could be a destination for cruise ships, if the City had the infrastructure and facilities necessary to accommodate cruise ships. This action focuses on City coordination with the Port of Newport to ensure this action is reflected in the Port's strategic plan. The action, would largely be implemented by the Port. It would start with an evaluation of whether residents and businesses in Newport support the idea of becoming a cruise ship destination. If there is sufficient public support, conduct an evaluation of the infrastructure necessary to accommodate cruise ships and a feasibility study for becoming a cruise ship destination.

This evaluation should go beyond cruise ships. For example, the Port of Newport could create kayak launching areas. The evaluation should include analysis of recreation activities that can stand alone (such as cycling or kayaking) but would also complement cruise ship patrons. As part of this action, and to support other actions, City of Newport should participate in the Port of Newport's strategic planning process. Moreover, once the plan is complete, the city should see ways to coordinate with the Port.

Rationale: Cruise ships can create significant short-term economic activity, particularly in the Bay Front area. Moreover, exposure to the community may lead to additional visits. Cruise ship patrons will desire a range of activities; this step would evaluate which activities are most desired.

Who does it: Newport Community Development, Port of Newport, and Greater Newport Chamber of Commerce (outreach); Destination Newport Committee (a City committee); Consultant (feasibility study).

Possible funding sources: Port of Newport (strategic plan); Transient lodging tax revenues.

When: Scope project (Year 1); implement study (Years 2-3).

Benchmarks: Completion of outreach and feasibility assessment.

Action 2.3. Maintain meaningful tourism marketing

Description: Support tourism marketing by working with tourism-related stakeholders. This function has historically occurred through a city committee and has been funded by room tax revenues. This action would be a continuation of this program, with an emphasis on strategically investing in marketing activities.

This action should include evaluation of existing and potential marketing in the areas of marine education and eco-tourism, recreational tourism (watersports, hiking, etc.). While some degree of eco-tourism promotion has occurred, opportunities exist to expand marketing. Moreover, Newport has a long legacy of activities that might be considered eco-tourism—only in recent years have these activities been identified as eco-tourism. Evaluation of eco-tourism should include an assessment of related opportunities: linkages to the Hatfield Marine Science Center, the Oregon Coast Aquarium, and other tourism activities. In short, the community has an opportunity to integrate tourism and marine research.

Historically, most of the focus has been on marketing to educational institutions to bring school children to the Oregon Coast Aquarium and other attractions. . This creates an opportunity to expand marketing activities to other educational sectors—higher education, lifelong learning, etc. This could include re-establishing the Elderhostel that used to be run through Oregon Coast Community College, or other targeted marketing activities.

Rationale: Tourism is a significant contributor of jobs and revenues to Newport's economy. Growth in tourism jobs and payroll has been more or less flat for the past decade. The objective is to maintain current levels of jobs and payroll—and ideally increase them.

Who does it: Destination Newport Committee; Greater Newport Chamber of Commerce in cooperation with private businesses; Business recruitment coordinator.

Possible funding sources: Existing transient room tax funds.

When: Ongoing.

Benchmarks: Tangible marketing activities that are reported annually to the Newport City Council through the Destination Newport Committee. Travel and tourism related economic impacts as reported by Dean Runyan Associates in their reports.

Policy 3. The City shall coordinate with the Port of Newport on shared economic development objectives

Action 3.1. Evaluate opportunities to expand the goods shipped via the Port

Description: Conduct a market analysis of potential ways to expand the goods shipped from the Port. Potential opportunities include barges of containers along the U.S. Pacific coast or shipping value-added products from the Port, where the value-added processing is done in or nearby Newport.

The City supports a meaningful industrial footprint at the Port Terminal. Development could include terminal facilities, warehouse facilities, and other facilities that support international shipping. The City will coordinate with the Port of Newport on identification and provision of infrastructure to support anticipated levels of activity.

Rationale: The feasibility assessment will provide the basis for identifying the type and scope of infrastructure improvements that will be needed.

Who does it: Port of Newport; City of Newport and the Economic Development Alliance of Lincoln County support and coordination.

Possible funding sources: Port of Newport; State planning grants (DLCD or Business Oregon).

When: As soon as possible (some work is already in progress).

Benchmarks: Completion of market analysis.

Policy 4. The City shall encourage growth of businesses involved with fishing and value-added seafood.

Action 4.1. Coordinate relationships with the Port of Newport, fishing businesses and other business interests within the community

Description: Encouraging growth of businesses involved with fishing and value-added seafood requires that city staff and elected officials have a working knowledge of the issues facing the industries. This is developed through regular engagement and interaction with the City, Port of Newport, fishing businesses, and other interested parties (e.g., the Destination Newport Committee).

The City is in the position to encourage growth in fishing and value-added seafood in a number of ways. City land use regulations and other requirements influence the environment within which the industry operates. In addition, the city owns and maintains critical infrastructure and facilities that businesses need in order to operate in Newport. Some ways that the City can assist the industry are: creating connections with other businesses in Newport to increase business, assisting with creative solutions to issues facing the industry, working through potential conflicts with other businesses and residences, or providing assistance with industry needs for rights-of-way and parking.

In addition, the presence of fishing and value-added seafood production in

Newport is part of Newport's attraction for tourists. The City can support growth of this industry through support of tourism marketing and advertising.

This action will result in periodic meetings between staff and officials with the City of Newport, Port of Newport, industry representatives, and other interested parties. The purpose of the meetings is to ensure that all stakeholders are working together to address issues and encourage growth in the industry. The action will also result in strategic use of room tax funds for supporting tourism marketing and advertising.

Rationale: Working directly with the fishing industry will allow better coordination of activities and needed improvements.

Who does it: Business growth and recruitment coordinator will set and facilitate meetings with City of Newport, Port of Newport, industry representatives, and other interested parties.

Possible funding sources: Economic improvement district and support for tourism marketing and advertising through use of room tax funds

When: Coordination meetings and project identification (year 2).

Benchmarks: Holding meetings; identification of infrastructure improvements.

WORKFORCE AVAILABILITY AND QUALITY

Goal: Provide appropriate workforce and entrepreneurial training opportunities to meet the needs of Newport's target industries

Newport has identified four target industries: marine and ocean observing research and education, tourism, fisheries, and international commerce. This goal insures that Newport has a workforce with the skills, training, and education to meet the needs of these target industries.

Strategic considerations

The City and its community partners have limited resources to invest in developing a high-quality workforce. The role of workforce development is generally assumed by educational institutions, such as the Community College, universities, and public schools (K-12). Given the limited resources available, the City will play a limited role in workforce development and primarily work through its partners in ensuring that businesses in Newport have access to qualified workers.

The information below describes the issues related to workforce availability and quality.

- Newport has an aging population, as described in the previous section. In addition, the Office of Economic Analysis forecasts that Lincoln County's percent of people 65 years and older will increase from 20% in 2000 to 30% in 2030, compared to Oregon's increase from 13% to 19% of the population. The aging workforce has skills and experience that can benefit businesses in Newport. The loss of workers as older workers exit the workforce will need to be mitigated, to ensure that businesses have access to enough workers.
- Newport has a smaller share of younger workers. About one-third of Newport's population is between the ages of 20 to 49 years, compared to 40% of Oregon's population. What can Newport do to provide opportunities for young workers at businesses in Newport, both for people raised in Newport and to attract young workers?
- An important issue for businesses in Newport is availability of a skilled and educated workforce. What can the City and other economic development stakeholders do to support better preparing the workforce to meet the needs of existing and future businesses in Newport? What can be done to provide the existing workforce with skills needed to fill jobs in marine and ocean observing research and education?

Strategies and actions

Given the strategic considerations outlined above, what actions can the City and its partners take to ensure that businesses in Newport have access to skilled workers, especially for high priority target industries? These actions should take into account the limited resources available for public investment and the role of the City and its community partners in workforce development.

Policy 5. The City shall support workforce development

Action 5.1. Provide strategic contributions in staff or dollars to partners to support workforce development

Description: Provide opportunities for communication between businesses in Newport who need employees and the Oregon Coast Community College. The City may also choose to provide support (in terms of staff or dollars) to workforce development organizations such as Oregon Coast Community College or the school district.

The TAC clearly identified the current lack of training opportunities in the area of marine research and ocean observing as a barrier. Oregon Coast Community College would be the logical organization to fill that void, however, the Community College needs funding to support more ocean-related workforce development.

Rationale: Newport has a need for qualified, trained workers, such as workers to service marine equipment or qualified mechanics for the Port.

Who does it: Newport City Council.

Possible funding sources: Existing transient room tax funds; grants.

When: Annually.

Benchmarks: Annual progress reports from Oregon Coast Community College staff , establishing how funding has contributed to workforce development.

SUPPLY OF COMMERCIAL AND INDUSTRIAL LAND

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

Newport wants to provide enough land to accommodate employment growth over the 20-year planning period. Newport will need employment sites with a range of characteristics, such as different sizes, locations, access to transportation, access to the waterfront, and zoning designations. Newport wants to ensure that the City has an adequate number of sites to allow market choice for businesses in its four targeted industries, as well as for other economic opportunities.

Strategic considerations

Newport has more than 928 acres of land for commercial and industrial uses with development capacity, of which about 408 acres are unconstrained and suitable for employment uses. In addition, Newport has a substantial amount of underutilized⁹ with redevelopment potential.

- Newport's commercial and industrial land base has substantial constraints, such as steep slopes, that will prohibit development. These constraints are an issue and will require careful siting of businesses. While these constraints will create additional challenges for development in many instances, they do not necessarily preclude development.
- Newport has no commercial sites over 20 acres, two sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows commercial uses outright—which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.
- Newport has a limited amount of unconstrained vacant or partially commercial land with development capacity (about 62 acres). Newport has a substantial amount of underutilized commercial properties, with about 90 acres that have an improvement to land ratio less than 1.00. Much of the underutilized commercial properties are along Highway 101 or just off of the Highway. These commercial properties have redevelopment potential, although it is not clear which of these sites will redevelop over the next 20-years.

⁹ Broadly, underutilized land can be consider land that is not meeting its full economic potential. In short, it is land that is not in its highest and best use. In the context of the state land use system, the terminology is a little confusing. OAR 660-009-0005(1) defines redevelopment as follows: "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period. For the purpose of clarity, we use the term developed to mean land committed to existing productive employment uses and redevelopable as lands that have potential for redevelopment during the planning period.

- Encouraging redevelopment of the commercial properties may require investments from the City. The City does not have sufficient funding to invest in redevelopment of all the underutilized commercial properties at once. The City should select a few areas with higher redevelopment potential to focus redevelopment efforts on. This could include strategies to aggregate parcels, or strategies to reduce infrastructure costs.
- Land with development capacity in South Beach is limited. The City will need to work with businesses in the marine and ocean observing research and education cluster to identify other locations for new or expanded businesses, especially those that do not require close proximity to the waterfront (i.e., research offices or fabrication of marine research equipment and instruments). In some instances, the City may want to negotiate development agreements with property to better ensure that development is consistent with the City's economic development vision.
- There is land with development capacity near the International Terminal, along and near the Bay Front. The City should work with its partners and the land owner to determine what uses are appropriate for this area, which will be important for development of marine-related industries given the limited amount of developable land along the waterfront.
- Newport has a reasonably large supply of land around the Airport. This land presents opportunities for development, especially for employment uses related to or dependent on aviation. While the land is not currently serviced, the City has identified strategies to service the land, given a business or developer who wanted to partner with the City on developing around the Airport.

Strategies and actions

Given the strategic considerations outlined above, what actions can the City and its partners take to make the best use of Newport's commercial and industrial land base? What should the City do to encourage redevelopment of commercial land, given the limited amount of vacant and partially vacant commercial? How can the City best use its existing land base to support the targeted industries, especially given the very limited land supply in South Beach? These actions should take into account the limited resources available for public investment in infrastructure and efforts to support economic development. In short, the city needs a clearly articulated strategy for the management of waterfront properties.

Policy 6. The City shall encourage better use of underutilized and/or blighted commercial sites.

Action 6.1. Evaluate creation of an urban renewal district north of Yaquina Bay

Description: The URD should address the issues of underutilized commercial and industrial properties and infrastructure deficiencies. The housing needs analysis made a similar recommendation focused on reducing housing cost by addressing infrastructure deficiencies in certain areas as identified by the city. The specific purpose should be developed through a broader set of discussions.

The URD would potentially allow the city to use the additional tools offered by the URD including flexibility to resell land, land acquisition, land assembly, loans, upgrading or razing dilapidated commercial structures, facilitating the purchase or sale of land, and other tools. The URD could also address highway corridors, sign clutter, business facades, overhead lines, etc.

The City will also need to determine the extent of the URD boundary. The TAC suggested starting with properties that are adjacent to the Highway 101 and Highway 20 corridors.

Rationale: A URD would provide the city with additional tools for land acquisition and potentially funding for economic development and infrastructure projects through the bonding authority created by the district.

Who does it: City of Newport.

Possible funding sources: Urban Renewal District.

When: Evaluation of the URD should occur in Year 1; steps to establish the district, should it have council support should occur in Year 2. Implementation would occur in subsequent years.

Benchmarks: Evaluation of URD; establishment of URD; completion of projects.

Policy 7. The City shall ensure an adequate supply of commercial and industrial sites

Action 7.1 Develop strategies to prioritize target industry uses on opportunity sites

Description: Once opportunity sites are identified for employment and business growth of the target industries, develop land use strategies to reserve these sites for use by organizations in this cluster.

The initial emphasis in site identification should be on sites that are suitable for water-related and water-dependent uses, international shipping, fishing and seafood processing, and tourism. The implementation of this strategy would be on a voluntary basis—the City is not proposing additional land use regulations to implement this strategy. Rather, the City, working with other economic development partners, will engage with individual property owners to negotiate development agreements.

According to the Municipal Research and Services Center of Washington a development agreement:

“is a contract between a local jurisdiction and a person who has ownership or control of property within the jurisdiction. The purpose of the agreement is to specify the standards and conditions that will govern development of the property. The development agreement provides assurance to the developer that he/she may proceed to develop the project subject to the rules and regulations in effect at the time of approval - the development will not be subject to subsequent changes in regulations. Development agreements should also benefit the local jurisdiction. The city or county may include conditions (mitigation

measures) that must be met to assure that a project at a specific location does not have unacceptable impacts on neighboring properties or community infrastructure. The agreement may clarify how the project will be phased, the required timing of public improvements, the developer's contribution toward funding system-wide community improvements, and other conditions. The agreement can also facilitate enforcement of requirements, since it is a contract that details the obligations of the developer and local jurisdiction.”¹⁰

ORS 94.504 provides the legal basis for development agreements in Oregon. The statute allows a city to enter into a development agreement “with any person having a legal or equitable interest in real property for the development of that property.” The statute requires development agreements include specific information (ORS 94.504(2) through (7)). The statute also requires that the agreement is consistent with local regulations and that the local government approve the agreement after notice and hearing.

To initiate this task, the City should identify the desired outcomes of the agreements and develop a list of potential elements of the development agreements. The agreements should place limitations on the use of properties to those that are consistent with the target industries. The agreement may also spell out any improvements that the city is willing to make to support development of the cluster, and under what conditions those improvements will be made. Once the general framework is established, the city should contact select property owners in areas targeted for marine research and ocean observing. The agreements should initially be targeted to properties in the South Beach area and should consider parcel size as a factor.

Rationale: Current policies allow development of sites consistent with outright allowed or conditional uses as defined in the Newport Development Code. For example, some commercial uses are allowed in the I-1 zone. Rather than use regulatory approaches, this strategy will look to voluntary and incentive based strategies. Negotiating development agreements is a way to voluntarily engage property owners without land use regulation. Having resources to assist in business recruitment (the business growth and recruitment coordinator) provides incentive for property owners to work with the City on development agreements.

Who does it: The City Community Development Department works with economic development partners to identify key provisions of the development agreements, then contacts property owners and negotiates development agreements. The economic development partners will provide support as appropriate.

Possible funding sources: City of Newport; Urban renewal funds.

When: Develop key provisions in year two; negotiate agreements in years 3-5.

¹⁰ <http://www.mrsc.org/subjects/planning/lu/developagreements.aspx>

Benchmarks: Identification and adoption of development agreements.

Action 7.2: Develop an annexation strategy for commercial and industrial properties in South Beach

Description: This action would result in an annexation strategy for commercial and industrial property in South Beach. The project would work with property owners in the unincorporated areas of the UGB to determine issues such as infrastructure provision outside of the city limits. The project ultimately will result in an Urban Growth Management Agreement (UGMA) between the City of Newport and Lincoln County that includes the South Beach area. The Newport City Council has a goal of accomplishing this in the next five years.

Rationale: Having a defined annexation strategy will ensure efficient provision of municipal services, as well as adequate sites for businesses. This strategy may also address the issue of limited number of larger commercial sites.

Who does it: City of Newport Community Development, Lincoln County Planning.

Possible funding sources: City funds; state planning grants.

When: Initiate work in year 1 or 2.

Benchmarks: Adoption of UGMA.

INFRASTRUCTURE AND PUBLIC FACILITIES

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

Newport wants to improve economic conditions and promote growth of businesses in the target industries. High quality infrastructure and public facilities are important to support economic growth. The City has limited funds to support maintenance of existing infrastructure and public facilities. The City wants to leverage the limited funds available for infrastructure and public facility maintenance and improvements through working with local partners and the State to make strategic investments.

Strategic considerations

Newport provides a range of public infrastructure: municipal water system, wastewater system and treatment, local street system, stormwater system, street lighting, multi-use paths, and parks. Newport also has a range of public facilities: recreation center, performing arts center, library, Abby Street pier, a boardwalk, and public parking lots. The City has limited funds available to maintain existing infrastructure and public facilities. Recent upgrades to the City's water and wastewater systems have been made, in part, by leveraging local funds with funds from external sources.

The information below describes the issues related to Newport's infrastructure and public facilities.

- Newport's municipal water system and wastewater treatment plan have recently been (or are in the process of being) upgraded. The City has sufficient water treatment capacity and wastewater treatment facility capacity to accommodate expected growth, including growth of industries with high water or wastewater demands. The City will need to work with existing and new businesses to meet changing demands for water and wastewater usage, such as changes to regulation of wastewater effluent temperatures or new needs of marine-based industries for wastewater treatment.
- The City has limited funds to maintain existing infrastructure and facilities and very little financial capacity to make strategic investments. Existing funds are generally used for basic maintenance.
 - The distribution system (e.g., pipes or pumps) for the water and wastewater systems are deteriorating. While the City has plans to upgrade parts of the distribution system, the needs for replacement are greater than the City's resources for maintenance. The City is heavily reliant on outside sources of revenue to maintain the systems, such as grants and loans.
 - The City has a considerable number of public facilities, some of which are important to growth of the target industries (e.g., the Abby Street pier). The City has no dedicated funds to maintain these facilities. Where appropriate, the City has used funds from the transient lodging tax revenues or business license revenues to maintain public facilities.

- The lack of funds leaves the City in a reactive position for addressing infrastructure problems. Some funds are available in the South Beach area for infrastructure maintenance and improvements through the urban renewal district. As a result, the City may be able to pro-actively support growth in South Beach and make strategic infrastructure investments.
- Much of the City's vacant land supply is on the south side of the City, south of South Beach and north of and around the Airport. In addition, Newport has some vacant buildable land at the northern side of the City. The City is extending service to some of these areas but some areas will be unserved.
 - The City is extending services on the south side of Newport to 50th Street. While the City could extend services to about 62nd Street, the vacant land south of 50th Street will remain unserved until there is developer interest in building in this area and funding to support extending services.
 - The City is extending services north of 71st Street but not beyond about 78th Street. This will leave some vacant land unserved. The slopes and land instability may make servicing some of the vacant lands in this area challenging.
- The City has a considerable supply of properties that are underutilized or redevelopable, especially along Highway 101. These sites have existing services and could support more economic activity than they currently support.
- The Yaquina Bay Bridge provides advantages to Newport, both as a connector between north and south Newport and as a historic resource. The Bridge, however, is a constraint to shipping because of low clearance and is a constraint on automotive and freight capacity on Highway 101. In addition, the Bridge is an impediment to pedestrian and bicycle traffic between South Beach and the northern part of Newport. As of now, ODOT has no plans to upgrade or replace the bridge and has not identified a future funding source to do so.

Strategies and actions

Given the strategic considerations outlined above, what actions can the City and its partners take to leverage existing funds for maintenance and upgrades to Newport's infrastructure and public facilities? These actions should take into account the limited resources available for public investment, both at the local and State level.

Policy 8. The City shall ensure adequate infrastructure is available.

Action 8.1 Identify and make infrastructure investments on the opportunity sites

Description: Once opportunity sites are identified for employment and business growth of the marine and ocean observing cluster, identify the municipal and other infrastructure deficiencies on each site (if any). Work with partners and involved stakeholders to secure funds for making necessary infrastructure upgrades. This action should engage other service providers such as the natural

gas, communications and other service providers. The Port of Newport should also be involved.

Rationale: Sites must have sufficient infrastructure capacity to be viable opportunity sites.

Who does it: The business recruitment coordinator would organize the meetings and document the results. Other economic development partners would participate and provide information. City staff would work with elected officials to prioritize the investments.

Possible funding sources: City; state and federal grants.

When: Identify infrastructure needs (After completion of the initial phases of Task 7.1; years 3-5).

Benchmarks: Identification of needs; inclusion of projects in the city's capital improvement plan; completion of projects.

Action 8.2. Coordinate provision of infrastructure to the International Terminal

Description: Trucks bringing goods to the International Terminal typically use Moore Drive to access the port from Highway 20. Depending on the results of the Port's economic and feasibility assessments, these transportation connections to the Port may need to be upgraded for additional capacity.

Rationale: Infrastructure capacity must be available for international shipping to be viable.

Who does it: Port of Newport lead; City of Newport support.

Possible funding sources: City of Newport; Port of Newport; state and federal transportation funding programs; Oregon Infrastructure Finance Authority

When: As soon as the Port identifies needs the City should work to conduct preliminary project evaluations and get them into the capital improvement program. This action links to Action 3.1 and is contingent upon substantial progress towards that Action.

Benchmarks: Completion of feasibility assessment (Port); identification of projects; projects included in the CIP.

Action 8.3. Develop and maintain infrastructure used by visitors

Description: Where legally allowed or permissible, use lodging and local gas tax revenues to support or maintain infrastructure used by visitors, such as local roads and sidewalks in areas frequented by visitors. Use lodging and local gas tax revenues for street-scaping and improving the appearance of Highway 101.

This action would include development of specific policy language related to use of transient room tax revenues for development of infrastructure, including as match to other state and federal grants.

Rationale: Strategic investments in visitor infrastructure will encourage tourism.

Who does it: City Public Works Department; input from the Greater Newport Chamber of Commerce.

Possible funding sources: Transient lodging and local gas tax revenues.

When: Years 1 through 5.

Benchmarks: Completion of projects.

Action 8.4. Develop infrastructure needed to support fishing and seafood processing

Description: Changes in permitting and fishing quotas have impacted the industry in significant ways. This action would identify specific things Newport or its partners could do to maintain the commercial finishing industry. This could include issues such as ensuring that permits stay in Newport if operators retire or move, providing support for additional infrastructure such as ice making, and other actions.

Coordinate with fishery businesses to understand their future business plans and infrastructure needs. Work with stakeholders to develop or maintain infrastructure needed to maintain businesses in fishing, ensuring that fishing rights stay in Newport. This action should include a regular forum for the City, the Port and other organizations to meet with representatives of the fishing industry.

This action will include an assessment of the condition of in-water structures – docks and other facilities. These facilities are owned by the City, the Port of Newport and private entities. Ideally, this assessment would be coordinated and completed by all relevant entities at the same time.

Rationale: Working directly with the fishing industry will allow better coordination of activities and needed improvements. Commercial fishing and seafood processing are one of Newport's core industries. It is important that Newport maintain this industry.

Who does it: Local operators, OSU Sea Grant, and the OSU Extension Agent; City of Newport and Port of Newport are in supporting roles.

Possible funding sources: Economic Development Improvement District; City, state or federal transportation funds, Connect Oregon; Oregon Infrastructure Finance Authority.

When: As appropriate.

Benchmarks: Holding meetings; identification of infrastructure improvements; completion of projects.

Action 8.5: Work with ODOT to upgrade or replace the Yaquina Bay Bridge

Description: The Yaquina Bay Bridge is the primary connection between the northern and southern portions of Newport. It is also a historic resource that is part of the cultural and economic fabric of the community and state, and is a tourist attraction. The bridge is near the end of its engineered life and has both capacity and safety issues. Ultimately, the Oregon Department of Transportation

will determine if and when to upgrade or replace the bridge. Because of the nature of this critical transportation lifeline and cultural and economic resource, the City will continue to work with ODOT and other partners to encourage ODOT to initiate planning studies on the span that will ultimately result in inclusion in the Statewide Transportation Improvement Program.

Rationale: Having a safe and efficient transportation connection between the two areas of Newport is critical to future economic development, as is the cultural and economic impact that such a significant historic structure as the Yaquina Bay Bridge has on the community and state.

Who does it: City, Port of Newport, Greater Newport Chamber of Commerce, Economic Development Alliance of Lincoln County.

Possible funding sources: This primarily requires staff effort.

When: Ongoing.

Benchmarks: Obtaining a firm commitment from the State of Oregon to initiate planning efforts to replace the span.

Implementation

Figure 1 shows the proposed implementation schedule for the Newport Economic Development Strategy.

Figure 1. Proposed implementation schedule

Goal/Action	2012				2013				2014				2015				2017				2018		
	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr			
JOB GROWTH																							
Goal: Create conditions that are attractive to the growth of existing business and attract new businesses to Newport to create new jobs																							
<i>Action: Create and staff a Business Growth and Recruitment Coordinator function</i>																							
Strategy 1. Facilitate growth of employment in the marine and ocean observing research and education cluster																							
<i>Action 1.1. Identify a person or organization responsible for coordinating among stakeholders</i>																							
<i>Action 1.2. Develop a strategic and business plan to guide growth of the marine and ocean observing cluster</i>																							
<i>Action 1.3. Identify opportunity sites for growth of the marine and ocean observing cluster</i>																							
<i>Action 1.4. Stakeholder workshops</i>																							
Strategy 2. Encourage growth of tourism-related employment																							
<i>Action 2.1. Develop tourism-related amenities and facilities.</i>																							
<i>Action 2.2. Work with the Port of Newport to study opportunities to make Newport a destination for cruise ships and other recreational activities.</i>																							
<i>Action 2.3. Maintain meaningful tourism marketing</i>																							
Strategy 3. Coordinate with the Port of Newport on shared economic development objectives																							
<i>Action 3.1. Evaluate opportunities to expand the goods shipped via the Port</i>																							
Some work in progress; schedule TBD																							
Strategy 4. Encourage growth of businesses involved with fishing and value-added seafood.																							
<i>Action 4.1. Coordinate relationships with the Port of Newport, fishing businesses and other business interests within the community</i>																							
WORKFORCE AVAILABILITY & QUALITY																							
Goal: Provide appropriate workforce training opportunities to meet the needs of Newport's target industries																							
Strategy 5. Support workforce development																							
<i>Action 5.1 – Provide strategic contributions in staff or dollars to partners to support workforce development</i>																							
SUPPLY OF COMMERCIAL AND INDUSTRIAL LAND																							
Goal: Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities over the planning period																							
Strategy 6. Encourage better use of underutilized commercial sites.																							
<i>Action 6.1. Evaluate creation of an urban renewal district north of Yaquina Bay</i>																							
Strategy 7. Ensure an adequate supply of commercial and industrial sites																							
<i>Action 7.1. Develop policies to prioritize target industry uses on opportunity sites</i>																							
<i>Action 7.2. Develop an annexation strategy for commercial and industrial properties in South Beach</i>																							
INFRASTRUCTURE AND PUBLIC FACILITIES																							
Goal: Make investments in infrastructure and public facilities to support the target industries																							
Strategy 8. Ensure adequate infrastructure is available.																							
<i>Action 8.1. Identify and make infrastructure investments on the opportunity sites</i>																							
<i>Action 8.2. Coordinate provision of infrastructure to the International Terminal</i>																							
Contingent upon completion of Action 3.1; probably years 3-5																							
<i>Action 8.3. Develop and maintain infrastructure used by visitors</i>																							
<i>Action 8.4. Develop infrastructure needed to support fishing and seafood processing</i>																							
As appropriate; coordinate with Action 4.1																							
<i>Action 8.5. Work with ODOT on upgrades to Yaquina Bay Bridge</i>																							

NEWPORT PENINSULA URBAN DESIGN PLAN¹

Findings:

Newport's historic peninsula district is the heart of the city. The City of Newport anticipates that population, employment growth, and increased tourism on the peninsula, combined with automobile-dependent development, will negatively affect the quality of life and lifestyle, as well as the physical character of the historic core of the city. The peninsula's ability to accommodate change requires careful attention to urban design in order to preserve and strengthen the inherent qualities which have guided Newport's development to date. These summary findings are more fully developed in the Newport Peninsula Urban Design Study, which is incorporated herein as a background reference document and provides substantial evidence for these findings, policies, and implementation strategies. It is our key finding that is necessary to both stimulate and guide development in order to graciously incorporate change and preserve the peninsula as a wonderful place to live. Consequently, the following policies are adopted for the peninsula.

Policies:

1. Preserve the beautiful natural setting and the orientation of development and public improvements in order to strengthen their relationship to that setting.
2. Enhance new and redeveloping architectural and landscape resources to preserve and strengthen the historic and scenic character and function of each setting.
3. Improve the vehicular and pedestrian networks in order to improve safety, efficiency, continuity, and relationships connecting the peninsula neighborhoods.
4. Coordinate with the Oregon Department of Transportation (ODOT) highway projects which are compatible with and responsive to these policy objectives and design districts implementing said policies.
5. Improve cohesion of each neighborhood subject to design district overlay by enhancing its function, character, and relationship to its natural setting and orientation.
6. Preserve and strengthen the ability of peninsula institutions to continue as centers

¹ Chapter added by Ordinance No. 1677 (July 6, 1993).

of employment.

7. Improve the built environment in order to strengthen the visual appearance and attractiveness of developed areas.
8. Strengthen the peninsula's economic vitality by improving its desirability through improved appearance, function, and efficiency.
9. Preserve and enhance the existing housing supply. Encourage the increase of affordable housing in Newport.
10. Adopt up to six urban design districts on the peninsula for the purpose of implementing said policies in a manner consistent with the purpose of implementing said policies in a manner consistent with the character and function of each area as further defined herein.

Implementation:

The urban design policies may be implemented by additional specific policies related to these objectives in the transportation system play, especially as these may relate to integration of pedestrian, vehicular and bicycle environments and networks, parking, and coordination with ODOT.

These policies may also be implemented by specific development/zoning code amendments requiring integration of key policy elements into development plans. Such policies may include a system of incentives to achieve density, height, pedestrian orientation, and scenic enhancement.

The key implementation for these urban design policies specifically authorized by this amendment shall be the creation of urban design districts. The purpose of each design district shall be to preserve and enhance the function and character of each district area. Design districts shall be considered as refinement plans and adopted as zoning and development code overlays. The character and function of the six urban design districts is as follows:

1.) City Center District (including U.S. Highway 101 Corridor).

A. City Center

The City Center area shall be characterized by Twentieth Century Commercial and Vernacular style structures. This area will be the most intensively developed commercial node on the peninsula. It will be enhanced as the City Center by development of a transportation network which links this area to all others on the peninsula. The building sites and public rights-of-way are to be

characterized by land efficient parking and views of the Pacific Ocean and Yaquina Bay.

B. City Center North

City Center North shall be characterized by concentrating government buildings into a government center both east and west of U.S. Highway 101. It will serve as a gateway to the peninsula while linking with the Center in both function and character.

C. City Center South

City Center South shall focus on the Pacific Communities Hospital development. Development in this area shall be pedestrian and bicycle oriented, with effective linkages to the City Center and the U.S. Highway 101 Corridor.

2.) Waterfront District.

Historically, this area was the original development site with the City of Newport. Marine dependent industries--timber transport, fishing, etc.--were the first source of livelihood for early settlers and inhabitants and shall continue to be referenced in the design of the area. The Waterfront District shall continue to reflect the working class character of the commercial fishing industry. Appropriately, existing commercial buildings line both sides of Bay Boulevard and are of wood frame construction, clad with stucco, masonry and tin, covered with flat and gable roofs, 1 - 3 stories in height, with zero building setbacks. Many buildings have awnings, and some are built on pilings above the water. Piers project beyond the buildings. The historic character of the area is strong due to numerous intact, original buildings which date from the 1870's through the 1940's, and preservation of these historic buildings should continue to the extent possible. (At the intersection of Hatfield Drive and Bay Boulevard, the addition of contemporary buildings and lack of intact historic buildings has changed the character of the area to the east.) The U.S. Coast Guard Station/Ocean House Hotel Site is note-worthy architecturally as a unique building of the Colonial Revival style within the City of Newport. The location of this building on a bluff above the Waterfront District is an important aspect of its significance and shall be preserved.

3.) Nye Beach District.

The Nye Beach District is significant for the collection of cohesive architectural resources and landscape elements which reflect a working-class neighborhood. The area consists of wood frame buildings, 1 to 2½ stories in height, covered with gable and hip roofs, and clad with clapboard, shingle and/or fire retardant siding. The landscape character of the area is defined by rock walls, terraces, sidewalks, and small front lawns. There are some small scale commercial

buildings within this residential neighborhood which relate directly in building materials, scale, and massing to the character of the area. (Some changes have occurred in the neighborhood, including building alterations such as retardant siding materials and infill of non-compatible buildings on once vacant properties.) The Nye Beach sub-area is most important as a cohesive neighborhood, defined by the character of these vernacular buildings and the building/site relationship. Every effort should be made to integrate the goals of the Nye Beach Study (*Seventh Amendment to the Newport Urban Renewal Plan*) with any new developments in this area for maximum benefit to the city and community.

4.) Upland Residential District.

Quiet area of well-maintained, modern single-family residential homes to be maintained overlooking Yaquina Bay. Sites are characterized by steep slopes and shall be sensitively developed. Existing vegetation, such as shore pines, fir, hemlock, and Monterey Cypress, is important to the character of this area, as well as the entire peninsula, and should be preserved.

5.) East Olive District.

This district consists of mixed use development and the middle school, high school, county fairgrounds, and city/ county maintenance shops. The East Olive District shall redevelop with emphasis on attractive development character and corridor improvements, including efficiently organized vehicular, pedestrian and bicycle traffic, and site planning that emphasizes pedestrian orientation and children's safety.

6.) Oceanfront Lodging/Residential District.

Multi-story buildings of varying heights, including rectangular oceanfront motels of contemporary construction. Occasional views of ocean between buildings to be encouraged. Orientation of visitors to the ocean is to be enhanced by the emphasis of native/naturalized plantings on public and private property. Multi-family residential structures to be encouraged. Single-family homes south of motel area, on bluff overlooking the beach, to be respected by adjacent developments. Parking conflicts to be improved by site planning and new buildings to reflect pedestrian orientation. Beach accesses to be maintained or enhanced. Public open spaces to be encouraged.

Specific Peninsula Implementation Strategies:

Development on the peninsula and in each urban design district may use these additional implementation strategies:

1.) Encourage development of a pedestrian-friendly environment throughout the

peninsula through creation of public open spaces and pedestrian amenities within each of the peninsula's primary sub-areas. Such public places should be supportive of intensive commercial activity centers (such as the City Center), tourist areas (such as the Waterfront and Oceanfront Lodging areas), and orientation to major natural features (such as Yaquina Bay and the Pacific Ocean).

- 2.) Work with the Oregon Department of Transportation to develop the best coast parkway design, responsive to both the City of Newport's commercial development interests and user accessibility requirements. Include U.S. Highway 20, the East Olive entrance, as a major component of the work with ODOT. Coordinate compliance with Oregon's Transportation Rule for improved traffic flow and safety for cars, pedestrians, bicycles, and--where appropriate--transit throughout the peninsula. Further:
 - (a) Develop a strong, local circulation network by forming north-south streets (7th north from Bayley to 15th; and 9th north from Bayley to 12th) parallel to U.S. Highway 101 through the central peninsula area.
 - (b) Preserve the Yaquina Bay Bridge as a beautiful piece of architecture that greatly enhances the Newport Peninsula's entrance from the South.
- 3.) Encourage developer partnerships in implementation of these urban design principles through a system of incentives (e.g., density, height, pedestrian orientation).
- 4.) Use the redesign of U.S. Highway 101 to link the existing City Center with office employment centers and to link the Waterfront with Oceanfront Lodging/Residential and Nye Beach. Strive to fully integrate U.S. Highway 101 improvements into the City of Newport.
- 5.) Establish visual continuity by seeking opportunities for relocating or undergrounding utilities and implementing a signage program and signage ordinances.
- 6.) Preserve the significant scenic qualities from the Waterfront to the top of the Upland Residential bluff and from the Embarcadero through the Yaquina Bay State Park. Foster developer partnerships in implementation of these scenic preservation principles through a system of incentives (e.g., density, height, pedestrian orientation, parking reductions).
- 7.) Preserve the natural character of the Newport peninsula--its remaining stands of significant native vegetation--by utilizing creative site planning on both public and private development projects. Carefully monitor potential impacts of new development and redevelopment efforts. (Definition of "significant" here is relative, since a single tree--a Douglas Fir or a Monterey Cypress, for example--is significant when located anywhere along the Uplands Residential bluff skyline above the

Waterfront, helping form the peninsula's characteristic appearance from the South.)

- 8.) Support the scenic restoration process (a) by implementing improvements within the highway and local street rights-of-way and (b) through the development and redevelopment processes of both commercial and residential lands. Scenic enhancement measures will be compatible with development rights.
- 9.) Resolve the traffic congestion and spatial limitations relating to use of the Lincoln County Fairgrounds, the Newport High School, and the Newport Middle School.

INTRODUCTION **TO PUBLIC FACILITIES**¹

The City of Newport has recognized the need for updating its public facilities data base to encourage sound planning for future development. In response to this need, the city engaged CH2M HILL, INC., to prepare a public facilities plan for the incorporated area and the revised urban growth boundary. The "Public Facilities Plan for the City of Newport, Oregon," hereafter known as the "Facilities Plan," addresses facilities development for the planning period from the present to the year 2010 and is hereby included in this document by reference. In 1999 the City adopted an updated Transportation System Plan (with additional updates to portion of the Transportation System Plan adopted in 2008). In 200-9 the City adopted an updated Water System Master Plan.

Public Facilities Plan Purposes and Relationships:

This Facilities Plan has been developed to facilitate sound planning for the economic, efficient, and environmentally sensitive development of urbanizable land, and sound public fiscal management. It was prepared in accordance with Oregon Administrative Rule 660-11-000 through 660-11-050, which requires Oregon cities containing populations of over 2,500 persons to prepare such plans.

The Facilities Plan is a support document to the city's Comprehensive Plan. Portions of the Facilities Plan, however, have been adopted as part of the Comprehensive Plan and include:

- > A list of public facility project titles.
- > A map of the public facility projects' locations and service areas.
- > The urban growth management agreement designating the provider of each public facility system.

Master plans for water, wastewater, transportation, drainage, airport, and waterfront facilities have been prepared or revised for Newport. Much of the information from the master plans has been incorporated directly into this Facilities Plan. The master plans can be obtained at the Community Development Department and include the following titles:

¹ The public facilities section of this document represents a summary of CH2M HILL's "Public Facilities Plan for the City of Newport, Oregon," 1989 and subsequent amended portions of the facilities plans. Tables are included here, but the CH2M HILL document or the applicable amended portion of the document must be referenced for figures and maps. See also adopted South Beach Neighborhood Plan for additional analysis and amendments regarding this Section for the South Beach Neighborhood Plan area.

- > "2008 Water System Master Plan", Civil West Engineering Services, Inc.
- > "Wastewater System Master Plan Update 1988 for the City of Newport, Oregon," CH2M HILL.
- > "City of Newport Transportation System Plan, June 1997", Parsons Brinckerhoff Quade & Douglas, Inc. (adopted in 1999).

Updates to the Transportation Plan include:

- >"Northside Local Street Plan", Parametrix (adopted in August 2008).
- >"Newport Pedestrian and Bicycle Plan", Alta Planning & Design (adopted in August 2008).
- > "City of Newport Storm Sewer Facilities, February 1990," CH2M HILL.
- > "Master Plan: Newport Municipal Airport, Newport, Oregon," August 1989, FORESITE Group, Inc., DRAFT.
- > "Newport Urban Renewal Agency: Update of Port Development Element of Comprehensive Plan," 1989, CH2M HILL.

This Facilities Plan summarizes the master plans and provides a condensed reference for people interested in settling or developing in Newport. Each of the following sections of the Facilities Plan presents an inventory of existing facilities, statements concerning their general condition, and a discussion of the major projects recommended to improve or provide new services to Newport through the year 2010 or to a later date as identified in the adopted updated portions of the Facilities Plan. Maps identifying existing and projected facilities are provided (where applicable) at the end of each section. All tables and maps are titled by section.

Facilities Plan Area:

The Facilities Plan applies to the area within the Newport urban growth boundary as shown in the City of Newport's Comprehensive Plan Map and including the Thiel Creek destination resort area. The Facilities Plan area encompasses approximately 5,600 gross acres not including lands subjected to tidal action and resulting flooding. Included in the 5,600 acres are approximately 1,000 acres of land encompassing the Thiel Creek destination resort area south and east of the city's municipal airport. A portion of the Thiel Creek area property to the east of the airport was removed from the Urban Growth Boundary as part of the adoption of the South Beach Neighborhood Plan in 2006 (acknowledged in 2007), and additional land was added to the Urban Growth Boundary to the east and northeast of Mike Miller Park.

Establishing The Need For Future Facilities Projects:

The planning period established for the Facilities Plan is 20 years. The need for future projects has been identified by analyzing the following:

- Land use data and population projections contained in the City of Newport Comprehensive Land Use Plan of 1980 and a document titled "Petition to Amend the Lincoln County and City of Newport Comprehensive Plans," dated March 1987.
- Historical uses of the facilities.
- Information contained in master plans.

The city estimates that Newport's population will reach about 11,500 in the year 2000. The population projection at year 2010 is 13,500. This is an average annual growth rate of 2.0%. However, since the master plans are for the entire urbanizable area, a higher potential population figure of 20,000 was used. This allows for facilities planning for the entire UGB. Updated portions of the Facility Plan may contain revised population projections and timeframes as applicable to the updated plan portion.

Historical uses of each facility are discussed at length in each of the facility master plans. Each master plan also divides the facility plan area according to the most efficient manner to manage each facility considering terrain, existing land uses, related existing facilities, projected facility needs, and buildout of the urban growth boundary.

All of the proposed facility improvement projects discussed in this Facilities Plan and amended sections are prioritized. Project priorities correspond to when the project would be needed. The type of improvement and the increase in capacity (if applicable) is indicated in each project's title. The projects outlined in this facilities plan are subject to change as various development proposals and construction projects occur, as environmental impact statements are processed, design studies are completed, master plans modified, capital improvement programs changed, facility components malfunction, site availability changes, or growth rate changes.

WATER SUPPLY FACILITIES¹

The following is a summary of the 2008 Water System Master Plan prepared by Civil West Engineering Services, Inc. The purpose of this section is to provide an executive level summary for review of the basic information contained in the body of this master planning effort. The Executive Summary section is intended to provide a brief overview for readers who want to quickly obtain the main points without having to research the entire document. The section is also intended to be helpful for readers who are seeking a quick reference for planning information.

Each subsection within the Executive Summary was developed to provide a summary for each section within the master plan itself. Therefore, subsection ES-1 provides a summary of Section 1, subsection ES-2 provides a summary of Section 2, and so on.

For more detailed information on any subject discussed within the Executive Summary, the reader should turn to the section in the master plan that is being summarized.

ES-1 Summary of Section 1 - Introduction

The City of Newport is located in Lincoln County Oregon approximately in the center of the County coastline (44°37'57"N, 124°03'23"W) at the mouth of the Yaquina River.

The City owns and operates a water system that includes raw water supplies and intakes, water treatment facilities, water distribution facilities, and treated water storage facilities. The City has operated a water system for over 60 years and works hard to maintain and manage the system.

The Oregon Department of Human Services, Drinking Water Program, regulates the need for water master planning in the State of Oregon. The laws governing public water systems require that all water providers maintain a current water master plan. Master plans are to be updated on intervals no longer than 20 years and are often updated every ten years. The City's previous master plan was completed in 1988 and by completing this current update the City is complying with the Department's planning requirements. Additionally, raw water supply concerns and water treatment capacity limitations progressed to the point where solution planning needed to commence immediately.

Planning was authorized to begin in September of 2007. Planning was undertaken and managed with the aid of a Water System Task Force comprised of community members with specific insights or backgrounds pertinent to water planning in Newport. The Task Force reviewed the planning progress, provided insight and feedback, and directed and sustained much of the actions of the consultants in preparing this planning effort.

ES-2 Summary of Section 2 – Study Area

Section 2 summarizes many of the physical, environmental, socio-economic, and population issues related to the city of Newport and the surrounding area. The Section includes detailed

**Section replaced in its entirety by Ordinance No. 1978 (4-20-2009)*

¹ See also adopted South Beach Neighborhood Plan for additional analysis and amendments regarding this Section for the South Beach Neighborhood Plan area.

mapping defining the City Limits, Urban Growth Boundary, wetland issues, flood plain issues, and other relevant information.

Section 2 includes an analysis of historic population and growth trends and develops an analysis for future population growth.

Table 1 below summarizes the population analysis developed in this plan and utilized for all planning and sizing criteria for proposed facilities. An average growth rate of 1.25% was selected to estimate future populations. The selected 1.25% growth rate matches actual average growth over the last 100 years in Newport.

Table 1 – Population Analysis and Summary – City of Newport

Year	1.25% Growth Inside City Limits			1.25% Growth Outside City Limits, Inside UGB			OCCC Central Campus	Total		
	Population	Housing		Population	Housing		EDU	Population	Housing	
		Units	EDU		Units	EDU			Units	EDU
2007	10,455	5,501	11,270					10,455	5,501	11,270
2008	10,586	5,601	11,411					10,586	5,601	11,411
2009	10,718	5,671	11,554					10,718	5,671	11,554
2010	10,852	5,742	11,698	140	74	119		10,992	5,816	11,817
2011	10,988	5,814	11,845	142	75	120	410	11,129	5,889	12,375
2012	11,125	5,886	11,993	144	76	122	410	11,269	5,962	12,525
2013	11,264	5,960	12,143	145	77	124	410	11,409	6,037	12,676
2014	11,405	6,034	12,294	147	78	125	410	11,552	6,112	12,829
2015	11,547	6,110	12,448	149	79	127	410	11,696	6,189	12,985
2016	11,692	6,186	12,604	151	80	128	410	11,843	6,266	13,142
2017	11,838	6,263	12,761	153	81	130	410	11,991	6,344	13,301
2018	11,986	6,342	12,921	155	82	131	410	12,140	6,424	13,462
2019	12,136	6,421	13,082	157	83	133	410	12,292	6,504	13,625
2020	12,287	6,501	13,246	159	84	135	820	12,446	6,585	14,201
2021	12,441	6,583	13,411	160	85	136	820	12,601	6,667	14,368
2022	12,596	6,665	13,579	163	86	138	820	12,759	6,751	14,537
2023	12,754	6,748	13,749	165	87	140	820	12,918	6,835	14,709
2024	12,913	6,832	13,921	167	88	142	820	13,080	6,921	14,882
2025	13,075	6,918	14,095	169	89	143	820	13,243	7,007	15,058
2026	13,238	7,004	14,271	171	90	145	820	13,409	7,095	15,236
2027	13,404	7,092	14,449	173	91	147	820	13,577	7,183	15,416
2028	13,571	7,181	14,630	175	93	149	820	13,746	7,273	15,599
2029	13,741	7,270	14,813	177	94	151	820	13,918	7,364	15,783
2030	13,913	7,361	14,998	179	95	153	820	14,092	7,456	15,970
Change	3,458	1,860	3,728	39	21	34	820	3,637	1,955	4,700

UGB = Urban Growth Boundary

EDU = Equivalent Dwelling Unit (water use equal to that of one typical single-family dwelling)

OCCC = Oregon Coast Community College

Based on this analysis, it is anticipated that approximately 3,458 persons will be added to the system over the planning period or around 4,700 new equivalent dwelling units including all growth sectors (residential, commercial, industrial, institutional, etc.). For more information on this analysis, see Section 2.

ES-3 Summary of Section 3- Regulatory Environment

Section 3 provides a summary of the current rules governing the management and operation of a public water system and basic water quality requirement rules at the time of this planning effort. As federal and state water quality requirements continue to become more stringent over time, water providers must upgrade their systems and improve operations to ensure that water quality standards are met. The City complies with current rules. However, continuing to meet the

current and anticipated rules with aging facilities and increasing population is unlikely without system improvements.

ES-4 Summary of Section 4 – Design Criteria and Service Goals

The purpose of Section 4 is to establish the criteria that will be used in the planning effort to size facilities, identify deficiencies, and plan for improvements. In general, Section 4 defines the standards used to measure the effectiveness of the existing water system and to determine improvements needed to ensure future health of the system. The selected planning goals include:

- Raw water supply – 20-year maximum day demand (MDD) of 10.83 cfs
- Water treatment capacity – 20-year MDD with 20-hour plant runtime, 7.0 mgd
- Treated water storage capacity – 1.25xMDD plus fire storage, 8.2 million gallons
- Fire protection requirements – 1000 gpm residential minimum, 4000 gpm for major structures and schools

The basis used for establishing cost estimates in the master plan is also presented in this section. Construction costs are tied to a national construction index known as the Engineering News Record (ENR) Index Construction Cost Index. The index is published monthly and can be used to update project costs in the master plan over time. Costs in this Plan are based on an ENR index of 7967.

ES-5 Summary of Section 5 – Existing Water System

Section 5 provides a detailed description of all of the water system components in the City's existing water system. A summary of these components is provided below.

Water Rights

The City of Newport holds several water rights in the area. The only rights that are of practicable use are the rights on Big Creek and the Siletz River. Table 2 below summarizes the existing water rights held by Newport.

Table 2 – Newport Water Rights

				Priority	POD Rate
Source Name	Application	Permit	Certificate	Date	(cfs)
Blattner Creek	S72	S20	1012	5/10/1909	0.54
Nye Creek	S8970	S5882	8603	5/14/1923	1.5
Nye Creek	S9224	S6197	9113	10/15/1923	0.7
Hurbert Creek	S9221	S6194	9112	10/15/1923	0.1
Big Creek	S11156	S7722	9127	10/27/1926	10.0
Siletz River	S39121	S29213	~	9/24/1963	6.0
Jeffries Creek	S44381	S33151	57650	1/9/1968	0.4
					19.24
				Priority	Storage
Storage	Application	Permit	Certificate	Date	(acre-feet)
Big Creek Res. #1	S26388	S20703	21357	8/31/1951	200
Big Creek Res. #2	S43413	S33127	48628	3/24/1967	310
Big Creek Res. #2	S43413	S33127	48628	6/5/1968	35
Big Creek Res. #2	S52204	S38220	~	7/19/1974	625

Raw Water Facilities

The Big Creek intake facility, located near the treatment plant, pumps raw water to the treatment facility from the Lower Big Creek Reservoir (Reservoir #1). The City also diverts water from the Siletz River near the City of Siletz and pumps raw water through five miles of 16-inch and 18-inch piping. The Siletz water is deposited into the Upper Big Creek Reservoir (Reservoir #2) where it is held until it flows into the Lower Big Creek Reservoir.

Treatment Facilities

The existing treatment plant is classified as a conventional type facility utilizing two circular solids contact clarifiers (clariflocculators), four mixed-media gravity filters, chlorine disinfection, and other related facilities. The existing plant is capable of treating between 3.5 and 4 million gallons per day (mgd) of water though it struggles with water quality during the peak demand season mostly due to high levels of manganese in the raw water. The plant is in excess of 60 years of age and has several deficiencies causing operational difficulties and vulnerabilities. During peak demand seasons, the plant often operates for 24 hours a day but is still unable to maintain storage tank levels in the system. The storage tank drop with plant operating at full capacity indicates community peak water demands now exceed the capacity of the plant. The plant has been well operated and maintained but has reached the end of its useful life. A detailed discussion of all treatment components is provided in Section 5.

Treated Water Storage

The Newport water system includes 7 treated water storage tanks providing a total combined maximum storage volume of 8.2 million gallons. All tanks are constructed with steel with the exception of two concrete tanks referred to as the City Shop Tanks. The existing storage volume is adequate for the planning period when the tanks are all full. However, the lack of significant storage at the north end of town results in fire flow deficiencies in that area.

Table 3 – Treated Water Reserve Summary

Name	Nominal Volume	Year Installed	Base Elevation	Overflow Elevation	Diameter (ft)	Height (ft)	Max. Working Volume (gal)	Service Elev. (40-80 psi)	Max. Serv. E. (25 psi static)
Main Tank #1	2.0 MG	1972	241.0	275.0	100	34.75	1,968,187	90' to 183'	217'
Main Tank #2	2.0 MG	1978	241.0	275.0	100	34.75	1,968,187	90' to 183'	217'
Smith Tank	0.25 MG	1958	271.5	302.5	38	31.5	258,755	118' to 210'	245'
Yaquina Hts. Tank	1.6 MG	1993	360.25	410.0	75	51.5	1,627,610	225' to 318'	352'
South Beach Tank	1.3 MG	1998	160.25	200.0	75	41.5	1,297,131	15' to 108'	142'
City Shops Tanks	1.1 MG	1910		219.0			1,100,000	34' to 127'	161'
Total Maximum Existing Storage							8,219,871		

Distribution System

The City of Newport’s distribution system is comprised of over 90 miles of piping and 6 booster pump stations. The City operates over nine separate pressure levels due to the variety of elevations in the system. Fire protection is provided throughout the system through over 500 fire hydrants. Hydrant coverage is good with only limited areas that have deficient spacing between hydrants.

Table 4 – Pipeline Summary

Diameter (inches)	Length (feet)	% Total
2	35,000	7.4%
3	800	0.2%
4	27,500	5.8%
6	154,000	32.4%
8	130,200	27.4%
10	23,900	5.0%
12	85,600	18.0%
14	3,300	0.7%
16	15,600	3.3%
Total	475,900	feet
	90.1	miles

Computerized hydraulic modeling shows that fire flows in the system are very good in most locations with isolated pockets of deficiencies. Deficiencies are generally due to undersized piping and dead end pipe runs that do not allow adequate flows to fight a typical fire. The largest area of concern is at the north end of the system.

Section 5 includes drawings of the piping network, hydrant locations and coverage, and other information on the existing system.

ES-6 Section 6 Summary – Water Demand Analysis

Section 6 describes the analysis that was completed to determine the water demand requirements for the system as well as projected future demands to the end of the 20-year planning period. The analysis includes a comprehensive review of water production and sales data to determine the amount of water that is produced versus the amount that is sold. The difference between the two amounts is defined as unaccounted water. Unaccounted water may include leakage, meter

inaccuracies, fire fighting water, and other unmetered use. The City works hard to reduce the levels of unaccounted water.

The analysis seeks to define average and peak level water demands. Figure 1 illustrates water plant production and plant run times for 2006. The figure illustrates the plant capacity limitations now being experienced with 24 hour per day run times. Current average daily demand is 2.15 mgd. Current peak days require over 4 million gallons be delivered to the system.

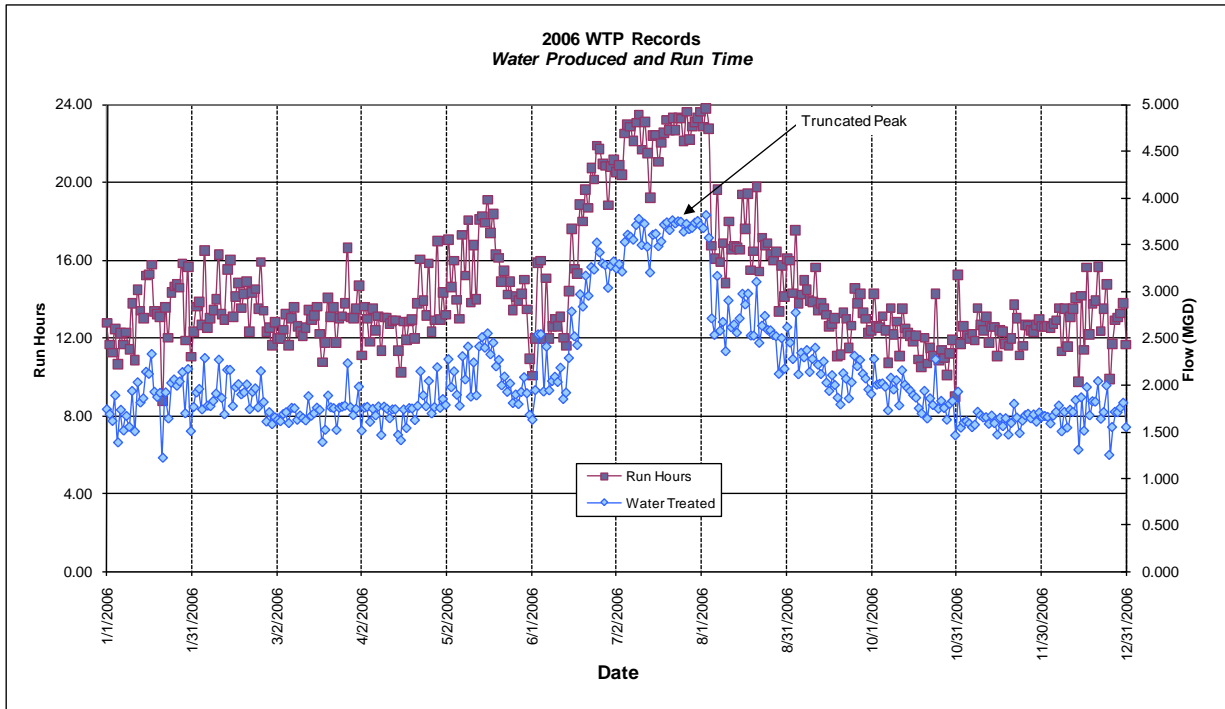


Figure 1 – Water Production and Plant Run Times

Water sales data was reviewed and compared against production data. It was determined that the City experiences unaccounted water levels on the order of 16%. This is relatively good though the current State requirement is to reduce water losses to under 15%. Those successful in meeting this goal are encouraged to reduce unaccounted levels to less than 10%.

The City sells water to a variety of customer sectors including residential, commercial, industrial, and others. The billing department keeps data on each sector’s water use. Figure 2 below shows the distribution of water use in Newport.

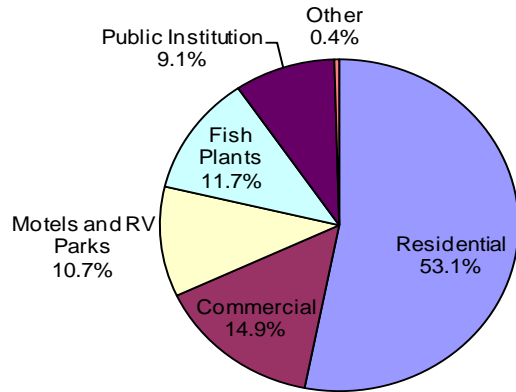


Figure 2 – Water Sales Distribution Summary by Sector

Table 5 below summarizes the water demand projections utilized in the Plan. The table illustrates the projected population and equivalent dwelling units along with the average daily demand (ADD), maximum monthly demand (MMD), maximum daily demand (MDD), and peak hourly demand (PHD) in millions of gallons per day (mgd).

Table 5 – Water Demand Projections

Year	Population	EDU	ADD (mgd)	MMD (mgd)	MDD (mgd)	PHD (mgd)
2007	10,455	11,270	2.15	3.80	4.10	8.60
2008	10,586	11,411	2.18	3.85	4.15	8.71
2009	10,718	11,554	2.20	3.90	4.20	8.82
2010	10,992	11,817	2.25	3.98	4.30	9.02
2011	11,129	12,375	2.36	4.17	4.50	9.44
2012	11,269	12,525	2.39	4.22	4.56	9.56
2013	11,409	12,676	2.42	4.27	4.61	9.67
2014	11,552	12,829	2.45	4.33	4.67	9.79
2015	11,696	12,985	2.48	4.38	4.72	9.91
2016	11,843	13,142	2.51	4.43	4.78	10.03
2017	11,991	13,301	2.54	4.48	4.84	10.15
2018	12,140	13,462	2.57	4.54	4.90	10.27
2019	12,292	13,625	2.60	4.59	4.96	10.40
2020	12,446	14,201	2.71	4.79	5.17	10.84
2021	12,601	14,368	2.74	4.84	5.23	10.96
2022	12,759	14,537	2.77	4.90	5.29	11.09
2023	12,918	14,709	2.81	4.96	5.35	11.22
2024	13,080	14,882	2.84	5.02	5.41	11.36
2025	13,243	15,058	2.87	5.08	5.48	11.49
2026	13,409	15,236	2.91	5.14	5.54	11.63
2027	13,577	15,416	2.94	5.20	5.61	11.76
2028	13,746	15,599	2.98	5.26	5.67	11.90
2029	13,918	15,783	3.01	5.32	5.74	12.04
2030	14,092	15,970	3.05	5.38	5.81	12.19

More detailed information about the planning criteria and water demand analysis can be found in Sections 4 and 6 of the master plan.

ES-7 Section 7 Summary – Alternatives and Recommendations

Section 7 describes the analysis that was undertaken for each system component to determine if a deficiency exists and, if so, what alternatives are available to remedy the deficiency. Recommendations and cost estimates are also provided in this section for all system components.

A brief summary of the alternatives considered and the recommendations made is provided below for the major system components.

Raw Water System

It was found that the existing raw water system is adequate for the planning period with slightly longer periods of pumping water from the Siletz River than is now required. In summer months when available water flow in Big Creek drops below that required by the system, Siletz River water must be pumped into the reservoirs to maintain adequate supply. Figure 3 below illustrates the water balance and relationship between monthly system demand, drought year flows in Big Creek, and the supplemental water available from the Siletz River. By pumping the maximum water right from the Siletz River (6 cfs) in June through November, the Big Creek Reservoir water levels can be maintained. The City can also choose to pump less and allow a drop in reservoir levels in later summer months when sufficient storage until rainfall is assured.

Even though current raw water supplies are adequate for the next 20 years, periods of supply problems can be expected after that time. Due to the critical nature of raw water supplies and the difficulty and expense of obtaining new water rights, the City must continue to move planning forward to solve their long-term raw water supply needs. Long-term options include the long discussed Rocky Creek Dam project, raising the height of the dam at Big Creek, constructing a dam at Valsetz, and other potential projects that would result in increased water supplies for Newport. At this time, it appears that heading toward the Rocky Creek Dam option and coordinating with other stakeholders is the most viable long-term solution.

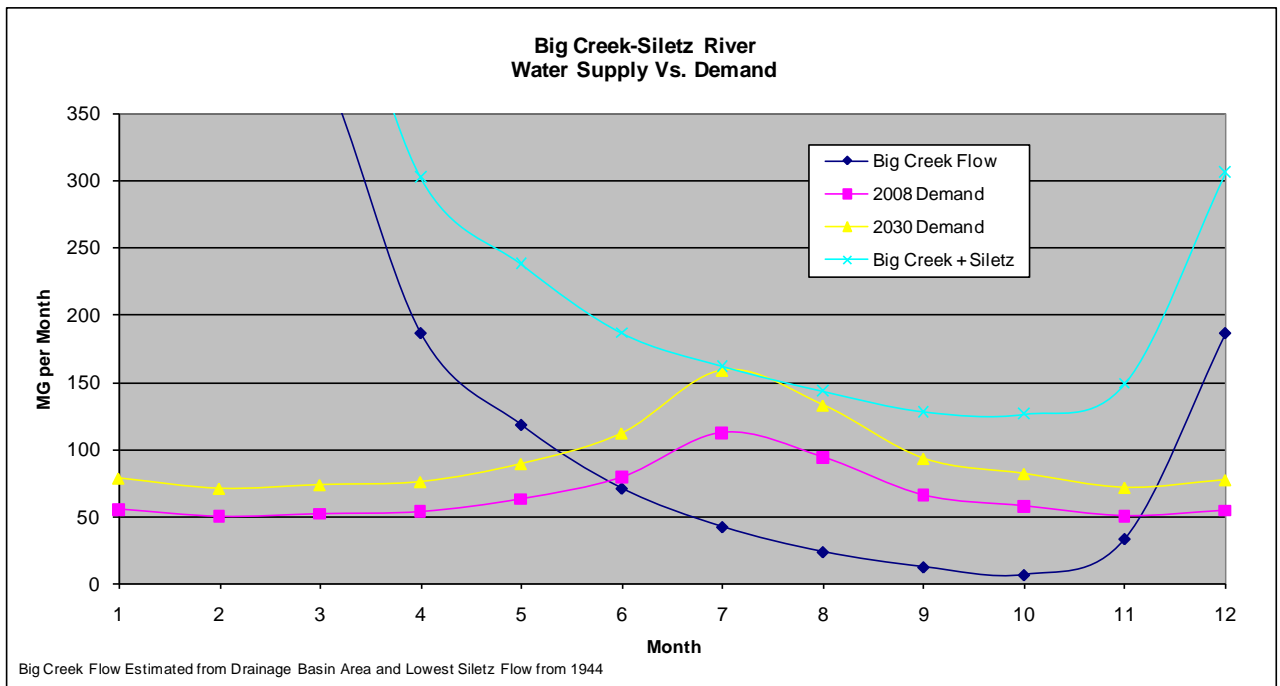


Figure 3 – Big Creek and Siletz Water Supply Balance Summary

Water Treatment System

The existing treatment plant is inadequate for current demand levels and any growth in the system will exacerbate the problems. Due to the age and condition of the facility, it was determined that expanding the plant utilizing the existing process technology was not the most prudent or financially wise option. A number of alternatives were considered including desalination, membrane treatment, and various locations for a new plant. In the end, it was recommended that the City construct a new facility at the existing site, taking advantage of some of the existing structures and components, but expanding the facility to accommodate a new membrane treatment process capable of producing 7 MGD now with the ability to expand to 10 MGD in the future.

Treated Water Storage and Distribution

The City has adequate treated water storage volume for the planning period. The distribution of that stored water throughout the system, however, is inadequate. Fire flows in the north part of the system were widely deficient and a new storage tank in that area is a more economical solution than attempting to sufficiently upsize large lengths of piping. Therefore, it is recommended that a new tank be constructed in the Agate Beach area to solve fire flow issues.

Computer modeling was utilized to develop several other projects to correct distribution problems and deficiencies related to the low fire flows, dead end piping runs, and other deficiencies.

Detailed project descriptions and cost estimates can be found in Section 7.

ES-8 Section 8 Summary – Capital Improvement Plan

The purpose of Section 8 is to summarize the recommendations developed in Section 7 into a Capital Improvement Plan (CIP). The CIP lists all the projects that are planned to improve the system over the planning period. The CIP for the City of Newport water system is summarized below in Table 6.

Table 6 – CIP Summary

Project	Description	Project Budget
T1	Big Creek Water Treatment Plant Improvements	\$12,125,340
T2	Siletz River Pump Station - Pump Replacement	\$642,060
T3	Upper Lake Siphon Intake	\$612,540
T4	Raw Water Transmission Pipe, Dam to Plant	\$1,239,840
S1	Agate Beach Lower Storage Tank - 1.0 MG GFS	\$2,009,575
S2	Agate Beach Upper Storage Tank - 1.0 MG GFS	\$1,740,470
S3	City Shops Tank Replacement - 1.0 MG GFS	\$1,657,090
S4	King Ridge Storage Tank - 1.0 MG GFS	\$2,533,740
D1	Highway 101 SE 40th to 50th Waterline, Hwy. Bore Crossing	\$528,260
D2	12" Redundant Bay Crossing, Idaho Point Option	\$2,333,560
D3	Highway 101 NE 36th to NE 40th Waterline	\$228,780
D4	Highway 101 NE 40th to Circle Way Waterline Replacement	\$509,220
D5	NE 40th and Golf Course Drive Waterline Replacement	\$389,670
D6	NE Crestview Pl. to 17th Ct. Waterline Loop	\$132,840
D7	NE Avery Street Loop Closure	\$112,770
D8	NW 19th (Nye St. to Hwy 101) and Nye St. (18th to 20th) Waterline	\$153,510
D9	Ocean View (12th to 14th) Waterline Replacement, Loop 13th to 12th	\$196,160
D10		
D11	SW Coho Street (27th to 29th) Waterline Replacement	\$106,270
D12	Idaho Point Waterline Replacement and Looping	\$574,315
D13	East Newport Waterline Extensions	\$2,096,510
D14	Water Meter Replacement - Conversion to Touch Read Meters	\$1,461,240
D15	NE 5th St., Benton to Eads	\$107,600
P1	Candletree Pump Station Rehabilitation	\$206,640
P2	Lakewood Pump Station Rehabilitation	\$187,450
Total CIP Budget Estimate		\$31,885,451

The projects listed on the CIP summary are divided into project sectors: (T) treatment, (S) storage, (D) distribution, and (P) for pump stations. The projects were organized into three priority categories to aid the City in undertaking the projects in an orderly and prioritized manner.

Tables 7, 8, and 9 summarize the priority 1, 2, and 3 project groups. Priority 1 projects should be undertaken immediately. Priority 2 projects should be undertaken over the next 5 to 10 years. Priority 3 projects should be undertaken as development patterns, deficiencies, or other project needs dictate. All projects are considered important to maintain an effective and viable water system in Newport throughout the planning period.

Table 7 – Priority 1 Projects

Project No.	Description	Project Cost
T1	Big Creek Water Treatment Plant Improvements	\$12,125,340
T3	Upper Lake Syphon Intake	\$612,540
T4	Raw Water Transmission Pipe, Dam to Plant	\$1,239,840
S1	Agate Beach Lower Storage Tank - 1.0 MG GFS	\$2,009,575
D1	Highway 101 SE 40th to 50th Waterline, Hwy. Bore Crossing	\$528,260
Total		\$16,515,555

Table 8 – Priority 2 Projects

Project No.	Description	Project Cost
T2	Siletz River Pump Station - Pump Replacement	\$642,060
D2	12" Redundant Bay Crossing, Idaho Point Option	\$2,333,560
D3	Highway 101 NE 36th to NE 40th Waterline	\$228,780
D5	NE 40th and Golf Course Drive Waterline Replacement	\$389,670
D6	NE Crestview Pl. to 17th Ct. Waterline Loop	\$132,840
D7	NE Avery Street Loop Closure	\$112,770
D8	NW 19th (Nye St. to Hwy 101) and Nye St. (18th to 20th) Waterline	\$153,510
D9	Ocean View (12th to 14th) Waterline Replacement, Loop 13th to 12th	\$196,160
D10		0 \$0
D11	SW Coho Street (27th to 29th) Waterline Replacement	\$106,270
D12	Idaho Point Waterline Replacement and Looping	\$574,315
P1	Candletree Pump Station Rehabilitation	\$206,640
P2	Lakewood Pump Station Rehabilitation	\$187,450
D15	NE 5th St., Benton to Eads	\$107,600
Total		\$5,371,626

Table 9 – Priority 3 Projects

Project No.	Description	Project Cost
D13	East Newport Waterline Extensions	\$2,096,510
D4	Highway 101 NE 40th to Circle Way Waterline Replacement	\$509,220
S2	Agate Beach Upper Storage Tank - 1.0 MG GFS	\$1,740,470
S3	City Shops Tank Replacement - 1.0 MG GFS	\$1,657,090
S4	King Ridge Storage Tank - 1.0 MG GFS	\$2,533,740
D14	Water Meter Replacement - Conversion to Touch Read Meters	\$1,461,240
Total		\$9,998,270

Section 8 also includes an update of the City’s Water System SDC Methodology to reflect changes resulting from the updated CIP. Based on the methodology update in Section 8, the City should set the new SDC for the water system to around \$1,632 per equivalent dwelling unit. This is a reduction from the previous SDC assessment. The change is due to an increase in anticipated growth in the water system coupled with a funding plan for the priority 1 projects that includes utilizing GO bond funds which renders the projects to be SDC ineligible.

ES-9 Section 9 Summary – Conservation Planning

Section 9 is provided as information and recommendations for conservation planning in Newport. The Oregon Department of Water Resources (WRD) has rules in place requiring systems to develop a conservation and management plan that is designed to reduce overall water

consumption in the community and aid communities in resourceful and effective management of their water supplies.

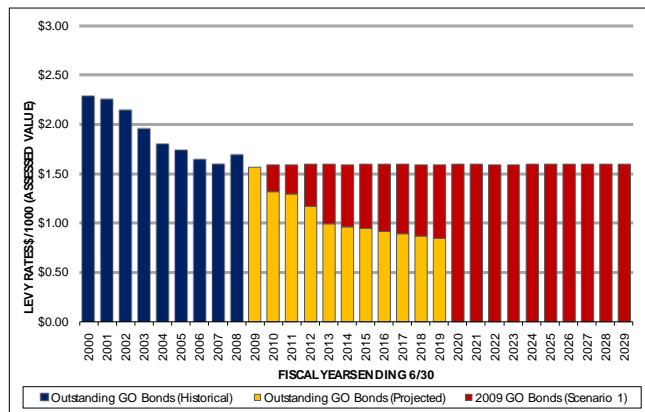
Section 9 provides information and recommendations to the City on potential efforts and measures that they may take. However, completing a true conservation and management plan requires that the City actually make efforts, measure results, and report their effectiveness to WRD over time. A true conservation and management plan is a living and active effort that will be undertaken over many years and throughout the entire planning period.

Section 9 includes information on the management of the existing system, description of conservation measures, mandatory conservation measures, curtailment planning, and long-range water supply planning.

ES-10 Section 10 Summary – Financing and Rate Analysis

Section 10 includes an analysis of financial issues related to the Newport water system. A summary of the existing rate structures is presented along with a budget summary for the past 3 budget cycles. A brief description of potential funding sources is provided along with contact information for each program. Finally, a discussion of the funding plan for the CIP is presented. Specifically, the plan to fund priority 1 projects is to pass a GO bond measure in November of 2008. The City’s finance department developed a plan that would allow funding the priority 1 projects through a GO bond that would not result in an increase in property taxes due to other bonds that are about to be retired. Figure 4 below illustrates the GO bond plan for the planning period.

Figure 4 – GO Bond Summary



WASTEWATER FACILITIES

The City of Newport (City) provides wastewater collection system services for more than 10,000 people and businesses spread across an area of approximately 11.2 square miles. The City owns over 62.5 miles of gravity pipelines ranging in size from approximately 3 to 36 inches in diameter, 1,400 manholes, 9 major pump stations, 16 minor pump stations, and 12 miles of sanitary force mains. A majority of the sewer system was built after 1950 and is concrete, while much of the newer pipe is polyvinyl chloride (PVC).

Detailed information on the historical, functional, and environmental factors relevant to the City's wastewater system can be found in the document entitled, "Final Sanitary Sewer Master Plan, by Brown and Caldwell, dated February 9, 2018" (hereinafter, the "Sanitary Sewer Master Plan").

Existing Wastewater System:

The primary components of the wastewater system are the Wastewater Treatment Plant (WWTP), gravity sewer mains, force mains, and pump stations. The WWTP was built by the City of Newport in 2002 at an initial cost of \$42 million dollars. The plant is located in South Beach, and has the hydraulic capacity to bypass 15 million gallons of wastewater per day (untreated). The WWTP is permitted to treat up to 5 million gallons per day, and typically receives flows of 2 million gallons per day. The plant uses a biological process to treat wastes known as activated sludge. This process creates two products from wastewater. The main product is clean water, which is treated and pumped into the ocean off Nye Beach. The other product produced at the plant is Class A Biosolids. The Sanitary Sewer Master Plan evaluated the condition and future needs of the wastewater distribution system (i.e. gravity lines, force mains and pump stations). A separate facility master plan is being prepared for the WWTP.

The topography of Newport has required that pump stations be used to serve a number of areas throughout the city. Major pump stations are those that are critical to the operation of the entire collection system. Minor pump stations and individual septic tank effluent pump (STEP) systems serve targeted populations. Should minor facilities fail, the immediate population they serve would be impacted; however, the balance of the collection system would be operational. Table 1 below summarizes the design data for the City's major pump stations.

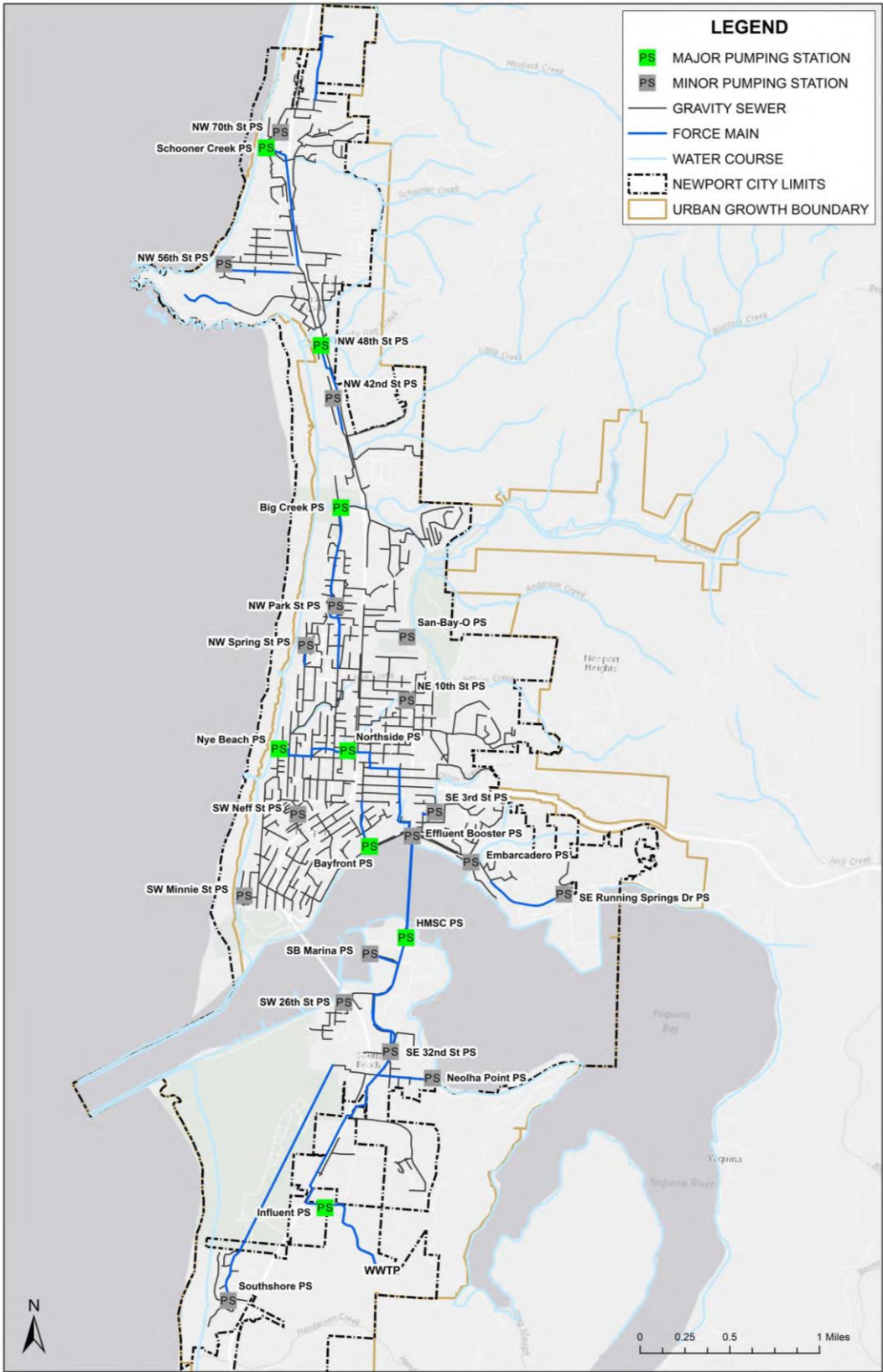
Table 1: Pump Station Summary

Pump Station	Capacity (gpm) ^a	Number of Pumps	Force Main Size (in)	Force Main Material	Force Main Length	Year Upgraded ^b
Bayfront	1,200	2	8	PVC	1,370	2001
Big Creek	2,430	3	14	HDPE	5,040	2016
HMSC	1,390	2	8		35	2001
Influent	850	2	24	HDPE	3,000	2001
	3,500	4				
Northside	3,000	3	20-24	Steel / DI / HDPE	142,000	2001
NW 48 th St ^c	1,215	2	10	PVC	1,564	2018
Nye Beach	1,400	2	12	PVC / AC	2,200	-
Schooner Creek ^c	660	2	8	PVC	3,779	2018
SE Running Springs Dr	153	2	4	PVC	2,505	-

Note: gpm = gallons per minute.

- a. Figures represent firm pumping capacity, and are based upon pump station operation without use of redundant pumps.
- b. Year upgraded is based upon record drawings where available.
- c. The NW 48th Street pump station, Schooner Creek Pump Station, and Schooner Creek force main are currently being upgraded as part of the Agate Beach Wastewater Improvement Project. Values listed represent planned improvements.

Figure 1: Existing Wastewater Distribution System



Development Assumptions:

Land use and zoning provide the basis for developing future unit wastewater flows and overall wastewater flow projections for buildout conditions. Understanding the nature and distribution of the various land use classifications is important for accurate identification of future wastewater flow rates and the phasing of required improvements. This section describes both the existing and proposed future land uses for the study area. Land use and zoning are largely governed by the local topography and by decisions made by the City, its citizens, and the Oregon Department of Land Conservation and Development (DLCD). Expansion of the Urban Growth Boundary (UGB) must be approved by the DLCD before such actions can be adopted.

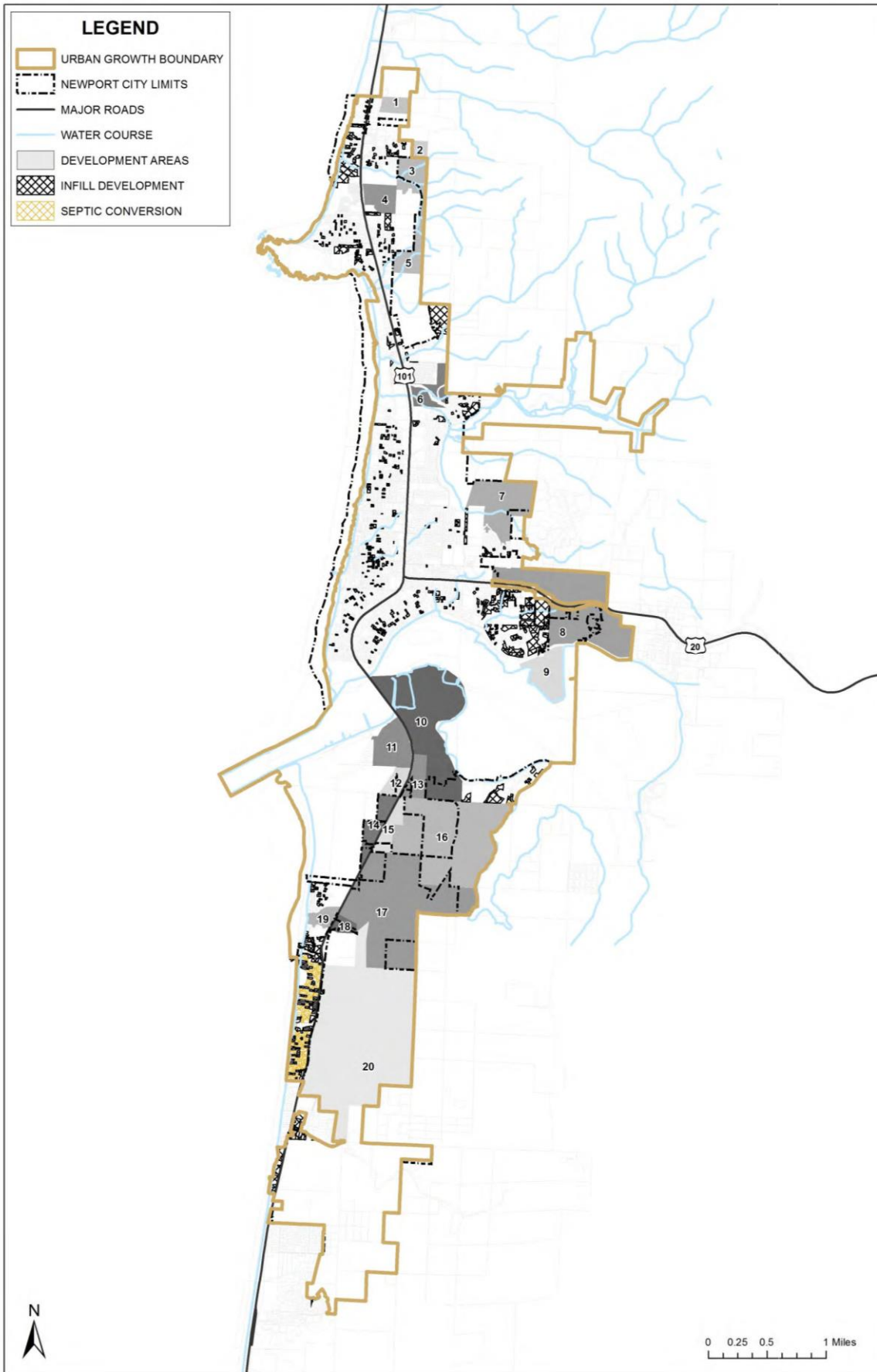
Information on current land use was obtained from GIS data provided by the City. In addition, the City maintains a buildable lands inventory (BLI). The BLI was developed in two parts. A Housing Needs and Buildable Lands Study provides land capacity estimates for low, medium and high density residential development (ECONorthwest, 2011 and 2014). An Economic Opportunities Analysis includes the same information for commercial and industrial properties, estimate land capacity in terms of dwelling unit equivalencies (ECONorthwest 2012). Buildable parcels are identified as “infill development” in Figure 2, below. The City’s Community Development Department provided 20-year and buildout development conditions considering these studies. That information is listed in Table 2 below. The development identifier (ID) corresponds to the development area on Figure 2. Detailed views of the development areas are provided in Appendix B of the Sanitary Sewer Master Plan.

Table 2: Development Assumptions

Development ID	20-year Development Conditions	Buildout Development Conditions ^c
1	30-acre light industrial development ^a	
2	6-acre annexation for 48-unit assisted living facility	
3	50 Low Density Residential (LDR) units	50 LDR units
4	170 Medium Density Residential Units 120-unit assisted living facility	
5	50 LRD units	50 LDR units
6	22.5 acres High Density Residential (HDR) development ^a	12.5 acres HDR development ^a
7	38.5 acres LDR development ^a	38.5 acres LDR development ^a
8	135 acres LDR development ^b	135-acres LDR development ^b
9	9-acre log yard, 1.1 acre light industrial, 1.2 acre water dependent industrial	12-acre water dependent industrial
10	1.4 acre industrial, 3.4 acre research/classroom, 0.2 acre commercial	
11	2.3 acre commercial, OMSI 250 occupants, 60 MDR units	
12	0.2 acres commercial, 0.2 acres light industrial	
13	4.1 acres commercial development	
14	1.1 acres light industrial, 1.1 acres commercial	
15	1.0 acre commercial	
16	9.3 acres commercial, 350 LDR units, OSU (500 students)	3 acres commercial, 650 LDR units
17	1.1 acres light industrial development	2.2 acres light industrial development
18	0.5 acres commercial, 3 LDR units	
19	18 LDR units	
20	0.5 acres light industrial, 5 acres airport commercial	
Infill Development	215 residential parcels	501 residential parcels
Septic Conversion	184 LDR units	

- a. Assume 80% infill to account for roads and right-of-way.
- b. Assume 40% infill to account for steep sloped terrain, roads, and right-of-way
- c. 20-year development conditions not are not included in buildout conditions.

Figure 2: 20-year and Buildout Conditions



Recommended Sanitary Sewer Projects:

Chapters 4 and 5 of the Sanitary Sewer Master Plan include flow projections, system modeling and hydraulic analysis to forecast anticipated demand based upon the 20-year and buildout scenarios. The results of that future condition assessment informed the development of a list of recommended capital improvements listed in the tables and figures below. Where capital projects are recommended from other facility plans, the source documents are noted.

Gravity Main Replacement

Sections of the existing gravity sewer mains along NE Avery Street and NW Nye Street lack capacity for 20-year buildout, and must be upsized to prevent excessive surcharging that could lead to basement backups and/or flooding. Individual sewer replacements are broken out into distinct sub-projects so that they can be designed bid and constructed incrementally or collectively based upon available funding, as outlined in Table 3 and graphically depicted in Figure 3.

Table 3: Recommended Gravity Main Replacements

Gravity Sewer Mains (2016 dollars)						
Pipe ID	Length,(lf)	Existing Diameter (in)	Recommended Diameter (in) ^a	Solution	Estimated Cost ^b	Total Project Cost
NE Avery Street (Upsize gravity sewer from the Bayfront force main to the Northside pump station)						
7504 – 7045	258	14	18	Open cut	\$137,000	\$1,230,000
7045 – 7043	234	14	18	Open cut	\$124,000	
7043 – 7040	264	14	18	Open cut	\$140,000	
7040 – 7028	251	12	18	Open cut	\$133,000	
7028 – 7026	140	12	18	Open cut	\$74,000	
7026 – 7027	170	12	18	Open cut	\$90,000	
7027 – 7011	293	10	18	Open cut	\$155,000	
7011 – 7010	268	12	18	Open cut	\$142,000	
7010 – 7059	345	12	18	Open cut	\$183,000	
7059 – 7060	80	12	18	Open cut	\$42,000	
7060 – 7058	23	12	18	Open cut	\$12,000	
NW Nye Street (Upsize and rehabilitate gravity sewer from the Big Creek force main to the Northside pump station)						
5023 – 5037	330	15	13.5	CIPP	\$109,000	\$1,140,000
5037 – 5040	122	15	13.5	CIPP	\$40,000	
5040 – 5043	204	15	13.5	CIPP	\$67,000	
5043 – 5513	329	15	13.5	CIPP	\$109,000	
5513 – 5520	340	15	18	Pipe burst	\$163,000	
5520 – 5542	328	15	18	Pipe burst	\$157,000	
5542 – 6253	333	15	18	Pipe burst	\$159,000	
6253 – 6256	225	15	18	Pipe burst	\$108,000	
6256 – 6257	109	15	18	Pipe burst	\$52,000	
6257 – 6258	80	16	18	Pipe burst	\$38,000	
6258 – 7057	145	16	18	Pipe burst	\$69,000	
7057 – 7058	76	16	18	Pipe burst	\$36,000	
7058 – Northside	53	20	21	Open cut	\$31,000	

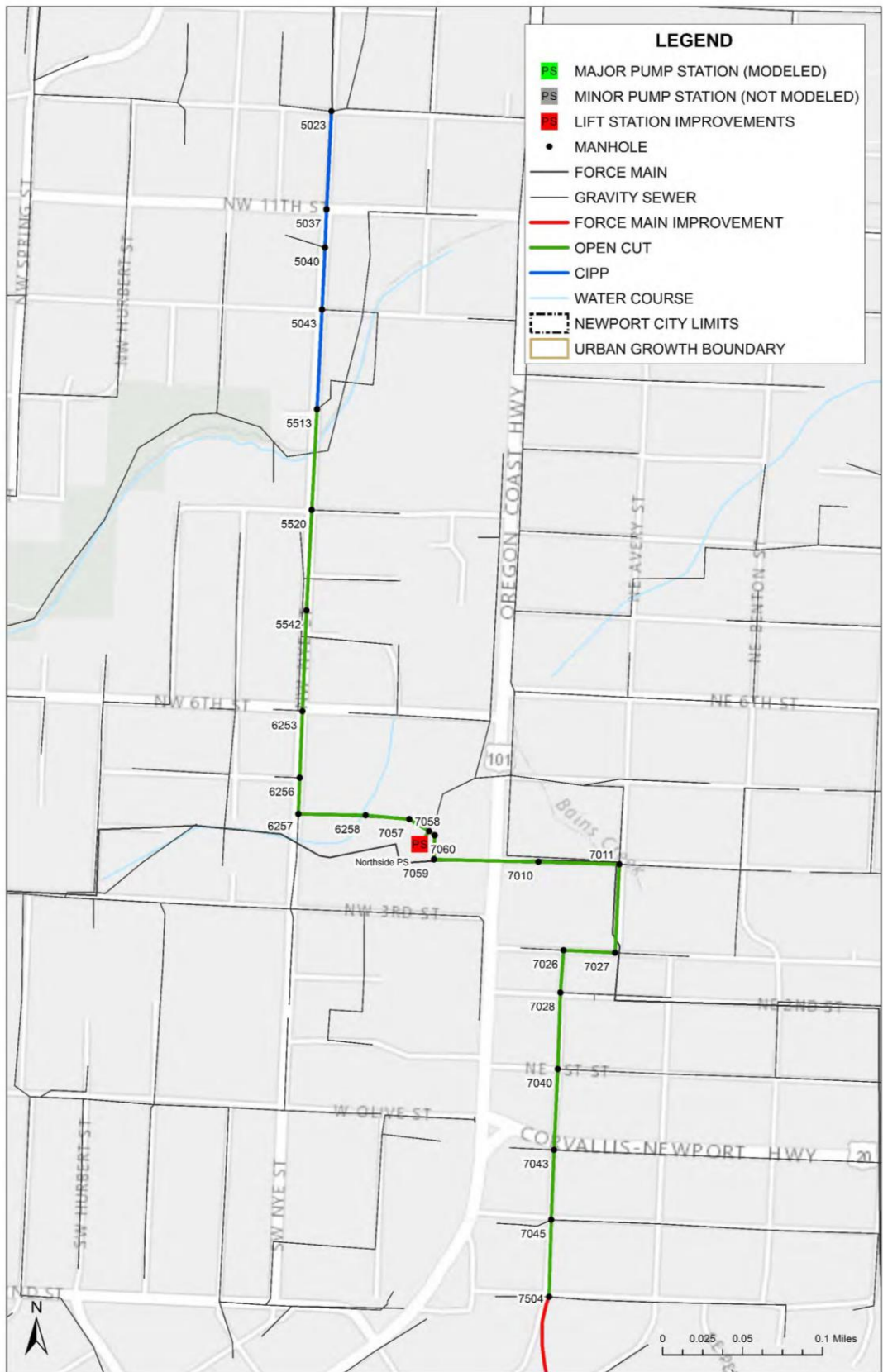
Note: CIPP = cured in place pipe.

a. Pipe diameter reduction of 10% assumed for CIPP rehabilitation

b. Estimated costs include a 30% allowance for construction contingencies and a 20% allowance for engineering design and administration.

Appendix E to the Sanitary Sewer Master Plan includes unit costs tables. Assumes a depth of 10-feet per cost condition and 2-feet for gravity sewers.

Figure 3: NE Avery and NW Nye Street Gravity Sewer Replacement



Pump Station and Force Main Improvements

Four of the nine major pump stations were found to lack firm capacity for conveying the future buildout conditions peak flows: Nye Beach, Bayfront, Northside, and SE Running Springs. One pump station was identified to be at risk from unstable soil conditions.

The force main along the Bayfront will require upsizing, and replacing the force main and pump station at the same time would be beneficial from economy of scale pricing. Alternatively, the City may want to postpone installation of the new force main until later in the planning period once the buildout condition is met. Currently, the Bayfront force main is appropriately sized but nearing the upper limit of acceptable peak velocities. The HMSC force main appears to be undersized; however, flow is expected to be reduced in this area, which may mitigate concerns related to elevated force main velocities. A summary of the costs required to provide the necessary improvements is listed below.

Table 4: Recommended Pump Station and Force Main Improvements

Pump Station	Description of Improvements	Source	Estimated Cost (2016 dollars)
Nye Beach	Upgrade pump station firm capacity to 2.74 mgd	2018 Sanitary Sewer Master Plan	\$2,828,000
Bayfront	Upgrade pump station firm capacity to 3.24 mgd	2018 Sanitary Sewer Master Plan	\$3,224,000
Bayfront	Upgrade force main capacity to 14-inches	2018 Sanitary Sewer Master Plan	\$490,000
Northside	Upgrade pump station firm capacity to 9.2 mgd	2018 Sanitary Sewer Master Plan	\$2,780,000
SE Running Springs Dr	Upgrade pump station firm capacity to 9.2 mgd	2018 Sanitary Sewer Master Plan	\$1,178,000
SE Running Springs Dr	Realign 4-inch force main	2018 Sanitary Sewer Master Plan	\$330,000
NW 56 th Street	Study pump station and upgrade	2018 Sanitary Sewer Master Plan	\$1,347,000
SE 62 nd Street	Construct new pump station	2006 South Beach Nbhd Plan	\$1,000,000

Note: MGD = millions of gallons per day.

New Gravity Mains (i.e. Sewer Extensions)

Sewer extensions are required to provide service to those areas that do not have City sewer service. Areas without sewer service include homes on septic systems, areas within the current UGB to be developed, and miscellaneous properties inside the city boundary that are not located near existing sewers. Generally, sewer extensions are not funded by rates. Instead, most sewer extensions are funded by developers with potentially some of the costs being SDC-reimbursable. In partially developed areas of the city not currently connected to the sewer, Local Improvement Districts (LIDs) and special assessment districts may need to be formed to fund the projects. New gravity mains needed to serve new development areas include:

Table 5: Gravity Mains Needed to Serve New Development

New Gravity Sewer Mains (2016 dollars)				
Project	Length,(lf)	Recommended Diameter (in)	Source Document	Total Project Cost
NE Harney Street	1,400	8	1990 Public Facilities Plan	\$740,000
NE 52 nd Street	4,000	8	1990 Public Facilities Plan	\$259,000
NE 70 th Place	1,400	8	1990 Public Facilities Plan	\$371,000
Yaquina Heights Dr	5,800	8	1990 Public Facilities Plan	\$1,426,000
Benson Road	4,400	8	1990 Public Facilities Plan	\$1,722,600
Harborton to SE 50 th	3,400	12	2006 South Beach Neighborhood Plan	\$754,800
SE 50 th to SE 62 nd	3,000 / 2,900	12 / 6	2006 South Beach Neighborhood Plan	\$1,979,500
Wilder Phase 5	2,800	8	2006 South Beach Neighborhood Plan	\$1,206,000

Septic Conversion and Airport Sewer

In the southern portion of the city, the Newport Municipal Airport and the Surfland neighborhood are currently served by septic sewer systems. The City plans on extending its sewer service out to the Surfland neighborhood and the Newport Municipal Airport. The scope and extent of the improvements are listed in the table below.

Table 6: Surfland Septic Conversion – Airport Sewer Extension

Description of Improvements	Source	Estimated Cost (2016 dollars) ^a
Gravity sewer distribution system	2018 Sanitary Sewer Master Plan	\$4,620,000
Sewer force main	2018 Sanitary Sewer Master Plan	\$612,000
Sewer pump station	2018 Sanitary Sewer Master Plan	\$1,000,000

a. Estimated costs include a 30% allowance for contingency and a 20% allowance for engineering design and administration.

Rehabilitation and Replacement Program:

As a collection system ages, the structural and operational condition of the sewer system will decline as the number and type of defects in the piped system increase. If unattended, the severity and number of defects will increase along with an increased potential of sewer failure. Sewer failure is defined as an inability of the sewer to convey the design flow. It is manifested by hydraulic and/or structural failure modes. Hydraulic failures can result from inadequate hydraulic capacity in the sewer. Loss of hydraulic capacity can result from a reduction of pipe area because of accumulations of sediment, gravel, debris, roots, fats, oil, and grease, and structural failure. Also, a major loss of hydraulic capacity can be the result of excessive infiltration/inflow (I/I) or inappropriate planning for future growth that results in flows in excess of pipe capacity. Structural defects left unattended can lead to catastrophic failures that can have a significant negative impact on the community and the environment.

The City should implement a repair and rehabilitation (R&R) program to address its aging collection system. While the focus of many R&R programs is to restore the structural integrity of existing sewers, such activities will also help reduce the amount of infiltration that finds its way into the collection system. Elements of the collection system should be repaired or replaced based upon their structural condition with Grade 1 lines being in the best condition and Grade 5 being in the poorest condition. Factors used to determine the condition grade of the collection system are shown in the table below.

Table 7: Structural and Operational Condition Grades of Sewers

Condition Grade	Grade Description	Defect Description	Structural Condition Grade Implication	Operational Condition Grade Implication
5	Immediate Attention	Defects have led to failure	Collapsed or collapse imminent	Unacceptable infiltration or blockages; surcharging of pipe during high flow with possible overflows
4	Poor	Severe defects that will continue to degrade with likely failure in 5-10 years	Collapse likely in 5-10 years	Pipe at or near surcharge condition during high flow; overflows still possible at high flows
3	Fair	Moderate defects that will continue to deteriorate	Collapse unlikely in near future; further deterioration likely	Surcharge or overflows unlikely but increased maintenance required
2	Good	Minor and few moderate defects	Minimal near-term risk of collapse, potential for further deterioration	Routine maintenance only
1	Excellent	No defects, condition is like new	Good structural condition	Good operational condition

The City should budget approximately \$1M per year in 2016 dollars to the R&R program, assuming that 2 percent of its system per year will be rehabilitated. The table below presents a more detailed break-down of the recommended R&R implementation strategy. The assumption that 2 percent will be re-habilitated is an approximate estimate based on information gathered from existing condition assessment information.

Table 8: Recommended R&R Schedule

Work Item	R&R Pipe (LF)	2016 – 2031 R&R Activities (2016 dollars)			
		2016 - 2019	2020 - 2023	2024 - 2027	2028 - 2031
Grade 5 (known)	4,990	\$1,248,000	-	-	-
Grade 4 (known)	2,395	\$359,000	-	-	-
Grade 5 (assumed)	22,954	\$1,081,000	\$2,329,000	\$2,329,000	-
Grade 4 (assumed)	11,017	\$311,000	\$671,000	\$671,000	-
Grade 1, 2 or 3 ^a	288,644	-	-	-	\$3,464,000
Force Mains ^b	46,500	\$930,000	\$930,000	\$930,000	\$930,000
Total Cost		\$3,929,000	\$3,930,000	\$3,930,000	\$4,394,000
Annual Cost		\$982,000	\$983,000	\$983,000	\$1,099,000

a. Over time, pipes that are currently grade 1, 2, or 3 will escalate to being a Grade 4 pipe. It is estimated that the City will need to rehabilitate 2% of current Grade 1-3 pipes to maintain a sustainable inspection program. This is an estimated value; it is recommended that the City continues to evaluate the results of their inspection program to determine a refined R&R rate.

b. The force main R&R scope does not include the cost of replacing the Big Creek FM, NW 48th St FM, or Schooner Creek FM. These force mains were recently evaluated as part of the Agate Beach Improvement Project. In addition, the Northside, SE Running Springs Dr, and Bayfront force mains were excluded, as they are included as individual CIPs.

Years 1 through 16 should focus on the most severely deteriorated sewers, the Grade 5 sewers identified by the closed-circuit television (CCTV) inspections. The less deteriorated Grade 4 sewers should be addressed during years 5 through 16. As future inspections are conducted, additional Grade 4 and Grade 5 sewers will be identified. The LF listed in Table 6-8 for the unknown (i.e., yet to be inspected) Grade 4 and 5 sewers are estimated based on the distribution of grades for sewers inspected to date. These sewers are identified for R&R during years 1 through 16. The future inspections may find that the actual LF for each grade may vary from these projections. Also, the City should anticipate that additional R&R will be required in the future as the collection system ages. A recommended annual inspection and minor pump station repair program is outlined in the table below.

Table 9: Recommended Annual Inspection Pump Station Repair Program

Work Item	Quantity	Assumptions	Annual Estimated Cost (2016 dollars)
CCTV Inspections	47,000 LF per year	7-year inspection cycle. Assumes an average of \$2.50/LF	\$117,000
Pump Station Inspections	25 total	Inspect pump stations (excluding SE 3 rd Street PS), with smaller stations costing \$10,000 and large stations costing \$20,000. Assume an average of \$15,000 per station.	\$15,000
Force Main Inspections	9,300 LF per year	7-year inspection cycle. Assume an average of \$20/LF	\$186,000
Minor Pump Station Repair and Rehabilitation Program	20 years	A schedule should be established to conduct these improvements on an annual basis. Priority pump stations include, but are not limited to Embarcadero, SW Minnie, Bayfront, and NE 10 th Street.	\$200,000
Total			\$518,000

NEWPORT TRANSPORTATION SYSTEM PLAN*

This Transportation System Plan (TSP) describes the individual elements that make up the transportation system for the City of Newport. Additionally, the TSP represents recommended project improvements and goals and policies towards establishing a coordinated multi-modal transportation network for the City of Newport intended to comply with Statewide Planning Goal 12 and the Transportation Planning Rule (OAR 660-012-0015).

The complete TSP, titled “City of Newport Transportation System Plan, August 2022” describes in detail the various components of the City of Newport’s transportation system, makes a complete analysis of those various components, and describes the process used to develop the plan. Current and future transportation needs were evaluated, projects prioritized, and a strategic and reasonable funding program has been developed, all of which was informed by public input. Unimplemented project concepts from the City’s previous transportation related plans that are still relevant have been incorporated into the TSP. **By this reference, the complete TSP as amended by Ordinance No. 2199 is incorporated herein.** Where the text references “TSP,” the reference is to the TSP as amended unless otherwise noted.

However, the complete plan contains more information than most individuals want to sort through when looking for guidance on how future decisions should be made to improve the City’s transportation system. This section will, therefore, focus on the projects contained in the TSP and the goals and policies needed to assure compliance. Persons interested in obtaining a more thorough understanding of the reasoning for the projects, goals, and policies should review the full TSP documentation.

CRITICAL COMMUNITY ISSUES

A number of critical community issues guided development of the TSP. They were identified under the guidance of city leaders and a committee of key community stakeholders, referred to as the Project Advisory Committee, and are as follows:

- Develop desired streetscape, urban form, and roadway alignment for downtown commercial core to spur redevelopment.
- Identify transportation enhancements for the Agate Beach neighborhood that are sensitive to local geologic conditions.
- Update the TSP capital projects and planning level estimates for near- and long-term system investment priorities.
- Clarify whether the US 101 highway alignment may change as a part of the future replacement of Yaquina Bay Bridge.
- Evaluate the viability and efficiency of NE Harney St. extension as north-south alternative to US 101.
- Develop a city-wide integrated multi-use bike and pedestrian network.
- Identify areas suitable for neighborhood traffic calming measures and address pedestrian safety needs.
- Identify transit needs of the community.
- Refine street cross-sections requirements to provide options that address constraints.
- Revise infill frontage improvement requirements to better balance cost and community needs.

*Section replaced in its entirety by Ordinance No. 2199 (8-15-2022).

Critical community issues were also identified through public engagement while the TSP was being developed, with approximately 970 people being engaged through a variety of outreach opportunities. Common themes heard from the public included the following:

- Improve pedestrian and bicyclist safety throughout the city.
- Increased bus/transit/shuttle options.
- Enhance vehicle traffic flow and reduce congestion for through travelers and local users
- Implement parking improvements especially in the downtown area
- Enforce traffic speeding
- Preserve/rebuild the Yaquina Bay Bridge in the same location
- Promote emerging technology such as electric vehicle (EV) charging stations, parking solutions and solar power

Outcomes and recommendations related to these issues are addressed in detail in the complete TSP. Technical background information that formed the basis for many of the recommendations is available as appendices to the document.

TRANSPORTATION SYSTEM CONTEXT

The City of Newport was incorporated in 1882, and the 1910 census reported about 700 residents. Over the past century, the city has grown to just over 10,000 permanent residents today. The summertime population peaks at 25,000 because of the seasonal changes in tourist, employment, visitor, and recreational activities. As a popular Oregon Coast community and active seaport, Newport experiences its highest transportation demands during summer months when tourism and recreation are at their peak, whereas travel activity during the winter months are much lower. For example, the daily traffic counts on US 101 near City Hall drop by about 40 percent between July and January. The TSP recognizes how seasonal swings in travel activity affect the community.

Newport faces the challenge of accommodating growth while maintaining acceptable service levels on its transportation network. Some of the key opportunities and challenges noted addressed with the TSP are listed below:



- **US 101 and US 20** form the primary transportation network and carry most of the motor vehicle traffic. Outside of the downtown core area, the geographic constraints of the ocean coast, Yaquina Bay and local hillsides have fostered a strong reliance on the state highway system both for local travel and regional service to nearby communities. These highways were built with limited walking and bicycling amenities which continues to be a challenge for residents, visitors and tourists that are traveling outside of their motor vehicles.

- **Downtown** is where many of the properties are underutilized or in economic distress with vacant storefronts and aging, poorly maintained buildings. The City has an opportunity to leverage its urban renewal district to generate funding to revitalize the downtown area, which is also referred to as the commercial core area, along with upgrading the transportation system to catalyze economic development and provide infrastructure needed to support additional density.
- **Nye Beach** is a mixed-use neighborhood with direct beach access anchored by Performing Arts and Visual Art Centers. Commercial development is concentrated along Beach Drive and Coast Street, both of which include streetscape enhancements that encourage a dense pedestrian friendly atmosphere. This area includes a mix of retail, dining, lodging, professional services, galleries, single family homes, condominiums, long term and short-term rentals.
- **Bayfront** is a working waterfront with a mix of tourist-oriented retail, restaurants, fish processing facilities, and infrastructure to support the City’s commercial fishing fleet. The Port of Newport is a major property owner, and a boardwalk and fishing piers provide public access to the bay. The area is terrain constrained, with steep slopes rising up from commercial sites situated along Bay Boulevard.
- **South Beach**, nestled on the south side of the Yaquina Bay Bridge, is developed with a mix of regional institutions, recreational facilities, neighborhoods, and retail businesses, including the popular Oregon Coast Aquarium, 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 City’s largest residential planned development is also located in South Beach, known as the “Wilder” community.
- **Yaquina Bay Bridge** is an integral part of Newport as well as an historic icon on Oregon’s coast highway system. Since its opening in 1936, the bridge has been the only transportation link across Yaquina Bay to South Beach. The Oregon Department of Transportation (ODOT) has been working to extend the functional life of the bridge, but they expect that it will eventually be replaced. The timing for its replacement is uncertain, however, ODOT has indicated that its current location would be the preferred option to minimize environmental, engineering and community impacts.
- **Natural Hazards** considered in this TSP include the potential tsunami events following earthquakes and mitigating for unstable soils and ocean bluff erosion.

EXISTING AND ANTICIPATED FUTURE TRANSPORTATION CONDITIONS

A comprehensive assessment was made of the travel patterns and transportation system performance within Newport as it operates today, and how that is expected to change with planned growth through 2040. To make the future forecast, the designated growth areas within the city were reviewed to determine how travel activity and patterns would change based on historical demographic and travel data. The future year travel forecast was made for summertime conditions, and it was used to evaluate how effectively proposed roadway solutions would operate.

The findings of this technical analysis for all travel modes, combined with input from the public engagement process, formed a master list of system needs for the community. Later in the update process, past transportation projects that have yet to be implemented were refined and amended, as needed, to fully address the latest understanding of the community’s transportation needs.

Land Use and Transportation Demand Growth

The City's Urban Growth Boundary (UGB) and adopted land use zoning maps identify the location and type of development that is expected to occur in Newport. In addition, citywide population forecasts are coordinated with a statewide effort led by Portland State University. By 2040, the growth in households and employment for Newport can be summarized as follows:

- **Households** - About 1,000 more homes are expected throughout the city, with the highest concentrations in the recent UGB addition at the intersection of NE 36th and NE Harney Streets, and the emerging neighborhood along SE 40th Street near the Oregon Coast Community College. Many other neighborhoods expect modest residential in-fill development.
- **Population** – About 2,400 more permanent residents are expected to reside in these new homes. In addition, visiting households during peak seasons are forecasted to increase by about 210 more than today.
- **Summer Employment** - About 2,700 more jobs are expected during the summer. Overall job growth will be highest in the South Beach area, especially along Marine Science Drive, and south of 40th Street, and in the very north end of the city near 73rd Street.

This combination of new housing, residents and jobs is expected to increase citywide vehicle trips by about 27% year-round by 2040.

Motor Vehicle System Performance Issues

Based on technical evaluation and feedback from the community, the following operational, safety and maintenance issues were identified for the Newport motor vehicle system. ODOT has quantitative performance targets for its highways based on traffic delays, which were applied to determine if conditions were acceptable or not. A total of 20 intersections were selected for the operational analysis review.

- Six of the intersections on US 101 are expected to have major delays for motor vehicle traffic. This includes three locations that are controlled by traffic signals (at NE 52nd Street, US 20, and Hurbert Street) and three stop controlled intersections (at NE 73rd Street, Oceanview Drive, and Angle Street)
- Many other intersections along US 101 that were not specifically analyzed are expected to have severe delays during peak hours for traffic intending to turn left onto the highway. Several neighborhoods derive their only access from US 101, such as NE San-Bay-O Circle, NW 73rd Court and NW Wade Way/Cherokee Lane.
- Two of the US 20 intersections are expected to have major delays including SE Benton Street (stop sign controlled on the side street) and NE Harney Street-SE Moore Drive (traffic signal control).
- The US 20/NE Harney Street-SE Moore Drive intersection was also cited by public feedback as being problematic for serving school related traffic before/after school sessions, and for major events at the Lincoln County fairgrounds.
- Other community safety concerns included the lane merging on southbound US 101 approaching Yaquina Bay Bridge, and the irregular access spacing on US 101 near the Newport Cinema.
- Three local bridges were identified as being structurally deficient including US 101 over Big Creek, the Yaquina Bay Bridge, and on Big Creek Road over Big Creek.
- In addition to its weight limited condition, the vehicle traffic using the Yaquina Bay Bridge is expected to grow and it will eventually exceed the carrying capacity.

Walking and Bicycling System Performance

Walking is an important part of local travel options, both within neighborhoods and parks as well as along and across major roadways. Provision of safe and convenient walking options can help the city move towards a complete multimodal transportation system. Today Newport has 33 miles of sidewalks, although about 70 percent of city streets lack sidewalks on at least one side.

Bicycling is common along US 101, which is part of the designated Oregon Coast Bike Route. Cyclists generally ride on the wide paved shoulders on US 101, since there are very limited designated bike lanes on the highway. Off highway, there is about 10 miles of shared-use pathways or trails available, but generally cyclists are required to share the roadway with vehicles. For both walking and bicycling system, a Level of Traffic Stress (LTS) score was determined that represents the user's experience on that route. Based on technical evaluation, field observations, and public feedback, the following walking and bicycling issues were identified:

- For walking travelers, about 25 percent of state highway and city collector street blocks were rated in the low to moderate LTS range, which is generally comfortable for the average traveler.
- For bicyclists, about 15 percent of state highways and 90 percent of city collector streets had low to moderate ratings.
- On the other end of the LTS scale, extreme ratings were shown for 60 percent of the highways for walking travelers, and 85 percent of bicyclists. This is the highest level of stress and is considered very challenging.
- Extreme or high bike LTS was noted due to high speeds and traffic volumes and unprotected bike facilities. This includes both state highways and short segments of NE Harney Street, NE 31st Street, NE Yaquina Heights Drive, SE Bay Boulevard and SE Ferry Slip Road.
- Sixteen of the 20 intersections studied on US 101 and US 20 had extreme or high LTS scores due to non-compliant ADA curb ramps, complex elements or limited refuge or enhancements at the crossing. Bicycling LTS has similar scores at these locations.
- NW Oceanview Drive, a component of the Oregon Coast Bike Route, was rated at extreme level of traffic street between US 101 and the intersection with NW Edenvue Way, and medium level of traffic stress from there to Spring Street.

System deficiencies were noted in cases where the walking or bicycle facilities had major gaps, extreme LTS, or were near important destinations, such as parks, schools, transit stops or essential services. These were flagged to be reviewed for possible system improvements.

Transit Services

Lincoln County Transit operates a city loop bus service, an intercity bus service, and a paratransit service. The loop service through Newport connects key destinations six times each day, seven days a week and in the evening. While most residents and businesses are located within one-half mile of a loop transit stops, the time between buses (up to 90 minutes) and limited-service hours (7 am to 5pm) moderates its effectiveness for residents and visitors.

The intercity transit service operates routes to Corvallis and Albany four times each day, to Lincoln City four times each day, to Yachats four times each day, and to Siletz six times a day between Monday and Saturday.

Lincoln County Transit's paratransit service provides public transportation to persons with disabilities who are unable to use regular fixed route buses. Curb to curb paratransit service, in wheelchair lift equipped minibuses, is available generally between 8:00 a.m. and 3:30 p.m. Monday through Friday.

Lincoln County’s transit development plan through 2028 intends to enhance the frequency of services and add more stops on the loop to better serve more riders. This includes two new loop routes with shorter headways between more popular local destinations.

Freight Network

US 101, north of US 20, is a designated federal truck route and US 20, east of US 101, is a designated Oregon freight route. With growing traffic volumes, five intersections along the state highways would not meet their currently adopted mobility target. These are the same locations noted under the “Motor Vehicle System Performance Issues” section above, except for Oceanview and US 101.

Other locations with identified freight needs include Bay Boulevard, which is a working waterfront and is a key freight generator for the City of Newport. This area is also a tourist destination which can create conflicts between the high volume of pedestrians, passenger cars, and freight vehicles which serve Newport’s fishing industry. Freight vehicles face steep grades for northbound traffic approaching the Yaquina Bay Bridge. The recent relocation of the traffic signal from SE 32nd Street to SE 35th Street has improved this operational issue; however, the bridge still has weight limit restrictions.

Airport

The Newport Municipal Airport, owned and operated by the City of Newport, is a public-use airport located east of US 101 off SE 84th Street, approximately five miles south of downtown. This airport provides general aviation for Newport and surrounding coastal communities and is identified as a critical resource by the Oregon Department of Aviation for emergency response following a major earthquake or tsunami. Currently, the airport supports general aviation aircrafts, US Coast Guard helicopters, and air ambulance flights.

Waterways

The Port of Newport maintains and operates separate commercial and recreational marinas to serve Newport’s ship traffic. The commercial marina, located on the north side of Yaquina Bay, south of Bay Boulevard includes four docks for commercial vehicles and serves a large, prolific fishing fleet and a yacht club. This marina can accommodate vessels up to 100 feet. The recreational marina is located on the south side of Yaquina Bay, near South Beach, with space for 522 vessels and includes power, water, fuel, and sanitary services as amenities. This marina also serves as a public boat launch with space for trailer storage.

STREET FUNCTIONAL CLASSIFICATION CHANGES

The functional classification of a street or roadway defines how it is intended to be used, and its relative purpose compared to other facilities in the network. Transportation agencies that manage and maintain highway and street systems commonly use this practice, including federal, state, county, and city jurisdictions. The TSP refines the City’s street functional classifications to align with local community values. The major changes to the street functional classification designations for City of Newport Streets include the following:

- **Designating State Highways as the only Arterial Roadways** - Several city streets that were previously designated as arterials roadways were downgraded to better match their intended use today and in 2040. Arterial streets are primarily intended to serve regional and through traffic. It is determined that only the two State Highways provide that type of service.

- **Dividing City Collector Streets into Two Tiers, Major and Neighborhood Collector** - The city previously had one category for collector streets, which are intended to connect neighborhoods to each other and to arterial roadways. The top tier collector was renamed to a Major Collector. A second tier of collector roadway was introduced where it was most appropriate to apply traffic calming techniques in neighborhoods, and to tailor bike and pedestrian designs to best match the local environment.
- **Identifying Private Streets** – While not depicted on the functional classification maps, the TSP identifies local streets that are privately owned or maintained by the adjoining property owners as a subset of the local street classification.
- **Local Truck Routes Added** – In addition to the state and federal designated truck routes on US 101 and US 20, there are several city streets that serve as key local truck routes within the community. These routes were added to the city’s freight network to highlight the need to design and manage them to serve trucks. Examples include Bay Boulevard, and SE Marine Science Drive.

The new functional classifications for City of Newport streets and freight routes are depicted on Figures 1 through 6 below.

Figure 1: Functional Classification of Roadways – North Map

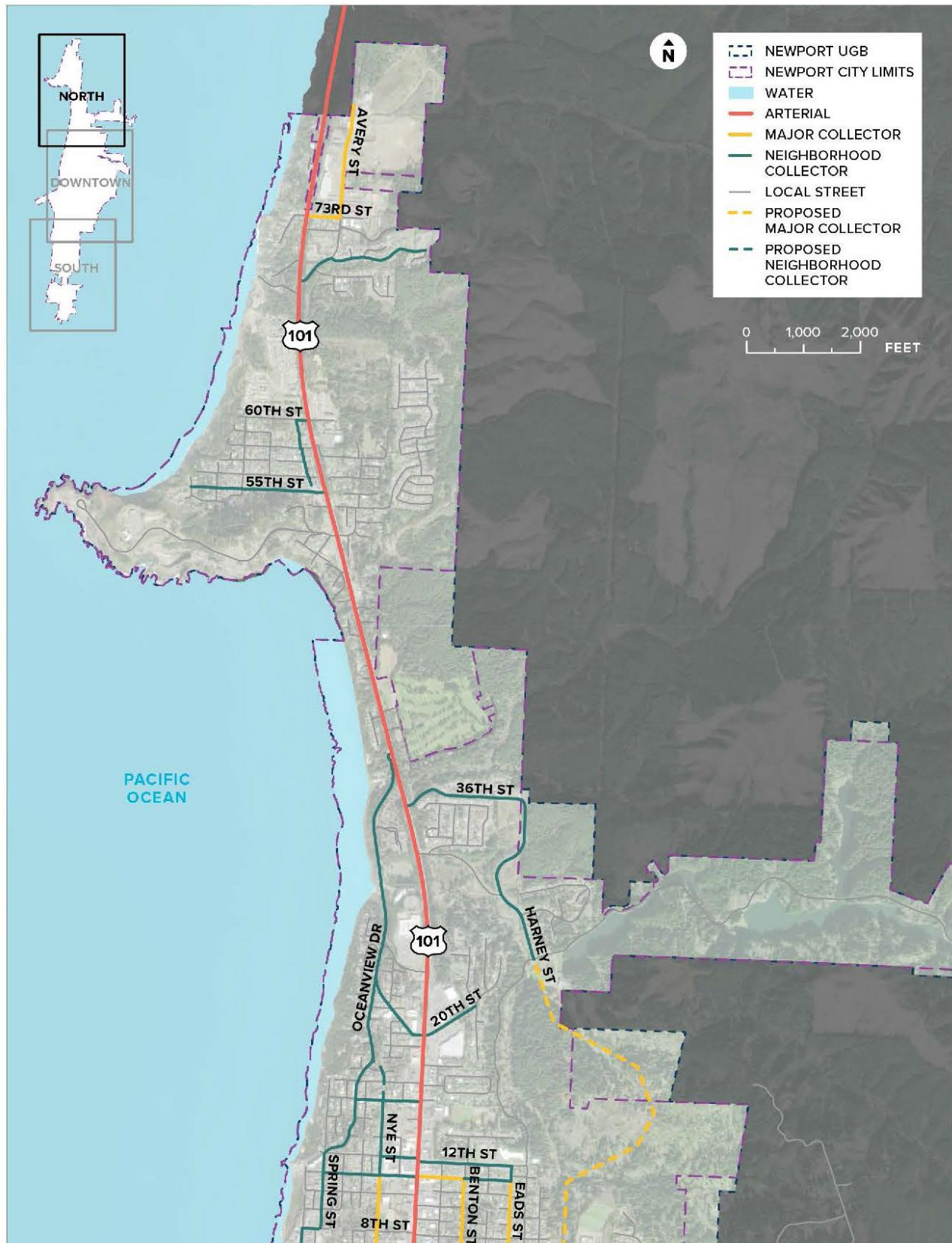


Figure 2: Freight Routes – North Map

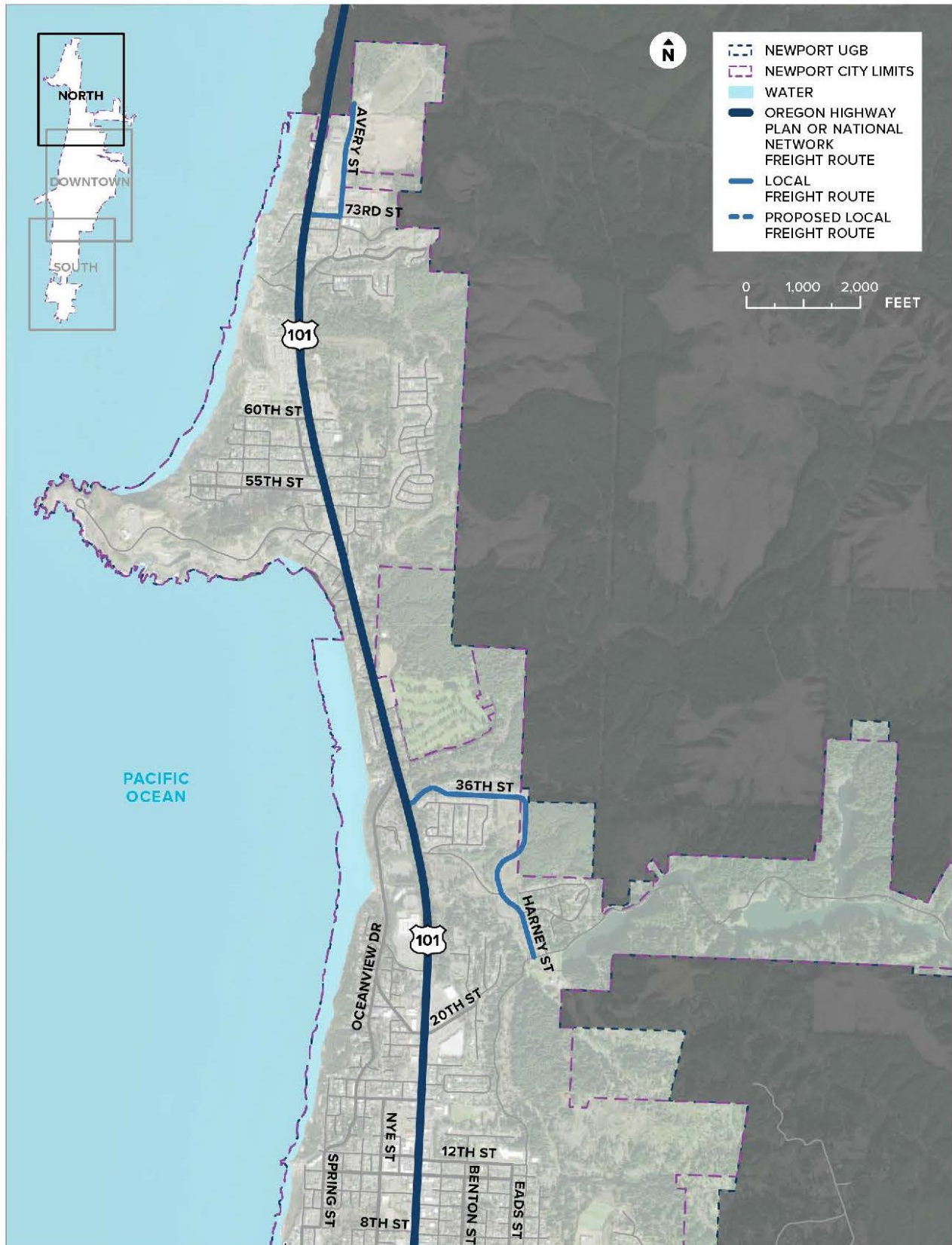


Figure 3: Functional Classification of Roadways – Downtown Map



Figure 4: Freight Routes – Downtown Map

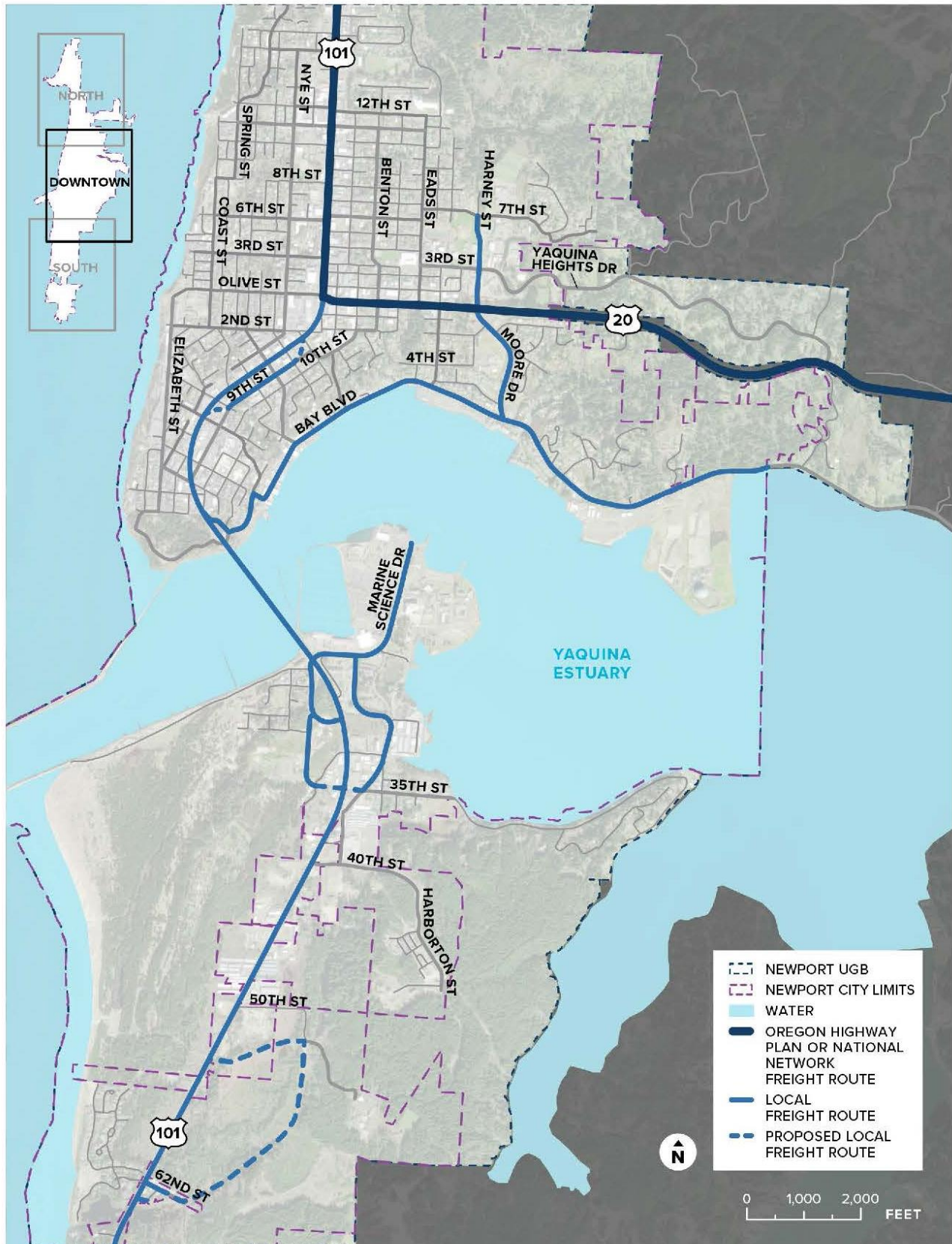


Figure 5: Functional Classification of Roadways – South Beach Map

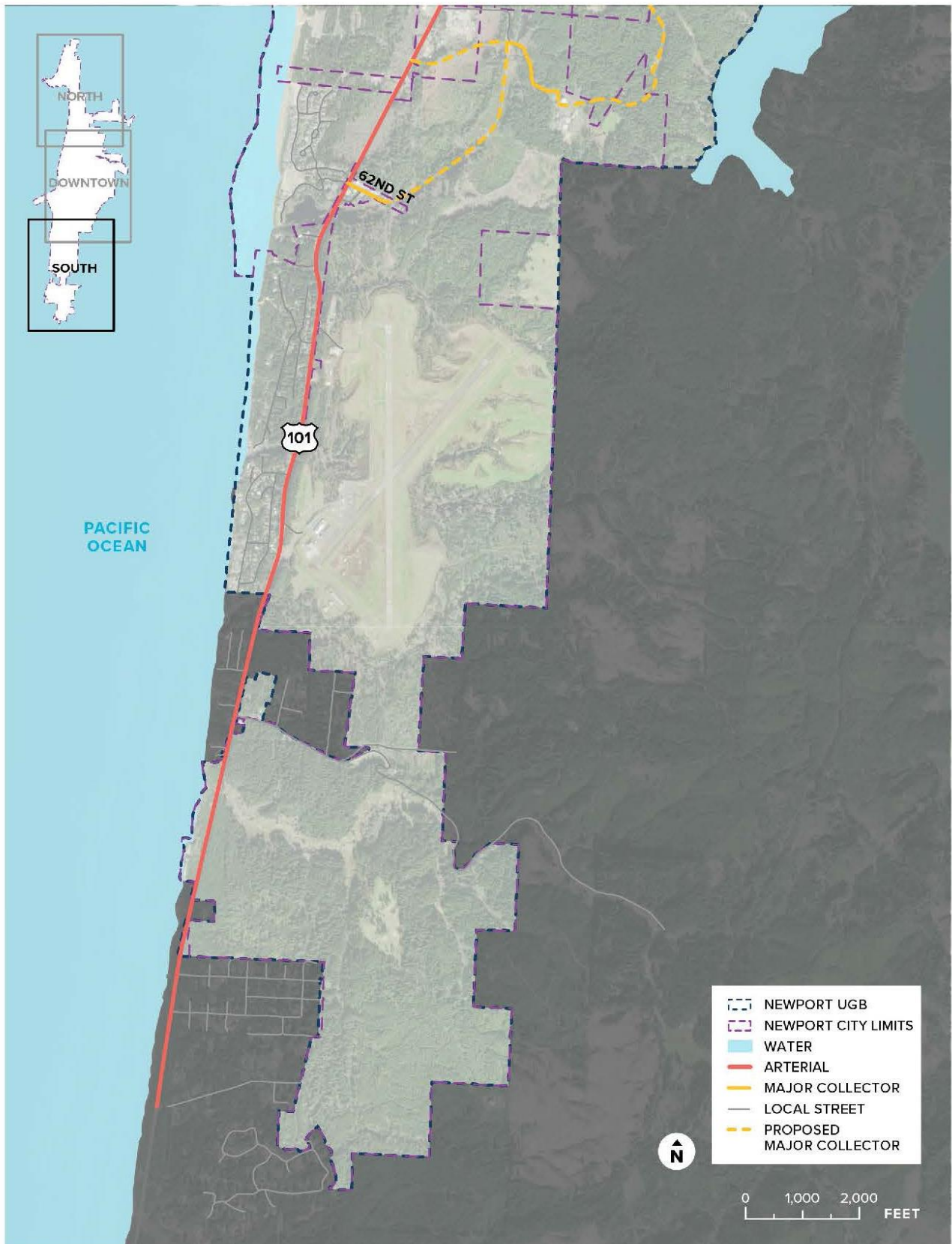
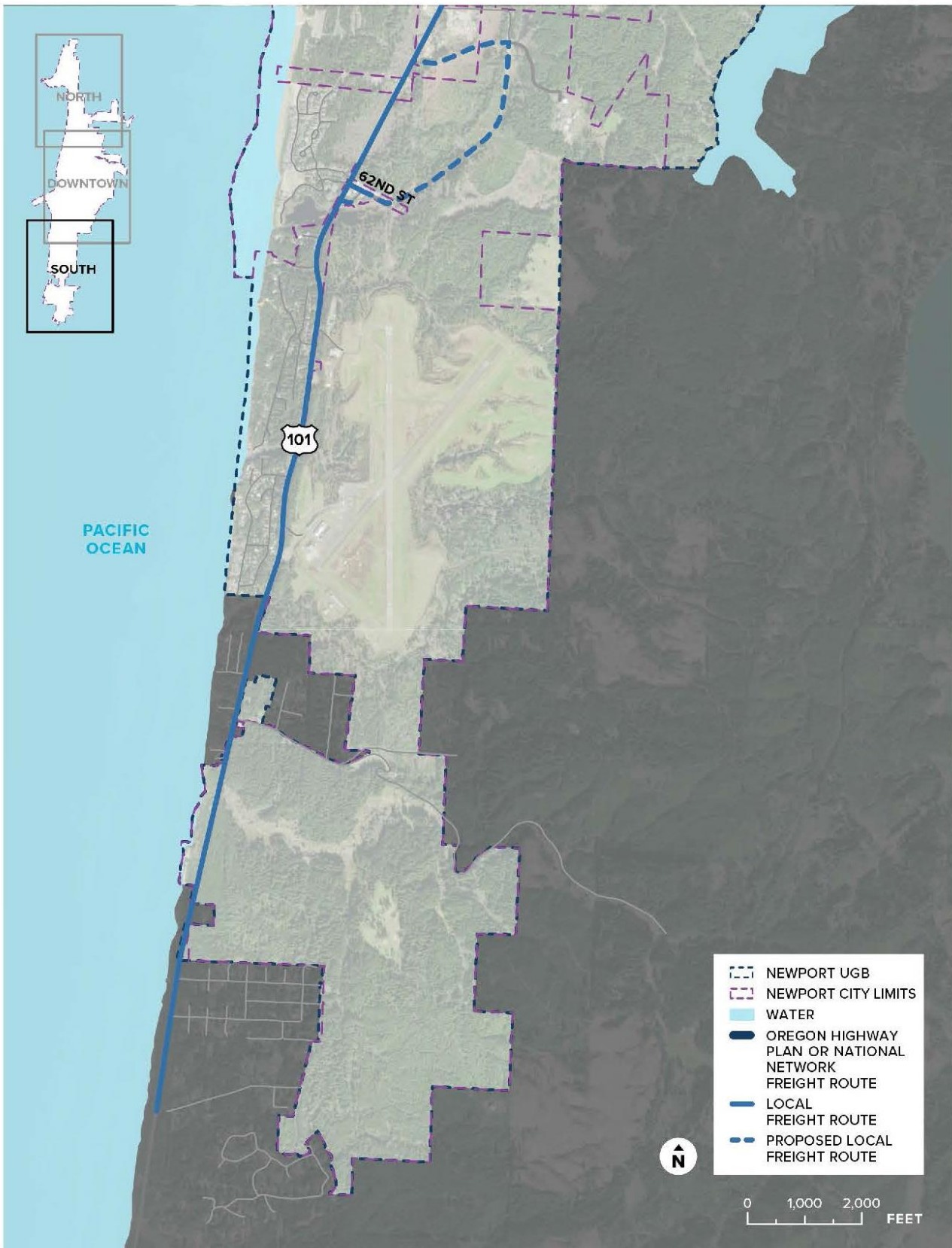


Figure 6: Freight Routes – South Beach Map



MULTIMODAL NETWORK DESIGN

Street designs are based on the functional classifications. City street improvement projects generally accompany newly developing or redeveloping areas of the city. Roadway cross-section design elements include travel lanes, curbs, furnishings/landscape strips, sidewalks on both sides of the road, and bicycle facilities. In some cases, site constraints may prevent minimum standards from being applied, and design exceptions are required.

The TSP includes recommended design standards for all levels of streets, trails and pathways. A summary of the key changes for network design types follows below:

- **Added Yield or Shared Streets** - A new option for local streets was added to recognize cases where traffic volume is low (fewer than 500 vehicles daily). These cases were referred to as Yield or Shared Streets, and they allow narrower street widths and lower speed limits.
- **Sidewalk Minimum Width Varies** - The minimum sidewalk width was changed to be wider depending on the street classification, and fronting land use types. For example, this allows added space for street side amenities in commercial districts.
- **Bicycle Facilities Tailored to Street Classification** – To better support an integrated bike network, the design standards were modified to better match the required bike facilities with the on-street conditions experienced by cyclists. Where traffic volumes and speeds are high, like on the state highways, wide and protected bike facilities are preferred. Whereas, in neighborhoods the bikes can more readily share the street with motor vehicles.
- **Minimum Pedestrian and Bicycle Facilities** – New design standards are recommended for pedestrian trails, accessways, and shared-use pathways, showing the minimum facility width for each case.

ADDITIONAL TRANSPORTATION PLANNING STANDARDS

A new set of transportation standards is recommended that the City can apply during on-going development review, and when plan amendments are being considered. These new standards provide staff with a quantitative basis for reviewing proposed development plans and other planning proposals that may affect local transportation conditions. The additional standards include the following:

- **Vehicle Mobility Standards** – Define the thresholds of acceptable congestion on city streets for a range of intersection types. These standards can be applied to form the basis for requiring conditions of approval for pending development to ensure that the ultimate facility design matches the expected demands.
- **Multimodal Connectivity** – Define the minimum and maximum spacing standards for block length, driveway spacing, setbacks, and space between ped/bike connections. The intent of these standards is to provide for efficient, safe, and timely multimodal travel, particularly in newer neighborhood designs.

The TSP further highlights unique natural hazards facing the City of Newport, and the City's response to manage those conditions. This includes the Oregon Seismic Lifeline Routes that facilitate emergency evacuation and recovery routes following disasters, such as a tsunami event. Projects are included to

promote seismic resilience on lifeline routes, add pedestrian or bicycle facilities on evacuation routes, and promote wayfinding.

Also highlighted in the TSP are street stormwater drainage management strategies that apply to new development areas and major infrastructure improvements, such as new or expanded roadways. These strategies are acutely important in many areas of the city, and most notably the Agate Beach neighborhood, to mitigate runoff impacts such as further erosion of coastal bluffs.

PROJECT DEVELOPMENT AND FUNDING

Building the updated project list for this TSP involved identifying a several new projects to specifically address new community concerns and combining them with unimplemented past projects from previously adopted transportation plans. The full list of projects is referred to as Aspirational Projects.

A prioritization process was applied to the Aspirational Projects to emphasize improved system efficiency and management over adding capacity. This included four tiers (highest, high, moderate and low). These priority outcomes were then compared to city goals and objectives for the transportation investments. As a result, the higher priority solution types that address identified needs were selected unless a lower priority solution was clearly more cost-effective or better supported the goals and objectives of the city. This process allows the city to maximize use of available funds, minimize impacts to the natural and built environments, and balance investments across all modes of travel.

Each project was reviewed to assess which agency would lead the project and the likely funding source. It is important to note that these funding assumptions do not obligate any agency to commit to these projects. In general, projects were assigned to either the City of Newport or ODOT as the lead agency, with a few cases where they may jointly fund a project. Also, each project was assigned an assumed funding source, which included the City’s North Side Urban Renewal District, South Beach Urban Renewal District, and other City/State revenue. It is recognized that there may be other partnering opportunities with ODOT and Lincoln County Transit, these decisions are ultimately up to those agencies. Also, private development will also likely build TSP projects in coordination with land use actions and future development in the city. Based on historical and forecasted funding levels, the city expects to have about \$76 million through the year 2040 for transportation projects in this TSP. This includes about \$38 million for projects in the North Side Urban Renewal District boundary and another \$38 million from other City and State funding sources for other citywide projects. And although it was not included in the TSP revenue forecast, the South Beach Urban Renewal District will also provide an additional \$3 million in funding for remaining projects in the district boundary. This is still far below the funding required to implement all the projects in this plan, which total approximately \$227 million.

FUNDING SOURCE	AMOUNT AVAILABLE BY 2040
NORTH SIDE URBAN RENEWAL DISTRICT	\$37.9 million
OTHER CITY/STATE FUNDS	\$38.3 million
TOTAL FUNDS AVAILABLE	\$76.0 million
TOTAL ASPIRATION PROJECTS	\$226.7 million

A high priority subset of the City’s Aspirational Projects that are constrained to a level of funding that is expected to be available for the next 20 years is presented in Tables 1 through 3 below. These aspirational projects are referred to as “financially constrained,” as they represent the City’s highest value projects that can reasonably be funded with the known economic constraints through 2040.

The project identification numbers in the first column of the tables are coded to indicate the category of the improvement, as follows:

- “INT” to represent an intersection improvement project
- “EXT” to represent a roadway extension project
- “REV” to represent an existing roadway improvement or reconfiguration project
- “SW” to represent a sidewalk improvement project
- “TR” to represent a trail or shared use path improvement project
- “BR” to represent a bike route improvement project
- “SBL” to represent an improvement project to add separated or buffered bike lanes
- “BL” to represent an improvement project to add standard bike lanes
- “CR” to represent a roadway crossing improvement project
- “PRO” to represent a citywide demand or system management project

Table 1: Aspirational Projects Likely to be Funded – North Map

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
EXT1	NW Gladys Street (from NW 55th Street to NW 60th Street) Improve NW Gladys Street to create a continuous neighborhood collector street.	NURA	\$1,100,000	Tier 2
EXT12 **	NW Nye Street (from NW Oceanview Drive to NW 15th Street) Extend/Improve NW Nye Street to create a continuous neighborhood collector street between NW Oceanview Drive and NW 15th Street. Cost assumes bridge will be needed, installation of a sidewalk, and signing and striping as needed to designate a shared bike route.	City/State Funds	\$3,100,000	Tier 1
REV1 **	NW Oceanview Drive (from NW Nye Street Extension to NW 12th Street) Convert NW Oceanview Drive to one-way southbound between the NW Nye Street Extension and NW 12th Street and shift northbound vehicle traffic to NW Nye Street. Cost assumes utilization of the existing roadway width to include a southbound travel lane for vehicles, and an adjacent shared use path for pedestrians and bicycles. Project EXT12 must be completed before Project REV1.	City/State Funds	\$350,000	Tier 1
REV2	NW 55th Street (from NW Gladys Street to NW Pinery Street) Improve the roadway surface. Project to be coordinated with Project BR16 and SW24.	NURA	\$200,000	Tier 1
SW11 **	SE Benton Street/SE 2nd Street/SE Coos Street/NE Benton Street (from SE 10th Street to NE 12th Street) Complete existing sidewalk gaps.	City/State Funds	\$3,050,000	Tier 2
SW13 **	NW Nye Street (from W Olive Street to NW 15th Street) Complete existing sidewalk gaps.	City/State Funds	\$4,450,000	Tier 2
SW14 **	NW/NE 11th Street (from NW Spring Street to NE Eads Street) Complete existing sidewalk gaps.	City/State Funds	\$2,150,000	Tier 2
SW16	NW Edenvue Way/NE 20th Street (from NW Oceanview Drive to NE Crestview Drive) Complete existing sidewalk gaps.	City/State Funds	\$2,475,000	Tier 2
SW19 **	NW 8th Street/NW Spring Street (from NW Coast Street to NW 11th Street) Complete existing sidewalk gaps.	City/State Funds	\$1,175,000	Tier 2
SW20	NW Gladys Street/NW 55th Street (from NW 60th Street to US 101) Complete existing sidewalk gaps.	NURA	\$1,425,000	Tier 2

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
SW21	US 101 (from NW 25th Street to NE 31st Street) Construct pedestrian path on east side of US 101. Cost assumes 10-ft wide sidewalk with sheet pile wall.	State/NURA	\$3,100,000	Tier 1
TR1	NW Oceanview Drive (from US 101 to NW Nye Street Extension) Construct a shared use path on one side. The short term improvement along this segment included in Project BR15.	City/State Funds	\$4,775,000	Tier 1
TR3	US 101 (from NW Lighthouse Drive to NW Oceanview Drive) Construct a shared use path on the west side of US 101, with sidewalk infill on the east side. Shared use path project should be consistent with previous planning efforts (e.g., Agate Beach Historic Bicycle/Pedestrian Path, Lighthouse to Lighthouse Path). Cost included with Project TR8.	Federal Funds/ NURA	Included with Project TR8	Tier 1
TR6 **	NE Big Creek Road (from NE Fogarty Street to NE Harney Street) Reconfigure the roadway to provide a shared use path. Cost assumes utilization of the existing roadway width to include a one-way 12 ft. travel lane and an adjacent shared use path.	City/State Funds	\$450,000	Tier 1
TR7	Water Tank Trail (from Newport Water Tank to Communications Hill Trail) Construct a shared use path between the Newport Water Tank and the Communications Hill Trail, as identified by the BLM/FHWA. Cost included with Project TR8.	Federal Funds/ NURA	Included with Project TR8	Tier 1
TR8	NW Lighthouse Drive (from US 101 to terminus) Construct a shared use path on one side and other improvements as identified by the BLM/FHWA. Cost includes pedestrian/bicycle crossing improvements at the intersection of US 101/NW Lighthouse Drive, and Projects TR3 and TR7.	Federal Funds/ NURA	\$4,000,000	Tier 1
TR14	NW Nye Street (from NW Oceanview Drive to NW Nye Street) Construct a shared use path. Cost assumes bridge will be needed. Project TR14 will only be constructed if the full street connection is not constructed (Project EXT12).	City/State Funds	Included with Project EXT12	Tier 1
BR1 **	NE 12th Street (from NE Benton Street to NE Fogarty Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$25,000	Tier 1
BR2	NE Harney Street/NE 36th Street (from NE Big Creek Road to US 101) Install signing and striping as needed to designate as interim shared bike route. Long term, on-street bike lanes to be provided as part of the Harney Street extension (Project EXT4). Cost assumes interim improvement only.	City/State Funds	\$75,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
BR3 **	NE Eads Street (from NE 1st Street to NE 12th Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$50,000	Tier 1
BR9	NW Edenvue Way/NE 20th Street (from NW Oceanview Drive to NW Crestview Drive) Install signing and striping as needed to designate a bike route. Restripe through US 101/NE 20th Street intersection to provide on-street bike lanes between the NW Edenvue Way/NW 20th Street intersection and the eastern Fred Meyer Driveway.	City/State Funds	\$50,000	Tier 1
BR10	NW 60th Street/NW Gladys Street/NW 55th Street (from US 101 to US 101) Install signing and striping as needed to designate a bike route through Agate Beach.	NURA	\$25,000	Tier 1
BR12	NE Avery Street/NE 71st Street (from US 101 to NE Echo Court) Install signing and striping as needed to designate a bike route.	City/State Funds	\$50,000	Tier 1
BR15	NW Oceanview Drive Interim Improvements (from US 101 to NW Nye Street Extension) Install signing and striping as needed to designate as an interim bike route and implement other improvements as identified in the Oregon Coast Bike Route Plan. Long term improvement along this segment included in Project TR1.	City/State Funds	\$75,000	Tier 1
BR16	NW 55th Street (from NW Gladys Street to NW Pinery Street) Install signing and striping as needed to designate a bike route. Coordinate with Project REV2.	NURA	\$50,000	Tier 1
BR19 **	NW Spring Street/NW Coast Street (from NW 12th Street to SW 2ND Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$75,000	Tier 1
BL2 **	NW Nye Street/SW 7th Street (from NW 15th Street to SW Hubert Street) Restripe NW Nye Street to include on-street bicycle lanes (project removes on-street parking on one side only) between NW 15 th Street and SW 2 nd Street. Install signing and striping to designate SW 7 th Street a shared bike route between SW 2 nd Street and SW Hubert Street.	City/State Funds	\$100,000	Tier 1
BL8 **	NW/NE 11th Street (from NW Spring Street to NE Eads Street) Restripe to provide on-street bike lanes (project removes on-street parking on one side, although on-street parking may be impacted on both sides between NW Lake Street and NW Nye Street).	City/State Funds	\$50,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
	SW Angle Street/SW 10th Street/SE 2nd Street/SE Coos Street/NE Benton Street (from SW 9th Street to Frank Wade Park)			
BL11 **	Restripe to provide on-street bike lanes (project removes on-street parking on one side between NE 12th Street and US 20). Install signing and striping to designate NE Benton Street a shared bike route between NE 12 th Street and NE Chambers Street/Frank Wade Park. Note 5 ft. bike lanes assumed between US 20 and SE 2nd Street. Construct with Project CR2.	City/State Funds	\$150,000	Tier 1
	NW 60th Street/US 101			
CR1	Install an enhanced pedestrian and bike crossing to connect to the shared-use path on the east side of US 101.	State/NURA	\$200,000	Tier 1
	NW 55th Street/US 101			
CR3	Install an enhanced pedestrian and bike crossing to connect to the shared-use path on the east side of US 101.	State/NURA	\$200,000	Tier 1
	NW 68th Street/US 101			
CR8	Install an enhanced pedestrian crossing.	City/State Funds	\$200,000	Tier 1
	NW 58th/US 101			
CR10	Install an enhanced pedestrian and bike crossing to connect to the shared-use path on the east side of US 101.	NURA	\$200,000	Tier 1
	NW 8th/US 101			
CR16 **	Install an enhanced pedestrian crossing.	State/NURA	\$200,000	Tier 1
	Transportation Demand Management			
PRO2 ***	Implement strategies to enhance transit use in Newport. Specific strategies could include public information, stop enhancements, route refinement, or expanded service hours.	City Funds	\$475,000	Tier 2
	Neighborhood Traffic Management			
PRO3 ***	Implement a neighborhood traffic calming program.	City Funds	\$475,000	Tier 1
	ODOT Coordination			
PRO5 ***	Coordinate with ODOT to develop signage, pavement marking, or other solutions where appropriate to limit side street blockage by stopped vehicles, at intersections where there is no alternative route, such as San-Bay-O Circle, NW 73rd Court and NW Wade Way/Cherokee Lane.	State/City Funds	\$100,000	Tier 1

NOTES:

** PROJECT OVERLAPS TWO OF THE MAP AREAS AND IS THEREFORE DISPLAYED IN BOTH PROJECT TABLES AND CORRESPONDING MAPS.

*** PROJECT IS NOT DISPLAYED ON A MAP BUT APPLIES IN THE NORTH MAP AREA.

PROJECT HORIZON: TIER 1 = YEARS 1 TO 10; TIER 2 = YEARS 11 TO 20

Figure 7: Aspirational Motor Vehicle Projects Likely to be Funded – North Map

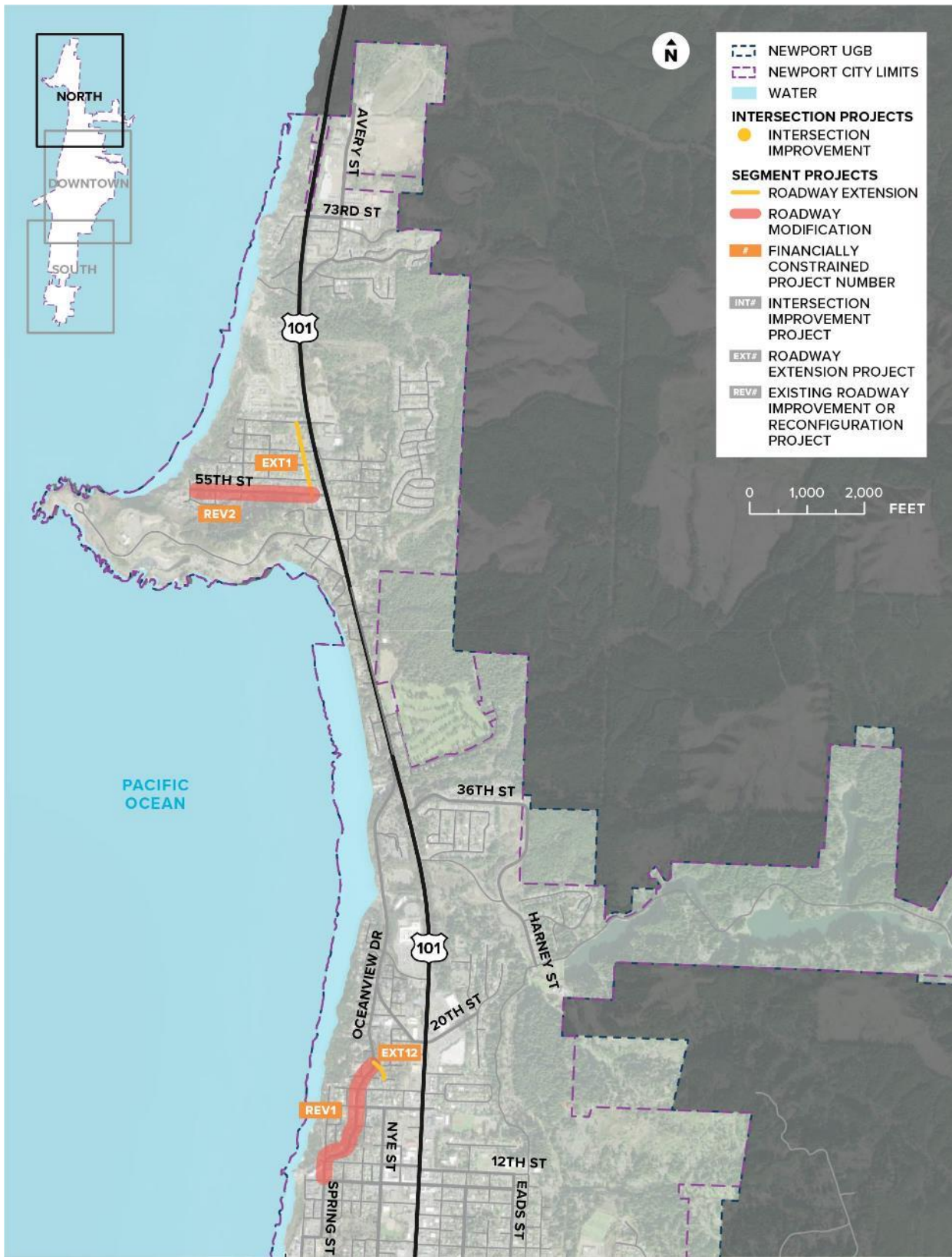


Figure 8: Aspirational Multimodal Projects Likely to be Funded – North Map

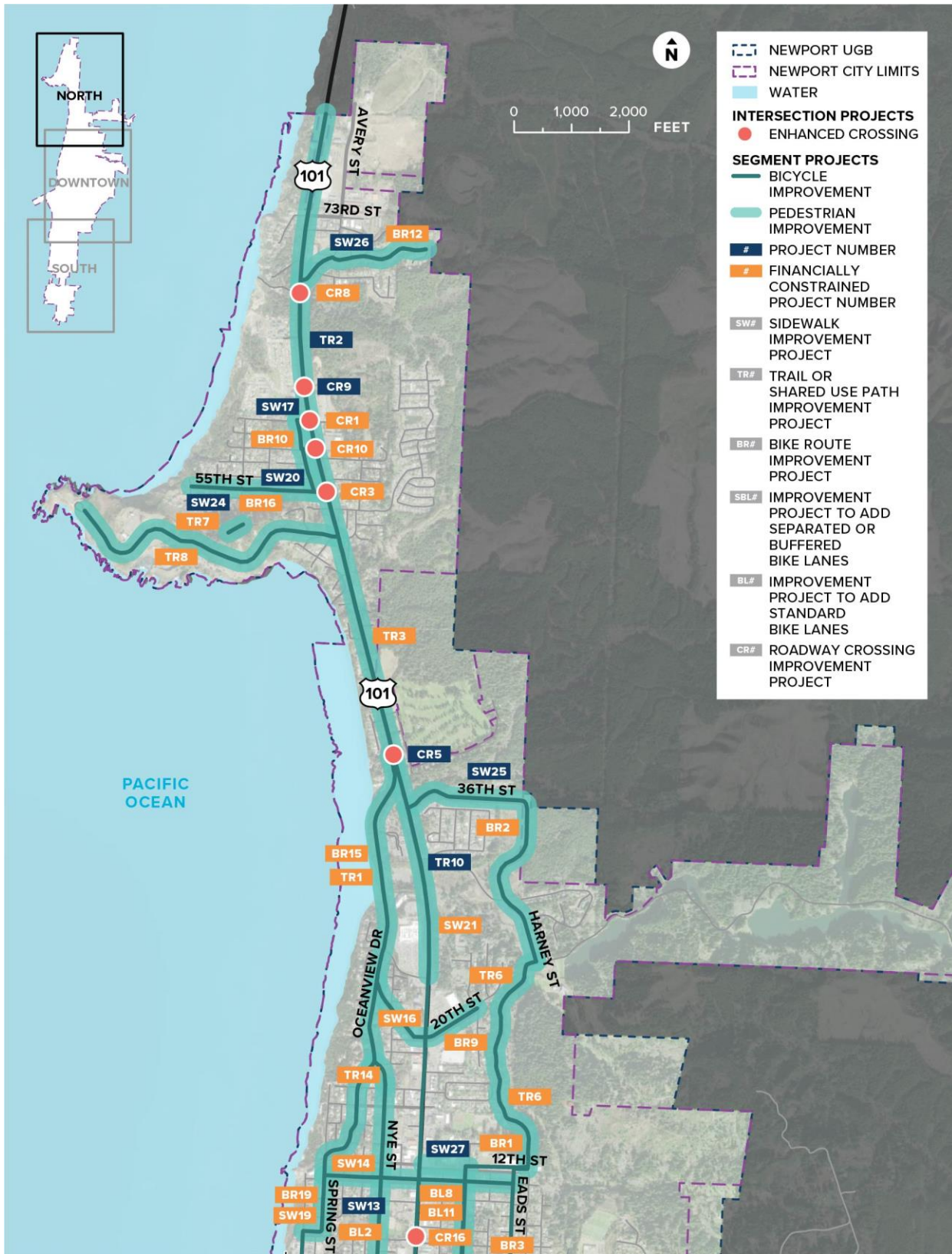


Table 2: Aspirational Projects Likely to be Funded – Downtown Map

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
	US 101/US 20			
INT4	Construct a second southbound left turn lane. Requires a signal modification, widening along US 101 and along the south side of US 20 to support a second receiving lane, and conversion of the US 101/NE 1 st Street intersection to right-in, right-out movements only.	State/NURA	\$5,000,000	Tier 1
	US 20/SE Moore Drive/NE Harney Street			
INT6	Improve the intersection with a rebuilt traffic signal and separate left turn lanes on the northbound and southbound approaches). Coordinate improvements with Project SBL1.	State/NURA	\$1,050,000	Tier 1
	NW Nye Street (from NW Oceanview Drive to NW 15th Street)			
EXT12 **	Extend/Improve NW Nye Street to create a continuous neighborhood collector street between NW Oceanview Drive and NW 15th Street. Cost assumes bridge will be needed, installation of a sidewalk, and signing and striping as needed to designate a shared bike route. Project EXT12 will only be constructed if the full street connection is preferred over the shared-use path only option (Project TR14).	City/State Funds	\$3,100,000	Tier 1
	NW Oceanview Drive (from NW Nye Street Extension to NW 12th Street)			
REV1 **	Convert NW Oceanview Drive to one-way southbound between the NW Nye Street Extension and NW 12th Street and shift northbound vehicle traffic to NW Nye Street. Cost assumes utilization of the existing roadway width to include a southbound travel lane for vehicles, and an adjacent shared use path for pedestrians and bicycles. Project EXT12 must be completed as a full street extension and must be constructed first for REV1 to be constructed.	City/State Funds	\$350,000	Tier 1
	US 101 and SW 9th Street (from SW Abbey Street to SW Angle Street)			
REV6	Provide an enhanced two-way version of US 101 or convert US 101 to one-way southbound between SW Abbey Street and SW Angle Street, and shift northbound US 101 to SW 9th Street. Cost assumes cross-sections as identified in Chapter 5 of this TSP, construction of new roadway segments to transition northbound traffic to and from SW 9 th Street, and some intersection and crossing improvements. Specific treatments will be identified during design phase of the project.	State/NURA	\$11,700,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
	US 20 (from US 101 to NE Harney Street)			
REV7	Enhance the existing street cross-section with widened sidewalks and new landscape buffers. Cost assumes cross-sections as identified in Chapter 5 of this TSP, with on-street bicycle lanes only provided between SE Fogarty Street and NE Harney Street. Requires a design exception and documented public acceptance. Parallel bicycle facilities provided between US 101 and SE Fogarty Street in Project BR5, TR12 and BL3.	State/NURA	\$6,500,000	Tier 1
SW2	NE 3rd Street (from NE Eads Street to NE Harney Street) Complete existing sidewalk gaps.	City/State Funds	\$950,000	Tier 2
SW3	SW Elizabeth Street (from W Olive Street to SW Government Street) Complete existing sidewalk gaps.	City/State Funds	\$2,600,000	Tier 2
SW6	NE 7th Street (from NE Eads Street to NE 6th Street) Complete existing sidewalk gaps.	City/State Funds	\$2,175,000	Tier 2
SW8	NE Harney Street (from US 20 to NE 3rd Street) Complete existing sidewalk gaps.	NURA	\$700,000	Tier 2
SW11 **	SE Benton Street/SE 2nd Street/SE Coos Street/NE Benton Street (from SE 10th Street to NE 12th Street) Complete existing sidewalk gaps.	City/State Funds	\$3,050,000	Tier 2
SW12	SW 2nd Street (from SW Elizabeth Street to SW Nye Street) Complete existing sidewalk gaps.	City/State Funds	\$1,275,000	Tier 2
SW13 **	NW Nye Street (from W Olive Street to NW 15th Street) Complete existing sidewalk gaps.	City/State Funds	\$4,450,000	Tier 2
SW14 **	NW/NE 11th Street (from NW Spring Street to NE Eads Street) Complete existing sidewalk gaps.	City/State Funds	\$2,150,000	Tier 2
SW19 **	NW 8th Street/NW Spring Street (from NW Coast Street to NW 11th Street) Complete existing sidewalk gaps.	City/State Funds	\$1,175,000	Tier 2
TR6 **	NE Big Creek Road (from NE Fogarty Street to NE Harney Street) Reconfigure the roadway to provide a shared use path. Cost assumes utilization of the existing roadway width to include a one-way 12 ft. travel lane and an adjacent shared use path.	City/State Funds	\$450,000	Tier 1
TR12	SE 1st Street (from SE Douglas Street to SE Fogarty Street) Construct a shared use path. Cost assumes bridge will be needed.	NURA	\$2,550,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
BR1 **	NE 12th Street (from NE Benton Street to NE Fogarty Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$25,000	Tier 1
BR3 **	NE Eads Street (from NE 1st Street to NE 12th Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$50,000	Tier 1
BR5	SE 1st Street (from SE Coos Street to SE Fogarty Street), SE Fogarty Street (from US 20 to SE 2nd Street), and SE 2nd Street (SE Fogarty Street to SE Moore Drive) Install signing and striping as needed to designate a bike route. Project TR12 must be completed before/with Project BR5.	NURA	\$25,000	Tier 1
BR7	SW 2nd Street/SW Angle Street (from SW Elizabeth Street to SW 10th Street) Install signing and striping as needed to designate a bike route. Specific intersection treatments at US 101 and SW 9th Street intersections to be determined with Project REV6.	City/State Funds	\$50,000	Tier 1
BR13	NW 3rd Street (from US 101 to NW Cliff Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$50,000	Tier 1
BR17	NW 6th Street (from NW Coast Street to NW Nye Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$25,000	Tier 1
BR18	NE 7th Street/NE 6th Street (from NE Eads Street to NE Laurel Street) Install signing and striping as needed to designate a bike route.	City/State Funds	\$50,000	Tier 1
BR19 **	NW Spring Street/NW Coast Street/SW Alder Street/SW Neff Way (from NW 12th Street to US 101) Install signing and striping as needed to designate a bike route.	City/State Funds	\$75,000	Tier 1
SBL1	SE Moore Drive/NE Harney Street (from SE Bay Boulevard to NE 7th Street) Restripe to install buffered bike lanes between SE Bay Boulevard and US 20; Widen to install buffered bike lanes between US 20 and NE Yaquina Heights Drive; Restripe and upgrade the existing on-street bike lanes between NE Yaquina Heights Drive and NE 7th Street (project removes on-street parking on one side only). Coordinate improvements through the US 20 intersection with Project INT6.	NURA	\$825,000	Tier 1
SBL2	US 101 (from Yaquina Bay Bridge to SW Abbey Street) Construct a separated bicycle facility on US 101. Note the specified facility design and project extents are subject to review and modification.	State/NURA	\$1,350,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
BL1	SW Canyon Way (from SW 9th Street to SW Bay Boulevard) Restripe to provide on-street bike lanes in uphill direction and mark sharrows in the downhill direction (project may require conversion of angle parking near SW Bay Boulevard to parallel parking).	City/State Funds	\$25,000	Tier 1
BL2 **	NW Nye Street/SW 7th Street (from NW 15th Street to SW Hurbert Street) Restripe NW Nye Street to include on-street bicycle lanes (project removes on-street parking on one side only) between NW 15 th Street and SW 2 nd Street. Install signing and striping to designate SW 7th Street a shared bike route between SW 2 nd Street and SW Hurbert Street.	City/State Funds	\$100,000	Tier 1
BL3	NE 1st Street (from US 101/NE 1st Street intersection to US 20/NE Fogarty Street intersection) Restripe to provide on-street bike lanes (project removes on-street parking on one side).	NURA	\$100,000	Tier 1
BL4	SW 9th Street (from US 101 to SW Fall Street) Restripe or widen as needed to provide on-street bike lanes (project removes on-street parking).	NURA	\$465,000	Tier 1
BL5	SW Bayley Street (from US 101 to SW Elizabeth Street) Restripe to provide on-street bike lanes (project removes on-street parking on one side).	NURA	\$25,000	Tier 1
BL6	SW Hurbert Street (from SW 9th Street to SW 2nd Street) Restripe to provide on-street bike lanes (existing angle parking will be converted to parallel parking on one side). Specific intersection treatments at US 101 and SW 9 th Street intersections to be determined with Project REV6.	NURA	\$25,000	Tier 1
BL7	NW/NE 6th Street (from NW Nye Street to NE Eads Street) Restripe or widen as needed to provide on-street bike lanes (project removes on-street parking on one side).	City/State Funds	\$775,000	Tier 1
BL8 **	NW/NE 11th Street (from NW Spring Street to NE Eads Street) Restripe to provide on-street bike lanes (project removes on-street parking on one side, although on-street parking may be impacted on both sides between NW Lake Street and NW Nye Street).	City/State Funds	\$50,000	Tier 1
BL9	NE 3rd Street (from NE Eads Street to NE Harney Street) Widen as needed to provide on-street bike lanes.	City/State Funds	\$525,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
BL11 **	<p>SW Angle Street/SW 10th Street/SE 2nd Street/SE Coos Street/NE Benton Street (from SW 9th Street to Frank Wade Park)</p> <p>Restripe to provide on-street bike lanes (project removes on-street parking on one side between NE 12th Street and US 20). Install signing and striping to designate NE Benton Street a shared bike route between NE 12th Street and NE Chambers Street/Frank Wade Park. Note 5 ft. bike lanes assumed between US 20 and SE 2nd Street. Construct with Project CR2.</p>	City/State Funds	\$150,000	Tier 1
BL12	<p>SW Elizabeth Street (from SW Government Street to W Olive Street)</p> <p>Restripe to provide on-street bike lanes (project removes on-street parking on one side).</p>	City/State Funds	\$75,000	Tier 1
BL13	<p>W Olive Street (from SW Elizabeth Street to US 101)</p> <p>Restripe to provide on-street bike lanes (project removes on-street parking on one side). Note project requires modification of existing curb extensions at Coast Street; on-street bike lanes may terminate prior to the US 101 intersection to provide space for turn pockets.</p>	City/State Funds	\$150,000	Tier 1
BL14	<p>Yaquina Bay Road (from SE Moore Drive to SE Running Spring)</p> <p>Restripe or widen as needed to provide on-street bike lanes.</p>	City/State Funds	\$1,625,000	Tier 1
CR2	<p>SE Coos Street/US 20</p> <p>Install an enhanced pedestrian and bicycle route crossing. Construct with Project BL11.</p>	NURA	\$200,000	Tier 1
CR4	<p>NE Fogarty Street/US 20</p> <p>Install an enhanced pedestrian and bicycle route crossing. This intersection should be designed to facilitate bicycle turn movements from US 20 on-street bike facilities to/from parallel bike facilities on side streets to the north and south. Construct with Project BR5 and/or Project BL3.</p>	NURA	\$200,000	Tier 1
CR7	<p>SW Naterlin Drive/US 101</p> <p>Improve pedestrian connections between Yaquina Bay Bridge and downtown Newport through pedestrian wayfinding, marked crossings, and other traffic control measures.</p>	City/State Funds	\$25,000	Tier 1
CR16 **	<p>NW 8th/US 101</p> <p>Install an enhanced pedestrian crossing.</p>	State/NURA	\$150,000	Tier 1
CR18	<p>SW Bay/US 101</p> <p>Install an enhanced pedestrian crossing.</p>	State/NURA	\$200,000	Tier 1

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
Parking Management				
PRO1 ***	Implement additional parking management strategies for the Nye Beach and Bayfront Areas. Strategies could include metering, permits, or other time restrictions.	City Funds	\$600,000	Tier 1
Transportation Demand Management				
PRO2 ***	Implement strategies to enhance transit use in Newport. Specific strategies could include public information, stop enhancements, route refinement, or expanded service hours.	City Funds	\$475,000	Tier 2
Neighborhood Traffic Management				
PRO3 ***	Implement a neighborhood traffic calming program.	City Funds	\$475,000	Tier 1
ODOT Coordination				
PRO5 ***	Coordinate with ODOT to develop signage, pavement marking, or other solutions where appropriate to limit side street blockage by stopped vehicles, at intersections where there is no alternative route, such as San-Bay-O Circle, NW 73rd Court and NW Wade Way/Cherokee Lane.	State/City Funds	\$100,000	Tier 1

Notes:

** Project overlaps two of the map areas and is therefore displayed in both project tables and corresponding maps.

*** Project is not displayed on a map but applies in the downtown map area.

Project Horizon: Tier 1 = Years 1 to 10; Tier 2 = Years 11 to 20

Figure 9: Aspirational Motor Vehicle Projects Likely to be Funded – Downtown Map

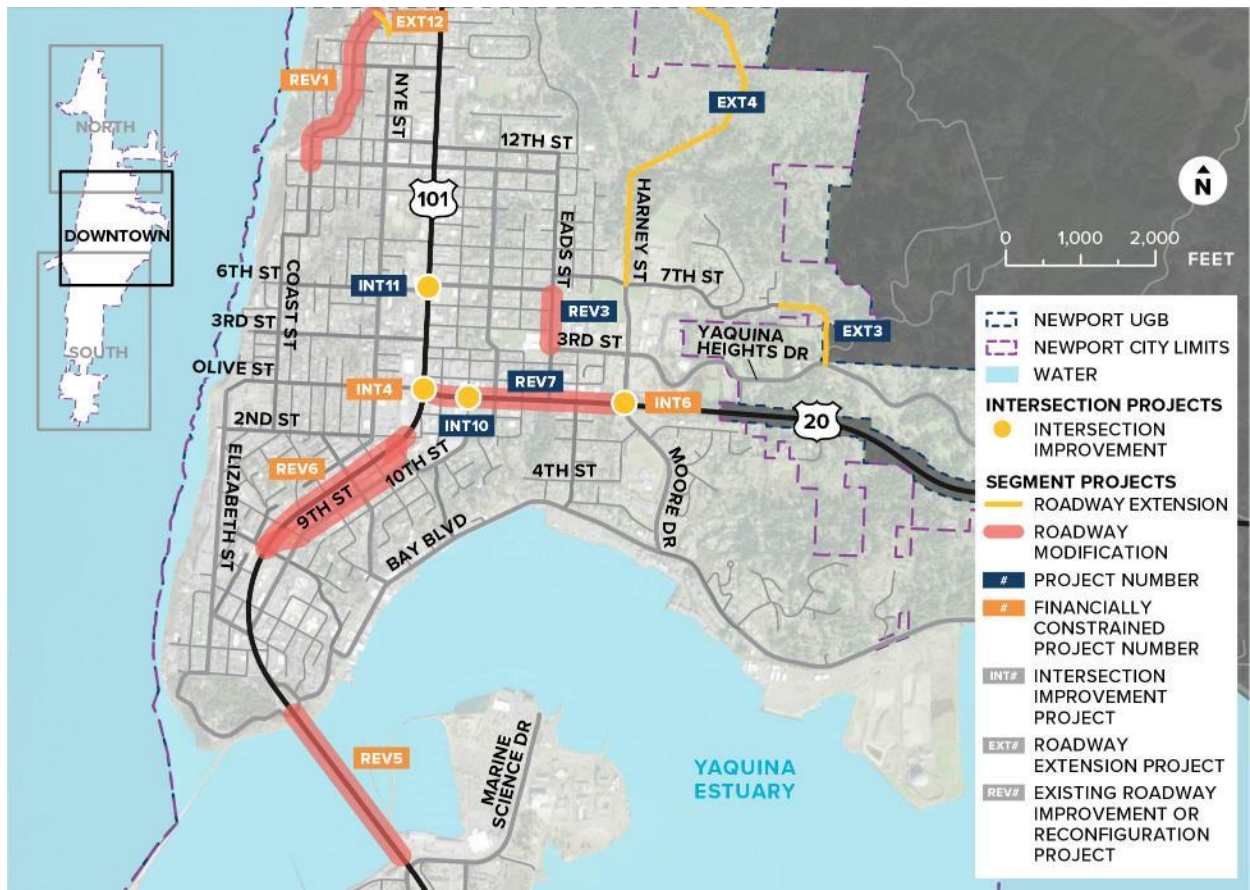


Figure 10: Aspirational Multimodal Projects Likely to be Funded – Downtown Map

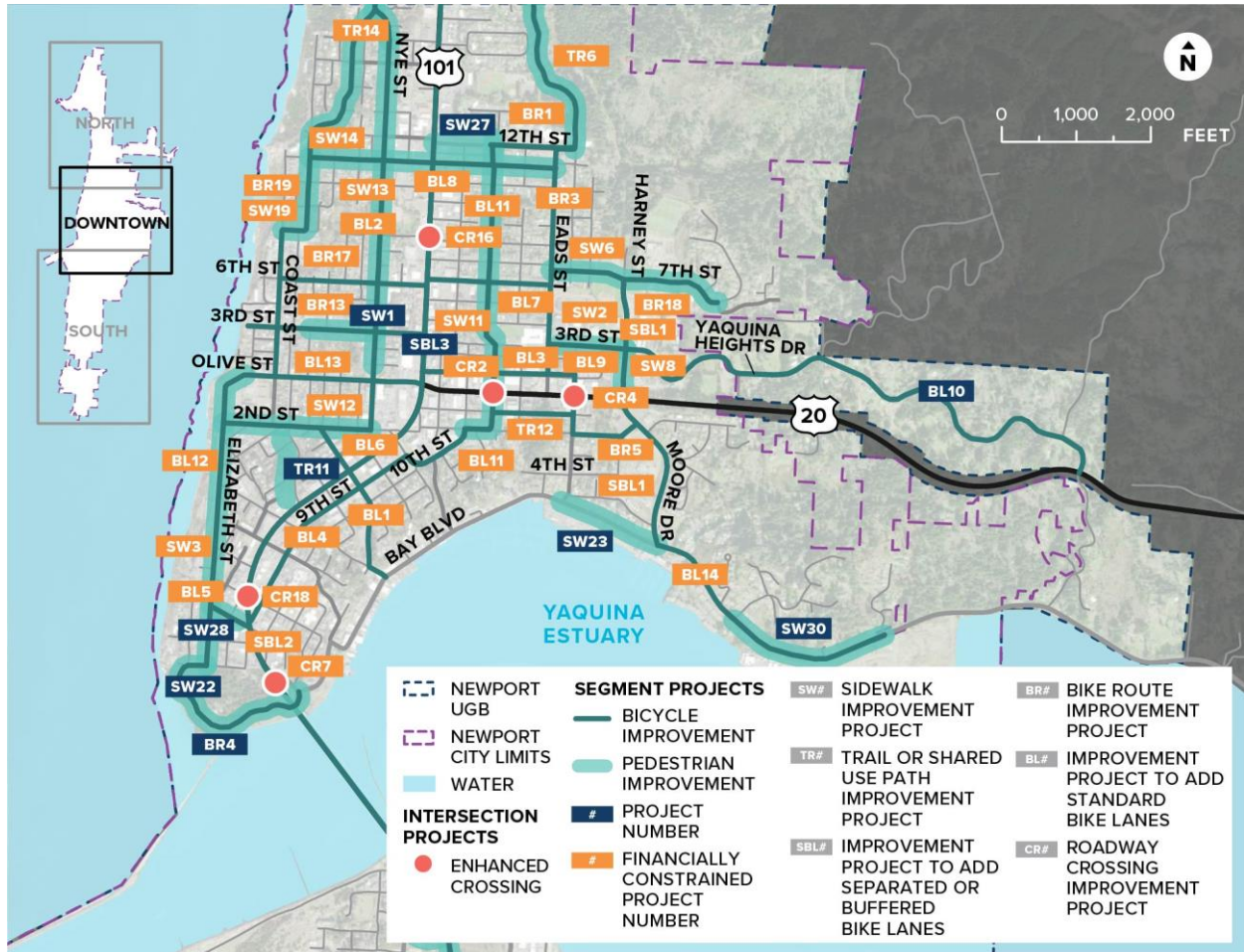


Table 3: Aspirational Projects Likely to be Funded – South Map

Financially constrained projects within the South Map area are depicted on the downtown map set, or they are program management investments or a broad set of system improvements that cannot be readily mapped.

PROJECT ID	PROJECT DESCRIPTION	POTENTIAL FUNDING SOURCE	ESTIMATED PROJECT COST (2021 DOLLARS)	PRIORITY HORIZON
	US 101/SW 40th Street			
INT9	Improve the intersection with a traffic signal or roundabout. Cost assumes installation of a traffic signal, curb ramps, striping, signing and repaving, as identified in the South Beach Refinement Plan.	State/ SBURA	\$1,550,000	Tier 1
	Yaquina Bay Bridge Refinement Plan			
REV5	Conduct a study to identify the preferred alignment of a replacement bridge, typical cross-section, implementation, and feasibility, and implement long-term recommendations from the Oregon Coast Bike Route Plan.	City/State Funds	\$500,000	Tier 1
	SE 35th Street (from SE Ferry Slip Road to South Beach Manor Memory Care)			
SW18	Complete existing sidewalk gaps as identified in the South Beach Refinement Plan.	SBURA	\$750,000	Tier 1
	US 101 (from SE Ferry Slip Road to SE 40th Street)			
SW29	Complete the sidewalk gaps on the east side.	City/State Funds	\$425,000	Tier 2
	Yaquina Bay Bridge Interim Improvements			
BR14	Install signing as needed to designate a bike route and implement other improvements as identified in the Oregon Coast Bike Route Plan such as flashing warning lights or advisory speed signs.	City/State Funds	\$75,000	Tier 1
	US 101 (from Yaquina Bay Bridge to SE 35th Street)			
SBL4	Construct a separated bicycle facility on US 101. Note the specified facility design and project extents are subject to review and modification.	City/State Funds	\$925,000	Tier 1
	SE 32nd Street/US 101			
CR6	Install an enhanced pedestrian crossing.	SBURA	Funded	Tier 1
	South Beach Improvements			
TR13 **	Pedestrian and bicycle priority improvements as identified in the South Beach Refinement Plan. This project does not include the cost associated with Project SW18.	SBURA	\$700,000	Tier 1
PRO2 **	Transportation Demand Management	City Funds	\$475,000	Tier 2

Implement strategies to enhance transit use in Newport. Specific strategies could include public information, stop enhancements, route refinement, or expanded service hours.

PRO3 **	Neighborhood Traffic Management Implement a neighborhood traffic calming program.	City Funds	\$475,000	Tier 1
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Notes:

** Project is not displayed on a map but applies in the south map area.

Project Horizon: Tier 1 = Years 1 to 10; Tier 2 = Years 11 to 20

Figure 11: Aspirational Motor Vehicle Projects Likely to be Funded – South Map

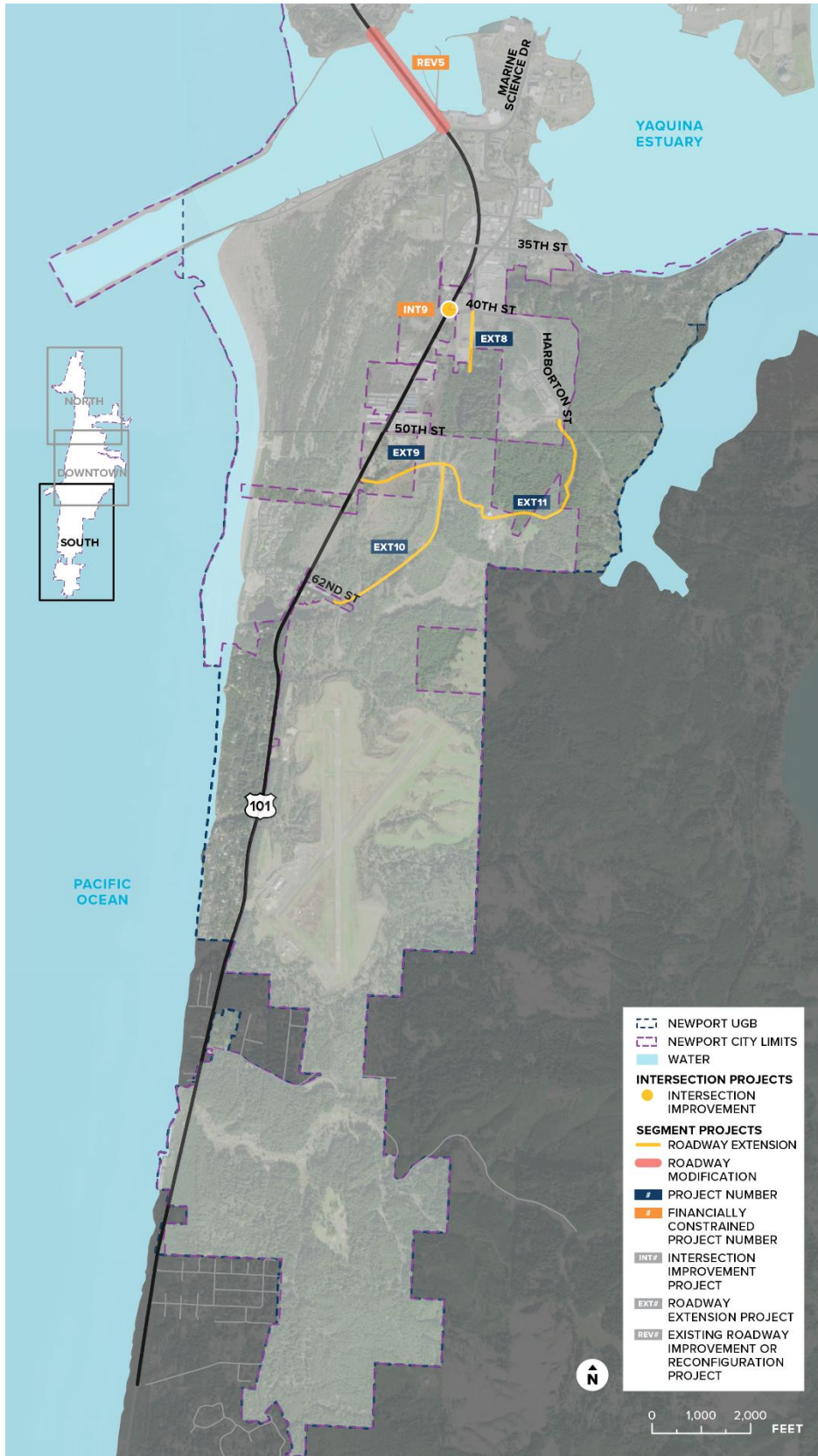
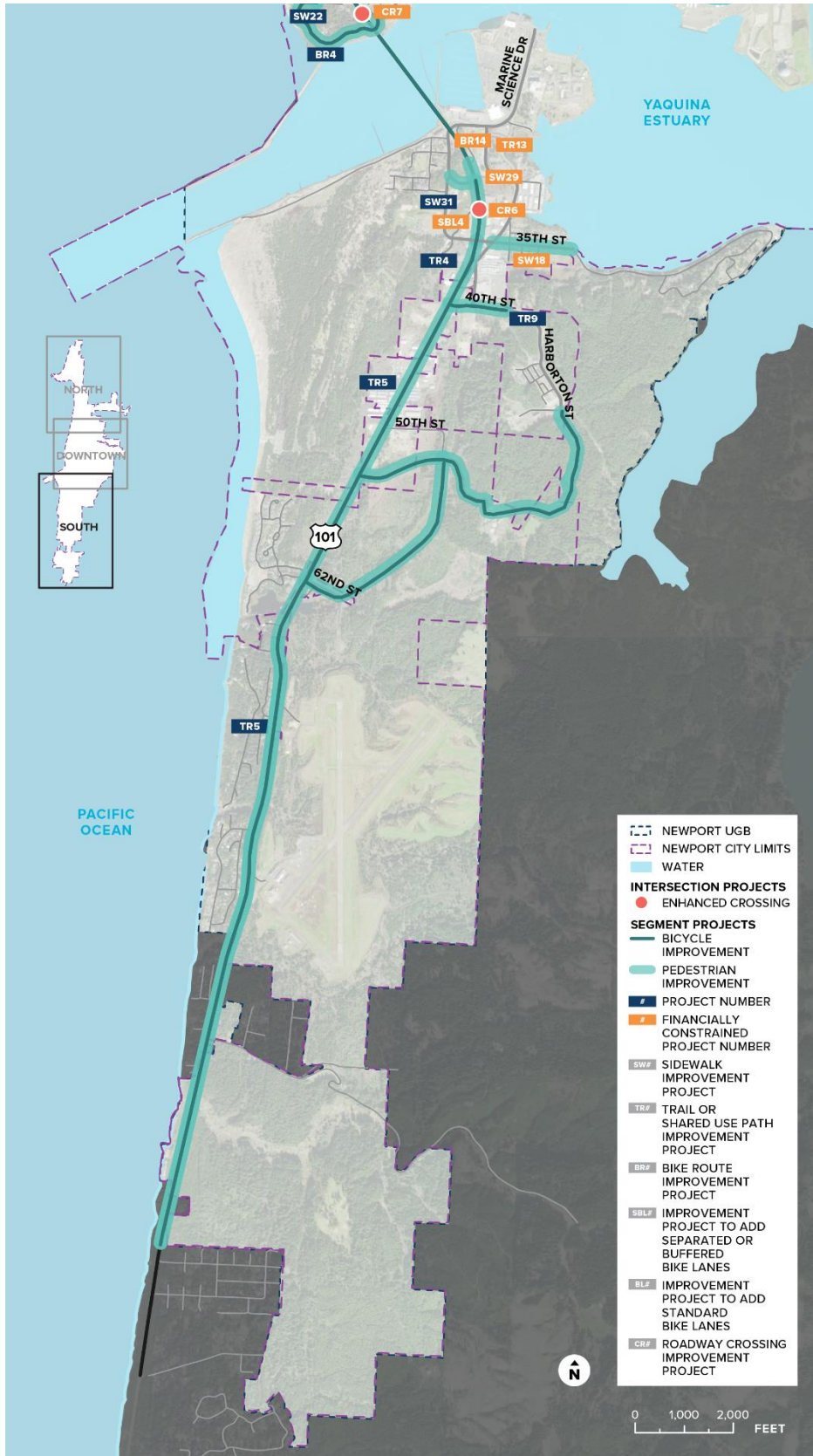


Figure 12: Aspirational Multimodal Projects Likely to be Funded – South Map



TARGETED TRANSPORTATION STUDIES

A series of studies were conducted that provided greater depth of technical review and public engagement than is common for a TSP update. The focus of these special studies included corridor solutions along US 101 and US 20 in the downtown area, and a closer look at the feasibility, effectiveness, and cost to construct a proposed Harney Street extension. The 2012 TSP shows a proposed Harney Street extension parallel to US 101 north of US 20 to NE 36th Street that would provide alternative circulation for longer trips to relieve congestion in the downtown area.

Each of these projects represent large-scale capital investments that could significantly alter Newport's transportation network and travel patterns by increasing roadway capacity for motor vehicles, bicycles, and pedestrians. In addition to mobility and access improvements, the highway corridor studies also sought to leverage economic development opportunities to revitalize the downtown commercial core area. The following discussion summarize results of each special transportation study. Please refer to the full TSP and the Solutions Evaluation (Technical Memo #8) in the TSP Appendix for full details.

US 101 Downtown Corridor (SW 9th Street to SW Angle Street) – Three options were considered for this corridor. Two involved forming one-way couplets with the existing highway and SW 9th Street, and one retained the highway on its current alignment. However, that concept also includes providing quality bicycle facilities on parallel routes of SE 9th Street to reduce impacts to properties adjacent to the highway. The one-way couplets would provide for southbound traffic along the present highway alignment, and northbound flow along SW 9th Street. The difference between the two couplets was one was longer, it began at the existing intersection of SW 9th Street and US 101, and the other was shorter, it began at SW Fall Street. All three options would upgrade the existing roadways to meet current ODOT design standards, which would address the narrow travel lanes, and lack of bike facilities. Based on feedback from the public and the PAC, the Long Couplet options was set aside from further review. It was agreed that the Long Couplet concept was not worth the extra investment for a longer improved facility, especially since the area around the hospital complex was already being redeveloped along the adjoining parcels nearby. The PAC suggested that the remaining two options advance for further deliberation during the public adoption process of the TSP.

US 20 Downtown Corridor (Harney Street-Moore Drive to US 101) – Two options were considered for this corridor. One involved forming a one-way couplet with the existing highway and NE 1st Street. In this concept, the eastbound flow would use the existing highway, while the westbound flow of traffic would use NE 1st Street. The other option was to upgrade and expand the highway along its present alignment. Based on feedback from the public and the PAC, the preferred option was the existing two-way highway along its current alignment. However, that concept also includes providing quality bicycle facilities on parallel routes of NE 1st Street to reduce impacts to properties adjacent to the highway.

US 20/US 101 Intersection – Several design concepts were evaluated at this location to serve traffic growth and still meet desired performance targets. Concepts included adding more vehicle turning lanes on high volume approaches, restricting Olive Way to westbound only flow, and converting the intersection to a multi-lane roundabout. The preferred concept is to add another southbound left-turn lane from US 101 onto eastbound US 20 (see INT4 for details). Initial sketches were made to illustrate how roadway widening might impact to adjoining properties (see initial diagrams in TSP Appendix P).

Harney Street Extension (NE 7th Street to NE 36th Street) – The alignment of this proposed extension was evaluated in-depth by project team engineering staff to navigate the many environmental and topographical constraints of this route. These outcomes of these engineering studies show (see TSP Appendix Q) that the primary new construction would be near NE 7th Street, then it bends around the hillside to the east and then connects to the existing Harney Street at NE Big Creek Road. This route was expected to carry moderate traffic volumes that would provide some relief to the US 101 corridor. However, because of the high estimated cost of the construction, at over \$40 million, the PAC recommended that this project be set aside from priority city funding at this time.

NW Nye Street Extension/NW Oceanview Drive – The northerly extension of NW Nye Street to connect to NW Oceanview Drive was recommended to address safety and access concerns in this area (see EXT12 for details). Two circulation options were advanced. The first option limits the Nye Street extension to pedestrian and bike access only with no changes to Oceanview Drive circulation. The second option would allow full motor vehicle, ped/bike use on the Nye Street extension, and restrict Oceanview Drive to one-way southbound for motor vehicles between Nye Street and NE 12th Street. The former northbound travel lane would be restriped as a shared-use path for ped/bike use in the one-way section.

TRANSPORTATION PLANNING IN SOUTH BEACH

Primary access to businesses and residents in South Beach principally relies on US 101. Recent analysis of the transportation system's capability to support existing and future growth indicates that the existing Oregon Highway Plan's (OHP) mobility standards or "targets" would not be met along US 101 for the 2030 planning horizon. This condition results from the combination of background traffic growth (e.g., through traffic) and anticipated development within the South Beach area. Substantial highway improvements in South Beach would not be sufficient to respond to the additional travel demand because the system is limited by the capacity of the Yaquina Bay Bridge, given its physical constraints as well as system infrastructure costs. To respond to this expected future condition, and to come into compliance with the State's expectations for mobility on US 101, the TSP identifies a variety of improvements to local street, bicycle, and pedestrian systems, as well as to US 101 that will improve local circulation and facilitate traffic movements on US 101. The identified improvements on the local roadway system, are described in Table 1¹. The Oregon Transportation Commission recognizes that the mobility targets established in OHP Table 6 may not be feasible or practical in all circumstances. OHP Policy 1F states that alternate mobility targets can be developed to reflect the balance between relevant objectives related to land use, economic development, social equity, and mobility and safety for all modes of transportation. New mobility standards for US 101 have been identified and analyzed in conjunction with planned transportation system improvements in the report titled "Newport Transportation System Plan Update - Alternate Mobility Standards Final Technical Memorandum #13 Summary of Measures of Effectiveness," dated April 2012 in order to confirm that the mobility targets can reasonably be met within the planning horizon.

The Oregon Transportation Commission has sole authority to set standards for state facilities. The City supports the application of alternative mobility standards at intersections on US 101 in order to facilitate planned growth in South Beach. This change to mobility standards on US 101 as a result of planning done in 2011-12 represents a decision to accept a higher level of congestion. In recognition of the constraint that the existing Yaquina Bay Bridge poses to access to South Beach, and the lack of funds for large capacity improvements on the highway system in the foreseeable future, the City has chosen to help implement the State's alternate mobility standards, given that a higher level of controlled congestion on US 101 is an acceptable trade-off for accommodating economic development and reduced costs of total transportation system improvements associated with development.

An infrastructure refinement plan was prepared for the Coho/Brant neighborhood concurrent with the preparation of the TSP. That plan identifies needed improvements to local and collector streets in the neighborhood considering the transportation network identified in the TSP update for the greater South Beach area.

Development of an Alternative Mobility Standard

A substantial seasonal increase in traffic volumes occurs on US 101 during the summer months due to tourist traffic. During the peak traffic months of July and August, Newport weekday traffic is 21% higher than the annual average traffic volumes and 40% higher than traffic volumes during January. The Oregon Highway Plan (OHP)'s mobility targets apply during this peak summer traffic period.² Current traffic conditions in South Beach; however, are better than the conditions allowed by the OHP mobility targets.³

¹ In 2012, Ordinance 2045 updated the TSP to include transportation improvements for South Beach. The technical memoranda that constitute the analysis and recommendations for the transportation system in South Beach are documented and included in Ordinance 2045. *Newport Transportation System Plan Update - Alternate Mobility Standards Final Technical Memorandum #13 Summary of Measures of Effectiveness* informs the development of alternate mobility standards for US 101 in the South Beach study area. The development of these standards is based on the findings of technical memoranda #5, #10, #11 and #12 prepared for the Newport Transportation System Plan (TSP) Update.

² OHP Policy 1F, Table 6.

³ Newport TSP Technical Memorandum #5.

The capacity of the two-lane Yaquina Bay Bridge also affects highway operations in South Beach. The narrow travel lanes, lack of highway shoulders and the significant road grade from the middle of the bridge to its south end in South Beach affect the bridge's capacity when compared to a typical highway. The TSP Update calculated that the two-lane bridge's capacity is about 25% less than a typical highway. No replacement bridge can be expected in the planning horizon to provide additional capacity, so South Beach traffic movements will continue to be affected by this condition in 2030.

OHP mobility targets apply at the end of the planning horizon to evaluate the effect of future community development on highway operations, and substantial development is expected in South Beach during the planning horizon. Traffic volumes that would result from the level of development expected to occur in South Beach by 2030 were combined with ODOT's projections for background traffic growth. These future traffic volumes then were evaluated with the current local road network and current highway configuration, and with the existing road network and a five-lane highway alternative. The analysis showed that the existing network and the existing highway could not meet the OHP mobility targets anywhere in the system. Congestion would be so severe that traffic volumes would exceed the capacity of all highway intersections and the average travel speed would be 3.9 miles per hour for northbound traffic, and 2.5 miles per hour for southbound traffic on the existing highway. When the analysis included a five-lane highway, conditions north of 50th Street still could not meet the OHP targets and still exceeded capacity. South of 50th Street, most highway movements could meet the OHP targets, but none of the intersecting streets could. The average travel speed for a five-lane highway would be less than nine miles per hour for northbound traffic and less than six miles per hour for southbound traffic.⁴

A local road network is proposed in the South Beach Urban Renewal Plan to provide a local transportation system that is better able to support development in South Beach. The network would provide a more interconnected local street system that would allow local travel to occur on city streets rather than solely on the highway. This network was included in the Preferred System for the TSP Update because it would provide better long-term traffic conditions than the existing network and a five-lane highway.

The OHP mobility targets cannot be met on US 101 in South Beach because of high seasonal traffic and the reduced highway capacity caused by the Yaquina Bay Bridge. The OHP calls for consideration of alternative mobility standards where it is infeasible to meet the OHP mobility targets. Future traffic conditions in South Beach will be affected by high seasonal traffic and the reduced capacity of the Yaquina Bay Bridge. The alternative mobility standard incorporates a seasonal adjustment to use the annual average traffic volume; assigns new mobility targets; evaluates mobility only at existing traffic signals and at the locations where signalized intersections are proposed as part of the TSP Update; and accounts for the development of community services in South Beach, thereby minimizing future travel on US 101 to reach such services elsewhere in Newport. The results are alternative mobility standards effective at the current signalized US-101/SE 32nd Street intersection and at the future signalized highway intersections at South 35th Street, SE 40th Street and at SE 50th Street/South Beach State Park.

⁴ Newport TSP Update, Technical Memorandum #11.

Trip Budget Program

The purpose of the Trip Budget Program is to ensure that the planned transportation system meets the needs of existing and future development in South Beach. The underlying premise of the program is that the planned transportation system can accommodate a reasonable level of land development and still operate at an acceptable level. The assumed number of trips that will be generated by development in South Beach over a 20-year planning horizon was determined based on projected population growth and permitted land uses, but with the assumption that not all areas were 100% buildable due to environmental constraints.⁵ The land uses in this scenario, and the vehicular trips this future growth will generate, are anticipated to be accommodated on the adopted planned transportation system over a similar time horizon. The Trip Budget Program will be used to maintain the balance between the expected land uses and the identified needed transportation improvements in South Beach.

The City maintains a zoning overlay for South Beach that sets the parameters for allocating trips to new development and provides a framework for how and when the City of Newport and ODOT will revisit 20-year growth assumptions. The overlay, titled the South Beach Transportation Overlay Zone (“SBTOZ”), includes developable and redevelopable land in the South Beach portion of Newport, from the Yaquina Bay Bridge south to properties accessing SE 62nd Street (Figure 2: South Beach Overlay Zone). The SBTOZ helps the City track the consumption of trips from future development. It is a tool to assess new growth and compare it to the assumptions upon which the transportation system and improvements are based.

TAZ Trip Budgets

The Trip Budget Program is based on the number of trips projected to be generated from new development in South Beach over a 20-year time horizon. South Beach transportation analysis zones (“TAZs”) were created, as shown in Figure 2, to forecast future trips. Future development assumptions were made based on existing land use designations, environmental constraints in the area, and information gathered from property owners and businesses regarding assumptions about the amount of development that could be expected for each of the TAZs within the planning horizon. Table XX lists the TAZs in the SBTOZ and the PM peak hour trip total for each TAZ, at the time of plan adoption. The total number of trips available in the SBTOZ at the time of plan adoption also is shown in Table XX; these totals are the basis for the Trip Budget Program.

⁵ Land Use Scenario #2 in Newport Transportation System Plan Update - Alternate Mobility Standards Technical Memorandum #12 Analysis of South Beach Land Use Scenarios. Further supported by technical reports titled “Review of Newport TSP Update – Technical Memorandum #10: Biological/Wetlands Review” and “Newport Transportation System Plan Update – Alternate Mobility Standards Technical Memorandum #11 2030 Baseline System.”

Table 4: South Beach Overlay Zone Trip Budget Totals

Area	TAZ Trip Budget ¹
Area A	1,237
Area B and C	798
Area D	606
Area E	167
Area F	626
Area G	257
Area H	300
Area I	181
Area J	200
Trip Reserve Total²	490
SBTOZ Trip Total	4,862

¹TAZ Trip Budgets are projected PM Peak Hour Trips forecasted for each TAZ during the next 20 years. TAZ Trip Budgets are based upon Scenario #2 in the "Newport Transportation System Plan Update-- Alternate Mobility Standards Final Technical Memorandum #12."
² The SBTOZ Trip Reserve Total is 10% of the PM Peak Hour Trips from each TAZ. These trips can be allocated anywhere within the SBTOZ through Newport Zoning Code provisions.

City shall implement a process for the allocating trips out of the TAZ Trip Budget. Such a process may provide for vesting trips with a valid land use decision or through the issuance of a vesting letter. As part of the trip allocation process, the City is responsible for determining whether or not remaining trips available in the TAZ can accommodate the development proposal. Proposed developments that would generate more PM peak hour trips than what remains in the budget for the TAZ can be approved only by submitting a land use application requesting to use trips from the Trip Reserve Fund or through mitigation supported with a traffic impact analysis.

Trip Reserve Fund

Trips from the Trip Reserve Fund can be allocated to development projects anywhere within the SBTOZ. The trips in the reserve fund were calculated based on the cumulative total of all the TAZs in the SBTOZ and roughly equal 10% of the total PM peak hour trips available in the SBTOZ, as shown in Table 4. Reserve trips may be allocated across TAZ boundaries, to any land use type that is permitted by the underlying zoning.⁶ Through the SBTOZ, the City applies the following criteria to determine when trips should be allocated out of the Trip Reserve Fund to support a proposed development project:

- There are insufficient unassigned trips remaining in the TAZ to accommodate the proposed types of use(s).
- The proposal to use trips from the Trip Reserve Fund to meet the requirements of the Trip Budget is supported by a Transportation Impact Analysis.
- There are sufficient trips available in the Trip Reserve Fund to meet the expected trip generation needs of the proposal.

Approval of the allocation of trips from the Trip Reserve Fund is a discretionary decision, subject to attendant public notice, opportunity to comment, and an appeals process. Allocation of reserve trips is approved only where a transportation analysis demonstrates that the impacts from the proposed development is consistent with the planned preferred transportation system, or that the transportation impacts can be mitigated with improvements proposed as part of the development.

⁶ As opposed to TAZ trips, which must be allocated within the TAZ boundaries where development is proposed.

Transportation Impact Analysis Requirement

To ensure that the number of trips available in the Trip Budget and Trip Reserve Fund are not being exceeded by development, the City will need to know the expected trip generation from each development proposal. In order for this information to be included in a development application, the City has traffic-related submittal requirements in the Zoning Ordinance. For development proposals, including changes in uses that will have a limited impact on the transportation system, this can be accomplished by determining the number of PM peak hour trips expected from the future development and ensuring that the effect to the transportation system is consistent with the transportation improvements planned for South Beach. Additional traffic analysis is required for higher traffic generating uses, such as development proposals that include a requested change in the underlying land use designation or zone or proposals that request trips from the Trip Reserve Fund to support a development proposal. The “two tiered” nature of such submittals in the City Zoning Ordinance requires a Trip Assessment Letter of all applicants, and requires a Transportation Impact Analysis (“TIA”) when certain prescribed threshold conditions are met. The TIA section in the Zoning Code also includes thresholds that, if met or exceeded by a development proposal, would require that a TIA be submitted to the City for review and approval through a Type III review process.

The Zoning Code shall describe the thresholds for requiring a TIA that are applicable to development anywhere in Newport. The required elements of a TIA also are described. However, City staff has some discretion to determine the level of analysis necessary, based in part on the size and expected impact of the proposed project. Initial information on a proposed project and expected transportation impacts is gained through a pre-application conference between City staff and the applicant. The zoning code should allow the City to require needed transportation improvements as a condition of approval when the TIA shows that there is a need for the improvements. A fee-in-lieu option may also be included in the zoning code to provide for some flexibility as to when those improvements are made.

Trip Generation Calculation

The number of PM peak hour trips a proposed development is expected to put on the transportation system is based on trip generation by use in the latest edition of the Institute of Transportation Engineers (ITE) Trip Generation Manual. One identified way to reduce the number of trips across the Yaquina Bay Bridge to reach essential goods and services is to promote a mix of uses in South Beach and to encourage service-related uses not currently found south of the bridge. Consistent with this approach, certain land use types must only consider the “primary trips” for the use rather than the trips that also would accrue from “passby” or “diverted-link” trips. Passby and diverted link trips involve intermediate stops on the way from a trip origin to a primary destination. “Passby” or “diverted linked” trips are identified by the type of use in the latest edition of the Institute of Transportation Engineers (ITE) Trip Generation Manual. The following uses will be required to calculate only “primary trips”:

- Personal service oriented uses, such as professional offices and branch banks.
- Sales or general retail uses, total retail sales area under 15,000 square feet, such as a grocery store. This does not include restaurants.
- Repair oriented uses.

Monitoring the Trip Budget Program

The trip generation information obtained from the Trip Assessment Letter required of each development proposal, as well as alterations or changes in use, in South Beach will be used by City staff to keep the Trip Budget updated. Upon approval of the trip allocation, City staff will update the available PM peak hour trip total for the subject TAZ by deducting the trips allocated to the permitted development. In the case of a change in use, where the new use generates less trips than the previous use, or through mitigation capacity is added to the system then trips may be added to the Trip Budget. The Trip Reserve Fund will be similarly updated when development is allocated trips from the Fund.

The Planning Commission and City Council should receive periodic updates on the status of the Trip Budget. The frequency of these updates may depend upon the respective body's work program but occur at least once a year.

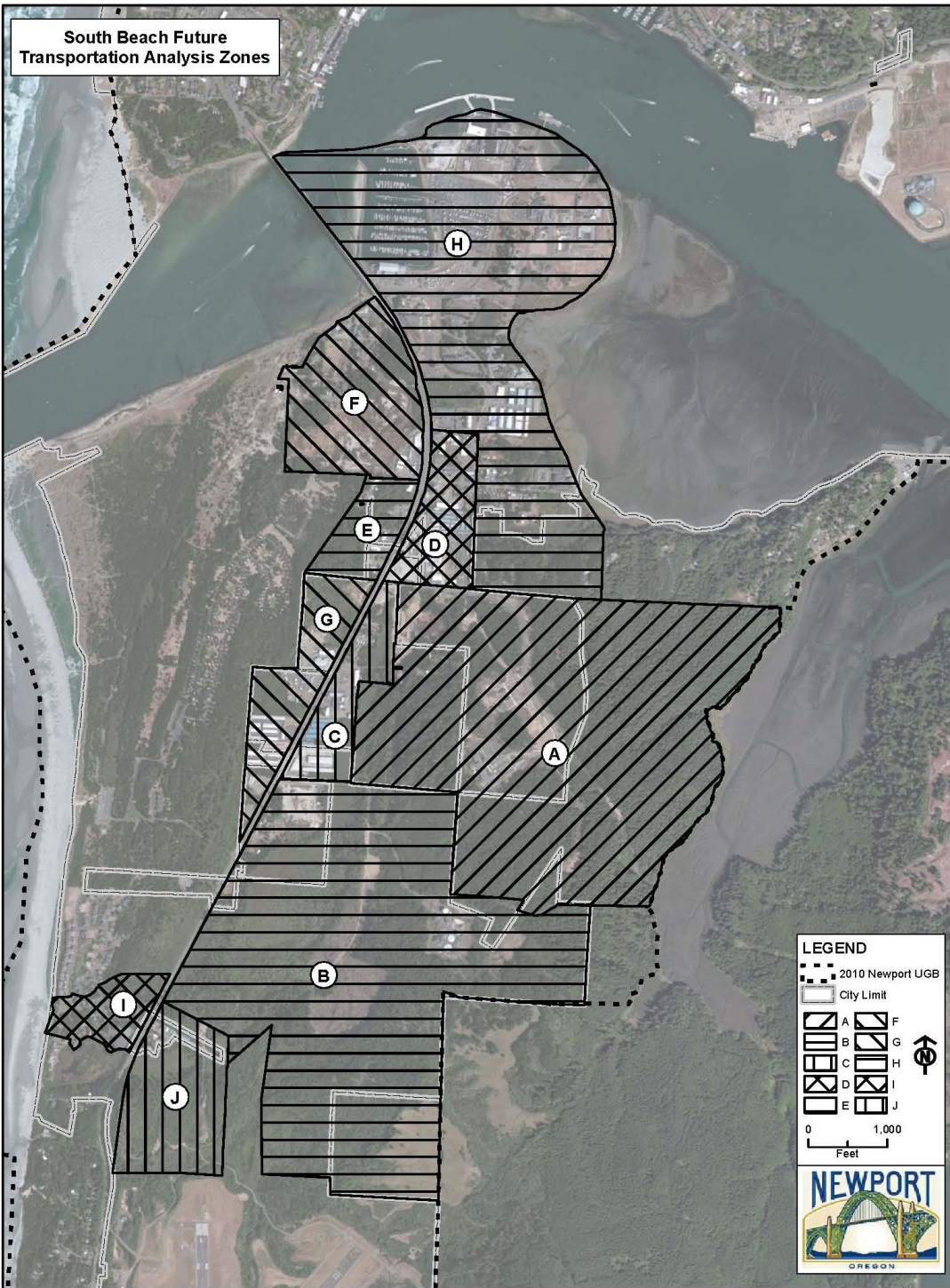
Amending the Trip Budget Program

It is unlikely that development will match up precisely to the assumptions in the future transportation analysis and, despite the flexibility afforded by the trip reserve, the Trip Budget Program may need to be updated to reflect actual development trends or to accommodate economic development opportunities that were not foreseen at the time of its adoption. These updates will be accomplished by:

- A comprehensive reassessment of the trip budget program that will begin no more than 10 years from effective date of Trip Budget Program ordinance.
- A reevaluation of the Newport Transportation System Plan and the associated trip budget will occur when 65% of the total trips in any given TAZ have been committed to permitted development.
 - This review will be initiated no later than 6 months from the time the threshold is reached. In anticipation of development reaching the 65% threshold, the City could also choose to commence the review any time development pressure in a certain TAZ warrants such an action.
 - The development proposal that triggers the 65% Review will not be denied based on this required review. Subsequent development proposals within the subject TAZ may also be reviewed and approved by the City during the review process. If the review necessitates updates to the Trip Budget Program, proposed changes will be adopted through a TSP and associated Zoning Code amendments.
 - To ensure that the 65% Review provides timely information, it will be completed within 12 months from initiation, or pursuant to a schedule that is part of a work program previously agreed upon by both the City and ODOT.

Major updates or adjustments of the land use scenarios and the trip budget for South Beach will require a legislative amendment to the TSP. Transportation Planning Rule findings of compliance with the adopted transportation system plan must support the modification.

Figure 11: South Beach Overlay Zone⁷



⁷ Corresponds with Figure 2-2 from Newport Transportation System Plan Update - Alternate Mobility Standards Technical Memorandum #12 Analysis of South Beach Land Use Scenarios.

PUBLIC PARKING FACILITIES

In 2016, the City of Newport commissioned the preparation of a Parking Management Plan to identify strategies to maximize available parking supply in the Bay Front, Nye Beach, and City Center areas of Newport to support a vibrant working waterfront, tourist and general retail oriented commercial businesses, and mixed use neighborhoods. Each of these areas within the City is densely developed with much of the parking demand being met with on-street spaces and public parking lots.

Historically, persons developing commercial property in these areas have been allowed to pay a fee to the City in lieu of providing new off-street parking spaces to address the impacts attributed to their projects. That program proved outdated, and beginning in 2009 business owners petitioned the City to establish Economic Improvement or “Parking Districts” to fund parking system improvements through a business license surcharge. While the Parking Districts have been easier for the City to administer than a “payment in lieu” program, and have allowed for greater involvement from area business owners, neither approach provides a clear, long term strategy for how public parking assets should be managed nor have they generated sufficient funding to make meaningful improvements to the parking system.

Characteristics of each of the study areas is summarized as follows:

Bay Front: A working waterfront with a mix of tourist oriented retail, restaurants, fish processing facilities (e.g. Pacific Seafood), and infrastructure to support the City’s commercial fishing fleet. The Port of Newport is a major property owner and a boardwalk and fishing piers provide public access to the bay. The area is terrain constrained, with steep slopes rising up from commercial sites situated along Bay Boulevard.

City Center: A “main street” style cluster of commercial buildings oriented along US 101 between the intersection of US 101 and US 20 and the Yaquina Bay Bridge. Many of the City’s public buildings are within this district, including the Lincoln County Courthouse, Newport City Hall, 60+ Center, Recreation & Aquatic Center, and the Samaritan Pacific Hospital.

Nye Beach: A mixed-use neighborhood with direct beach access anchored by Performing Arts and Visual Art Centers. Commercial development is concentrated along Beach Drive and Coast Street, both of which include streetscape enhancements that encourage a dense pedestrian friendly atmosphere. This area includes a mix of retail, dining, lodging, professional services, galleries, single family homes, condominiums, long term and short term rentals.

The Parking Management Plan, prepared Lancaster StreetLab, dated March 9, 2018, includes an inventory and assessment of the condition of public parking assets in these commercial areas; detailed field survey data illustrating the utilization and turnover rates of parking spaces during peak and off-peak periods; a list of capital improvements needed to maintain and improve available parking, including possible upgrades to transit service; and financing strategies to fund needed improvements.

Development of the Parking Management Plan, summarized in this Public Facilities Element of the Newport Comprehensive Plan, was informed by public input from outreach events and the project advisory committee. That committee consisted of individuals representing tourist-oriented retail businesses, commercial fishing interests, seafood processors, residents, and affected government entities. Once the Parking Management Plan was complete, additional outreach was conducted with stakeholders in the community and the project advisory committee, over a period of several months, further refined many of the Plan’s concepts and maps resulting in a the final set of recommendations contained in this document.

**Subsection added by Ordinance No. 2163 (March 2, 2022)*

Existing Public Parking Assets

To inform the preparation of the Parking Management Plan, city staff and the consultant inventoried the public parking assets in the Bay Front, Nye Beach, and City Center areas. Additionally, city staff conducted a field survey to assess the pavement condition of the public parking lots. Much of the work was performed in the spring/summer of 2016. Results were presented to the project advisory committee at its November 2016 meeting, and are summarized in Tables 1 through 3 below.

Table 1: Parking Lots

Facility	Size (SF)	District	# Spaces	Condition
Abbey Street Lot	21,200	Bayfront	53 standard 2 ADA accessible	Poor
Abbey Street (right-of-way)	5,800	Bayfront	10 standard 2 ADA accessible	Good
Case Street (right-of-way)	3,600	Bayfront	6 standard 1 ADA accessible	Good
Canyon Way Lot	23,000	Bayfront	33 standard	Fair
Fall & Bay Street	8,600	Bayfront	13 standard 1 ADA accessible	Poor
Fall & 13 th Street	11,800	Bayfront	22 standard	Fair
Hurbert (right-of-way)	13,400	Bayfront	28 standard	
Lee Street	11,000	Bayfront	19 standard	Good
Hatfield Lift Station	2,000	Bayfront	5 standard	Poor
13 th Street (right-of-way)	3,200	Bayfront	7 standard	Poor
Angle Street Lot	30,000	City Center	53 standard 4 Recreational vehicle 3 ADA accessible	Good
City Hall Campus	57,900	City Center	107 standard 9 ADA accessible	Good
9 th and Hurbert	29,700	City Center	39 standard 5 Recreational vehicle 2 ADA accessible 2 EV charging stations	Fair
US 101 & Hurbert	9,200	City Center	18 standard 2 ADA accessible	Fair
Don & Ann Davis Park	9,800	Nye Beach	25 standard 2 ADA accessible	Good
Performing Arts Center	74,800	Nye Beach	143 standard 8 ADA accessible	Good
Jump-off Joe	6,100	Nye Beach	10 standard	Good
Nye Beach Turnaround	40,400	Nye Beach	45 standard 3 ADA accessible	Poor
Visual Arts Center	12,900	Nye Beach	21 standard 2 ADA accessible	Poor

Table 2: Striped On-Street Spaces

District	Streets	Striping (LF)	# Spaces
Bayfront	Bay Street, Bay Blvd, Canyon Way, Fall Street, Hatfield Drive, Lee Street, Naterlin Drive	5,280	386
City Center	Alder Street, Angle Street, Fall Street, Hurbert Street, Lee Street, US 101, 7 th Street, and 9 th Street	4,830	293
Nye Beach	Coast Street, Olive, and 3 rd Street	2,570	249

Pavement Condition Assessment

Fatigue Cracking – Abbey Street Lot (2016)

A simplified Good-Fair-Poor asphalt pavement rating system was used to gauge the condition of the surface parking areas, with the resulting information being used to estimate funds needed to maintain the lots in good condition.

A Good condition rating was defined as a lot that appeared stable, with minor cracking that is generally hairline and hard to detect. Minor patching and deformation may have been evident.

A Fair condition rating was given to parking surfaces that appeared to be generally stable with minor areas of structural weakness evident. Cracking in these areas was easier to detect. Patching areas may have existed, but were not excessive and deformation may have been more pronounced.



A Poor condition rating was provided for parking areas with visible areas of instability, marked evidence of structural deficiency, large crack patterns (alligatoring), heavy or numerous patches, and/or deformation that was very noticeable.

The following is a brief description of factors that show the degree to which wearing surfaces are worn:

Fatigue Cracking: Sometimes called alligator cracking due to the interconnected cracks which resemble an alligator's skin, fatigue cracking is caused by load-related deterioration resulting from a weakened base course or subgrade, too little pavement thickness, overloading, or a combination of these factors.

Deformation: A distortion in asphalt pavement that is often attributed to instability of an asphalt mix or weakness of the base or subgrade layers. This type of distress may include rutting, shoving, depressions, swelling and patch failures.

Edge Cracking: Edge cracks are longitudinal cracks which develop within one or two feet of the outer edge of pavement. They form because of a lack of support at the pavement edge; which in this case would be poorly managed drainage that is undermining the road surface

Raveling: Raveling is the wearing away of the asphalt cement from the aggregate particles. This can occur as a result of normal wear over time and it can be exacerbated by such conditions as oil dripping from vehicles.

Structural weakness: When pavement conditions wear to the point that there is substantial fatigue cracking, deformation, and/or patching, it can no longer be preserved with a slurry seal and will need to be reconstructed.

The pavement condition assessment was for the travel surface only and did not factor in striping, signing, drainage, railing, sidewalk or other repairs that may be needed.

Maintenance Schedule

The pavement condition assessment informed the development of a maintenance schedule to identify the level of funding the City should reserve annually to maintain the travel surfaces of the public parking lots (Table 3). Lots that are in good condition can be maintained with a chip seal or slurry seal every 5-10 years, and this is typically done up to three times before the surface is reconstructed. Those in fair condition will need to be rebuilt sooner, and those in poor condition are not candidates for a seal coat, as such treatment is unlikely to extend the useful life of the pavement surface.

Annual estimates were further prepared to account for striping and other ancillary repairs that may be needed, such as drainage, sidewalk, or curb replacement. Placeholders were also provided for administration of a permit parking program and metering, should those elements be implemented. The annual maintenance needs were then broken out by commercial area (Table 4).

Table 3: Parking Lot Surface Maintenance Needs.

Parking Lot	District	Size (sf)	Spaces	Condition	1-5 Years	5-10 Years	10-15 Years	15-20 Years
Angle Street Lot	City Center	30,000	65	Good		Seal \$60,000		Seal \$79,500
City Hall	City Center	57,900	112	Good		Seal \$115,800		Seal \$153,435
Don Davis Park	Nye Beach	9,800	25	Good		Seal \$19,600		Seal \$25,970
Performing Arts Center	Nye Beach	74,800	151	Good		Seal \$149,600		Seal \$198,220
Jump-Off Joe	Nye Beach	6,100	10	Good		Seal \$12,200		Seal \$16,165
Lee Street	Bay Front	11,000	19	Good		Seal \$22,000		Seal \$29,150
Abbey (ROW)	Bay Front	5,800	10	Good		Seal \$11,600		Seal \$15,370
Case (ROW)	Bay Front	3,600	6	Good		Seal \$7,200		Seal \$9,540
9 th & Hurbert	City Center	29,700	48	Fair	Seal \$51,678		Rebuild \$198,099	
US 101 & Hurbert	City Center	9,200	20	Fair	Seal \$16,008		Rebuild \$61,364	
Fall & 13 th	Bay Front	11,800	22	Fair	Seal \$20,532		Rebuild \$78,706	
Hurbert (ROW)	Bay Front	13,400	28	Fair	Seal \$23,316		Rebuild \$89,378	
Canyon Way	Bay Front	23,000	33	Fair	Seal \$40,020		Rebuild \$153,410	
Nye Beach Turnaround	Nye Beach	40,000	45	Poor	Rebuild \$203,616		Seal \$92,920	
Visual Arts Center	Nye Beach	12,900	21	Poor	Rebuild \$65,016		Seal \$29,670	
Fall & Bay	Bay Front	8,600	13	Poor	Rebuild \$43,344		Seal \$19,780	
Abbey Lot	Bay Front	21,200	53	Poor	Rebuild \$106,848		Seal \$48,760	
13 th (ROW)	Bay Front	3,200	7	Poor	Rebuild \$16,128		Seal \$7,360	
Hatfield Lift Station	Bay Front	2,000	5	Poor	Rebuild \$10,080		Seal \$4,600	
					Cost: \$596,586	\$398,000	\$784,047	\$527,350
							Total Cost:	\$2,305,983
							Annual	\$115,299

Table 4: Annual Maintenance Expenses

Parking District	Lot Resurfacing ¹	Ancillary Repairs ²	Striping	Permit Program ³ (if implemented)	Metering ³ (if implemented)	Total
Bayfront	\$37,850	\$9,450	\$1,850	\$10,000	\$28,800	\$87,950
City Center	\$36,800	\$9,200	\$1,900	Not recommended	Not recommended	\$47,900
Nye Beach	\$30,500	\$7,650	\$1,450	\$10,000	\$13,200	\$62,800

1. Costs from pavement condition assessment prepared as part of parking study. Resurfacing costs proportioned by district with the cost of the Nye Beach Turnaround project being backed out since it has been funded with other resources.

2. Ancillary costs include repairs to drainage system, sidewalks, walls and railing when lots are resurfaced. Assumes 25% of resurfacing cost.

3. Annual maintenance costs are as outlined in the Study (\$500/pay station and \$100/sign).

Outreach

Buy-in from business owners, residents, and other affected parties is essential to the success of a parking management plan. To this end, a series of public meetings were held at the outset of work on the Parking Management Plan, with the goal of obtaining public input on opportunities and constraints with regard to parking management.

Meetings were held from 6:00 to 8:00 pm during the second week of April, 2016. One meeting was held for each of the three Parking Districts. The City Center district meeting was held on Tuesday April 12th; the Nye Beach district meeting was held on Wednesday April 13th, and the Bayfront District Meeting was held on Thursday April 14th. All meetings were open to the public and advertised publicly in advance of the meeting.

Before each of the above meetings, a walking tour of the study area took place that included the consulting team and a small handful of local stakeholders and business owners. These were advertised to local business owners and other stakeholders who have been active within management of the existing parking districts. In tandem with the formal meetings in the evening, this process provided an opportunity for additional public input during which some issues and potential solutions were discussed and incorporated into the Parking Management Plan.

Once the study was completed an additional round of outreach was conducted during the summer of 2018 with Bayfront, Nye Beach, and City Center businesses; the Port of Newport and commercial fishing community; Bayfront processors; Chamber of Commerce, and Rotary. Members of the project advisory committee and city staff attended each meeting and provided an overview of the study's recommendations. Feedback obtained at these meetings was used by the advisory committee to fine tune the studies recommendations.

Parking Management Plan Methodology

In order to gain an understanding of parking demand within each of the respective parking management areas, a detailed study of parking demand and utilization was conducted. The primary study days were Saturday August 27, 2016 and Saturday December 10, 2016. These days were selected because they were expected to represent typical weekend days (i.e., no special events or other unusual factors) during the peak tourism season and the slowest period of the year for tourism, respectively. Additional observations were conducted on Thursday August 25, 2016 in order to study differences between weekday and weekend demand patterns. The results of this analysis heavily inform the management recommendations that follow, and were used to project potential revenues and maintenance needs.

The methodology employed for this analysis consisted of two steps: an inventory of parking supply, including the number and types of stalls, followed by peak and off-peak occupancy and demand observations. To complete the first step, an inventory of the supply of parking stalls was conducted, tracking the number and location of parking spaces along each block face as well as designated users, maximum time stays, and other pertinent information as applicable. Locations and capacities of parking lots were recorded, and for on-street spaces, whether or not a space was marked was recorded. The inventory was conducted utilizing a tablet PC. Data collected in this step was used to set up data collection tools in the form of spreadsheets, to be used during the following step.

Following the inventory step, parking demand data was collected. The study area consisted of routes containing approximately 30 to 35 block faces of on-street parking as well as any lots along the route. Four routes were in Nye Beach, three were the Bayfront, and one was within the City Center district. Route sizes and configurations were designed such that data collectors were able to walk and collect data over the entire route once per hour without needing to work excessively quickly. Each parking space within the study area was thus visited once per hour from 10:00 AM to 7:00 PM.

The data were collected on tablet PCs utilizing the route-optimized spreadsheets created during the inventory phase. During each hourly orbit of a given route, the first four digits of the license plate of each vehicle parked in a stall along the route were recorded, to allow for analysis of both occupancy and duration of stay.

Occupancy curves in Figures 1 to 3 below show overall parking occupancy throughout the study area for weekdays. In these figures, the time of day is shown on the horizontal axis and the percent of

available parking that was observed to be occupied is shown on the vertical axis. Additionally, a line indicating an occupancy level of 85% is shown—this occupancy level is generally considered to be indicative of ‘functionally full’ parking. At parking occupancies at or near 85%, high instances of illegal parking, congestion attributed to vehicles cruising for parking, and other undesirable behaviors are often observed from frustrated drivers. Parking areas that are functionally full are candidates for “metering” as a tool to improve parking turnover.

Figure 1: City Center Parking Utilization

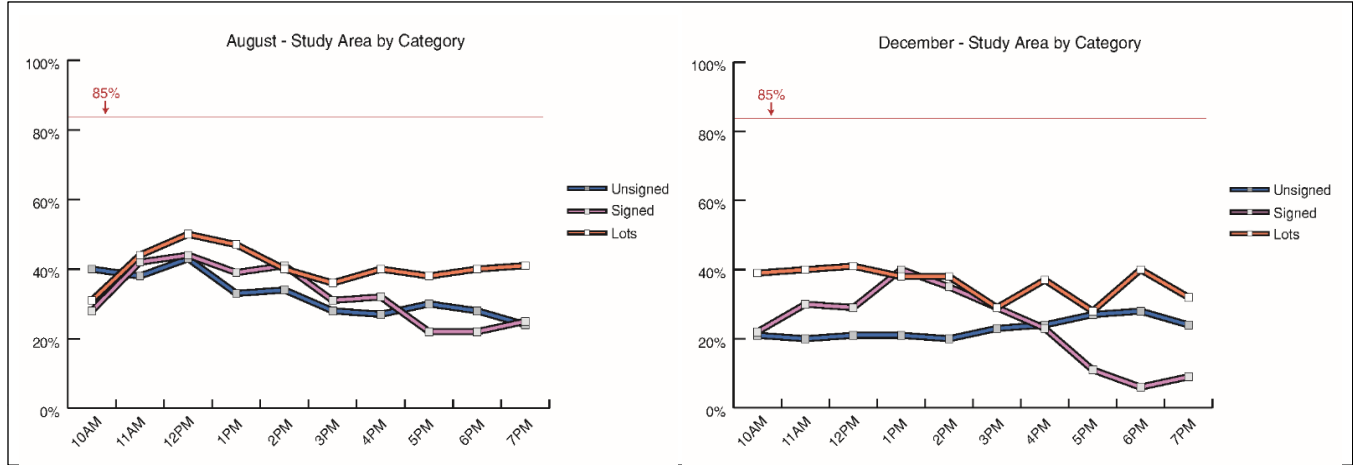


Figure 2: Nye Beach Parking Utilization

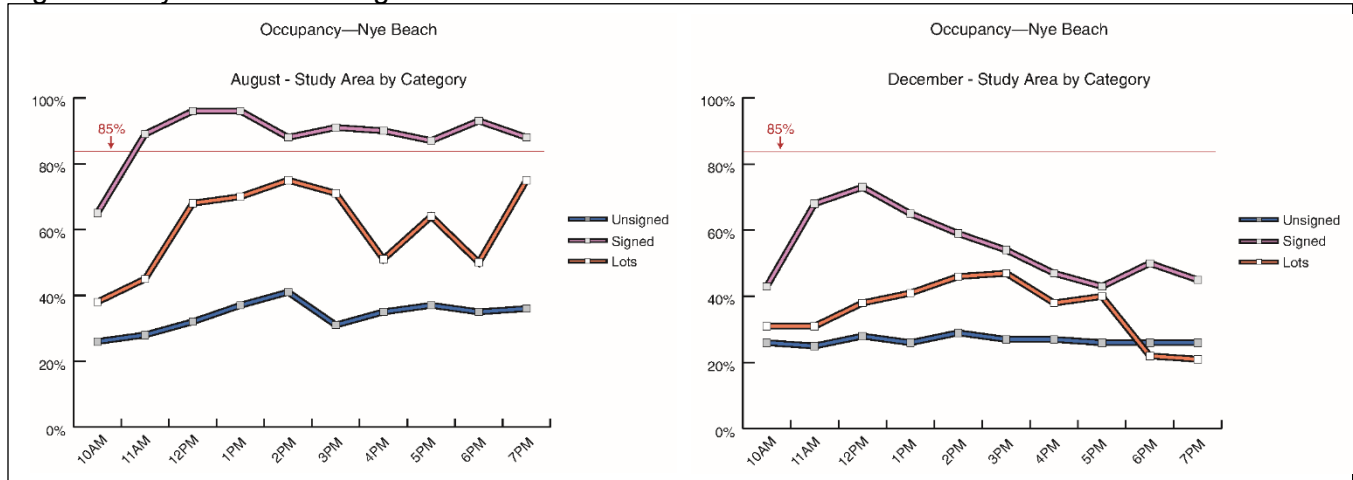
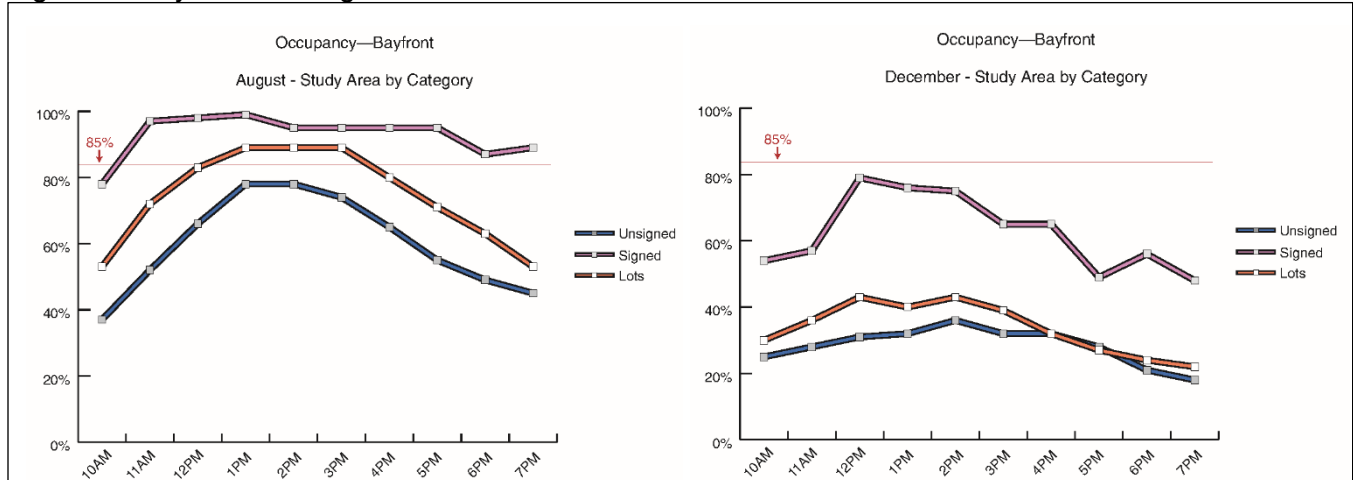


Figure 3: Bayfront Parking Utilization



Survey data was also used to identify the percentage of overall occupancy (hourly), percentage occupancy by street block (hourly), average stay length (Signed, Unsigned, Overall Study Area),

percentage overstays (Signed Stalls), Unique Vehicle Served Daily (Signed Stalls). It is broken down in charts graphics, with more detailed analysis, in the Lancaster Parking Management Plan, included in the appendices to this Plan.

Recommendations

Recommendations from the Lancaster Parking Management Plan, as amended by the project advisory committee, are summarized below and further refined in the goals and policies section of the Public facilities Element of the Newport Comprehensive Plan.

Demand Management

- Implement metered zones, permit zones, and hybrid permit/meter zones for high demand areas along the Bayfront as generally depicted in Figure 4 below. Conduct further outreach with the Nye Beach community to assess whether or not a scaled down metering concept, focused on core commercial areas as depicted in Figure 5 below, is acceptable or if a non-metering option that consists of fees and/or permit parking is preferable.
- Support metering with permit program for residents, businesses and the fishing community.
- Meter revenues in excess of administrative costs should be dedicated to prioritized parking system investments.
- Evaluate measures on an ongoing basis with attention to economic, land use and related factors that influence parking demand.

Wayfinding and Lighting

- Improve branding of city-owned parking lots and facilities and wayfinding between parking areas and destinations.
- Focus wayfinding efforts on under-utilized facilities such as the Hurbert Street lots and Performing Arts Center lot.
- Adjust signage to encourage RV parking and circulation outside of high demand areas along the Bayfront and in Nye Beach.
- Improve street lighting to create a better walking environment and to help activate under-utilized parking in poorly lit areas.

Parking Improvements

- Explore opportunities for the City and Port of Newport to partner on a project to add an east gangway access to Port Dock 5 to make Port property more attractive for parking
- Coordinate with the Port on opportunities to more efficiently store and/or rack gear to free up parking on Port property
- Restripe side street parking areas and lots with worn pavement markings (e.g. Canyon Way) to improve efficiently
- A key component is metering public parking in portions of the Bayfront and potentially Nye Beach.

Code Revisions

- Add code provisions to allow pervious pavement and other comparable alternatives to paved surfaces for areas suitable for temporary parking
- Allow temporary parking on undeveloped properties during extreme demand periods
- Eliminate minimum off-street parking requirements for new development and redevelopment in metered and permit zones (for most uses)



Legend

On-Street Spaces

- Paid / Permit
- Paid Only
- Permit / Timed
- Timed (12-hr)
- Unrestricted

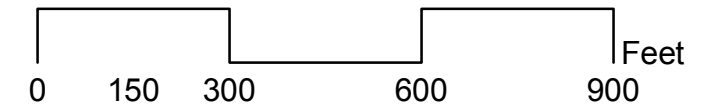
Public Parking Lots

- Paid / Permit
- Permit / Timed
- Timed (12-hr)
- Unrestricted

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

Figure 4: Bay Front Parking Management Alternative

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.



Legend

On-Street Spaces

- Paid Only
- Paid / Permit
- Permit / Timed
- Unrestricted

Public Parking Lots

- Paid
- Permit / Timed
- Unrestricted

Figure 5: Nye Beach Parking Management (Alternative)



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Metering, in conjunction with permit and timed parking, is the most significant change recommended by the Parking Management Plan and is proposed as a demand management option at this time because:

- There are not enough parking spaces along the Bay Front and portions of Nye Beach to meet demand.
- Metering with permit parking is an opportunity to improve turnover in high demand areas while enhancing revenues for needed parking improvements.
- Existing revenue is insufficient to address maintenance needs let alone pay for additional supply.
- Resulting condition creates significant congestion and safety issues.
- Timed parking alone, coupled with enforcement will not address the supply problem (observed overstays 5-7%).
- Improvements to wayfinding and lighting, while important, similarly cannot contribute a meaningful number of additional spaces.
- Development opportunities, particularly on the Bayfront, are constrained by the lack of parking.
- Opportunities to add supply or supplement transit services are expensive and require dedicated revenue sources that do not presently exist.

A standing parking advisory committee, with representatives from the three commercial areas should be established to provide oversight. Responsibilities could include:

- Engage policy makers, city committees, staff, and partner organizations to plan for, and facilitate the implementation of parking and other transportation related improvements;
- Provide recommendations regarding city parking policies and programs, including maintenance of parking and related infrastructure, fees, wayfinding, and parking enforcement;
- Advocate and promote public awareness of parking and related initiatives, community engagement, and other efforts to achieve desired policy outcomes.

Capital Projects

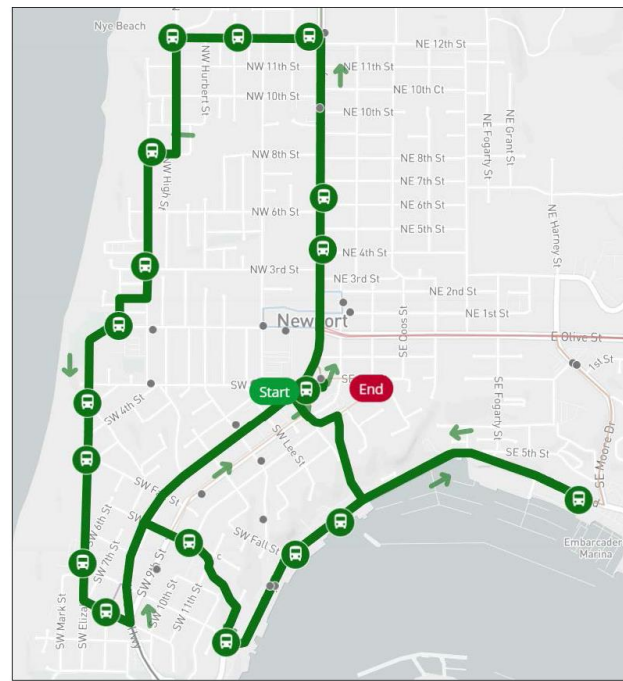
The following is a list of capital projects recommended to enhance the availability or improve the supply of available parking. A transit option was explored to provide users an alternative method of transportation to and from the Bay Front, City Center and Nye Beach. A vanpool/carpool option was also discussed; however, further analysis is needed to determine how the mechanics of such a program would work given the employment dynamics in these areas.

Table 5: Potential Capital Projects

Parking System Enhancements (Per study except for refined meter information)

Description	Upfront Cost	Annual Cost (2018)
Implementation of Metered Areas (Bay Front and Nye Beach)	\$634,750	\$42,000
Implementation of Metered Areas (Bay Front Only)	\$435,000	\$28,800
Newport Transit Loop		\$200,000+
Expanded Striping to Un-Marked Spaces (ref: difference between Table 2 and Table 6)	\$10,000	\$5,000
Improved Lighting at 3 rd & 6 th Street	\$235,000	\$45,000
Gangway from Port parking area to east end of Port Dock 5	\$250,000 - \$750,000	\$7,500
Enhance City-Wide Wayfinding System	\$25,000 - \$125,000	\$5,000
Nye Beach Area Structured Parking	\$2,400,000	\$15,000
Bayfront Structured / On-Pier Parking	\$4,000,000	\$25,000

Figure 6: Newport Transit Loop



The Lincoln County adopted a new transit development plan at the same time the Parking Management Plan was being developed. The transit plan includes an enhanced loop between Nye Beach and the Bayfront that utilizes City Hall as a transfer station.

Time: 15-minutes from Nye Beach to City Hall and City Hall to the Bayfront.

Equipment: One new bus

Cost: \$201,000 year

Financing

Outlined below are metering and non-metering options for funding parking system improvements. The metering options are limited to the Bayfront and Nye Beach and align with the concept for paid only, paid/permit, and permit/timed concepts depicted on Figures 4 and 5. A breakdown of the spaces that would be subject to these concepts is listed below in Table 6. Accessible parking spaces in these areas would not be subject to meter limitations.

Table 6: Public Parking in Meter/Permit Concepts

Parking Stall Management (By Type)

District	Type	Paid Only	Paid / Permit	Permit / Timed	Unrestricted
Bay Front	On-Street ¹	144	117	242	72
	Public Lot	0	103	52	23
Nye Beach	On-Street ¹	9	105	268	747
	Public Lot	45	0	21	186

¹ Includes unstriped parallel parking spaces in the totals, leading to a larger count than the figures reflected in Table 2.

Table 7: Paystation Pricing

Meter Options

Parking District	# Spaces	# Paystations ¹	Paystation Cost ¹	Signage Cost ²	Total Cost
Bay Front	364	43	\$344,000	\$91,000	\$435,000
Nye Beach	159	20	\$160,000	\$39,750	\$199,750

¹ Roughly one kiosk per eight spaces with adjustments based on lot/street configuration. Price of \$8,000 per kiosk as noted in Study.

² Signage cost of \$1,250 (sign and post) and assumes one sign per five parking spaces (per the Study). There would likely be cost savings attributed to re-use of existing poles.

Table 8: Meter Revenues

Annual Revenues (Assumes no Business License Surcharge)

Parking District	Meter ¹	Permit (Aggressive) ²	Permits (Conservative) ³
Bay Front	\$292,000	\$37,000	\$25,700
Nye Beach	\$134,000	\$28,400	\$19,700

1 Peak demand assumes \$1.00 hour seven days a week from 11am – 5pm, June through September. Meters are weekends only for other months. Assumes same Phase 1 per stall revenue as study.

2 Assumes annual sales at 120% of available spaces in all paid permit and permit timed areas. Priced at \$60.00 per permit. Could be district specific or area wide.

3 Assumes annual sales at 50% of available spaces in all paid permit and permit timed areas. Priced at \$100.00 per permit. Could be district specific or area wide.

Initial installation of meters would need to come from existing city funding sources. Once implemented, anticipated meter revenue is expected to exceed annual expenses and would provide a funding stream to enhance the parking system. The non-meter option (Table 9) relies upon business license and permit parking fees, which could be supplemented with other city funding sources to maintain status quo and low cost enhancements (i.e. striping and wayfinding). For Nye Beach, new revenue could be generated by expanding the boundary of the area where business license surcharges are collected. There is less of an opportunity to do the same in the Bay Front; however, reinstating contributions from the Port of Newport coupled with increases to existing business license surcharges may generate sufficient funds if paired with a parking permit program.

Table 9: Non-Meter Alternative

No-Metering Alternative (Timed Parking with Permits)

Bayfront		Nye Beach	
Maintenance Needs (Table 4)	\$58,350	Maintenance Needs (Table 4)	\$49,600
Current Business License Surcharge Revenue ¹	\$13,750	Current Business License Surcharge Revenue	\$6,450
Maintenance Shortfall	-\$44,600	Maintenance Shortfall	-\$43,150
New Revenue from Parking Permits ²	\$25,700	New Revenue from Parking Permits ¹	\$19,700
New Revenue from Business License Surcharge Fees ³	\$18,900	New Revenue from Business License Surcharge Fees ²	\$23,450

1 This amount would be increased by \$6,000 if the Port of Newport and City of Newport were to execute a new intergovernmental agreement committing the Port to ongoing annual contributions on behalf of the commercial fishing interests.

2 Assumes annual sales at 50% of available spaces in all areas identified as paid, paid permit, or timed permit. Priced at \$100.00 per permit. Could be district specific or area wide.

3 Fees are scalable and the amounts listed reflect what is needed to cover anticipated maintenance costs.

Consideration should be given to phasing fee increases in over time. If other revenue sources become available that can be dedicated to maintenance and/or enhancement of the parking assets then adjustments should be made to the fee structure to ensure equitable contributions from various user groups.

AIRPORT FACILITIES

The Newport Municipal Airport is at the southern end of the City of Newport and approximately three miles from the city center. Access to the Airport is provided by Highway 101 which is an essential Coastal link running through California, Oregon, and Washington. Highway 101 connects to other coastal cities, such as Florence to the south and Tillamook to the north.

More detailed information on the historical and background environmental setting of the Newport Municipal Airport can be found in the document entitled, "Newport Municipal Airport: 2017 Airport Master Plan" (hereinafter, the "Airport Master Plan").

Existing Municipal Airport Facilities:

The Airport is at an elevation of 161.1 feet MSL and consists of approximately 700 acres. The three primary categories for existing facilities described here are airfield, landside, and support facilities. Airfield facilities include areas such as runways, taxiways, and aprons. Landside facilities include areas such as hangars, buildings, and auto parking. Support facilities include emergency services, utilities, and miscellaneous facilities that do not logically fall into either airfield or landside facilities. Components of the airport facilities are outlined in **Table 1** (on page 2) and illustrated on **Exhibit 2B** in Chapter 2 of the Airport Master Plan. A brief discussion of the major components of the airport follows.

Approach/Airspace: Both ends of Runway 16-34 have a four-light Precision Approach Path Indicator (PAPI). A PAPI provides glideslope information to pilots on final approach by displaying sequences of different colored lights to maintain a safe glide path for landing.

Included in the Runway 16 precision Instrument Landing System (ILS), is a Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR), a localizer, and a glide slope, with visibility minimums for the approach procedure as low as $\frac{3}{4}$ statute mile.

Other NAVAIDS:

There is a segmented circle and lighted windsock located mid-field as well as a smaller, supplementary, windsock located near Runway 34. A rotating beacon is on the west side of Runway 16, and is in good operating condition.

Automated Weather Observing System (AWOS):

The existing AWOS is aging and reached the end of its service life. The equipment is no longer supported; new parts are difficult to purchase. The 2017 Master Plan shows a replacement listed on the capital improvement list, but full replacement will wait for favorable funding opportunities in future years.

Airport Support Facilities:

- Emergency Services: Aircraft rescue and firefighting (ARFF) is available through the City of Newport Fire Department. The ARFF station is located on the northwest end of the airfield with direct access to the airfield. The ARFF vehicle is a Rosenbauer Airwolf C2 purchased in 2013.
- Fencing: A full perimeter security fence.
- Ground transportation to and from the Airport: Includes local transit service (on-call), taxi, and rental car service.
- Utilities and Public Services: Water to some areas; sanitary sewer by individual septic systems; telephone, local franchise companies; power/electricity, local public utility district.
- Highway Signage: Guidance signs to the Airport Highway 101 maintained by the Oregon Department of Transportation.

**Section replaced in its entirety by Ordinance No. 2128 (February 5, 2018)*

**Table 1
Existing Airport Facilities**

Facility	Characteristics	Condition
Runway 16-34	5,398 ft. x 100 ft.; VORTAC, PAPIs, ILS, REILS approach aids; HIRL; Precision marking	Excellent
Runway 2-20	3,300 ft. x 75 ft.; VORTAC visual aid; MIRL lighting; non-precision marking	Good
Taxiway A	2,850 ft. x 35 ft. Provides access to Runway 16, Taxiway B, Taxiway C, and Taxiway D.	Good
Taxiway B	Provides access to Runway 16 and Taxiway A.	Excellent
Taxiway C	Provides access to Runway 16, 20 and Taxiway A.	Good to Excellent
Taxiway D	Provides access from the tie down area, FBO, Taxiway A.	Fair to Good
Taxiway E	Provides access to Runway 2, Runway 34, T-hangars, US Coast Guard building, Box hangar, overflow tie down area, Jet Parking, Cargo area, Main Apron, and FBO.	Good
Terminal Apron	Eleven (11) tie-downs; Access to Self-Serve Tank; Approx. 136,000 SF.	Good
Overflow Apron	Eight (8) tie-down spots; Approx. 60,000 SF	Good
Transport / Jet	7,000 square yards, for Lear Jet or One (1) parked Gulfstream G-IV jet or C-130	Good
Cargo	1 Tie-down area; Approx. 28,000 SF	Excellent
Military helipad	U.S. Coast Guard	Very good
Hangars	20 box hangars; 3 executive hangars 10 T-hangars	Fair to Good
Terminal	Approx. 1820 SF with adjacent 4,480 SF hangar.	Very Good
Building	Temporary; 1,681 square ft.	Poor
Public Parking	Twenty-Three (23) total: sixteen (16) adjacent to FBO, seven (7) adjacent to building leased to Fed Ex, 3 Handicap Spaces combined.	Good
Coast Guard	One (1) permanent buildings	Unknown
Fuel Storage	Two (2) above-ground tanks: Jet A tank with a 12,000 gallon capacity; 100 LL tank with a 10,000 gallon capacity. One (1) 2000 gallon above ground self-serve fuel tank.	Fair

Source: "Newport Municipal Airport: Airport Master Plan Update", Newport, Oregon, 2017 WH Pacific

Airport Users: Newport Municipal Airport has twenty-eight (28) based aircraft as of 2016. Twenty-three (23) are single engine piston; four are multi-engine piston; one is a single engine turbine. No commercial air carriers use the airport. The U.S. Coast Guard operates on airport property from a permanent facility with a temporary crew from which they rotate two helicopters. Life Flight also operates a helicopter based at the airport.

Structures: Reconstructed in 2014, Runway 16-34 is in excellent condition; Runway 2-20 is composed of asphalt in good condition. There are five taxiways (A, B, C, D, E).

Since the purchase of the Fixed Base Operations (FBO) and building structure by the City of Newport in 2007, the City has run the FBO at the Airport. Staff presently operates the FBO seven days a week from 8:00 A.M to 5:00 P.M. The FBO building has two offices on the main floor and a pilot lounge with refrigerator and counter space. There are three offices on the second floor, a larger conference space area, and a bar with a small kitchen. As of 2017, Life Flight leases the upper floor for office space and FBO hangar for their single helicopter.

FedEx currently leases the Airport's separate 2,400-square-foot office building.

Recommended Airport Improvement Projects:

Chapters 3 and 4 of the 2017 Airport Master Plan forecast airport demand and identify airport facility requirements. The population base for the analyses includes the Lincoln County area, which is forecasted to reach 52,175 by the year 2035. Forecast demands identified airport facility requirements. Chapter 8 of the Master Plan contains the Airport Layout Plan (ALP), terminal area plan, airspace, approach, and runway protection zones.

Chapter three of the Municipal Airport Master Plan forecasts a transition consistent with national trends. Based on an extrapolated use trend analysis, the forecast correlates an analysis of socioeconomic and other aviation activity indicators, market analysis, FAA requirements, FAA forecasts, and professional judgment. Planners expect the local air fleet will transition from small piston aircraft to small business jets over the forecast period, although single engine, piston-powered aircraft will still be predominant. Due to the effects of in-migration likely to occur in the Newport area, the forecast includes a slight increase in the number of turboprop, turbojet aircraft, and helicopters in the future, which reflects the national trends.

Approach/Airspace:

The Approach Obstruction Plan, Sheets 5 and 5.1 of the Master Plan, illustrates the approach and departure safety concerns relating to adjacent airport development. The Master Plan recommends acquisition of adjacent property at the north and south ends of Runway 16-34 and the northeast end of Runway 2-20 to provide additional approach and departure protection.

Airport Users: The Newport Municipal Airport will become a general utility small business jet airport in accordance with the FAA's Airplane Design Group (ADG) II. Most of the airport's general aviation use will involve airplanes with Wingspans less than 49 feet. The commuter fleet would include airplanes with wingspans between 49 and 117 feet. These would probably include 18- to 36-seat commercial airline aircraft.

The Newport Municipal Airport does not presently have commercial passenger air carriers. The current demand for regional commercial commuter air carrier services, which is unmet by airline services to the airport, is approximately 3,000 enplaned passengers per year (based on peak use for 2010). With an effective business plan, a commuter air service could capture many of the potential enplaned passengers.

Forecasts indicate that by the year 2035, General aviation demand will include approximately 42-based aircraft. Also forecasted by the year 2035, general aviation aircraft will generate approximately 25,550

aircraft operations per year. Projections indicate that the total number of operations, including Air Taxi and Military will reach 31,350 by the year 2035.

Structures: The Master Plan analysis recommends several facility improvements to accommodate this airport use demand. **Table 2** on page 5 outlines the recommended staged development for the Newport Municipal Airport. The Airport Layout Plan illustrates the recommended facility improvements. A brief discussion of these recommended improvements follows.

The first planning period, 2017 through 2021, or Stage I of the airport development program, will include lining the 48-inch concrete storm pipe running under the runway intersection from east to west and preliminary/environmental work for separating the runways, removal of obstructions in the approach and depart surfaces, and an environmental assessment.

The second 5-year planning period, or Stage II of the airport development program, will involve separating the runways. This will be a long project phased in over several years in not the majority of the planning period.

The third 5-year planning period, or Stage III, of the airport development program will focus on creating a new master plan and analyzing the changes in operation during the previous 15 years. If forecasts are accurate, the next master plan will include improvements to accommodate changing requirements as the airport develops into a C-II small jet traffic airport.

Planners recommended additional hangars to meet facility requirements. Although the FAA does not currently fund hangar construction, construction of new hangars could potentially increase airport revenue.

Funding:

Table 2 on the following page identifies potential funding sources for each of the proposed airport improvement projects. Expressed in 2016 dollars, **Table 2** indicates costs for all development items. Chapter 9 of the *2017 Airport Master Plan* provides a detailed discussion of potential funding sources. Approximately \$14 million of capital improvements resulted from the new master plan. The sources for funding these improvements, and associated assumptions, are as follows:

- FAA Non-Primary Entitlement (NPE) Grants – It was assumed that the annual \$150,000 FAA NPE grants available to the Airport would continue to be available in the future without any changes. The Airport would rollover NPE amounts as necessary.
- FAA Discretionary Grants – The funds in this category represent FAA discretionary grants. In general, any project judged AIP eligible, and not fully funded by other sources, had its funding fulfilled with FAA discretionary money.
- Local Funds – Assumed funds to be from the City of Newport. A further assumption is that the City will compete for state grant matching opportunities to reduce the local share when possible.
- Other – This funding source constitutes any capital provided from sources other than those listed previously. The most likely source of these funds is private capital.

**Table 2
Recommended Airport Development**

Year	Map Key #	Project	FAA		Local	Other	Total
			Non-Primary Entitlement	Discretionary/State Apportionment			
Short-Term (2017 - 2021)							
2017	1	Storm Pipe Rehab - Design	\$150,000	\$32,700	\$20,300		\$203,000
2017	-	Avigation Easements*			\$50,000		\$50,000
2018	-	Remove Obstacles in Approach & Departure Surfaces All Runways	\$150,000	\$75,000	\$25,000		\$250,000
2019	1	Storm Pipe Rehab - Construction	\$130,000	\$2,120,000	\$250,000		\$2,500,000
2019	-	PMP	\$20,000				\$20,000
2020	2	Non-Standard Geometry Improvements Pre-Design & Environmental Assessment	\$150,000	\$192,000	\$38,000		\$380,000
2020	3	Operation Building - Phase I - Design*			\$30,000		\$30,000
2021	3	Operation Building - Phase II - Construction/Removal of Quonset Hut*			\$200,000		\$200,000
2021	4	AWOS III P/T	\$150,000		\$17,000		\$167,000
		Short-Term Subtotals	\$750,000	\$2,419,700	\$630,300		\$3,800,000
Mid-Term (2022 - 2026)							
2022	2	Non-Standard Geometry Improvements - Design	\$130,000	\$225,550	\$39,450		\$395,000
2022	-	PMP	\$20,000				\$20,000
2023	2	Non-Standard Geometry Improvements - Construction	\$150,000	\$4,116,000	\$474,000		\$4,740,000
2024	5	Apron Expansion Predesign & Environmental	\$150,000		\$16,666		\$166,666
2024	6	Fuel Tank Refurbishment Phase I - Design / Environmental*			\$100,000		\$100,000
2025	5	Apron Expansion Phase 1 - Design	\$108,000		\$12,000		\$120,000
2025	-	PMP	\$20,000				\$20,000
2025	6	Fuel Tank Refurbishment Phase II - Construction/ Removal of Old Tanks*			\$100,000		\$100,000
2026	5	Apron Expansion Phase 1 - Construction	\$172,000	\$863,000	\$115,000		\$1,150,000
		Mid-Term Subtotals	\$750,000	\$5,204,550	\$857,116		\$6,811,666
Long-Term (2027 - 2036)							
2027	7	FBO Parking Lot - Design & Construction*			\$150,000		\$150,000
2028	-	PMP	\$20,000				\$20,000
2028	8	Design/Construct Apron Expansion - Phase 2	\$430,000	\$371,000	\$89,000		\$890,000
2030	-	Airport Master Plan	\$300,000	\$195,000	\$55,000		\$550,000
2031	9	Design and Construct New Aircraft Cargo Building/Facility				\$480,000	\$480,000
2032	10	Design/Construction - Taxiway A Reconstruction	\$150,000	\$1,056,000	\$134,000		\$1,340,000
		Long-Term Subtotals	\$900,000	\$1,622,000	\$428,000	\$480,000	\$3,430,000
		CIP Totals	\$2,400,000	\$9,246,250	\$1,915,416	\$480,000	\$14,041,666

*Subsection updated by Ordinance No. 2128 (February 5, 2018)

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PORT FACILITIES¹

BACKGROUND

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

VISION AND MISSION

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

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

GOVERNANCE

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

EXISTING PORT FACILITIES

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

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

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

Section replaced in its entirety by Ordinance No. 2056 (September 5, 2013).

Service Facilities

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

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

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

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

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

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

Utilities

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

DESIGN CRITERIA AND LEVEL OF SERVICE

Design Life of Improvements

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

Floating Docks

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

Piling Supported Docks/Piers

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

Buildings, Upland Structures and Equipment

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

Asphalt Surfaced Parking/Storage Areas

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

CAPITAL IMPROVEMENT PROJECTS

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

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

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

International Terminal Fire Water Line Loop	2	\$127,355
Wastewater Pump Station Replacement -South Beach	2	\$30,000
Port Dock 1 Replacement	2	\$750,000
SUBTOTAL -PRIORITY 2 PROJECTS		\$1,917,355
South Beach/Fishing Pier Storm Sewer Outfall Replacement	3	\$80,685
Picnic Bunker Rebuild	3	\$36,000
Pavement Reconstruction/Seal Coating (all areas)	3	\$400,030
Fishing Pier Replacement	3	\$1,567,000
Old Boat Ramp Fill	3	\$64,116
SUBTOTAL -PRIORITY 3 PROJECTS		\$2,147,831
TOTAL ALL PROJECTS		\$14,658,137

FINANCING

Grant and Loan Programs

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

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

- Oregon Marine Board Clean Vessel Act Funds. A grant program that funds public and private vessel waste collection systems (pumpouts, dump stations, etc.)
- Property Taxes. Includes taxes from permanent rates, local option levies, and bond levies.

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

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STORM DRAINAGE FACILITIES¹

The City of Newport (City) provides stormwater collection services for more than 10,000 people and businesses across 43 separate drainage basins. Stormwater collected from within the City is typically piped in developed areas and discharged into the nearest natural water body (i.e. local streams, the bay or sloughs, etc.) In many cases, existing storm drains have been designed and constructed with the intent to serve only specific developing areas within the City, without consideration of future improvements that might occur upstream.

The characteristics of the City's storm drainage system in areas north of the Yaquina Bay are different from what exists to the south. Areas north of the bay are more steeply sloped, with ravines and hilly areas that were excavated and filled to create level areas for development. Within these areas the storm drain system normally was large diameter pipe conveying runoff at the natural elevation and along the original alignment of whichever creek/stream or waterway that was being covered. In many cases, the cover (i.e. fill) was over 25 feet deep.

As the alignment of these systems was not dictated by lot lines, or typical planning parameters, many of these pipes currently run under existing structures. The second type of system is those that were put in place within areas that maintained a similar topography to the natural landscape. The storm drain systems in these areas are typically small diameter pipe networks that follow natural grading flow paths to the nearest hillside, or ravine draining to a nearby creek or stream.

Beginning in the 1970's, the City annexed areas south of Yaquina Bay, commonly referred to as "South Beach." This area extended approximately 5 miles South of Yaquina Bay, and as much as 2.5 miles inland. Significant portions of South Beach are undeveloped, with storm drainage following whatever path the natural ground would dictate to get to Yaquina Bay, or the Pacific Ocean. Given that this area is relatively flat, and that the natural terrain affords many areas for water storage, (wetlands) it can be difficult to model how the storm water flows through these undeveloped areas. The majority of the storm drain system within South Beach is comprised of roadside ditches, culverts along HWY. 101, a piped system which outfalls east of SW 32nd St., and pipes which convey storm runoff under the Airport.

Detailed information on the historical, functional, and environmental factors relevant to the City's stormwater system can be found in the document entitled, "Stormwater Master Plan, City of Newport, Lincoln County Oregon," by Civil West Engineering, dated October 2016 (hereinafter, the "Stormwater Master Plan").

Existing Stormwater System:

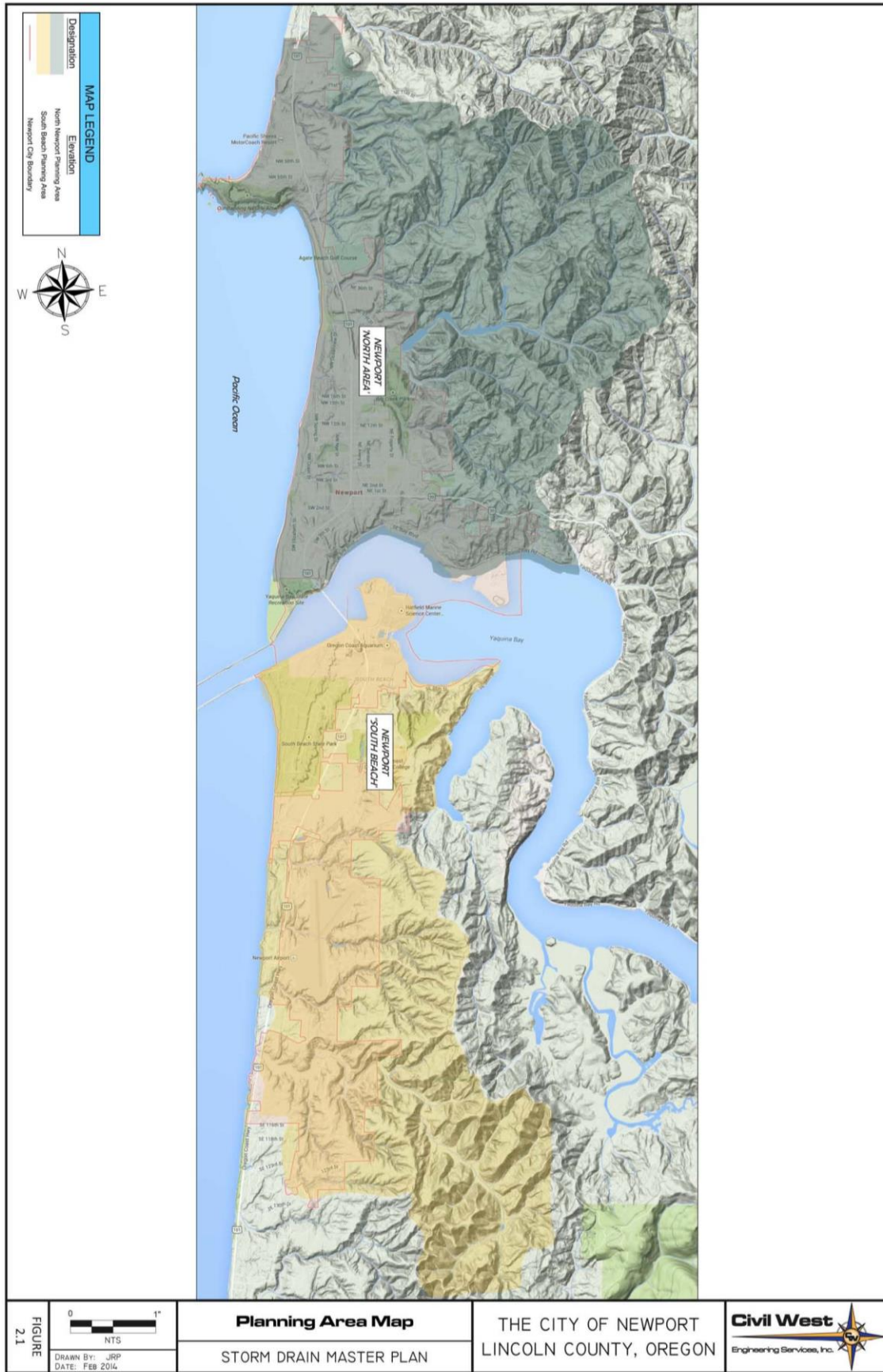
The existing storm drain system within the 43 basins includes approximately 32 miles of gravity piping in a range of sizes from 6-inches to 144-inches diameter and consisting of a variety of materials including concrete, corrugated steel, polyvinyl chloride (PVC), high density polyethylene (HDPE), and others. Detailed information is provided in the Stormwater Master Plan regarding the specific amounts of the various sizes of pipe in the various basins. Systems within the basins are typically one of three types, as listed below:

1. Large diameter pipes following the elevation and alignment of natural drainage ways with significant fill above the pipe.
2. Small diameter pipes which drain straight to a nearby creeks, or streams.
3. Natural topography draining to creeks, and streams which are conveyed under HWY. 101 by means of a large culvert.

The downtown area is mixture of system types 1 and 2, while much of the far north and south are a mixture of system types 2 & 3.

¹ Section replaced in its entirety by Ordinance No. 2169 (July 20, 2020).

Study Area



The timeframe for preparation of this Master Plan was 2013/2014, but due to numerous updates and review periods, the final Master Plan is dated October 2016. The planning period for this Storm Water Master Plan is 20 years. The period must be short enough for current users to benefit from system improvements, yet long enough to provide reserve capacity for future growth and increased demand. Existing residents should not pay an unfair portion for improvements sized for future growth, yet it is not economical to build improvements that will be undersized in a relatively short period of time. Thus, it is appropriate to calculate the storm water flow increase caused by development over the next 20 years, which is a typical planning period for storm water master plans. The end of the planning period is the year 2035.

Identification of Deficiencies and Development of Improvement Alternatives:

All of the existing storm drain system components were analyzed for deficiencies that exist presently. Facilities also have been evaluated for deficiencies that are expected to occur within the 20-year planning period. Deficiencies were identified related to the age of infrastructure, anticipated development, and capacity.

As part of this planning effort, calculations were made to estimate the peak stormwater flows that could be expected from each basin under existing and future development conditions. Runoff calculations for the various storm drainage basins were performed using a method developed by the Soil Conservation Service (SCS) now called the National Resources Conservation Service (NRCS) for relating rainfall to runoff. The method is described in length in Technical Release 20 (TR-20) published by the SCS. The TR-20 method is based upon unit hydrograph theory and the runoff curve number method of calculating direct runoff from the rainfall occurring over specified areas. It considers an entire watershed with a variety of land uses and soil types. The TR-20 method also allows watershed areas (basins) to be divided into sub-basins for analysis purposes, with drainage routes of one or more sub-basins running through other sub-basins downstream. This provides for the calculation of an overall peak discharge from a basin that may or may not equal the sum of the peak discharges from the individual sub-basins.

Recommended Stormwater Projects:

The table on the next page identifies a number of projects to address deficiencies within the storm drainage system over the next 20-years. Individual projects are grouped into three priority classifications. Each classification group is loosely defined as follows:

Group A: These are the highest priority projects that should be undertaken as soon as adequate funding is available. These projects should be undertaken within the next 5 years.

Group B: These projects, while not of the highest priority, should be on the City's capital improvement planning window beyond the 5-year horizon. As Group A projects are completed, Group B projects should be moved to Group A status. System degradation or failures, project coordination, or other occurrence may require the movement of Group B projects to Group A status ahead of schedule. New projects that are developed that are not critical, should be grouped in Group B until funding is available.

Group C: Group C projects are either of low priority or are dependent on development. If development in an area necessitates the implementation of a Group C improvement, the project should be moved to Group A. Some projects may remain in Group C indefinitely if the need for the project or the development requiring it never arises.

Project Rating	Project Number	Project Description	Improvement Conditions			Total Project Cost
			Overflow	Under Structures	Future Develop.	
A	1	X1 1456' of 12", and 18" SD pipe along SW 9th St.	X			\$526,162
	2	X2 571' of 18", and 24" pipe along SW 10th St.	X			\$213,816
	3	X3 1663' of 12", 24", 30", and 36" SD pipe along SW Minnie St.	X			\$793,155
	4	U4 Re-alignment of Pipe under Cash and Carry	X	X		\$2,710,875
	5	U2 739' of 54" SD pipe along NW 3RD Street & NW Coast St.	X			\$612,539
	6	T2 921' of 36" SD pipe along NW Coast St.	X			\$490,012
	7	T4 Re-alignment of Pipe under Sunwest Honda/Mazda building		X		\$1,109,013
	8	AL1 170' of 36" SD pipe crossing Hwy. 101 (Jack and Bore)	X			\$102,117
	9	N1 1200' of 12", 24", 30", and 35" SD Pipe along Hwy. 101	X			\$553,428
B	10	Q1 890' of 12", 18", and 24" SD pipe along NW Nye St.	X			\$291,848
	11	T6 Re-alignment of Pipe under Church of the Nazarine building		X		\$598,801
	12	T5 Re-alignment of Pipe under Ford Dealership building		X		\$271,188
	13	U5 Re-alignment of Pipe under local residence	X	X		\$79,355
	14	C1 525' of 24" along NE 73rd St.	X		X	\$229,316
	15	AA1 675' of 18", and 24" SD pipe along SE Avery St.	X			\$212,022
	16	AF1 1515' of 12", 18", and 24" pipe along SW 29th and SW Brant St.			X	\$640,902
	17	F1 124' of 30" SD pipe North of NW 60th St.	X		X	\$67,398
	18	T3 665' of 12", 18", and 24" SD pipe along NW Spring St.	X			\$264,614
	19	U3 1699' of 18", and 24" pipe along SW Cliff Street	X			\$664,079
	20	U6 553' of 12", and 18" SD pipe along SW 2nd St.	X	X		\$169,797
	21	AJ1 55' of culvert crossing SE 35th St.	X			\$37,156
	22	U1 753' of 18", and 24" SD pipe along NE Douglas Street	X			\$304,978
	23	R1 675' of 12", and 18" SD pipe along NW Spring St.	X			\$227,522
	24	Y1 497' of 12" SD pipe along SW 13th St.	X			\$163,653
25	V1 533' of 18" and 24" SD pipe along SW Fall St.	X			\$308,322	
C	26	AG1 Drainage ditch development and Rehabilitation	X		X	\$1,693,568
	27	K1 270' of 12" & 18" SD pipe along NE Lucky Gap St.	X			\$102,214
	28	H1 305' of 12" and 18" SD pipe along NW 54th St.	X			\$103,677
	29	N2 240' of 18" SD pipe along NE Iler St.	X			\$86,500
	30	T1 161' of 12" SD pipe along NW Nye St.	X			\$50,766
	31	AC1 655' of Culverts crossing Yaquina Bay Blvd.			X	\$208,698
	32	AG2 1551' of 15", 18", and 24" SD pipe along SW 35th St.			X	\$459,808
	Total					

Project Prioritization:

When considering stormwater conveyance projects, priority should be given to the following:

1. Areas where there is an identified lack of capacity within the system to handle flows attributed to existing and future conditions.
2. Components of the storm drainage system run-off (controlled or otherwise) has repeatedly caused problems for the City and for residents.
3. Opportunities to relocate public storm drainage components from underneath existing structures.
4. Age related deficiencies that could result in structural failure of piping sections.
5. The extent to which a project aligns with available funding.
6. Coordination with other planned improvements (water, sewer, streets, etc.).

Although all of these factors were taken into account when formulating the priority of projects, three carried the most weight in the development of priorities. These three dominant influences were listed as 1 through 3, and were weighed so heavily because flooding and large pipe failures under structures will have the largest impact on public safety and welfare.

Financing:

There are a number of potential sources of funding. The City has a monthly 'Stormwater Utility' fee that is designated to pay for stormwater services, including the operation, maintenance, repair, necessary replacement, and improvement of the system. That fee is based upon the amount of impervious surface on a given property. Federal, state and local gas taxes can also be used to improve stormwater facilities when such work is in conjunction with street projects. The current fees do not have the capacity to pay for all of the capital improvements outlined above. Property owners that benefit from a potential stormwater improvement may petition for the formation of a local improvement district, whereby they would be assessed a proportional share of the project cost. The City Council may also initiate a local improvement district on its own motion.

Additionally, grant and non-grant sources of funding are potentially available, including but not limited to FEMA Pre-Disaster Mitigation Program, FEMA Flood Mitigation Assistance Program, Clean Water State Revolving Loan Fund, general obligation bonds, revenue bonds, and system development charges (SDCs). Although grant programs exist, there is no way to guarantee that grant funding will be available to fund needed projects. Revenue bonds supported by user fees and complimented by SDCs are a more reliable means of programming needed funding over a series of years.

GOALS AND POLICIES

PUBLIC FACILITIES ELEMENT

GENERAL

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

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

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

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

Policy 4: Essential public services should be available to a site or can be provided to a site with sufficient capacity to serve the property before it can receive development approval from the city. For purposes of this policy, essential services shall mean water, sanitary sewer (i.e. wastewater), storm drainage and streets.

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

- a. The proposed development is consistent with the Comprehensive Plan; and
- b. The property owner enters into an agreement, that runs with the land and is therefore binding upon future owners, that the property will connect to the essential service when it is reasonably available; and
- c. The property owner signs an irrevocable consent to annex if outside the city limits and/or agrees to participate in a local improvement district for the essential service, except that annexation shall be required before property that is contiguous to the city limits can receive sanitary sewer service.

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

Policy 6**: Local Improvement Districts (LIDs) should be evaluated as a means of funding public facilities where the construction of such facilities is expected to enhance the value of properties that are adjacent or proximate to the planned improvements.

For LIDs in developed residential areas, the aggregate assessment amount within a prospective LID should be no more than 10% of the assessed value of properties within the boundaries of the proposed district. The aggregate assessed value may be higher for other types of LIDs, such as developer initiated districts; however, in no case should it exceed 50% of the assessed value of the affected property.

When considering a new LID, the City should proceed with preparing an engineer's report that sets out the likely cost of constructing the improvement.

Consideration should be given to bundling LID projects with other capital projects that the City secures bond funds to construct. For an LID to proceed, it must have a reasonable chance of being self-financing, with adequate reserves to ensure that payments are made on bonds/loans regardless of the property-owners' repayment.

If an LID project is considered by the City Engineer to be a partial improvement (less than ultimate planned design), the City should require that interim improvements conform to current City standards in a manner which will allow for completion of the total facility at such time that resources are available.

New LIDs may be initiated by petition or resolution of the City Council.

Formation of an LID by Petition

The City Council shall evaluate new LIDs proposed by petition to determine if City resources should be expended to formulate an engineer's report. Only those projects with substantial public support should proceed. An LID petition that includes non-remonstrance agreements and/or petitions of support from property owners representing 75% of the benefited area shall be presumed to

have substantial public support.

If an LID petition seeks to leverage other funding to achieve 100% of the project costs then the City Council should consider the likelihood of whether or not those funds will be available within the timeframe that they would need to be committed for construction.

When the City receives petitions for multiple LIDs, priority should be given to prospective LIDs with the highest level of documented support, as measured by recorded non-remonstrance agreements and/or petitions in the benefit area in question.

The cost of completing the engineer's report should be included in the total LID assessment. The City should update its fee schedule to include a non-refundable LID Application Fee to be paid by LID petitioner(s) for petition-initiated LIDs.

City Council Initiated LIDs

The City Council on its own motion or upon recommendation by the City Manager may initiate an LID without a petition. In doing so the City Council shall consider the following factors:

- Project purpose and need, including whether or not the improvement addresses an immediate health and safety risk or if it has been identified as a priority improvement in an adopted public facility plan.
- Whether the improvement will address existing deficient infrastructure that is chronically failing.
- Capital cost of the improvement.
- Project cost contingencies and related construction risk factors, such as the need to acquire new public right-of-way, unique construction challenges, or environmental issues.
- Nature of the area benefited, including its existing condition.
- The amount of potential non-LID funding that is expected to be leveraged by the LID, if any. This may include, but is not limited to, federal or state grants, sewer or other types of service charges, urban renewal funds, revenue or general obligation bonds, and reimbursement districts.
- Percentage of properties within the benefit area that have prerecorded non-remonstrance agreements or have owners that favor formation of an LID.

When considering multiple City-initiated LIDs, priority should be given to the LID that addresses the greatest number of factors identified above.

Policy 7**: The City may use various means to finance, in whole or in part, improvements to public services in order to maintain public facility service levels and to carryout improvements identified in public facility plans, and adopted city goals and policies. This includes but is not limited to consideration of federal or state grants; water, sewer, storm drainage and other types of service charges; urban renewal funds, revenue or general obligation bonds, local improvement districts, and reimbursement districts.

WATER

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

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

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

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

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

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

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

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

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

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

WASTEWATER

Goal 1: To provide a wastewater collection and treatment system with sufficient capacity to meet the present and future needs of the Newport urbanizable area in compliance with State and Federal regulations.

Policy 1: Improve and maintain the wastewater collection system as identified in the 1990 Public Facilities Plan for the City of Newport, by CH2MHILL, as amended by the following updates:

- A. Wastewater Facilities Plan, by Fuller & Morris Engineering & CH2MHILL, dated May 1996
- B. 2006 South Beach Neighborhood Plan (Ord. No. 1899)
- C. Sanitary Sewer Master Plan, by Brown and Caldwell, dated February 9, 2018

Policy 2: On-site sewer systems or holding tanks shall not be allowed unless the city's sanitary sewer system is greater than 250 feet away. In any case, a subsurface permit from the Lincoln County Sanitarian must be obtained prior to any development that will rely on an on-site sewer system or holding tank.

Policy 3: Existing structures within the city limits that contain sanitary facilities shall connect to the city's sanitary sewer system at such time as a gravity main or equivalent wastewater collection system is extended to within 250 feet of the property.

Policy 4: City wastewater services may be extended to any property within the urban growth boundary. Except for the very limited circumstances allowed by state law and regulations, the city will not generally provide wastewater services outside the urban growth boundary. The city may require a consent to annexation as a condition of providing wastewater service outside the city limits and shall require a

property to annex before providing wastewater service if it is contiguous to the city limits. Nothing in this policy obligates the City to provide wastewater services outside of the city limits. For property outside the city limits but within the urban growth boundary, wastewater services may be provided at the City's discretion only for:

- A. residentially zoned lands as allowed by county zoning without urban services, and
- B. commercial and industrial zoned lands as allowed by county zoning at the scale of development in existence on September 4, 2007.

Policy 5: When designing the wastewater collection and treatment system to ensure there is sufficient capacity to meet current and future needs of the community, the City shall consider the demands of various users under normal and predictable daily and seasonal patterns of use.

Policy 6: When undertaking capital improvement planning, priority shall be given to projects that will repair, replace or upsize wastewater infrastructure with known condition or capacity limitations in order to minimize discharges that could compromise public health and safety, damage real property, or harm the environment.

TRANSPORTATION

GOALS AND POLICIES

The following goals and policies are intended to guide the decision makers and the development community in the administration of the Transportation System Plan (TSP) and the development of applicable implementing ordinances consistent with the TSP. This section is not intended to provide review criteria for specific projects or to function as a capital improvement plan.

Goal 1: Vision. To provide a safe, efficient, and convenient multi-modal transportation system consistent with the Transportation System Plan.

Policy 1: Improve and maintain a transportation system that is consistent with the adopted 2022 TSP, as amended. The 2022 TSP may be updated with future refinement plans or other transportation studies. As new studies or plans are adopted, they are to be listed under this policy by title, date, and ordinance number.

Yaquina Head Traffic Study, for FHWA Western Federal Lands Highway Division and the Bureau of Land Management, by Robert Peccia & Associates, dated June 30, 2022 (Ordinance No. 2204).

Goal 2: Safety. Improve the safety of all users of the system for all modes of travel.

Policy 1: Proactively improve areas where crash risk factors are present, with particular attention to high vehicle volume roadways such as US 101 and US 20.

Policy 2: Apply a comprehensive approach to improving transportation safety that considers engineering, education, enforcement, emergency medical services and evaluation.

Policy 3: Incorporate street and access spacing standards into the City’s development codes as identified in the TSP.

Policy 4: Support development of a Neighborhood Traffic Management (NTM) program to identify a clear and objective process for collecting community input, assessing the prevailing concerns, and evaluating which, if any, NTM solution is appropriate to be installed.

Goal 3: Mobility and Accessibility. Promote efficient travel that provides access to goods, services, and employment to meet the daily needs of all users, as well as to local and regional major activity centers.

Policy 1: Support the expansion of the local and regional transit network and services consistent with the TSP considering funding limitations, topographic constraints, and existing development patterns.

Policy 2: Facilitate improvements that enhance mobility of US 101 and US 20.

Policy 3: Incorporate vehicle mobility standards for city streets into the City’s development codes consistent with the TSP, and manage congestion according to the adopted standards.

Policy 4: Support transportation options and ease of use for people of all ages and abilities.

Policy 5: Strive to ensure safe, direct, and welcoming routes to provide access to schools, parks, and other activity centers for all members of the community, including visitors, children, people with disabilities, older adults, and people with limited means.

Policy 6: Provide an interconnected network of streets to allow for efficient travel.

Policy 7: Monitor the transportation impacts of development in South Beach through the South Beach Transportation Overlay Zone (SBTOZ) and associated Trip Budget Program.

Policy 8: Continue to engage ODOT regarding future project planning and funding that would lead to improvements to, and possibly replacement of, the Yaquina Bay Bridge in its existing location.

Goal 4: Active Transportation. Complete safe, convenient, and comfortable networks of facilities that make walking, biking, and transit more attractive choices for people of all ages and abilities.

Policy 1: Continuously improve existing transportation facilities to meet applicable City of Newport and Americans with Disabilities Act standards.

Policy 2: Provide walking facilities that are physically separated from auto traffic on all arterials and collectors, and on streets and paths linking key destinations such as employment centers, schools, shopping, and transit routes.

Policy 3: Provide safe street crossing opportunities on high-volume and/or high-speed streets.

Policy 4: Facilitate walking access to transit routes and major activity centers in the City.

Policy 5: Work to close gaps in the existing sidewalk network.

Policy 6: Provide biking facilities that are comfortable, convenient, safe, and attractive for users of all ages and abilities on or near all arterials and collectors, and streets and paths linking key destinations such as employment centers, schools, shopping, and transit routes.

Policy 7: Work with Lincoln County Transit to identify barriers to transit ridership, enhancements to service, and physical improvements that can promote transit use, such as signage, posted schedules, and bus stop shelters.

Policy 8: Explore opportunities with Lincoln County Transit to enhance shuttle service across the bay during the busy tourist season to help reduce traffic congestion subject to the availability of funding.

Goal 5: Grow the Economy. develop a transportation system that facilitates economic activity and draws business to the area.

Policy 1: Support improvements that make the City a safe and comfortable place to explore on foot.

Policy 2: Manage congestion along freight routes according to current mobility standards.

Policy 3: Provide safe, direct, and welcoming routes between major tourist destinations in Newport.

Policy 4: Consider the larger parcel impact that right-of-way acquisitions for transportation improvements have on area businesses, and provide fair market compensation for such impacts.

Policy 5. Implement transportation solutions in commercial core areas along US 101 and US 20 that promote economic revitalization of these areas in addition to addressing broader transportation needs of the community.

Policy 6. Create spaces that are specifically designed to support and promote the Farmer's Market and other community-oriented activities when modifying or realigning US 101 in the central part of the city.

Goal 6: Environment. Minimize environmental impacts on natural resources and encourage lower-polluting transportation alternatives.

Policy 1: Support strategies that encourage a reduction in trips made by single-occupant vehicles.

Policy 2: Minimize negative impacts to natural resources and scenic areas, and restore or enhance, where feasible.

Policy 3: Support facility design and construction practices that have reduced impacts on the environment.

Goal 7: Support Healthy Living. Support options for exercise and healthy lifestyles to enhance the quality of life.

Policy 1: Develop a connected network of attractive walking and biking facilities, including off-street trails, which includes recreational routes as well as access to employment, schools, shopping, and transit routes.

Policy 2: Provide active transportation connections between neighborhoods and parks/open spaces.

Policy 3: Provide for multi-modal circulation on-site and externally to adjacent land uses and existing and planned multi-modal facilities.

Goal 8: Prepare for Change. Ensure that the choices being made today make sense at a time when Newport is growing, and the transportation industry is rapidly changing.

Policy 1: Anticipate the impacts and needs of connected and automated vehicles.

Policy 2: Promote emerging transportation technologies, where feasible, including the rollout of infrastructure for electric vehicles.

Policy 3: Seek to supplement traditional transportation options with more emphasis given to walking, biking, and transit and consideration for new alternatives such as car sharing, bike sharing, driverless vehicles, ride sourcing, and micro-mobility.

Policy 4: Explore opportunities to partner with state, regional, and private entities to provide innovative travel options.

Goal 9: Fiscal Responsibility. Sustain an economically viable transportation system.

Policy 1: Improve resiliency of the transportation system to seismic and tsunami hazards, extreme weather events, and other natural hazards, including the preparation of project specific geotechnical analysis in Agate Beach and other areas of known subsurface instability.

Policy 2: Identify and develop diverse and stable funding sources to implement transportation projects in a timely fashion and ensure sustained funding for transportation projects and maintenance.

Policy 3: Preserve and maintain existing transportation facilities to extend their useful life.

Policy 4: Seek to improve the efficiency of existing transportation facilities before adding capacity.

Policy 5: Ensure that development within Newport is consistent with, and contributes to, the City's planned transportation system.

Goal 10: Work with Regional Partners. Partner with other jurisdictions to plan and fund projects that better connect Newport with the region.

Policy 1: Coordinate projects, policy issues, and development actions with all affected government agencies in the area.

Policy 2: Build support with regional partners for the improvement of regional connections.

**Subsection updated by Ordinance No. 2204 (November 7, 2022)*

PUBLIC PARKING

Goal 1: Maximize the available parking supply in Nye Beach, Bay Front, and City Center areas to support a vibrant working waterfront and retail-oriented, tourist commercial businesses, and mixed-use neighborhoods.

Policy 1.1: Promote the use of under-utilized public parking areas.

Implementation Measure 1.1.1: Improve branding of City-owned parking lots and facilities and wayfinding between parking areas and destinations.

Implementation Measure 1.1.2: Add street lighting to create a better walking environment and to help activate parking in poorly lit areas.

Implementation Measure 1.1.3: Adjust signage to encourage RV parking in the Hurbert Street lot and along Elizabeth Street.

Implementation Measure 1.1.4: Identify specific measures that can be taken to enhance visibility and increase the use of the Hurbert Street lots and Performing Arts Center lot.

Policy 1.2: Promote alternative modes of transportation to reduce vehicle trips to and from Nye Beach and the Bayfront.

Implementation Measure 1.2.1: Support efforts to establish a rapid transit loop between the Bayfront, City Center, and Nye Beach as outlined in the Lincoln County Transit Development Plan (April 2018).

Implementation Measure 1.2.2: Coordinate with area employers on opportunities to expand carpool or vanpool options.

Implementation Measure 1.2.3: Continue to expand the bicycle and pedestrian network to improve connectivity and user options.

Policy 1.3: Consider demand management strategies to improve parking turnover for public parking areas where occupancies are “functionally full” (i.e. at or near 85% percent during peak periods).

Implementation Measure 1.3.1: Pursue metered zones, hybrid paid / permit, and hybrid permit / timed zones for high demand areas along the Bayfront.

Implementation Measure 1.3.2: Support metering, where implemented, with a parking permit program.

Implementation Measure 1.3.3: Conduct outreach with the Nye Beach community to assess whether or not a scaled down metering concept, focused on core commercial areas is acceptable or if a non-metering option that consists of fees, permit parking, or other dedicated funding sources is preferable.

Policy 1.4: Investigate opportunities to enhance the supply of public and privately owned parking through strategic partnerships in a manner that best leverages limited funding.

Goal 2: Maintain public parking assets so that they are suitable to meet the needs of all users.

Policy 2.1: Develop financing strategies that secure equitable contributions from parties that benefit from and utilize public parking.

Implementation Measure 2.1.1: Metering should be directed to peak demand periods, as opposed to year round, with a baseline for pricing that is consistent with the recommendations contained in the Newport Parking Management Plan (March 2018).

Implementation Measure 2.1.2: In areas where metering is not implemented, fees from businesses and users should be adjusted to cover anticipated maintenance costs, unless other revenue sources are identified for that purpose.

Implementation Measure 2.1.3: Revenues generated from public parking meters, permits or other fees should be dedicated to public parking, and not used to support other city programs.

Implementation Measure 2.1.4: Business license surcharge fees now imposed in the Bayfront, Nye Beach, and City Center should be expanded to apply to short-term rentals, but otherwise maintained in their present form until other funding sources are established.

Policy 2.2: Establish a program for routine maintenance of public parking lots.

Implementation Measure 2.2.1: Incorporate scheduled resurfacing, striping, and reconstruction of the public parking lots into the City's Capital Improvement Plan.

Policy 2.3: Consider adjustments to funding maintenance of public parking areas in City Center once the urban renewal funded transportation system planning effort for that area is complete.

Policy 2.4: Evaluate parking management practices at the City Hall Campus to ensure available parking is sufficient to meet anticipated needs.

Goal 3: Implement changes to how the City manages public parking in a manner that is easily understood by the public, meets the needs of area businesses and residents, recognizes seasonality of certain uses, and is effectively enforced.

Policy 3.1: Ensure city codes and policies provide a clear administrative framework for implementing metering, permitting, or other regulatory tasks.

Policy 3.2: Identify opportunities to facilitate economic development and enhance livability in areas where parking is limited.

Implementation Measure 3.2.1: Add code provisions to allow pervious pavement and other comparable alternatives to paved surfaces for areas suitable for temporary parking.

Implementation Measure 3.2.2: Allow temporary parking on undeveloped properties during extreme demand periods.

Implementation Measure 3.2.3: Reduce or eliminate minimum off-street parking requirements for new development or redevelopment in metered and meter/permit zones.

Policy 3.3: Scale code enforcement resources commensurate to the demands of the parking program.

Goal 4: Provide opportunities for the public to inform city decision making related to the management of public parking areas.

Policy 4.1: Provide a structured method for members of the public to advise policy-makers and staff on how the city might best leverage and invest in its parking and transportation-related assets.

Implementation Measure 4.1.1: Establish a standing parking advisory committee, with representation from affected areas.

Implementation Measure 4.1.2: Utilize public processes to evaluate parking measures on an ongoing basis with attention to economic, land use and related factors that influence parking demand.

Subsection added by Ordinance No. 2163 (March 2, 2020)

STORM WATER DRAINAGE

Goal 1: Provide a storm water drainage system with sufficient capacity to meet the present and future needs of the Newport urbanizable area.

Policy 1: Assess the condition of the City’s stormwater drainage system and identify needed capacity improvements for a 20-year planning period through periodic updates to the City’s Stormwater Master Plan.

Policy 2: Maintain and implement a Capital Improvement Plan to address deficiencies in the storm drainage system.

Policy 3: Address deficiencies in storm drainage conveyance system when reconstructing existing streets.

Policy 4: Require that new development projects manage storm run-off from new impervious surfaces to minimize impacts to the downstream drainage system.

Policy 5: Provide that storm run-off attributed to new development in geologically hazardous areas is evaluated by qualified professionals to minimize impacts to the subject, or nearby properties.

Policy 6: Pursue a range of options for financing priority storm drainage improvement projects, including (a) revenue bonds that leverage utility fees; (b) general obligation bonds; (c) clean water state revolving loan funds; (d) FEMA hazard and flood mitigation grants (e) urban renewal funds; (f) system development charges, and (g) formation of local improvement districts.

Goal 2: Develop a stormwater regulatory framework that emulates DEQ Phase II permitting standards, so that the City is positioned to comply with such requirements when required.

Policy 1: Amend the City’s ordinances to require drainage analysis for development with new impervious surfaces that demonstrates run-off can be managed on-site, or that the downstream conveyance system has capacity for the

volume and velocity of stormwater attributed to a 25-year, 24-hr storm event.

Policy 2: Develop boilerplate storm drainage management options for small scale development projects to alleviate the need for site specific hydraulic analysis.

Policy 3: Adopt pre and post development erosion control requirements.

Policy 4: Encourage the use of pervious surfaces as a method of managing storm run-off, such as porous pavement/concrete, porous pavers, retention/detention facilities, and infiltration trenches.

Policy 5: Establish a set of “good housekeeping” policies for City property and facilities that limit pesticide, herbicide, and fertilizer use, and provide such policies as best practices guidelines for private property owners.

Goal 3: Collaborate with local and regional partners to establish water quality standards that meet State and Federal requirements.

Policy 1: Support efforts to develop a mid-coast Total Daily Maximum Load (TMDL) Implementation Plan.

Policy 2: Coordinate with stakeholder groups to detect and eliminate illicit discharges into drainage ways, Yaquina Bay, and the Pacific Ocean.

Subsection updated by Ordinance No. 2169 (July 20, 2020)

AIRPORT

Goal 1: Strive to provide for the aviation needs of the City of Newport and Lincoln County.

Policy 1: City will ensure that the airport will be able to operate safely and efficiently.

Implementation Measure 1.1.1: Periodically review municipal codes and zoning codes to see that they are in line with the needs of the airport.

Implementation Measure 1.1.2: Maintain training and best management operational practices.

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

Implementation Measure 1.2.1: Staff will attend aviation conferences, participate in collaborative meetings, keep abreast of changes in personnel, and network with aviation engineering consultant to ensure quality relationships with key players in industry, state and federal agencies.

Policy 3: City will assess airport neighboring properties that will benefit aviation in the future for potential purchase.

Implementation Measure 1.3.1: Use the 2017 Airport Master Plan, approved

FAA Airport Layout Plan, and recommendations from the Planning consultants to determine which areas surrounding the airport should be considered and why and prioritize acquisitions.

Goal 2: Pursue recognition by the Oregon Department of Aviation (ODA) as the coastal lifeline in emergency/disaster situations.

Policy 1: City of Newport will assess the seismic stability of the Newport Municipal Airport for readiness to support the region during and after a Cascadia Event.

Implementation Measure 2.1.1: City of Newport shall conduct a seismic stability study of the airport including the financial requirements necessary to upgrade or stabilize any weaknesses discovered during the seismic study.

Implementation Measure 2.1.2: City of Newport will work with regional and national bodies to develop a plan to finance and implement any recommended improvements coming out of the seismic study.

Policy 2: The City of Newport will continue to investigate recommendations listed in Section F of the Report from the City of Newport Regional Airport Review Task Force (17 February 2016, Roumagoux, et al.): In the event of a natural disaster, the airport could play a critical role in meeting the emergency needs of individuals on the central coast.

Implementation Measure 2.2.1: City will work with the Coast Guard to evaluate the USCG airport facility to determine its stability in the event of a major Cascadia event.

Implementation Measure 2.2.2: City will contact FEMA to see what they need to establish an emergency supply depot facility at the airport.

Implementation Measure 2.2.3: City will work with the Oregon Department of Aviation, FEMA, the FAA and other governing agencies for recognition as a regional emergency response facility.

Goal 3: Achieve financial sustainability.

Policy 1: Develop a finance strategy for airport improvements.

Implementation Measure 3.1.1: City of Newport will continue to investigate co-partnering with other government bodies to manage the airport.

Policy 2: The City of Newport will continue to investigate recommendations listed

in Section C of the Report of the Regional Airport Review Task Force: “The City of Newport provides a subsidy to the airport for its operation...it is important for the city to review increasing revenue opportunities as well as reducing expenditures.”

Implementation Measure 3.2.1: City will assess economical and practical ways of building access to the east side and back area of the airport to allow for commercial development of those properties.

Implementation Measure 3.2.2: City will look for ways to utilize leasing land on the east side of the airport designated for non-aviation Development, and explore ways to facilitate non-aviation development on the west side of the airport in areas designated appropriate for such development.

Goal 4: Strive for a clear understanding of aviation impacts on land use adjacent to the Airport, such as noise, surface transportation, height restrictions, and others.

Policy 1: The Airport will work with neighboring property owners to maintain a safe aviation boundary around the airport.

Implementation Measure 4.1.1: Evaluate impact to surrounding private properties when developing airport alternatives.

Implementation Measure 4.1.2: Develop airport facilities and alternatives with adherence to environmental regulations.

Implementation Measure 4.1.3: Balance the needs of airport infrastructure with protection of the environment.

Implementation Measure 4.1.4: City will evaluate impacts to neighboring property owners when establishing or modifying Imaginary Surfaces and update avigation easements whenever there is a navigation change at the airport necessitating changes to Imaginary Surfaces.

Policy 2: City of Newport will continue to investigate recommendations listed in Section E of the *Report of the Regional Airport Review Task Force*: “The airport, city, and its partners need to explore opportunities to enter into economic development ventures or partnerships that encourage the development potential in and around the airport and act as a catalyst to ensure the airport is positioned for future economic or business development.”

Implementation Measure 4.2.1: City will explore potential economic development incentives for businesses desiring to locate at the airport.

Implementation Measure 4.2.2: City will continue obtaining buildable fill materials as available and test placed material for structural stability.

Goal 5: Establish and maintain avigation easements to ensure all pertinent FAA Imaginary Surfaces are free of obstacles and supported by appropriate

documentation allowing the City to maintain applicable Imaginary Surfaces.

Policy 1: City of Newport will update current aviation easements surrounding the airport.

Implementation Measure 5.1.1: Update existing aviation easements based on current and presently foreseen navigation needs.

Implementation Measure 5.1.2: With the installation of new navigation aids at the airport, review existing easements for needed upgrade to maintain new navigation requirements.

Policy 2: City will establish easements where needed for proper maintenance of the Airport.

Implementation Measure 5.2.1: Conduct a survey of all easement needs adjacent to the airport. Periodically review aviation easements to ensure easement negotiation happen concurrent with airport development.

Implementation Measure 5.2.2: Negotiate aviation easements where none exist but are required by FAA design standards.

Goal 6: Secure commercial service when economically feasible.

Policy 1: Look for independent commuter service opportunities in a changing commercial air service industry moving away from rural airports to hub connections.

Implementation Measure 6.1.1: Collaborate with the Oregon Department of Aviation (ODA) to identify strategies for securing economically feasible commuter service to rural airports throughout Oregon.

Policy 2: Maintain airfield to safety standards required for commuter service.

Implementation Measure 6.2.1: Complete further study to determine if the 139 Certification is necessary to the Airports success in drawing a commercial airline.

Implementation Measure 6.2.2: Retain ARFF facilities & equipment for airport and community safety.

Policy 3: The City of Newport will continue to investigate recommendations listed in Section A of the *Report of the Regional Airport Review Task Force*, which states that providing commercial passenger air service into Newport would clearly be a significant tool to continue support of the marine research community, commercial fishing, and tourism economies in Lincoln County.

Implementation Measure 6.3.1: Craft a marketing strategy (three or four key elements); have strategy reviewed by regional experts from a variety of sectors

(business, recreation, personal travelers).

Implementation Measure 6.3.2: Establish a steering committee to work with a consultant selected to perform a feasibility study. Committee will ensure study findings are representative of the local community. Summarize results of the study and include in a package provided to potential carriers.

Implementation Measure 6.3.3: Craft a strategy to entice air service providers. Include answers key questions: What is the return on investment? What risks are there and what are the actions needed to mitigate that risk? What support can providers expect from the city and the community?

Goal 7: Maximize or fully leverage airport footprint for aviation use.

Policy 1: Upgrade Airport facilities as warranted to maintain a safe and useful airfield.

Implementation Measure 7.1.1: Continue to assess airport facilities—including apron redesign and correction of non-standard geometry—for future role of airport.

Policy 2: Future development shall comply with FAA regulations, maintain existing airfield capability and increase resiliency.

Implementation Measure 7.2.1: Partner with FAA Capital Improvement Program to upgrade areas of the airfield currently designed to outdated standards.

Goal 8: Foster community awareness of how the Airport meets community needs.

Policy 1: Promote the advantages of having airport services available to the community.

Implementation Measure 8.1.1: Create an Airport Outreach Program adaptable to all ages to educate families as well as business on the benefits of a local airport.

Policy 2: The City of Newport will continue to investigate recommendations listed in Section D of the *Report of the Regional Airport Review Task Force*, which states it is important the City utilize any available resources including websites, social media, and other forums to share with the community what services are available at the airport.

Implementation Measure 8.2.1: City will pursue strategies to promote the use and development of airport land and facilities to enhance economic conditions in Lincoln County.

Implementation Measure 8.2.2: City will periodically review user-friendly services available at the airport, and supplement identified gaps, to ensure they

meet the needs of the aviation community and broader public.

Implementation Measure 8.2.3: City will explore the possibility of contracting with a person/firm, or assigning this task to the Destination Newport Committee, to develop professional marketing information regarding the Newport Municipal Airport.

Goal 9: Expand and install utility infrastructure at the airport for aviation and non-aviation development.

Policy 1: Sufficient utility infrastructure should service Airport buildings and meet operating needs as well as future growth.

Implementation Measure 9.1.1: Install sanitary sewer to the airport as usage increases and City infrastructure expands south to serve increased sewer and water demands off the airport.

Implementation Measure 9.1.2: Assess sanitary sewer needs on an individual basis as development occurs on the airport. Utilizing septic tanks until usage demands out-grow septic system limits.

Implementation Measure 9.1.3: Investigate property purchase or ground easements for sewage system expansion from wastewater treatment plant to the airport in preparation of future expansion of City infrastructure south to users both on and off the airport.

Implementation Measure 9.1.4: Expand City of Newport water system from existing service at the ARFF Station to other areas of the airport when usage demands make expansion cost effective.

Policy 2: Seek strategic partnerships to leverage public/private funds other than City resources to expand infrastructure to serve new uses.

Implementation Measure 9.2.1: Research potential grant opportunities supporting infrastructure development.

Implementation Measure 9.2.2: City will seek to develop private/public funding partnerships to expand infrastructure to and on airport property.

Policy 3: City will investigate potential timelines and practices necessary to install sewer and water to the airport.

Implementation Measure 9.2.1: City will develop an implementation plan to provide residential and commercial sewer services within the Newport Urban Growth Boundary, for lands in and around the airport.

Implementation Measure 9.2.2: City will act on its implementation plan to provide sewer and water service to the airport when economically feasible to do so.

Goal 10: Develop and maintain a clear distinction between aviation and non-aviation development requirements and the role of the FAA in the development review process in both areas.

Policy 1: Coordinate with FAA to develop separate procedures for review of aviation related and non-aviation related development with an eye towards creating a predictable set of requirements and streamline review timelines particularly for non-aviation related development.

Implementation Measure 10.1.1: Review current version of *5190_6b FAA Airport Compliance Manual* to outline a protocol for addressing the FAA with Aviation and Non-aviation development opportunities.

Implementation Measure 10.1.2: Create a procedure policy that addresses requirements stated in *5190_6b FAA Airport Compliance Manual* combined with needs of local developers to present to the FAA for review.

Implementation Measure 10.1.3: Incorporate agreed upon review procedures into City codes.

Policy 2: Explore opportunities to leverage non-aviation development areas (including reconfiguring, leasing, or selling), to further aviation/non-aviation development objectives.

Goal 11: Strive to prepare the airfield for adaptation to changes in the national fleet and local needs in the next 15 to 20 years as design airport operations increase nationally and locally.

Policy 1: Design airfield improvements to a B-11 design craft during the next 10 to 15 years or until a new master plan is conducted or enplanements warrant a change in classification.

Implementation Measure 11.1.1: Use B-II design criteria to a) redesign apron area; b) separate taxiway "E" from RW 2; c) separate intersecting runways; d) install new taxiway between taxiway A and relocated RW 2 threshold; e) correct non-standard geometry at taxiway "A", "D" and RW 2 threshold.

Policy 2: Prepare for future C-II growth.

Implementation Measure 11.2.1: Invest in additional airside land purchases to prepare for the changes in runway protection zones and flight patterns required for a C-II airport.

Implementation Measure 11.2.2: Base zoning codes, noise contours, and land use policy updates to protect land use around the airport for the future C-II classification.

Subsection updated by Ordinance No. 2128 (February 5, 2018).

PORT OF NEWPORT*

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

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

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

**Subsection added by Ordinance No. 2056 (September 5, 2013).*

***General Policies 6 & 7 added by Ordinance No. 2093 (May 19, 2016)*

PARKS AND RECREATION

In June 2018, the City of Newport commissioned an update of its Park System Master Plan. The process included evaluating community priorities, future needs, and sustainable funding sources for the network of open space, trail, park, and recreation assets within the City's UGB. It helped develop and refine the community's vision for parks and recreation through an interactive community-driven process. The planning process considered current conditions and future needs related to demographics, recreational trends, land availability, funding capacity, and partnership opportunities.

The Park System Master Plan for the City of Newport, Oregon, hereby included in this document by reference, outlines a plan for providing parks, open space, and trail systems for the City of Newport. It recommends the steps and strategies needed to implement the community's vision for its park system and establishes clear goals and strategies for enhancing the community's parks and recreation facilities through investment and development over the next 20 years. The Park System Master Plan builds on the community's unique assets to meet the needs of current and future residents and visitors of the city.

Specifically, the Park System Master Plan provides:

- An introduction and background on park planning in Newport
- A community vision and goals for the future parks and open space system
- An inventory and level of service analysis of existing facilities
- Recommendations for new parks and improvements to existing facilities, including improvement priorities and park design guidelines
- A plan implementation component, including a project timeline, implementation strategies, project costs, and funding strategies
- A Capital Improvement Component that summarizes information and recommendations related to costs and funding associated with existing and future facilities
- Detailed design guidelines
- A climate appropriate planting palette
- Recommendations related to maintenance, staffing, and partnerships
- A complete list of community engagement activities conducted throughout the project

Existing Assets

The City of Newport has a robust system of existing parks, trails, and recreation facilities and a rich natural environment that provide excellent opportunities for recreational activities for residents and visitors. Among its unique assets are:

- The Pacific Ocean, including numerous beach access points, stretches of sandy beaches, and picturesque rocky cliffs.
- Four state and federal parks and recreation areas totaling over six hundred acres that serve as regional and statewide destinations, including Agate Beach State Recreation Site, South Beach State Park, Yaquina Bay State Recreation Site, and Yaquina Head Outstanding Natural Area and lighthouse.

**Section replaced in its entirety by Ordinance No. 2155 (September 16, 2019)*

- A variety of neighborhood parks, mini parks, and pocket parks providing opportunities for many residents to access recreation opportunities close to home, and a network of paved and soft-surface trails connecting parks and neighborhoods throughout the city.
- Over seven hundred acres of undeveloped open space at 18 different locations, including wetlands, forests, walking trails, and other opportunities for passive recreation.
- A 45,000 square foot state-of-the-art Recreation Center, including two gyms, a cardio fitness area, indoor running track, classrooms, multipurpose rooms, and a dance studio.
- A new year-round indoor Aquatic Center with recreational swimming, swim lessons, lap swims, water fitness, special event swims, swim meets, and pool rentals.
- A robust 60+ Activity Center, where residents age 60 or older can gather, participate in a variety of drop-in activities, and partake in classes, lectures, field trips, health and wellness opportunities, socializing, and more.
- City, School District, and other facilities that offer opportunities for people of all ages to participate in a wide variety of sporting activities, including basketball, wrestling, track and field, indoor and outdoor soccer, and more.
- Partnerships with local community groups and organizations that help the City leverage additional resources to provide, support, and maintain park and recreational facilities and programming.

The City's existing park and recreation facilities are an excellent foundation upon which to build and develop a more robust system of parks, trails, and other facilities to serve the City's residents and visitors. The existing park system includes the following types and numbers of facilities:

Parks

- Mini-Parks (3)
- Pocket Parks (4)
- Neighborhood Parks (11, including four facilities owned by the Lincoln County School District)
- Destination Parks (4, all owned by state or federal agencies)

Special Use Facilities

- Dog parks (2 total, 1 owned by the City of Newport, 1 owned privately)
- Skate park
- Piers and docks (4 total, 2 owned by the City of Newport, 2 owned by the Port of Newport)
- Other special use facilities, such as the 60+ Center, Recreation and Aquatic Center, waysides, etc. (13 total; 8 owned jointly or completely by the City of Newport)
- Beach Access Points (14)
- Open Space Areas (12)
- Undeveloped Sites (6)
- Trails and trail corridors (6)

These facilities are mapped in Figures 1 and 2.

FIGURE 1. PARK INVENTORY MAP - NORTH

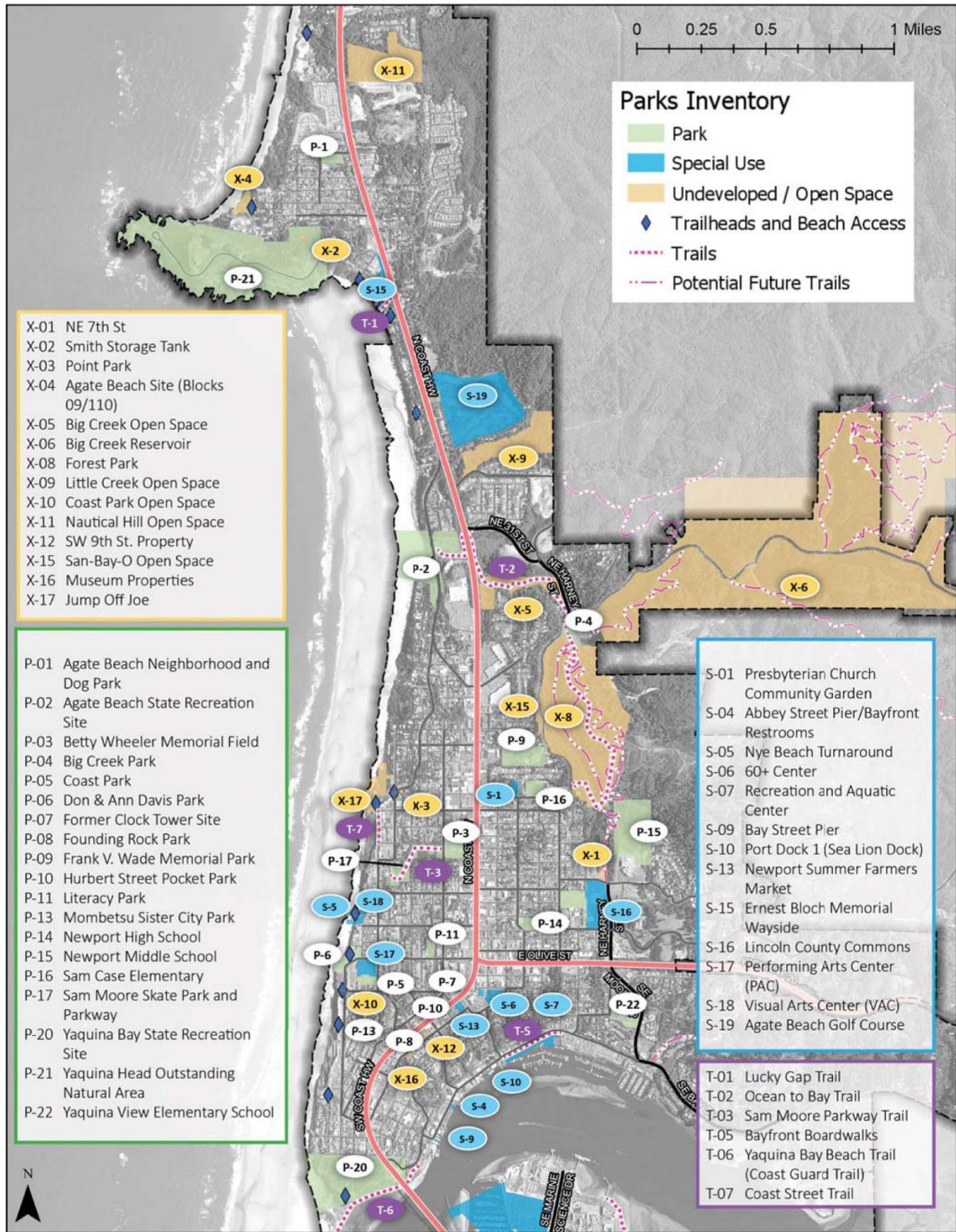
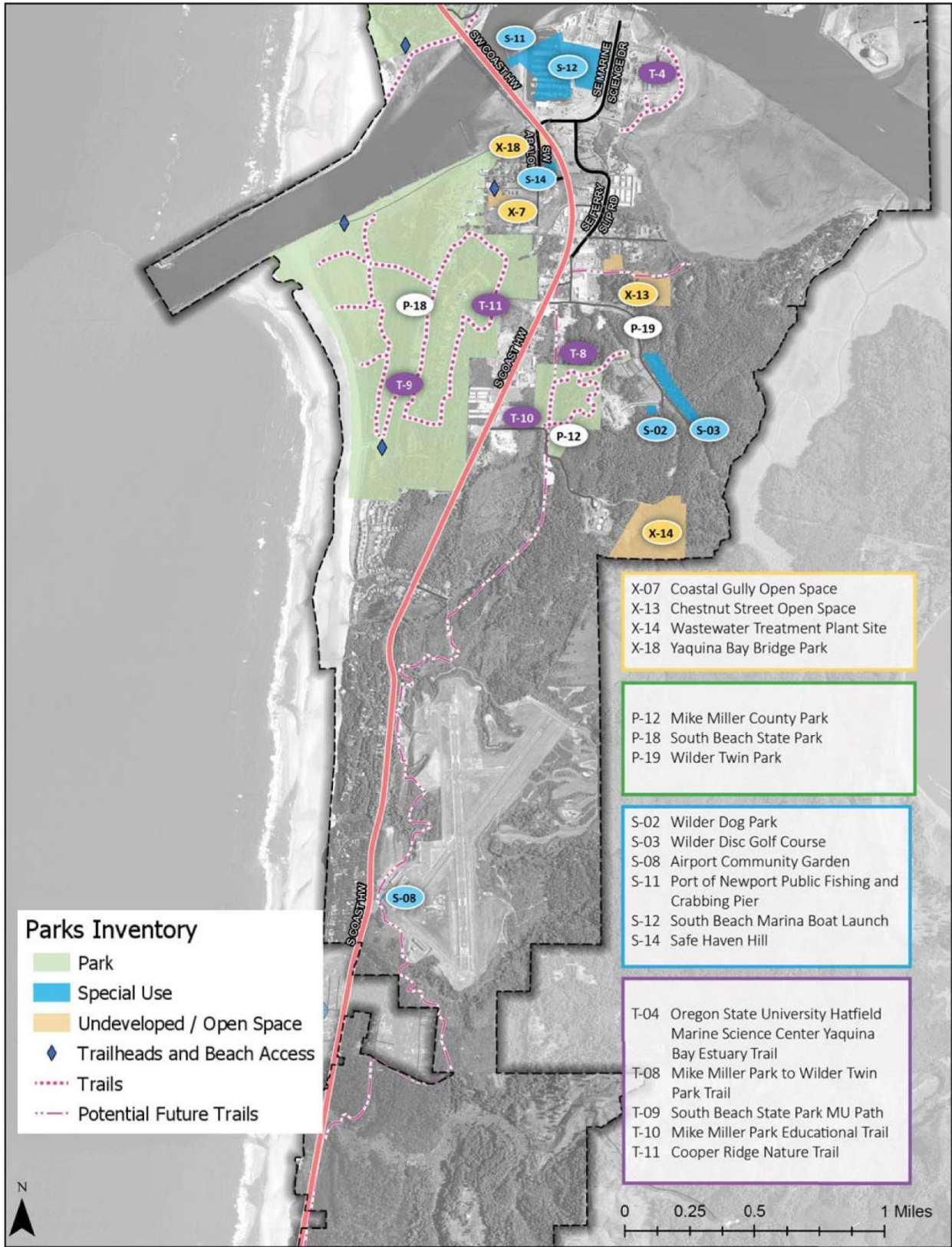


FIGURE 2. PARK INVENTORY MAP - SOUTH



Community Engagement

To ensure that the Park System Master Plan accurately reflects the needs and values of the Newport community, the project team utilized a combination of traditional outreach tools and innovative approaches to reach a broad range of the population, including minority groups and populations that are traditionally underserved by park and recreation amenities. Specific groups targeted for outreach included Newport's growing Latinx community, high school and elementary school children, and aging populations.

Hundreds of Newport community members participated in the Master Plan update process through a multi-faceted community engagement program. People of diverse demographics, of all ages, from different neighborhoods, and with a range of experiences, perspectives, and needs contributed their insights and ideas for enhancing Newport's parks. In-person and online events and activities created convenient opportunities for people to share their insights. Outreach forums included Project Advisory Committee (AC) meetings, community open houses, online surveys, stakeholder meetings, Facebook advertisements, radio show interviews, pop-up dot board exercises, and outreach to local schools.

Park System Master Plan Objectives

The City of Newport continues to experience growth and is also undergoing shifts in its demographics. Residents age 65 years and older now make up approximately one fourth of the City's population, and the number of residents who identify as Hispanic or Latino has nearly doubled in the last two decades. Today, over half of the City's residents are renters. Given these changes to the City's population, it will be important to consider the needs of future residents and visitors when thinking about how to further develop and improve upon the City's park system.

Some objectives of the Park System Master Plan include:

- Further development of an integrated multi-use trail system that connects neighborhoods, visitor destinations, open spaces, and natural areas.
- Increasing the recreational value of existing parks, including creating conceptual designs for underdeveloped spaces.
- Identifying areas underserved by parks and recreation facilities and proposing new parks and recreation facilities for serving them.
- Redesign and expansion of the Sam Moore Skate Park and associated neighborhood park and trail.
- Siting of a bicycle pump track.
- Recommendations related to siting and management of new community gardens.
- Assessing how future development of the Wolf Tree Destination Resort can be integrated into the City's park system.
- Identifying ways to increase energy and natural resource efficiency for park and recreation maintenance and operations.
- Identifying sustainable funding streams and ways to reduce ongoing maintenance requirements and costs for the City's parks, open spaces, and recreational facilities.
- Collaborating with community partners to create a park and recreation system that is attractive, sustainable, and well-maintained.

Prioritized Capital Project Recommendations

The Park System Master Plan provides near- and long-term strategies for the development, maintenance, and operation of the City’s park system. It is expected to be implemented over the next 10-20 years. Improvements identified in the Plan have been prioritized as short-term (1-5 years), medium-term (6-10 years), and long-term (11-20 years). Priorities are based on the following factors:

- Direction from Advisory Committee members, City staff, and community members
- Ability to leverage or use existing City or partner-owned sites, as opposed to needing to acquire new property
- Presence of community partner(s) with the ability and commitment to assist in making improvements in the short-term
- Level or frequency of facility use
- Level-of-service analysis and projected timing of future growth and development in areas where new parks may be needed

Table 1: Prioritized Capital Project Recommendations and Cost Estimates (2019 \$)

<i>Tier I Projects (Near Term)</i>			
<i>Project ID</i>	<i>Project</i>	<i>Park Type</i>	<i>Cost Estimate</i>
P-01	Agate Beach Neighborhood and Dog Park Improvements	Existing Park	\$ 548,853
P-02	Agate Beach Wayside Multi-Use Field	Existing Park	*n/a
P-03	Betty Wheeler Memorial Field Improvements	Existing Park	\$ 901,091
P-04	Big Creek Park Improvements	Existing Park	\$ 760,892
P-09	Frank Wade Park Improvements	Existing Park	\$ 650,286
P-17/T-J	Sam Moore Park and Trail Improvements	Existing Park and Trail	\$ 1,394,688
P-06	Don and Ann Davis Park (Grassy Area)	Existing Park	\$ 556,502
S-A	South Beach Marina Non-Motorized Boat Launch and Access Improvements	New Special Use	*n/a
P-D	Lincoln County Commons Multi-Use Fields	New Special Use	\$10,000 - \$20,000
S-05	Nye Beach Turnaround - Universal Beach Access	Beach Access	\$ 50,000 - \$ 500,000
T-B	13th Street and Spring Street - Restored Beach Access on Public Land	Beach Access	\$ 50,000 - \$ 500,000
T-H / T-I	Ocean to Bay Trail Improvements	Existing Trail	\$ 223,587
T-L / T-M	Yaquina Bay Beach (Coast Guard) Trail	Existing Trail	*See Table 3
X-08	Forest Park Trail Improvements	Existing Trail	\$ 113,022
T-G	Big Creek Reservoir Trail System	New Trails	\$ 3,157,048
<i>Tier II Projects (Medium Term)</i>			
X-01	Pocket Park on NE 7th Street	New Park	\$ 50,000 - \$ 150,000

P-J	Mini Park at South End of Yaquina Bay Bridge	New Park	\$ 486,277
S-08	Community Gardens at the Newport Municipal Airport	New Special Use	\$ 8,000 - \$ 15,000
S-B	Marine Science Drive Non Motorized Boat Launch	New Special Use	\$ 20,000 - \$ 50,000
P-06	Don and Ann Davis Park - Beach Access Improvements	Beach Access	\$ 50,000 - \$ 500,000
P-C	Improved Beach Access at Jump-Off Joe	Beach Access	\$ 50,000 - \$ 500,000
T-K	Ocean to Bay Trail Completion	New Trail	*See Table 3
T-O	Chestnut Street Open Space and Trail	New Trail	\$ 200,000 - \$ 400,000
T-N	Coastal Gully Open Space Trail	New Trail	\$ 713,427
T-P/S-08	Trail Connections from Mike Miller Park to Newport Municipal Airport and Areas to the South	New Trails & Connections	*See Table 3
X-15	San-Bay-O Trail Connection	New Trail	*See Table 3
T-C	Agate Beach Neighborhood & Ernest Bloch Wayside Trail Connection	New Trail	*See Table 3
T-F	Pollinator Habitat Restoration on 101	New Habitat	\$ 10,000 - \$ 1,000,000
<i>Tier III Projects (Long Term)</i>			
P-05	Coast Park Improvements	Existing Park	\$ 114,660
P-13	Mombetsu Park Improvements	Existing Park	\$ 37,674
P-20	Yaquina Bay State Park Improvements	Existing Park	\$ 131,040
P-A	North Newport Neighborhood Park	New Park	\$ 400,000 - \$750,000
P-E	Mini Park South of Highway 20	New Park	\$ 50,000 - \$150,000
P-K	Additional Wilder Neighborhood Park	New Park	\$ 400,000 - \$750,000
P-M	Wolf Tree Destination Resort Recreational Amenities	New Park	\$ 400,000 - \$750,000
S-02	Wilder Dog Park Improvements	Special Use	\$ 124,488
T-08	Wilder Trail Improvements	Existing Trail	*See Table 3
T-R	Nautical Hill Open Space Trail	New Trail	*See Table 3
T-S	Oregon Coast Trail - Restored Access on Public Land	Beach Access	\$ 50,000 - \$500,000

* Detailed cost estimates are provided for improvements to existing facilities and for new facilities in cases where an estimate was previously prepared for the City. General cost estimates are provided for new park facilities based on unit costs per acre and are presented as a cost range. The costs of trail projects are detailed in Table 3. Cost estimates were not generated for certain non-City owned projects.

Cost Estimates

As part of the process of developing the Park System Master Plan, the project team estimated costs for each improvement project. The level of detail of the cost estimates varies as follows:

- General cost estimates are provided for new park facilities based on unit costs per acre and are presented as a cost range. Costs for these facilities do not include soft costs or land acquisition costs.
- Unit costs per lineal feet are provided for new trails.

- For most improvements to existing facilities, costs are provided for specific improvements based on typical costs of such improvements in other municipalities. These estimates include soft costs.
- For selected facilities where conceptual diagrams of improvements were created, more detailed costs have been provided. These estimates also include soft costs.

All costs represent planning-level costs. “Planning-level” costs are general in nature and are based on the approximate number and size of components of a facility or on a conceptual plan, coupled with estimated unit costs for typical materials or amenities anticipated for the facility. They are in contrast to more accurate cost estimates that are based on detailed facility designs and quotes or bids from manufacturers, vendors, or contractors. In some cases, general cost estimates for new facilities represent a very wide variation from the low to the high end of the estimate. Trail costs have not been estimated although costs per lineal foot of different types of trails are included in Table 3. More accurate costs will need to be developed as part of detailed master plans prepared for individual facilities. Table 2 summarizes total costs by type of improvement.

Table 2: Estimated Cost Ranges for New Facilities (2019 \$)

<i>Park Type</i>	<i>Total Construction Cost</i>	
	<i>Low</i>	<i>High</i>
Mini-Park, Pocket Park	\$50,000	\$150,000
Neighborhood Park	\$400,000	\$750,000
Special Use	\$8,000	\$50,000
Open Space	\$200,000	\$400,000
Beach Access	\$50,000	\$500,000

Table 3: General Cost Estimates for Proposed New Trails (2019 \$)*

<i>12' Asphalt (LF)*</i>	<i>8' Asphalt (LF)</i>	<i>8' Soft Surface (LF)</i>	<i>6' Asphalt (LF)</i>
\$48.00	\$32.00	\$24.00	\$24.00

* Cost includes subbase. Cost could vary 2-4 times linear foot based on impacts, terrain, location (urban verse rural), and other amenities

Table 4: Summary of Total Estimated Project Costs (2019 \$)*

	<i>Specific Projects</i>	<i>General projects</i>	
		<i>Low</i>	<i>High</i>
Tier I	\$7,525,881	\$110,000	\$1,020,000
Tier II	\$1,756,206	\$328,000	\$1,115,000
Tier III	\$407,862	\$1,300,000	\$2,900,000
Total	\$9,689,949	\$1,738,000	\$5,035,000
	Total All Projects*	\$11,427,949	\$14,724,949

* Does not include Highway 101 Pollinator Project, given extreme cost range

The estimated cost of improvements identified in the Park System Master Plan, equating to an average expenditure of around \$570,000-\$740,000 per year, is significantly higher than the estimated available revenue from existing sources. It will be critical for the City to explore adoption of additional funding sources to achieve the goals and implement the improvements identified in the Plan.

Funding Strategies

Current sources of parks and recreation funding include fees, fines and forfeitures (including user fees for specific park and recreation facilities), transfers from the city's General Fund, transfers from the City transient lodging tax, and a small amount of revenue from investments. The City of Newport already uses several common funding sources to fund park and recreation projects, but could revisit, modify, or streamline these sources based on further analysis to improve their efficiency. There are also several potential funding sources not currently used by the City of Newport that may be worth consideration. Existing and potential funding sources for parks and recreation are detailed in Table 5.

Table 5: Park and Recreation Funding Sources

<i>Funding Mechanism</i>	<i>Source</i>	<i>Capital Projects</i>	<i>Repair & Maintenance</i>	<i>Programs, Events</i>	<i>Used in Newport?</i>
System Development Charges (SDCs)	City	x			✓
General Fund	City	x	x		✓
Urban Renewal	City	x			✓
Local Option Levy	City	x	x		
General Obligation, Revenue or Other	City	x			✓

Bonds					
Ticket Sales, Admissions (User Fees)	City		x	x	✓
Membership and Season Pass Sales	City		x	x	✓
Transient Room Tax	City	x	x		✓
Food and Beverage Tax	City	x	x	x	
Friends Associations (Parks Foundations)	Private	x	x		
Volunteer Programs	Private	x	x	x	✓
Stormwater Utility Fee	City	x	x		
Parks Maintenance Fee	City		x		
Grants	State, Foundations	x	x	x	✓
<i>General Purpose or Operating Grants</i>					
<i>Planning Grants</i>					
<i>Facilities and Equipment Grants</i>					
<i>Matching Grants</i>					
<i>Management or Technical Assistance Grants</i>					
Program-Related Investments (PRIs)	Foundations	x			
Corporate Sponsorships	Private	x	x	x	
Parks District	Public	x	x		
Gifts	Public	x	x	x	✓

Adoption or revision of any of these funding mechanisms will require a significant amount of analysis, including extensive community discussion and an assessment of the potential political and public support or acceptance of the funding mechanisms.

GOALS AND POLICIES PARK AND RECREATION ELEMENT

Goal 1: Provide a Park System that is visually attractive and well-maintained and that can continue to be maintained and improved in a financially and environmentally sustainable manner over time.

Policy 1.1: Promote beautification and enhanced stormwater management through the use of climate-appropriate, ocean friendly design and landscaping.

Implementation Measure 1.1.1: Utilize low impact development practices when making park improvements, including retaining native vegetation, minimizing impervious surfaces, selecting pervious materials for paved parking areas, walkways, and hardscaping, and creating rain gardens and bioretention facilities.

Policy 1.2: Ensure that vegetation used in the City's parks and open spaces be able to withstand local weather and climatic conditions and be as inexpensive and resource-efficient as possible to maintain.

Implementation Measure 1.2.1: Develop and periodically update a written manual for the care, preservation, pruning, planting, replanting, removal, and disposition of trees and plantings in parks, along public streets, and in other public places.

Implementation Measure 1.2.2: Train parks maintenance personnel in fundamentals of landscape and grounds maintenance.

Policy 1.3: Consider materials, durability, accessibility, maintenance needs, and life-cycle costs when making decisions about, and budgeting for, proposed improvements and expansions to park and recreation facilities, including restrooms.

Implementation Measure 1.3.1: Use durable, weather-resistant, environmentally friendly materials for park facility furnishing and amenities to reduce repair and replacement frequency and costs.

Implementation Measure 1.3.2: Develop City standards for site furniture and wayfinding to ensure signage is consistent throughout the city and furnishings are durable, consistent, and attractive. Coordinate with City committees as part of these efforts.

Implementation Measure 1.3.3: Develop a City policy for memorial items that includes considerations for long-term maintenance.

Policy 1.4: Explore options for how to most efficiently allocate, organize, and budget for adequate staffing to meet desired service levels.

Implementation Measure 1.4.1: Identify and develop metrics to track quality of service as relates to Park and Recreation Department staffing levels and to assess productivity and quality of parks maintenance.

Implementation Measure 1.4.2: Use established metrics to assess and make informed decisions about adequacy of current Parks Maintenance and Park and Recreation staffing levels and to determine how to most efficiently allocate Parks Maintenance staffing resources.

Implementation Measure 1.4.3: Leverage temporary employees as a cost-effective way to meet peak season needs.

Implementation Measure 1.4.4: Consider implementing an online form or hotline for parks maintenance requests.

Policy 1.5: Secure funding for capital improvement projects and maintenance needs identified in the Park System Master Plan.

Implementation Measure 1.5.1: Include Park System Master Plan capital projects on the list of capital improvement projects eligible to be funded with SDC revenues, where such projects are needed to accommodate future community growth. Assess viability of increasing Parks SDC collections to provide additional funding for capital projects.

Implementation Measure 1.5.2: Initiate a process to define and prioritize objectives for park and recreation fee pricing to arrive at a set of cost recovery targets. Consider conducting a concurrent market assessment to identify going market rents for comparable facilities in the City's market area.

Implementation Measure 1.5.3: Be proactive about negotiating development agreements within Urban Renewal Areas in the interest of leveraging partnerships with private developers to create new park spaces.

Implementation Measure 1.5.4: Utilize visitor revenues to help fund development and maintenance of park and recreation facilities.

Implementation Measure 1.5.5: Leverage matching grants and community partnerships to supplement City funding.

Implementation Measure 1.5.6: Conduct a cost-benefit analysis of hiring a part-time grant writer.

Implementation Measure 1.5.7: Explore the creation of a Parks District funded by local property taxes and/or service fees to provide parks, open spaces, trails, and community programs within the district.

Policy 1.6: Maintain capital reserves to replace or make major repairs to City-owned park and recreational facilities.

Implementation Measure 1.6.1: Establish the total value of parks and recreational assets, including park equipment and improvements, and conduct analyses to estimate each asset's full life cycle costs. Set replacement reserve targets at an annualized level commensurate with cost estimates, using ten percent of each asset's operating revenue as a recommended benchmark.

Policy 1.7: Work with community stakeholders, including neighbors, the Chamber of Commerce, and service organizations, to encourage volunteer maintenance of City parks and trails, including regular litter pickup and quarterly or annual invasive vegetation removal.

Implementation Measure 1.7.1: Evaluate the potential benefits and required resources needed to implement an organized volunteer program, and determine whether the City has the capacity to implement the program.

Implementation Measure 1.7.2: Develop formal agreements regarding maintenance commitments and duration from partners and volunteers, including a liability waiver component.

Goal 2: Incorporate and develop a system of multi-use trails offering opportunities for a full range of activities and ability levels.

Policy 2.1: Maintain and expand the multi-use path and trail system.

Implementation Measure 2.1.1: Identify opportunities within the city for creating non-motorized connections to existing and planned trails.

Implementation Measure 2.1.2: Identify the need for trailhead facilities (e.g., parking areas, wayfinding signage, trash receptacles, etc.) and ongoing maintenance in connection with planning for future trails.

Implementation Measure 2.1.3: Prepare a more detailed plan for the City's trail system, including classes of trails, trailheads, wayfinding and signage, parking areas, and other amenities.

Implementation Measure 2.1.4: Establish a City trail-building and maintenance program that provides opportunities for volunteer involvement.

Implementation Measure 2.1.5: Develop connector trails that provide direct bicycle and pedestrian access from neighborhoods, visitor destinations, schools, and parks onto the City's major trail networks.

Implementation Measure 2.1.6: Develop a maintenance program for the Bayfront boardwalks.

Policy 2.2: Work with airport staff to identify, map, and further describe opportunities for community use of trails and other facilities on airport property in a manner consistent with the Airport Master Plan.

Implementation Measure 2.2.1: Develop a formal agreement regarding scope of permissible community use of, and future improvements to, trails on airport property.

Implementation Measure 2.2.2: Partner in securing easements across intervening properties between the airport and existing or planned trails and other recreational facilities.

Implementation Measure 2.2.3: Coordinate tree clearing and brushing outside the runway protection zone with potential trail expansion opportunities.

Policy 2.3: Coordinate with community groups on proposed plans for development and maintenance of trails.

Implementation Measure 2.3.1: Encourage trail advocates to create a formal organization such as a 501(c)(3) non-profit which could enter into an agreement with the City to commit to initial trail-building and future maintenance activities.

Goal 3: Meet a full range of indoor and outdoor recreational needs for all ages by including opportunities and facilities for active and passive recreation, sports, socializing, environmental and cultural education, and enjoyment of nature.

Policy 3.1: Serve all areas of the city in an equitable and effective manner.

Implementation Measure 3.1.1: Work with private developers to identify, dedicate, and improve park areas as part of future development projects, with a focus on providing additional park and recreational facilities that meet residents' needs and are consistent with the Vision and Goals of the Park System Master Plan.

Policy 3.2: Focus City and other local resources on meeting the needs of residents while also appealing to visitors.

Implementation Measure 3.2.1: Identify potential sites, acquisition and operating costs for future development of City owned multi-purpose fields.

Implementation Measure 3.2.2: Develop new informational materials for residents and visitors about City parks and trails.

Policy 3.3: Provide amenities within facilities to meet users' basic needs such as drinking fountains, restrooms, benches, shelters, and flexible open lawn areas.

Policy 3.4: Develop and maintain accessible, all-weather facilities to accommodate small and large group gatherings throughout the year, including picnic shelters, plazas, and other public gathering spaces.

Policy 3.5: Ensure that facilities are planned, designed, and constructed to be safe, easy to maintain, inclusive, and accessible to individuals of all ages, abilities, backgrounds, and income levels.

Implementation Measure 3.5.1: Periodically evaluate community perceptions of, and any gaps in, safety, accessibility, and maintenance of facilities through surveys, evaluation forms, and community outreach.

Implementation Measure 3.5.2: Develop recommendations related to siting, design, implementation, and management of new community gardens with a focus on providing accessibility to individuals of all ages, abilities, backgrounds, and income levels.

Policy 3.6: Take an active role in coordinating with field users to help develop and implement a coordinated approach to scheduling, use, and improvement of local playing fields.

Goal 4: Maintain and improve public access to the beach and improve recreational access to the Bay, including enhancements for people with limited mobility.

Policy 4.1: Acquire land or easements to create beach access points in areas where there are currently gaps, and to improve existing access that is in poor condition.

Implementation Measure 4.1.1: Seek opportunities to acquire property through the County's tax foreclosure process, depending on the location, cost of access, and physical conditions or constraints of the subject property.

Policy 4.2: Pursue opportunities to make accessibility improvements and provide informational signage around beaches and the Bay through strategic partnerships.

Goal 5: Sustain and enhance partnerships with local community groups and other public agencies, including Lincoln County, the Lincoln County School District, Oregon Parks and Recreation Department (OPRD), the Port of Newport, and others to integrate and manage recreational resources in a collaborative and cost-effective manner.

Policy 5.1: Cooperate and coordinate in long-range planning for enhancements to park and trail facilities that are jointly used by residents and visitors, including proposed improvements at Yaquina Bay State Park, the County Commons, the Port of Newport, the Agate Beach State Recreation Site, and South Beach State Park.

Implementation Measure 5.1.1: Partner in acquiring land for or constructing facilities intended for community use within or adjacent to OPRD facilities.

Implementation Measure 5.1.2: Partner in pursuing grants and funding opportunities for improvements to jointly used park, trail, and recreation facilities.

Policy 5.2: Support plans for development of multi-purpose playing fields and a play area at the County Commons site.

Implementation Measure 5.2.1: Engage community members and neighboring residents, including families with children, to identify priority needs for the proposed multi-purpose playing fields and play area at the County Commons.

Policy 5.3: Support local organizations in their commitment of labor and resources to help improve and maintain playing fields.

Implementation Measure 5.3.1: Provide technical support in determining the most cost-effective design for future improvements to existing and new fields.

Policy 5.4: Partner with School District on use of expertise, labor, and equipment in making improvements to City fields.

Policy 5.5: Work together with local partners to schedule joint use of playing fields and facilities in an equitable, efficient manner.

Implementation Measure 5.5.1: Regularly review and update joint use agreements with community partners approximately every three to five years.

Implementation Measure 5.5.2: Establish a set of procedures for allocating and scheduling use of fields by local sports teams and/or other community members concurrent with development of the proposed multi-purpose open space at the Agate Beach State Recreation Site and the proposed multi-purpose playing fields at the County Commons.

Goal 6: Preserve and maintain large contiguous natural areas for use as open space, wildlife habitat, and passive recreation areas.

Policy 6.1: Prioritize conservation of significant open spaces and natural resource areas, including beaches and headlands, midcoast watersheds, the Yaquina Bay Estuary, rivers, streams, forests, and fish and wildlife habitat.

Implementation Measure 6.1.1: Develop a management plan for open space and passive recreational areas, emphasizing that any development in these areas be done in an environmentally friendly and sustainable manner.

Implementation Measure 6.1.2: Assess whether or not the City should establish open space provisions tied to large scale development in code.

FIRE EMERGENCY SERVICES

Introduction:

The City of Newport's fire protection operations are housed at 245 N.W. 10th Street. Constructed in 1981, the station provides ample space for equipment and vehicle storage, training rooms, and dispatch and office space. It is a mixed volunteer/ paid department, with a paid engineer on duty round the clock. All other personnel, whether paid or volunteer, are on 24 hour call.

Summary, Existing and Future:

The Insurance Grading Schedule provides a yardstick for the Insurance Services Office (ISO) in that it classifies municipalities on their fire defenses and physical conditions. The City of Newport is currently rated 4 on the ISO scale of 1-10, "1" being the highest level of protection and "10" being none. To receive a better rating would likely require additional staffing beyond the current level of paid personnel: a chief, a fire prevention officer, and three engineers. Citizens decide the level of safety they wish to fund balanced against the costs of achieving such.

The most significant factor in determining a rating is "fire flow." Required fire flow is the rate of water flow needed for fire fighting to confine a major fire to the buildings within a designated area. The determination of this flow depends upon the type of construction, occupancy, size of buildings, and exposure hazards. Fire flow is periodically tested at various hydrant locations throughout the city. Response requirements are factored by a combination of fire flow, distances of coverage, types of property protected, densities, and equipment. The four engines and one ladder company now at the centrally located station house are adequate to support our ISO service level rating of 4.

The Newport Fire Department also provides protection within the rural fire district, which extends from the city limits to Beverly Beach to the north, Wandamere to the south, and along the Bay Road six miles to the east. Development of the proposed Wolf Tree Resort at the extreme south city limits, or another development of comparable impact in the South Beach area, will necessitate a station in the vicinity of the Newport Municipal Airport. Indeed, the City of Newport has identified the airport as the future site of a station, as well as city-owned property on the north end of town in the vicinity of Highway U.S. 101 and N.W. 60th Street. When these stations are built (as development

densities warrant), there should be at least one person on duty at all times. This will require a crew of four for each sub- station. Construction of a permanent U.S. Coast

Guard Helicopter Station at the airport, expected by 1992, may also trigger the need for a manned station at this location.

Adequate personnel, immediately available, is essential to drive and operate apparatus and to perform the needed fire ground operations to protect life and property. Paid personnel perform the following duties: receive and transmit alarms to the volunteers, respond to fire calls, operate apparatus, maintain equipment, and train volunteers. The average number of personnel responding to fires and emergencies in 1988-89 was 21 per alarm. Typically, a higher level of response is generated by structural fires, while fewer attend motor vehicle accidents (MVAs) or lesser incidents.

Newport has no facility for practical training at the present time. All training other than in the classroom is done on the street, on station grounds, or on site, and regular practice sessions are provided for both paid and volunteer personnel.

Although Newport's population has increased, the number of fire alarms responded to by the department has leveled out over the past several years after peaking in 1983 (Figure 1 on the next page), a peak most certainly the result of the large number of wood stoves installed in the couple of years prior to 1983. Medical calls, where the department routinely responds to MVAs and supports the Lincoln County Ambulance Company on life-threatening calls, have varied from year to year with no strong trending. In the 10 year period from 1979 to 1988, the trend in total calls, regardless of type or origin, showed an average rate of increase of about 7%.

The City of Newport has "mutual aid" agreements with all intergovernmental agencies and departments that border the Newport Rural Fire Protection District to back one another up in emergencies. Also, the city has similar terms with the U.S. Coast Guard, and they provide on-the-water protection for both vessels and shore front structures.

Conclusions:

- 1.) The City of Newport's ISO rating of 4 is a quality rating for communities of our size. To attain a 3 would require significant additional personnel, and the result would not be certain as other factors strongly influence the rating.
- 2.) Volunteers are the key to Newport's present fire fighting system, as well as the reason for its relatively low cost.
- 3.) ISO ratings consider the available water supply a prime factor as much as the efficiency of the fire department.

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GOALS/POLICIES/IMPLEMENTATION MEASURES
FIRE EMERGENCY SERVICES

Goal: To protect life and property from the hazards of fire and toxic spills and to support medical personnel in life-threatening situations, disasters, and other emergencies.

Policy 1: The City of Newport shall encourage volunteers with financial support (off-setting out-of-pocket costs), appropriate recognition, and training.

Policy 2: Improvements in the adequacy and reliability of the water distribution system shall incorporate ISO rating factors as part of the overall design consideration.

Policy 3: The city shall work cooperatively with private ambulance companies to coordinate response to life-threatening emergencies.

Policy 4: The city shall involve itself fully in its role as a participant in the county-wide disaster plan.

Policy 5: The city shall monitor development levels, programming capital construction of new facilities as needed.

Policy 6: The city shall maintain mutual aid agreements with other governmental departments and agencies adequate to meet all reasonable contingencies.

Implementation Measure 1: Formalize an apparatus replacement program.

Implementation Measure 2: In coordination with the U.S. Coast Guard schedule, build and operate a station at the airport for the protection of the airport, the Coast Guard helicopter facilities, and the South Beach area out to the city limits.

Implementation Measure 3: Acquire a site east of Newport on the Bay Road for the protection of that area.

Implementation Measure 4: Acquire a site of approximately one (1) acre in close proximity to Newport with available water, and construct a 35 foot training building.

POLICE SERVICES

Introduction:

Nearly everyone, even the youngest children, are aware of a police department's general mission to maintain order, protect persons and property from harm by others, and enforce "the law of the land" (including city ordinances in urban areas). The City of Newport's Police Department is no different, although certain priorities and practices are emphasized given the culture of the community.

As any police department is defined by the type and number of personnel available, it seems appropriate to identify the City of Newport's current staffing (1989):

- 1 Chief of Police
- 4 Sergeants
- 14 Police officers (some are assigned as detectives)
- 1 Records Supervisor/Secretary
- 2 Records Clerks
- 1 Receptionist
- 1 Parking Enforcement Officer

Closely related are the 911 Center personnel, who are operated through intergovernmental cooperation and located in the Newport Police Department. This agency dispatches emergency calls for the state, county, and city police departments.

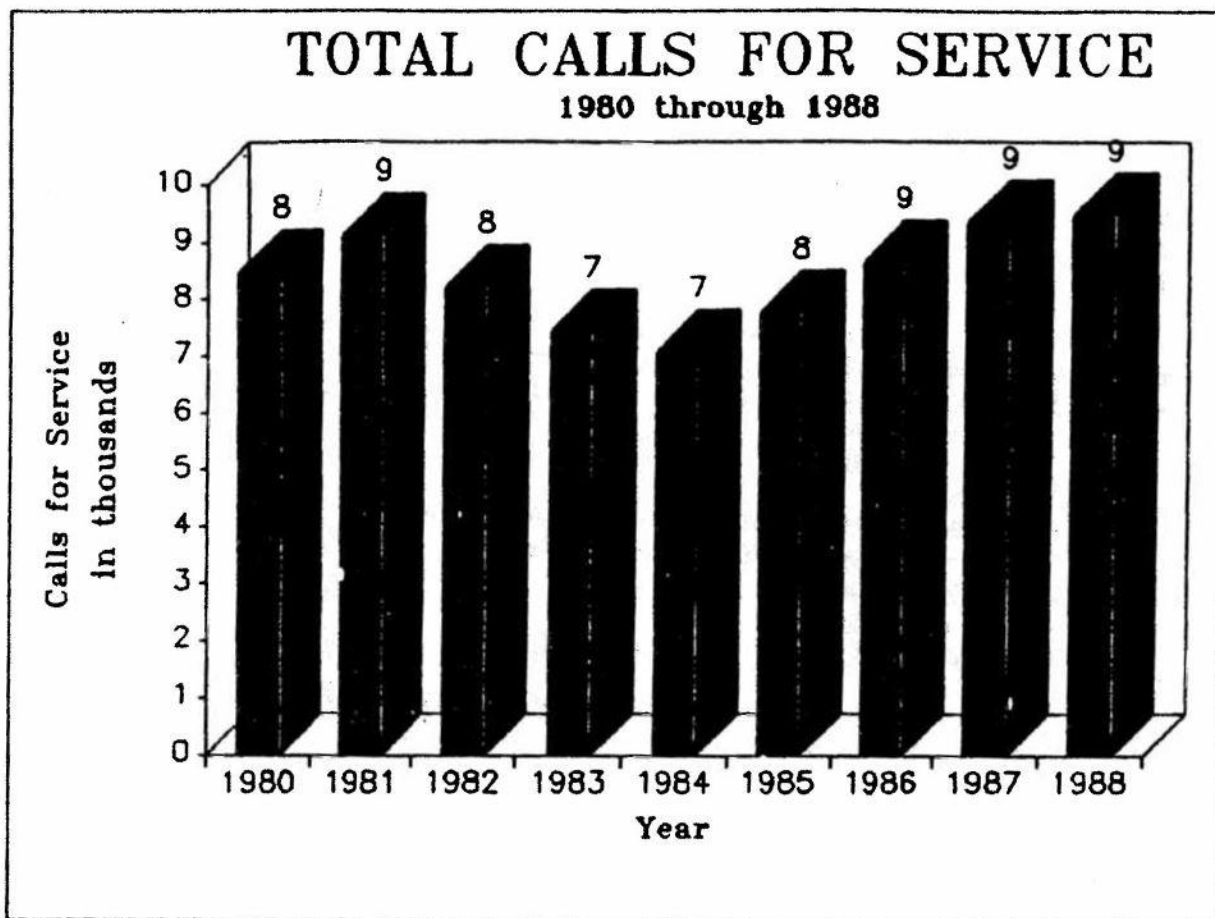
Newport's level of staffing, then, is consistent with a standard recommended ratio of two sworn officers per 1,000 population. While this is a guide, however, it should be noted that a significant non-resident population (namely, tourists) can double the size of the community during any given weekend or event, thus impacting criminal incident numbers.

Activity Levels:

Offenses have been categorized into three divisions: Part I Crimes include assault, robbery, rape, murder, burglary, theft, auto theft, and arson; Part II Crimes are those of fraud, vandalism, sex offenses, gambling, liquor violations, disorderly conduct, and runaway juveniles; and Part III Crimes consist of all lesser offenses.

Table 1 (page 361) shows the Newport Police Department's total calls for service over the past nine years. A good indicator of the overall activity level, the graph shows that little has changed over the years. Looking closer, however, one finds an increasing number of offenses being processed, particularly for Part I and Part II crimes, which add measurably to the department's work load (see Table 2 on page 362).

Table 1



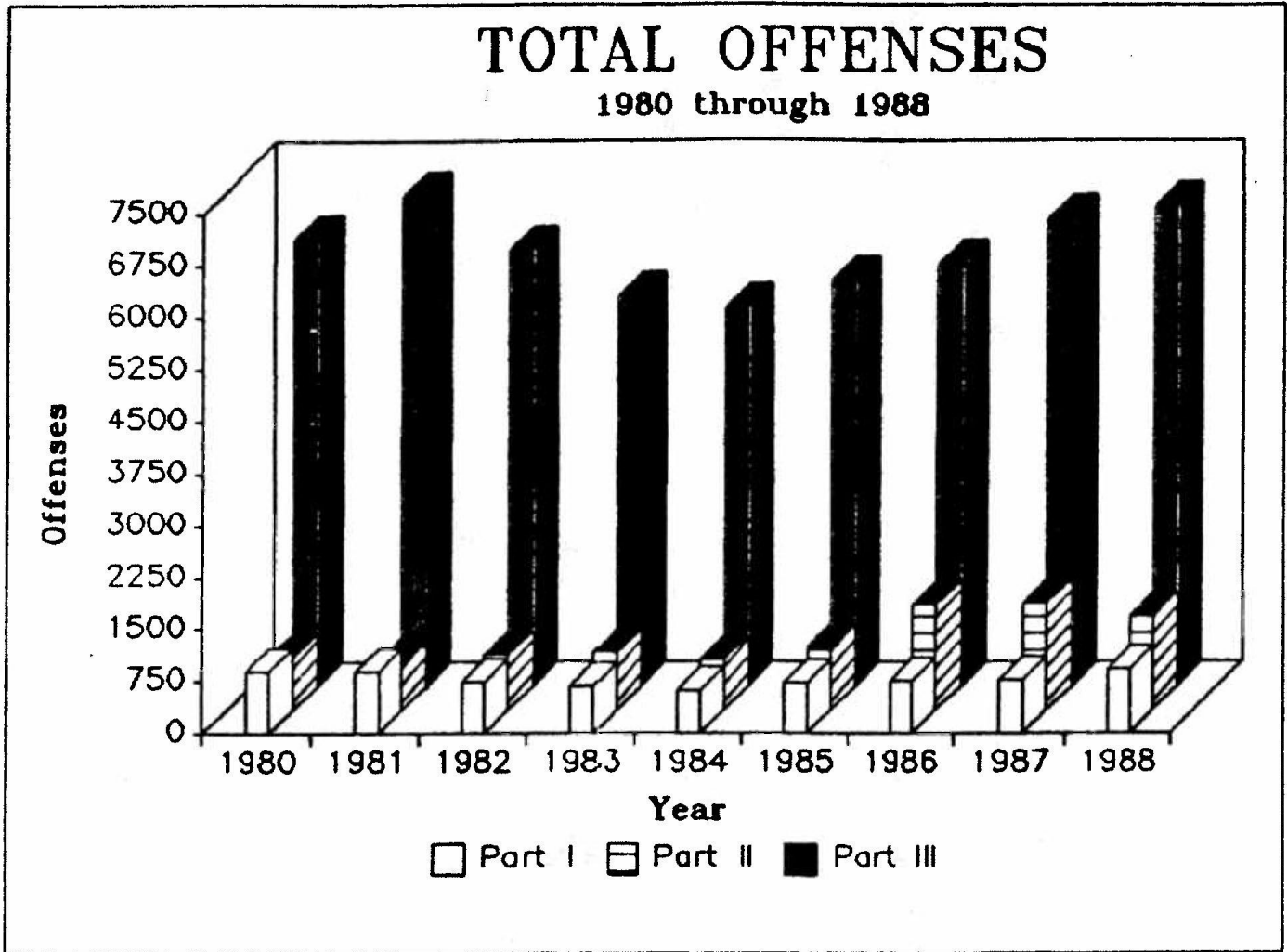
Source: City of Newport Police Department files.

Not surprisingly, the increase in offenses has led to an increase in the number of persons arrested (see Table 3 on page 363). If there's a positive here, it may be that the level of juvenile arrests has remained relatively constant.

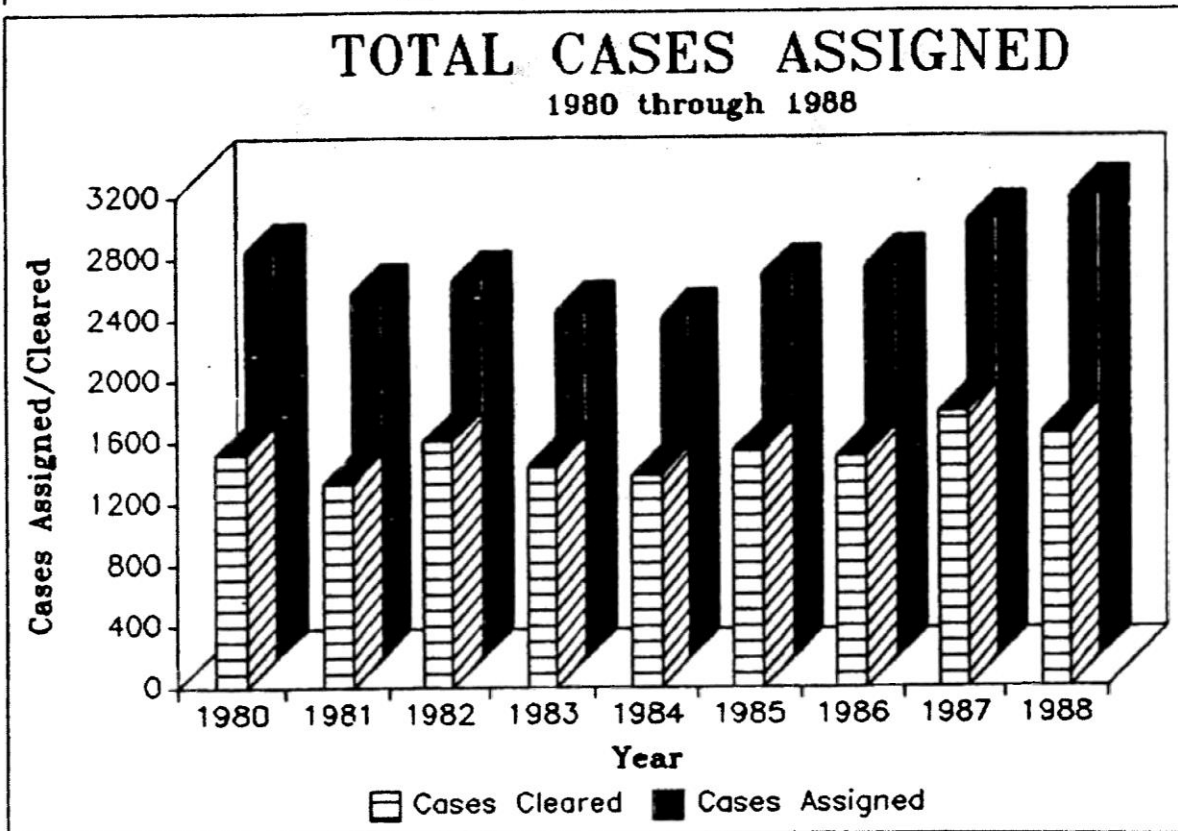
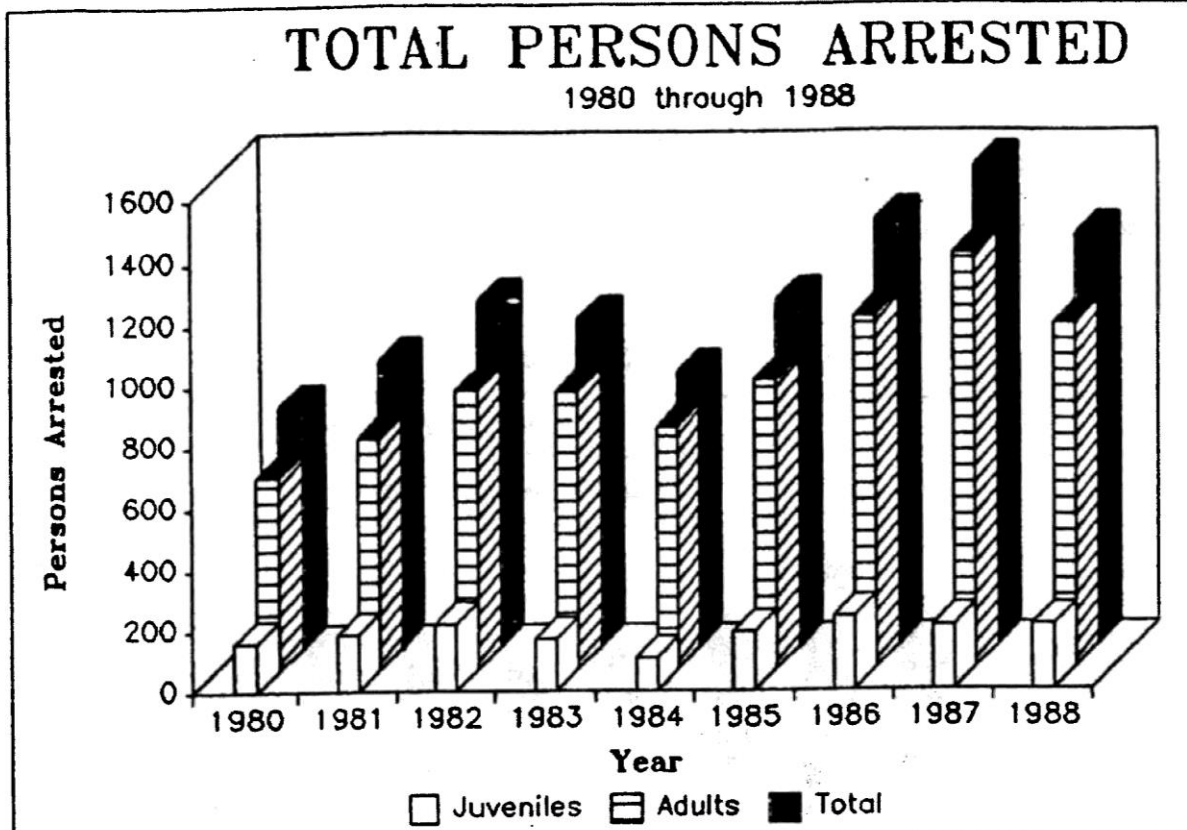
As a measure of efficiency, Table 4 (page 363) shows a relatively constant ratio of the number of cases cleared as a percent of the total assigned. Also, "holding steady" is the number of accidents (Table 5 on page 364). This is a positive indicator, given the greatly increased numbers of vehicles on the road, both resident and non-resident.

A new jail facility has been approved by the Lincoln County voters. Once built, it is expected to begin housing prisoners in 1992. This will provide badly needed space as the current facility is consistently at its capacity (26 persons). Routinely, criminals are turned away who would otherwise be incarcerated.

Table 2

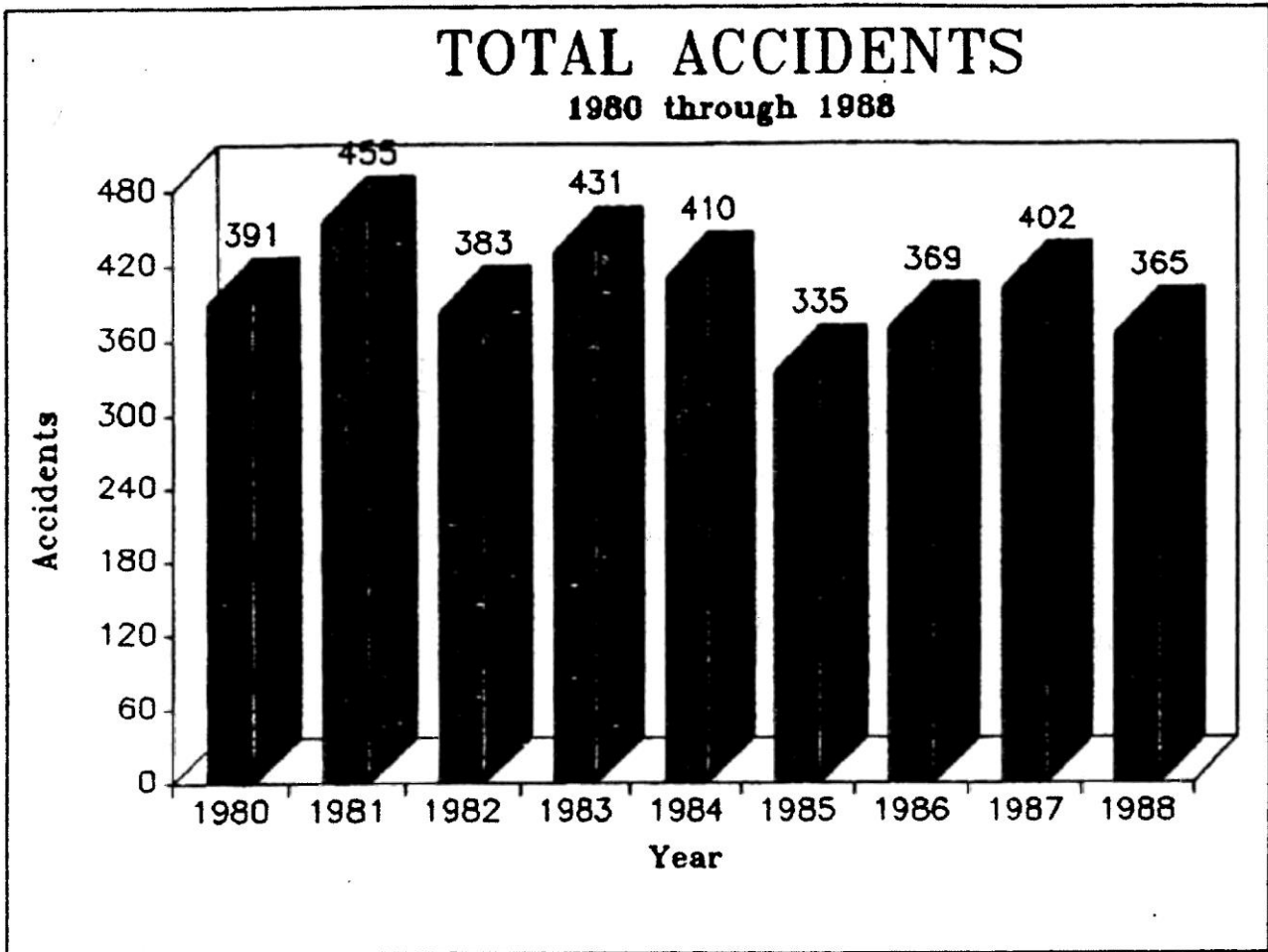


Source: City of Newport Police Department file.



source: City of Newport Police Department files.

Table 5



Source: City of Newport Police Department files.

Conclusions:

- 1.) The personnel level is adequate according to customary standards. However, given the non-resident population and current incident levels, additional staffing could be justified if local residents wished to support a higher level of enforcement.
- 2.) Serious crime has increased in recent years.
- 3.) Total calls for service have paralleled the total offense rate. They are at slightly higher levels than those of 10 years ago, although the levels declined for several years in the early 1980's.

- 4.) While caseload burden has increased, the department has been able to keep efficiency levels comparable with periods of lesser activity.
- 5.) The new Lincoln County Jail facility is expected to measurably lower the rate of incidents by keeping convicted offenders off the streets, which will act as a deterrent to others.

GOALS/POLICIES
POLICE SERVICES

Goal: The Newport Police Department seeks to improve the quality of life for Newport and its visitors by protecting persons and property from harm from others through the enforcement of federal, state, and local laws and ordinances.

Policy 1: The department shall monitor and evaluate community support for increasing the number of patrol officers.

Policy 2: The department shall continue to maintain efficiency and morale through the training and upgrading of personnel, as well as investment in computers and other support technologies.

Policy 3: The department, as part of the city's general fund, shall use a portion of the hotel/motel room tax revenues to help pay for police services necessitated by non-resident service demands.

Policy 4: The department shall encourage public education for crime prevention through programs of the department and by others.

Policy 5: The department shall support educational and crime prevention programs among youth, particularly through the schools.

Policy 6: The department shall work cooperatively with interagency efforts as appropriate (e.g., drug enforcement, tactical teams, etc.).

ENTERTAINMENT AND THE ARTS

Introduction:

The lack of space for classes in art and dancing or local theatrical performances and the inability to invite professional groups of any size to perform prompted local patrons of the arts to work together and unite in developing improved programs and facilities. Those interested in dance and theatre performance began to use the city-operated Naterlin Community Center, and those interested in the world of art moved into the old senior/teen center building at Nye Beach.

Yaquina Art Association and Building:

Once World War II ended, a group of involved citizens established the Yaquina Art Association (YAA) in order to explore one another's artistic talents and improve their own. Under a reversionary deed from the City of Newport, the YAA began using an old building at Nye Beach for classes, which included pottery throwing, water and oil painting, and photography. Members have been able to visit together and learn from each other, and their work is regularly displayed for the benefit of the community. The association members also share in the operation and use of the new Visual Arts Center.

Visual Arts Center:

Constructed in 1983, the Visual Arts Center (VAC) is located in Nye Beach on the turnaround next to the Yaquina Art Association Building. It consists of two stories, the first floor being the gallery and the upper floor for classrooms and work space. As time has passed, the YAA building has come to be used for ceramics and pottery and the Visual Arts Center for painting, photography (a photography lab is available for public use), and the like. The VAC is also now the site of an all-county juried student art festival, a very exciting event for local people.

Operations of the facility are overseen by a governing body --appointed by the mayor--comprised of members of the various groups who use the building for classes, workshops, and exhibitions. They meet quarterly at Newport City Hall to discuss and regulate policy. Represented are the Yaquina Art Association, the Oregon Coast Council for the Arts, the Oregon Coast Community College Service District (OCCCSD), the City of Newport, and individual artists. Scheduling is handled by the Yaquina Art Association as a volunteer group, while yet another organization, the Coastal Arts Guild, provides the staffing. The Guild was formed as an arts auxiliary.

Equipment for the Visual Arts Center was provided through donations by concerned

citizens and a fund through the Oregon State Checkoff of the Arts with locally generated matching monies. The building was remodeled in the late 1980's to add needed rooms and parking spaces. The center is again being remodeled by the addition of a third floor to house storage space, two studios, and an elevator. Parking spaces will also be added.

Oregon Coast Council for the Arts:

The Oregon Coast Council for the Arts (OCCA) became a private non-profit foundation in 1977, and it now serves all of Lincoln County, the Tillamook area, and the western portion of Lane County. This organization is comprised of a 24 member board of directors, over 200 volunteers, and 6.5 paid staff members with offices in the new Performing Arts Center.

The OCCA states their mission is to "Enhance the quality of life of the central Oregon coast, provide development and employment opportunities for artists, and position the arts for an active role in economic development of the central Oregon coast."¹

One of the OCCA's primary functions is the operation of the Newport Performing Arts Center. This facility provides:

- > Cultural performances on the coast.
- > The cultivation of tourism.
- > Activities for senior and retired persons (nearly 17% of Lincoln County residents are over 65).
- > Functions for students of all ages.
- > A home for local creative performance groups.
- > An appropriate facility for regional and national touring groups.

Performing Arts Center:

A major achievement for a community Newport's size was the Performing Arts Center opening in September of 1988. The City of Newport provided 4.5 acres of land and then joined with the Urban Renewal Agency to provide \$1.1 million towards the initial construction. The Oregon Coast Council for the Arts began

their fund-raising adventures, and \$600,000.00 was added, bringing the total to \$1.7 million. The Portland architectural firm of Moreland Christopher Myles was eventually selected to design the facility, and they have produced a 23,000 square foot center with 400 seats in the main auditorium. There is an additional auditorium for smaller performances and theatre in the round, as well as the necessary support spaces of dressing rooms, costume rooms, and scenery shops. The performing arts in Newport--the Red Octopus Theatre Co., the Yaquina Chamber Orchestra, the Porthole Players, the Pacific Dance Ensemble, the Oregon Coast String Ensemble, Dance! And All That Jazz!, the Matinee Theatre (a senior

¹ Oregon Coast Council for the Arts, Fact Sheet, no date.

group), the Ernest Bloch Music Festival at Newport, the Lincoln County Youth Players, the Oregon Coast Ballet Company, and the numerous musical and educational performances--have come home.

The Lincoln County School District makes use of the building about 60 times a year for various meetings, conferences, performances, and day-long Academically Gifted programs.

As a visibly important asset to our community, the Performing Arts Center attracts many visitors, travelers, and tourists who stop to inquire about the facility and its events.

GOALS/POLICIES/IMPLEMENTATION MEASURES **ENTERTAINMENT AND THE ARTS**

Goal: To assure access to the arts for all citizens through the provision of appropriate facilities for Newport's many artists and support for a variety of arts programs.

Policy 1: The City of Newport will continue to work with the various art groups to provide adequate buildings.

Policy 2: The City of Newport will provide maintenance and operation subsidies, subject to City budgeting constraints.

LIBRARY SERVICES*

Background:

Newport Public Library checked out its first book in 1925. Since that time, the Library has occupied several buildings in at least three different locations. Its current home was built in 1985 and expanded in 1999 to its present size of 16,500 square feet. The Library's collection holds over 85,000 items, including books, DVDs, audio books, and music. This number does not include the tens of thousands of titles available from the Library's downloadable e-book, audiobook and streaming video service known as Library2Go.

Open seven days a week, the Library is known for its outstanding collection of art books, independent American and foreign film and documentary titles and dedication to children's and youth services. According to data compiled by the Institute of Museum and Library Service (FY 2011), the Library consistently ranks as the number first or second library on the Oregon coast in total circulation per capita, hours open, number of children and adult programs offered, attendance at children and adult programs and internet usage by patrons.

Since its last expansion, patron seating has been sacrificed or placed more closely together in an effort to make room for its growing collections. The ability to offer more robust children and adult programs is constrained by lack of adequate meeting room space and there are not enough small meeting rooms to accommodate collaborative learning spaces. Patrons also complain about the "boxed in" feel and the lack of personal space.

Newport's demographics have changed dramatically in the past twenty years. The steady growth of new immigrants in the Fishing and Hospitality industries have necessitated the need for developing a collection and programs that meet the needs of this group of citizens.

The technology landscape has changed – and continues to change – dramatically each year. The way patrons seek information, the way they read and what they need and expect when they come to a modern day library requires a constant updating of equipment and training for staff. Technology on the staff side has changed workflows and day-to-day responsibilities. Consistent and constant training in new technologies and equipment is demanding of staff time and funds to provide training opportunities.

To meet the future needs of its patrons, the Library hired a team of consultants to assist in the development of a strategic plan and building analysis. This was completed in March, 2014.

Over seventy-five citizens were involved in the development of the strategic plan. Some served on the Strategic Planning Committee. Some were part of focus group discussions that were held in various locations around Newport. Some participants were interviewed by the consultants and some were asked to participate because they believe the Library is necessary to the community's well-being and livability. All participants were highly motivated and appreciative of the chance to participate in work that developed a roadmap for the Library's future.

**entire section replaced by Ordinance No. 2066 (7/17/14)*

The following processes and methods were used in preparing this Library element of the Comprehensive Plan:

1. Strategic Plan: The strategic plan helped identify what the community wants from the Library. Community input was gathered over a three month period. The strategic plan contains the service goals and organizational initiatives to be carried out over the next 10 years.
2. Building Analysis: The building analysis identified physical and other aesthetic improvements that will create more space for children and teen programs and to give the Library a new “look” and more open “feel.” The building analysis specifies short-term, medium-term and long-term solutions to the space needs at the Library.

Service Goal: To be a place that stimulates the imagination, invites and enables life-long learning and creates young readers.

Policy 1: The City will provide programs for teens and adults that stimulate the imagination.

Strategies:

1. Involve teens and adults in a Stimulate the Imagination initiative. Provide a sponsor or funding for the design of one or more programs and events for teens and adults.
2. Develop partnerships with schools, churches, clubs, recreation centers, homeschool groups, etc. to promote Library sponsored activities to teens.
3. Establish advertising activities to promote programs through newsletters, brochures, social media, etc.
4. Evaluate teen and adult collections to reflect changing interests, keeping those collections fresh and up-to-date.

Policy 2: The City will make available early literacy programs for all children from birth to age five.

Strategies:

1. Insure staffing is sufficient to provide programs and services to children inside the Library.
2. Implement a plan to work with early childhood service providers to enable children age 0-5 to visit the Library.
3. Implement a plan to work with families to enable children age 0-5 to visit the Library.
4. Increase awareness and online tools and resources for this age group and their families through orientations and classes at the Library.

Policy 3: The City will provide Hispanic residents and families a Library that is welcoming and enriching.

Strategies:

1. Initiate an informal group of Hispanic residents to advise the Library regarding collections, programs, communication channels and outreach avenues.
2. Hire bi-lingual and bicultural staff and/or recruit bi-lingual and bicultural volunteers to assist Hispanic patrons.
3. Broaden collections that appeal to various Hispanic cultures.
4. Advertise the Library and its programs and services in Spanish.
5. Conduct regular orientations and programs in Spanish for adults, children and families.
6. Provide computer classes in Spanish.

Policy 4: The City will continually improve its ability to deliver library services in the library and online using up-to-date technology.

Strategies:

1. Implement self-check, kiosk vending and PC management software and keep all software and hardware updated.
2. Advocate for greater depth in the City Information Technology Department.
3. Use current assessment programs to set IT baselines to identify strengths and inadequacies.
4. Set technology baselines for staff and develop a training program to keep staff current on emerging technologies.
5. Create a technology tub program that allows staff access to new devices as they become part of the mainstream IT world.
6. Redesign the website and online catalog so they are accessible for a broad range of devices and user languages.
7. Increase technology budget that allows for flexibility to meet changing technology needs.

Organizational Goal: The Library Facility is a gathering place for individuals and groups.

Policy 1: The City will provide its citizens with an attractive and adequately sized facility where they can utilize the collections, programs and activities to their benefit and satisfaction.

Strategies:

1. Carry out consultant recommendations by implementing a light remodel during FY 14-15.
2. Develop a timeline and funding plan for implementation of long-term building needs as pointed out in the consultants, "Interior Space Planning and Space Needs Recommendations" during FY 15-16.
3. Initiate a capital campaign for the Library in FY 17-18.
4. Commission a Building Program and Conceptual Design for a 22,400-26,500 square foot Library during FY 17-18.
5. Outline an architectural process and timeline for the construction of an expanded or new Library by FY 18-19.

Policy 2: The City will actively promote the strategic plan through partnerships, marketing and public information campaign.

Strategies:

1. Engage a strategic communications/public relations/marketing consultant or qualified staff to develop a targeted outreach plan in support of all library service goals
2. Regularly survey citizens; adjust, add, or replace services and programs in response to feedback.

SCHOOL SERVICES

Introduction:

Educational offerings of the public school system (K-12) are provided on a county-wide basis throughout the Lincoln County School District (LCSD). The physical plant within the City of Newport includes a kindergarten building, two elementary schools, a middle school, a high school, and the district administrative offices. Oregon Coast Community College Service District (OCCCSO) provides learning opportunities beyond that at a number of locations.

Summary, Existing and Future:

Elementary Schools

There are two elementary schools serving the city's population. The larger is Sam Case Elementary, and it is in very good condition and has a life expectancy in excess of 25 years. The school is situated in a single-family residential zone and is adjacent the kindergarten building constructed in 1989. The site is adequate in size. It is located on N.E. 12th Street, four blocks east of U.S. Highway 101.

Yaquina View is the other elementary school within the City, and it is located in the southeasterly area on John Moore Road. The school was built in 1960 and added onto in 1976. It is in good condition with a useful life exceeding 25 years. The school is on a good site with some area available for future expansion in this low-density residential area.

Middle School

Newport Middle School is centrally located across the street from the high school on N.E. Eads Street. The building is in fair condition and is expected to require considerable work to extend its useful life beyond another 10-year period. The site is very limited with respect to size. Currently, there is insufficient area for outside physical education athletics with no district-owned property for expansion. It is anticipated, should a portion or all of the property now occupied by the fairgrounds be acquired by the district, that some of the land there would be used by the middle school for their activities.

High School

Newport High School was constructed in 1950 and expanded in 1953, 1957, 1964, 1978, and again in 1988. It is generally considered to be in fair to

good condition; however, the school buildings are situated on a very limited site. The size is about one half of that which is the recommended standard for a high school of our enrollment. The school is located in a high density residential neighborhood and adjacent to the Lincoln County Fairgrounds. An expansion of school grounds to encompass some or all of the existing Fair site is being publicly discussed.

Community College

The Oregon Coast Community College Service District currently leases approximately 13,000 square feet of office and classroom space in two buildings in the uptown business area of Newport. In addition, other space is utilized on an as-needed basis. The uptown sites work well from the standpoint of accessibility and compatibility, with off-site support services available at nearby locations. Peak class loading does from time-to-time put pressure on nearby parking, however.

The college opened in October of 1987, and increased enrollment in the second year of operations by 40%. Current annual Newport class attendance is about 3,600 students, which represents about two thirds of the college's total enrollment throughout Lincoln County. An increase in students of approximately 10% a year for the next several years is projected by the college.

Oregon Coast Community College is a service district and now contracts for educational services through Portland Community College. As such, the school is prohibited from owning any real estate. The expectation for the planning period is that although enrollment will climb, classroom and other needs for physical space will be met primarily through utilization of existing structures.

The college provides basic class work transferable to a four-year institution for those students pursuing graduate degrees, as well as a variety of programs upgrading skills of those currently in or returning to the work force. In addition, they have pledged to offer any class in demand by a minimum number of students and offer enrichment classes in the arts and other areas.

Characteristics and Enrollment:

Table 1 (next page) compares 1978-79 student counts and capacities by school with 1989-90 figures, and Table 2 on page 223 shows the Newport area school enrollment over the past 30 years. While the 1978-79 numbers represent the 30-year low, current enrollments equal the historical highs of the late 1960's. Enrollments track roughly with population trends, but

Table 1
 Characteristics of Newport Schools
 1978-79 compared to 1989-90

School	Grades Served	Number of Classrooms ^a	Student Capacity ^b	Enrollment	Bldg. Size (Sq. Ft.)	Year Built	Last Addition	Site Size (Acres)
NEWPORT MIDDLE								
1978-79	7-9	16	390	348	44,330	1950	1983	4.93
1989-90	6-8	18	440	402	48,550			
NEWPORT HIGH								
1978-79	10-12	18	440	365	66,563	1950	1987	8.35
1989-90	9-12	23	575	552	82,714			
SAM CASE								
1978-79	1-6	16	390	337	32,088	1958	1989	7.17
1989-90	K-5	23	575	549	46,054			
YAQUINA VIEW								
1978-79	1-6	16	390	332	25,730	1960	1988	8.42
1989-90	1-5	21	525	467	41,341			

a - Does not include special purpose rooms such as the library, gym, or multi-purpose rooms at elementary level and shop, I.M.C., art, home ec, band, gym, or auditorium rooms at secondary level. Has remained constant over the years.

b - Based on 25 students per general purpose classroom, except where special education students are enrolled. In this case, one classroom is assigned for every 15 students. Has remained constant over the years.

c - Enrollment projected for applicable school year.

Source: Lincoln County School District.

they are also influenced by the demographics of different age groups and changing cultural norms. Today, increasing enrollments and new educational programs (both mandated and desirable) are creating greater demands for both facilities and teachers. See Table 3 on page 225 for school enrollment projections through 1996.

Comprehensive Building Plan:

In May of 1979, the school district adopted a comprehensive building plan which, at a district-wide level, had an estimated cost of approximately \$79 million. In reviewing that plan in 1987, the school board of directors shelved the comprehensive building plan due to the economic impact it would have on the district. They further directed staff to develop a new plan, and that planning process is currently underway with a facility appraisal to be

completed by each school and a physical assessment of all facilities rendered with professional architectural and engineering assistance. It is anticipated a plan will be finalized in 1991. In turn, it will be taken to the voters for implementation.

Major considerations to be looked at by the district include the following:

- > A detailed assessment of the physical condition, including structural stability, comprehensive life expectancy, fire safety considerations, handicap accessibility, mechanical and energy systems efficiency, and overall condition modernization needs.
- > Data for five-year facility needs for capacity, considering current and projected enrollment.
- > Existing and proposed educational programs and functions, instructional material centers, service requirements for administrative instructional staff, students, and other personnel.
- > Community use of the facilities.
- > Board policies and goals as they affect curriculum and facility requirements, including grade organization, class size, and length of school year and day.

The district further intends to develop alternative proposals, including preliminary cost estimates for each alternative, and assess the suitability and the feasibility of those in coordination with city plans and facilities. Obviously, the primary focus in coordination with the city will be relative to land use, public facilities, and transportation.

CONCLUSIONS:

- 1.) The Lincoln County School District Board of Directors has set aside the modernization and renovation plan adopted in May of 1979, and instructed that a new facility plan be prepared by 1991.
- 2.) Generally, building and grounds space for the Lincoln County School District is marginally adequate.
- 3.) The Oregon Coast Community College Service District's student enrollment is expected to grow significantly, but adequate leased space is expected to be made available by the private sector to meet the needs over and above those satisfied through the use of public facilities.
- 4.) The Oregon Coast Community College Service District has adopted a policy of "education on demand" and will work with residents of the community to try and provide whatever instruction is desired.
- 5.) The entire educational system, with the possible exception of the high school, is currently expanding enrollment and is anticipated to do so over at least the next five years. The school district is on record as being committed to coordinating with City of Newport officials to insure compatibility with comprehensive land use plans and zoning regulations as they affect their facility expansion requirements.

GOALS/POLICIES
SCHOOL SERVICES

Goal: To successfully integrate the needs and requirements for educational facilities within city neighborhoods where they can be appropriately served with utilities, transportation needs can be met, and other requirements for city services can be efficiently provided.

Policy 1: The City of Newport shall work with Lincoln County School District officials to assure that planned development under their new facility plan shall be implemented in accordance with state and city land use regulations.

Policy 2: If the decision is made to expand or relocate the middle and high school facilities, the city will work cooperatively with both the school district and the county to effect such a change, in conformance with utility, transportation, and land use planning considerations.

Policy 3: The city shall cooperate in providing whatever planning information we have in order to aid the district in developing its facility plan and shall continue to monitor and report to the district trends in demographics, housing, and related data that will affect their planning and ability to meet the needs of future student populations.

Policy 4: The city shall coordinate with the Oregon Coast Community College Service District at their request in guiding expansion to appropriate areas within the city for their facilities.

Policy 5: The city shall be supportive where possible in expanding the scope of the OCCCS D's course offerings and look particularly at possibilities for training and education in support of local business expansion or relocations to the Newport area.

YAQUINA BAY AND ESTUARY SECTION

Introduction:

This chapter of the Comprehensive Plan has three parts: The first deals with the Yaquina Bay Estuary; the second summarizes information about the shorelands adjacent to Yaquina Bay; and the third discusses the development of the port and other built-up areas of the bay. Policies governing uses and activities that are specific to a particular area or management unit of the bay are included in the descriptions of the management units. Policies that apply more generally or to more than one management unit are found at the end of this chapter.

Yaquina Bay Estuary:

Wilsey & Ham's Yaquina Bay Resource Inventory¹ provides the primary source for inventory information about the portion of the Yaquina Bay Estuary lying within Newport's urban growth boundary (UGB). That inventory contains specific and general data on the study area, which includes the Yaquina Bay Estuary and the surrounding shorelands.

Important Natural Resources of Yaquina Bay

The estuarine ecosystem of Yaquina Bay includes a rich diversity of habitats, species, and physical features. The Oregon Department of Fish and Wildlife (ODFW), in a study prepared for the Oregon Land Conservation and Development Commission², identified four major subsystems of Yaquina Bay. Those are the marine, bay, slough, and riverine subsystems. Of those four, only the marine and bay occur in the Newport UGB.

"The marine subsystem is a localized area near the estuary mouth. It is a high energy zone subject to frequent or constant wave and tidal surges. Salinities are generally high, although on large river systems values may be lower, particularly at low tide and during heavy winter flows. Sediments are generally coarse, clean sands of marine origin. Rocky substrates are also common, and in larger estuaries [such as Yaquina Bay], rock jetties have been constructed to stabilize the estuary mouth and ensure a navigable entrance. Usually only a small percentage of the marine subsystem is intertidal.

¹ Wilsey & Ham, Yaquina Bay Resource Inventory, 1977.

² State of Oregon Department of Fish & Wildlife, Habitat Classification and Inventory Methods for the Management of Oregon Estuaries, 1979.

"Benthic invertebrates [organisms living on the bottom of the bay] in this zone may include species found along the outer coast, as well as those that require the slightly more protected environment found within the estuary mouth. Turbulent conditions in the marine subsystem often require plants and animals to have specialized adaptations for attaching themselves to hard, wave-battered substrates or for rapid burrowing in shifting sand. Kelp and other large algal species may be found on rocky substrates, but unconsolidated sediments are generally devoid of larger plants. Most fishes utilizing Oregon estuaries are marine species. This subsystem often harbors the most diverse assemblage of fishes in the estuary.

"Due to its proximity to the mouth and its relatively deep conditions compared to locations further up the estuary, the marine subsystem is often a preferred site for boat basins and marinas. Commercial and industrial development is also common where coastal towns are located adjacent to the estuary. Although flushing is usually rapid in this subsystem, crowded marinas, where sewage, fish wastes, and petroleum residues may concentrate, and boat basins with constricted entrances that reduce tidal exchange, potentially threaten water quality. Dredging of boat basins and ship channels commonly alters benthic habitats in the marine subsystems of many Oregon estuaries. The total impacts of these various disturbances are not easily predicted."³

The ODFW study also describes the bay subsystem in this manner: "The bay subsystem is a transition zone between marine and fresh water. In many estuaries it is characterized by a broad embayment between the constricted estuary mouth and narrow, upriver tidewater sectors. In some cases the bay system may be less conspicuous but identifiable by a relatively large percentage of intertidal land. Salinities in this region may be quite variable due to seasonal changes in river flow, although moderate to high salinity ranges are usual. As an intermediate environment, sediment types in the bay subsystem range from coarse marine sands to fine riverine materials. Bay subsystems are best represented by estuaries in the Coast Range province, where soft parent materials have eroded and been deposited to create broad intertidal flats.

"The bay subsystem is a relatively protected environment, isolated from turbulence near the mouth and strong currents during peak flows in the riverine portion of the estuary. The mixture of marine and riverine sediments and a variety of vegetation types provide a diversity of habitats for benthic species. In many Oregon estuaries, major clam and shrimp beds typically occur in productive intertidal flats of the bay environment. Extensive marsh and eelgrass habitats are also common in the larger Coast Range estuaries.

³ ibid., pgs. 19-21.

"Development in the bay subsystem is varied. Periodic dredging in larger estuaries has been necessary to maintain ship channels. In some areas dredged materials have been dumped in the bay, smothering benthic organisms. Marshes and flats have been filled to provide more area for development. As in the marine subsystem, commercial and industrial facilities are common along the bay shoreline of many estuaries and in the past have contributed pollutants from runoff or direct discharge. Because the bay subsystem is usually an area of very high biological productivity, it is also a favorite site for bird watching, clamming, and occasional crabbing and fishing."⁴

A more detailed description of the marine and bay subsystems is available in the ODFW document and in the description of each management unit below.

Both the marine and bay subsystems of the Yaquina estuary ecosystem have features ranging from relatively unaltered natural areas of varying size to the dredged navigation channel. This diversity within the ecosystem can be protected and maintained through limiting development to areas of existing facilities and applying standards to assure that these uses do not violate the integrity of the estuarine ecosystem.

Land and Water Uses on Yaquina Bay

Lincoln County's adopted Estuary Management Plan⁵ discusses the Newport subarea and the Sally's Bend subarea. These two subareas correspond closely to the marine and bay subsystems, respectively. The description of the character, major committed uses, and existing and potential conflicts for these subareas are provided below.

Newport Subarea:

> **Predominant Character.** The Newport subarea is a high intensity use area. It is the hub for commercial fishing, deep water shipping and tourist related commercial activities on Yaquina Bay. Adjacent shorelands are urban in character, and the shoreline is more or less continuously altered all throughout the subarea. As a fully serviced urban area in close proximity to the harbor entrance and with shoreland access to the deep water channel, the Newport subarea represents the most important portion of the estuary for water dependent development.

Important resource values within the subarea include eelgrass and algal beds, shellfish beds, and fish spawning and nursery areas.

⁴ ibid., pgs. 21-22.

⁵ Lincoln County, Estuary Management Plan, adopted June of 1980.

- > Major Committed Uses. The subarea contains a mix of water- dependent, water-related and nonwater-related uses. Industrial uses are concentrated at McLean Point (Northwest Natural Gas LNG tank and deep water terminal facilities) and along the Newport waterfront. A commercial and a recreational marina and a number of nonwater-related tourist oriented commercial uses also occur along the Newport waterfront. Major uses in the South Beach area include the Oregon State University Mark O. Hatfield Marine Science Center, Oregon-Aqua Foods' salmon farming facility, the South Beach Marina recreational complex, and the Oregon Coast Aquarium (expected to open in the spring of 1992). The subarea takes in the entire authorized deep water channel, including the maintained jetties. Recreational use in the subarea, including sport fishing, crabbing, clamming, diving, and other activities, is heavy.

- > Existing and Potential Conflicts. Conflicts have developed between tourist oriented commercial uses and water-dependent marine commercial and industrial uses on the Newport waterfront. These conflicts involve both competition for available space, as well as use conflicts (examples include traffic and parking) between established uses. As demand accelerates for either or both types of uses, conflicts may worsen. In the past, competition between recreational and commercial vessels for moorage has been a problem. Development of some 600 moorage spaces designed to accommodate recreational vessels at the South Beach Marina and redevelopment of the existing commercial moorage areas to handle the newer, larger commercial fishing boats should do much to alleviate this conflict. The demand for major development in aquatic areas poses a potential conflict with the protection of natural resources throughout the subarea.

Sally's Bend Subarea:

- > Predominant Character. The Sally's Bend subarea represents one of the most important natural resource areas of Yaquina Bay. It is essentially undeveloped and includes eelgrass and algal beds, shellfish beds, fish spawning and nursery areas, and wildlife habitats, all of major significance. The area's intertidal flats represent the largest tract in the estuary.

- > Major Committed Uses. The predominant uses of the subarea are hunting, sport fishing, and recreational shellfishing. The subarea also includes a portion of the navigation channel that supports medium draft commercial traffic. Adjacent shoreland uses consist primarily of low density housing and commercial forest management. Industrial uses are adjacent (though they do not extend into the subarea) at McLean Point and South Beach. Portions of the subarea have historically been used for log storage, though no current activities are present.

- > Existing and Potential Conflicts. No major conflicts exist within the subarea, though potential for conflict is present at several locations. Demands for urban level development in the Idaho Point area (which is within the Newport UGB) may be

incompatible with preservation of natural values in the adjacent portion of the estuary. Industrial development at McLean Point and in the Coquille Point area may impact important resource areas at Sally's Bend. If increases in deep water shipping precipitate a demand for expansion of the current channel and turning basins, some loss of natural resource values would result from the required dredging. Owners of intertidal lands within the subarea have identified desires for future use of these areas that may conflict with the preservation of natural resource values.

Estuarine Management Unit Classifications

As is required by Statewide Planning Goal 16, management units have been classified in order to maintain the diverse resources, values, and benefits of the estuary. Natural, conservation, and development management units have been established pursuant to the mandatory language in Goal 16.

Natural management units must include "...all major tracts of salt marsh, tidflats, and seagrass and algae beds."⁶ Conservation management units "...shall include tracts of significant habitat smaller or of less biological importance..." than those in natural management units and recreational or commercial oyster and clam beds not included in the natural management units.⁷ Partially altered areas or estuarine areas adjacent to existing development of moderate intensity, however, shall also be included in this (conservation) classification unless otherwise needed for preservation or development consistent with the overall Oregon Estuary Classification. Development management units "...shall include deep water areas adjacent or in proximity to the shoreline, navigation channels, subtidal areas for in-water disposal of dredged material and areas of minimal biological significance needed for uses requiring alteration of the estuary...."⁸

The full range of activities in Yaquina Bay is covered by these three main types of estuarine management units. While the general purpose and intent of the conservation/development classification is as described above, the application of this classification to specific areas may be adjusted by special policies applicable to individual management units in order to accommodate needs for natural preservation.

Two major tracts of eelgrass and salt marsh within the UGB were identified in the Yaquina Bay Resource Inventory (YBRI) as significant natural areas and are classified as

⁶ State of Oregon Department of Land Conservation and Development, Oregon's Statewide Planning Goals, 1974 (as amended), p. 16.

⁷ Ibid., p. 16.

⁸ Ibid., p. 17.

natural management units. These have been identified as Management Units 9-A and 10-A on the Yaquina Bay Estuary (YBE) Map on page 272.

The conservation management units include small tracts of limited estuarine habitat. Some areas are important, though of insufficient size to be considered as "major tracts." Each of the conservation management units is also a partially altered area and adjacent to development management units. Units 1, 2, 3, 6 and 8 on the YBE Map are the conservation management units.

The development management units include the authorized navigation channel and the port and marina areas on both the north and south sides of the bay. The development management units include units 4, 5 and 7.

The classification of estuarine areas into management units also took into account the four additional factors listed in Goal 16. This is evidenced in how the boundaries of the management units were drawn. Adjacent upland characteristics were used to distinguish Management Unit 1 from 5, 2 from 3, 3 from 7, 5 from 10, 7 from 8, and 8 from 9. Compatibility with adjacent uses was also considered. The consideration of energy costs and the benefits of deep water navigation are reflected in the classification of the authorized channel and port areas as development management units. Commitment of the water surface area of the estuary to different surface uses was limited by classifying most of the estuary in natural and conservation management units. Most of the total area within development management units will also be kept as open water for navigation.

The summaries of management units which follow describe and classify, then set a management objective and special policies for each estuarine management unit within the Newport UGB. The priorities of use and implementation standards are set forth in overall plan policies and the permitted use matrices in the Zoning Ordinance. The maps referred to in each management unit description are: (1) the maps of the Yaquina Bay Resource Inventory; (2) the "Habitat Map of Yaquina Estuary" by the Research and Development Section of the Oregon Department of Fish and Wildlife; (3) the maps in the Lincoln County Estuary Management Plan; and (4) the nautical chart of Yaquina Bay and River.⁹

The management objectives, as well as the special policies for each management unit, are comprehensive plan policies of the City of Newport. Boundaries of management units are shown on the Yaquina Bay Estuary Map on page 272.

The base map for the Yaquina Bay Estuary Map is the nautical chart for the Yaquina Bay and River, which exhibits significant navigational features. The Yaquina Bay Bridge

⁹ National Oceanic and Atmospheric Administration, Yaquina Bay and River, 1977.

and submerged crossing corridors are also shown, as well as new crossings from the sewer and water master plans. A cable crossing area lies on either side of the bridge. The city's sewer and water pipelines cross underneath the bay between the Embarcadero and Ore-Aqua. The Oregon State Division of State Lands has approved a subpipe route from the Northwest Natural Gas LNG tank to Idaho Point.

Management Unit 1:

- > **Description:** Management Unit 1 consists of the area between the navigation channel and the north jetty west of the Yaquina Bay Bridge. Natural resources of importance include shellfish beds, fish spawning and nursery areas, and wildlife habitat. Of special importance are areas used by ling cod for spawning and a major algae bed. Primary uses in the area are medium and shallow draft navigation and recreation (angling, boating, and diving). Alterations include the north jetty, rip-rapped shoreline east of the jetty, and piling dolphins at the base of the bridge footings. (See the YBE Map on page 272 for location of resources and uses.)
- > **Classification:** Conservation. This unit has been classified as "conservation" in order to conserve the natural resources of the unit while allowing minor alterations similar to those now existing in the unit.
- > **Resource Capability:** The major algal bed in this unit is a sensitive habitat area of special value. Other habitats, while important, are less susceptible to disturbance from minor alterations. Low intensity alterations such as piling, dolphins, riprap, and piers have occurred in this area in the past without significant damage to resource values. Similar activities of this nature in conjunction with the existing uses will constitute minor alterations consistent with the resource capabilities of the area.

The Yaquina Bay Bridge will need to be replaced sometime in the future. The new bridge must be built immediately west of the existing one. This will require the placement of new bridge footings and pilings in this unit.

- > **Management Objective:** Management Unit 1 shall be managed to conserve shellfish beds, fish spawning and nursery areas, and other natural resources. Navigation improvements necessary for the maintenance of the harbor entrance and channel shall be provided for, as well as improvements necessary for the replacement of the Yaquina Bay Bridge.
- > **Special Policies:** The algal bed within Management Unit 1 as defined by the Oregon Department of Fish and Wildlife Classification map shall be preserved. It is recognized that navigation improvements (including jetty maintenance) and bridge construction will be required within this unit.

Management Unit 2:

- > **Description:** Management Unit 2 contains the area between the south jetty and the

navigation channel west of the third (westernmost) groin. Natural resources of importance include shellfish beds, algal beds, fish spawning and nursery areas, and waterfowl habitat. Major uses in the unit are shallow draft navigation and recreational activities (fishing, diving, and boating). Alterations in the area include the south jetty, navigation aids, and a submerged crossing. (See the YBE Map on page 272 for location of resources and uses.)

- > **Classification:** Conservation. This unit has been classified as "conservation" in order to conserve the natural resources of the unit while allowing minor alterations similar to those now existing in the unit.
- > **Resource Capability:** Management Unit 2 is a predominantly subtidal area situated in a high energy marine environment. Substrates in this area are primarily coarse marine sands and rocks. Kelp and other algal species cover the rocky areas around the jetty and groins, though the unconsolidated sand areas are generally devoid of larger plants.

Development which threatens water quality or seriously disrupts benthic habitats, especially major dredging or filling, can have definite impacts in marine subsystems. Minor structural alterations such as piling, dolphins, and bank stabilization result in only short term disturbances and may enhance fish habitat by providing cover and substrate for algal species. Such minor alterations are consistent with the resource capability of Management Unit 2.

- > **Management Objective:** Management Unit 2 shall be managed to conserve shellfish beds, algal beds, fish spawning and nursery areas, and other natural resources. Navigation improvements necessary for the maintenance of the harbor entrance and channel shall be provided.
- > **Special Policies:** It is recognized that navigation improvements (including jetty maintenance) will be required within Management Unit 2.

Management Unit 3:

- > **Description:** Management Unit 3 consists of the area between the navigation channel and the south shore from the third jetty groin to the South Beach Marina breakwater. The area has a number of important characteristics including tideflats, eelgrass beds, significant shellfish beds, important fish spawning and nursery areas, and important waterfowl habitat. Major uses within the unit are shallow draft navigation and recreation (clam digging, fishing, and boating). Some minor commercial shellfish harvest takes place in the unit. Alterations include the south

jetty, groins, the South Beach marina breakwater, piling, a pier structure, the bridge crossing, navigation aids, and riprapped shorelines. (See the YBE Map on page 272 for location of resources and uses.)

- > Classification: Conservation. This unit has been classified as "conservation" in order to conserve the natural resources of the unit while allowing minor alterations similar to those now existing in the unit.
- > Resource Capability: Management Unit 3 is similar in character to Management Unit 2, though it has a larger intertidal area and larger and more important shellfish beds. It is also more extensively altered as a result of jetty improvements, the bridge crossing, and construction on the South Beach Marina. These structural alternatives have created diverse fish habitat, as well as substrate for algal species. Further minor structural alterations such as piling, dolphins, recreational piers, or overhead crossing on the bridge would be consistent with the existing character and resource capability of the area.

The Yaquina Bay Bridge will need to be replaced sometime in the future. The new bridge must be built immediately west of the existing one. This will require the placement of new bridge footings and pilings in this unit.

- > Management Objective: Management Unit 3 shall be managed to conserve natural resources of importance. Navigation improvements necessary for the maintenance of the harbor entrance and channel shall be provided, as well as improvements necessary for the Yaquina Bay Bridge replacement.
- > Special Policies: Major clam beds are located within Management Unit 3. These clam beds shall be protected. It is recognized that navigation improvements (including jetty maintenance) and bridge construction will be required in this management unit.

Management Unit 4:

- > Description: Management Unit 4 is the U.S. Army Corps of Engineers authorized deep water channel and includes the turning basin up to the UGB. Natural resources within the unit consist of fish spawning and nursery areas and important shellfish beds. Major uses within the unit include navigation (shallow, medium, and deep draft), recreation (fishing, crabbing, and boating), and commercial harvest. Alterations include piling, submerged crossings, and the bridge crossing. Of special importance is the maintenance dredging of the federally authorized channel and turning basin. (See the YBE Map on page 272 for locations of resources and uses.)
- > Classification: Development. This unit has been classified as "development" because of the dredging required to maintain the deep water channel and turning basin.
- > Resource Capability: Management Unit 4 is an area of diverse marine influenced habitats, including some major shellfish beds. The area is periodically dredged for maintenance of the federally authorized channel, and resources present are subject to this regular disturbance. The shellfish beds south of the port breakwater as

defined by the publication "Subtidal Clam Populations: Distribution, Abundance and Ecology" (OSU Sea Grant, May 1979) are considered a resource of major importance.

- > **Management Objective:** Management Unit 4 shall be managed to protect and maintain the channel and turning basin for deep draft navigation.
- > **Special Policies:*** Adverse impacts of mining, mineral extraction, or other dredging operations within Management Unit 4 on existing commercial clam harvest shall be minimized. Port facilities may extend into the deep water channel subject to approval by the US Army Corps of Engineers, which maintains jurisdiction, in part, to ensure that new development does not impede navigation.

Management Unit 5:

- > **Description:** Management Unit 5 consists of the area along the north shore of the bay from the bridge to McLean Point. It includes the Port of Newport's moorage basins, the dredged water front in the Newport urban area, and the terminal facilities at McLean Point. This portion of the estuary is used intensively for shallow and medium draft navigation, moorage of small and large boats, and recreation.

Other significant uses include a terminal operation, research activities, and a U.S. Coast Guard Station. The shoreline and aquatic areas are significantly altered with riprap, bulkheads, piers and wharves, piling, floating docks, dredging, and other activities. (See the YBE Map on page 272 for location of resources and uses.)

The shellfish beds south of the port breakwater as defined by the publication "Subtidal Clam Populations: Distribution, Abundance and Ecology" (OSU Sea Grant, May 1979) are considered a resource of major importance.

- > **Classification:** Development. This unit is classified as "development" because of the port's development needs and the water-dependent uses along the waterfront.
- > **Resource Capability:** Management Unit 5 is the most extensively altered area in the estuary. Plans for redevelopment of existing facilities in this area call for further alterations, including major dredging, fill, riprap, and construction activities. Given the nature of existing development and resources in this area, continued development for water-dependent uses and overhead crossings on the bridge will be consistent with the capabilities of this unit.
- > **Management Objective:** Management Unit 5 shall be managed to provide for the development of port facilities and other water-dependent uses and water-related and nonwater-related uses in keeping with the scenic, historic, and unique characteristics of the area. Water-related and nonwater-related development shall be

* Amended by Ordinance No. 1995 (1/6/10)

consistent with the purpose of this unit and with adjacent shoreland designated as especially suited for water-dependent uses or designated for waterfront development.

Special Policies: Experimental shellfish beds were introduced in Management Unit 5 in the 1940's and 1950's. It is anticipated that these shellfish beds will be impacted by future development. Adverse impacts shall be minimized as much as possible while meeting these development needs.

Due to the limited water surface area available and the need for direct land to water access, alternatives (such as mooring buoys or dry land storage) to docks and piers for commercial and industrial uses are not feasible in Unit 5. Multiple use facilities common to several users are encouraged where practical.

Nonwater-related uses may be permitted within the estuarine area adjacent to the old waterfront from Bay Street to Pine Street, extending out to the pierhead line as established by the Corps of Engineers. Tourist related activities will be encouraged to locate on the landward side of S.W. Bay Boulevard. The bay side of S.W. Bay Boulevard should accommodate water-dependent and water-related types of uses. Some tourist related uses may locate on the water side but only upon the issuance of a conditional use permit. CH2M HILL's draft port development plan¹⁰ identifies projects to enhance the water-related and tourist industries (see plan). These projects are consistent with the development classification of the unit and may be allowed. Future development that involves dredging and fill for non-water dependent uses will require an exception to Statewide Planning Goal 16.

Management Unit 6:

- > Description: Management Unit 6 consists of the area between the navigation channel and the port breakwater, from the U.S. Highway 101 bridge east to the turning basin. It is a predominantly subtidal area with a number of important resource characteristics. These include eelgrass and shell fish beds, fish spawning and nursery areas, and waterfowl habitat. Major uses in the unit include recreation (fishing, boating, and crabbing), and medium and shallow draft navigation. Alterations within the unit include the port breakwater, pilings, navigation aids, and bridge footings. (See the YBE Map on page 272 for the location of resources and uses.)

- > Classification: Conservation. This unit has been classified as "conservation" in

¹⁰ CH2M HILL, Update of Port Development Element of Comprehensive Plan (draft), 1989.

order to conserve the natural resources of the unit while allowing minor alterations similar to those now existing in the units.

- > **Resource Capability:** Management Unit 6 is a subtidal area at the upper end of the marine subsystem. It supports a variety of resources which could be adversely impacted by major fill, removal, or other aquatic alterations. Important uses in the unit, such as navigation and recreation, require a largely unobstructed surface area. For these reasons, alterations consistent with the resource capability of this unit are limited to minor structural alterations such as pilings, dolphins, and bridge footings and overhead crossings on the bridge. The sewer and water master plans indicate a submerged crossing that will need to traverse this unit. The port development plan also calls for the relocation of the breakwater south into Management Unit 6. Any removal activities should be evaluated on a case-by-case basis.
- > **Management Objective:** Management Unit 6 shall be managed to conserve natural resources consistent with navigation, municipal, and recreation requirements.
- > **Special Policies:** A Goal 16 exception will be required to justify relocation of the breakwater as proposed in the port development plan.

Management Unit 7:

- > **Description:** Management Unit 7 consists of the aquatic area between the navigation channel and the south shore and from the U.S. Highway 101 bridge east to the small boat pier at the OSU Marine Science Center. It includes the South Beach marina and the Marine Science Center facilities. The majority of the unit is subtidal and includes eelgrass and shellfish beds and fish spawning and nursery areas. Major uses in the area are medium and shallow draft navigation, moorage, aquiculture (salmon farming), commercial harvest, and recreation. Alterations include pilings, piers and wharves, breakwaters, floating docks, ripped shorelines, dredging, and other activities. (See YBE Map on page 272 for location of resources and uses.)
- > **Classification:** Development. This unit has been classified as "development" because of the existing South Beach Marina, Ore-Aqua, and Marine Science Center facilities on and near the shore, as well as the proposed hotel resort, public park, and stern wheeler landing. Future development of this nature may involve dredging and fill for non-water-dependent uses. A Goal 16 exception will be required to justify any dredging or fill for non-water dependent uses.
- > **Resource Capability:** Management Unit 7 includes the developed area along the south shore of the Newport subarea, corresponding to Management Unit 5 on the north shore. Based on the nature of the resources present in this area and the level and intensity of existing development, continued development of water dependent uses and structural alterations such as piling, piers, shoreline stabilization, bridge footings, and submerged crossings, are consistent with the purpose of this area.

Major fill and removal activities should be evaluated on an individual basis.

- > Management Objective: Management Unit 7 shall be managed to provide for development compatible with existing uses and consistent with the resource capabilities of the area.
- > Special Policies: Eelgrass beds, shellfish beds, and fish spawning and nursery areas are located within Management Unit 7. Adverse impacts of future development on these resources shall be minimized consistent with allowed development.

Submerged crossings, bridge footings, pilings, dolphins, and other navigation and marina related development undertaken as part of the approved comprehensive plan shall be permitted, as well as docking and other facilities to serve proposed development.

Development of deep and medium draft port facilities shall be a permitted use only outside of the existing South Beach Marina boat basin.

Due to the limited water surface area available and the need for direct land to water access, alternatives to docks and piers for commercial and industrial uses (such as buoys and dry land storage) are not feasible in Unit 7. Multiple use facilities common to several users are encouraged where practical.

Management Unit 8:

- > Description: Management Unit 8 is a subtidal area between the navigation channel and the intertidal flats of the Idaho Point/King's Slough area. It contains eelgrass and shellfish beds, fish spawning and nursery areas, and waterfowl habitat. Use within the unit consists of medium and shallow draft navigation, commercial harvest, and recreation. Existing alterations are limited to navigation aids. (See YBE Map on page 272 for location of resources and uses.)
- > Classification: Conservation. This unit has been classified as "conservation" in order to conserve the natural resources of the unit while allowing minor alterations similar to those now existing in the unit.
- > Resource Capability: Management Unit 8 is an important resource area. Shallow portions of this subtidal unit support eelgrass beds; major shell fish beds are also located in this area. Alterations in this area are limited to navigation aids (pile supported). Because of the area's proximity to the deep water turning basin, it may be needed as a site for temporary log raft anchorage. The piling and rafts should have no significant adverse impacts on resources in this area so long as they are sited to avoid grounding. This activity, if conducted under conditions to minimize occupation of surface area to minimize conflicts with recreational use and to avoid

grounding, will be within the resource capabilities of the area.

- > **Management Objective:** Management Unit 8 shall be managed to conserve natural resources such as eelgrass and shellfish beds. Navigation improvements found to be necessary for the maintenance of the deep water channel shall be provided.
- > **Special Policies:** Temporary moorage of log rafts in Management Unit 8 shall conform to the following standards:
 - (a) Whenever feasible, individual logs shall be bundled, but they shall always be held in rafts.
 - (b) The number of log rafts moored at any time shall be the lowest practical number for the shortest practical time considering log supply and tidal cycles.
 - (c) Water surface area occupied by temporary moorage shall not at any time exceed seven (7) acres.
 - (d) Dolphins shall be sited and moorage conducted so that log rafts will not ground at low water.
 - (e) As much as practical, shipment and movements of logs shall be timed to minimize conflicts with recreational uses in the area.
 - (f) A cobble/pebble dynamic revetment for shoreline stabilization may be authorized in Management Unit 8 for protection of public facilities (such as the Hatfield Marine Science Center facilities).

Management Unit 9-A¹¹:

- > **Description:** Management Unit 9-A consists of the state-owned tideflats between the Marine Science Center and Idaho Point. The unit contains salt marsh, algae and eelgrass beds, shellfish beds, fish spawning and nursery areas, and waterfowl habitat. All of these resources are considered to be of major importance. Uses within this unit are limited to shallow draft navigation and recreational activities (hunting, fishing, and clamming). This unit is essentially unchanged, with the exception of limited areas of riprapped shorelines and the existing Idaho Point marina and channel. (See the YBE Map on page 272 for location of resources and uses.)

¹¹ Management Unit 9-A includes only that part of Management Unit 9 identified by the Yaquina Bay Task Force that is within the Newport UGB. The existing marina is on the county side of the UGB. The description and special policies set forth above differ from those for Management Unit 9 as a whole only because they apply to a smaller, somewhat less diverse area. This subarea is classified, described, and planned for a manner wholly consistent with the remainder of Management Unit 9.

- > Classification: Natural. This unit has been classified as "natural" in order to preserve the natural resources of the unit.
- > Resource Capability: A sensitive area, Management Unit 9-A has resource values of major importance to the estuary ecosystem. In order to maintain resource values, alterations in this unit should be kept to a minimum. Minor alterations that result in temporary disturbances such as limited dredging for submerged crossings would be consistent with resource values in this area; other more permanent alterations should be reviewed individually for consistency with the resource capabilities of the area and the purposes of the management unit.
- > Management Objective: Management Unit 9-A shall be managed to preserve and protect natural resources and values.
- > Exceptions: The City of Newport is taking two exceptions to Goal 16/"Estuarine Resources." The first is for a seawater outfall line in conjunction with the Oregon Coast Aquarium. The second is for storm water drainage and outfall for the portion of South Beach that naturally drains into Management Unit 9-A.
 - A. Seawater Outfall Line: Goal 2 and Oregon Administrative Rules 660-04-020 outline the criteria that must be addressed when considering an exception. This particular project's compliance with the standards follow.

Four Factors To Be Addressed When Taking an Exception:

1.) **Reasons justify why the state policy embodied in the applicable goals should not apply.**

The Oregon Coast Aquarium is being constructed on an upland area adjacent to the Yaquina Bay Estuary, which has been designated as a Natural Area (Management Unit 9-A) in accordance with Goal 16/ "Estuarine Resources." The site for the aquarium is upland of the natural area and is located on a site designated in the Newport Comprehensive Plan as "Yaquina Bay Shorelands" (zoned W-2/"Water Related").

The aquarium meets the city's definition of a water-dependent use since it must have access to a continuous supply of seawater in order to keep marine animals and plants alive. Seawater will be drawn from the estuary and piped to a reservoir on the aquarium site where it will

be stored until needed. After seawater passes through exhibits, it will be released back into the estuary from which it came.

The state policy embodied in Goal 16 did not anticipate this situation. The removal and return of seawater to the estuary is a rare request and will have a very limited effect, if any, on existing plant and animal communities. If anything, the continuous discharge of seawater at the edge of a natural area may provide improved habitat for certain organisms.

Goal 16 allows certain uses in natural areas when consistent with resource capabilities of the area and purposes of the management area. These conditionally allowed uses include the following:

- * Aquaculture (including incidental dredging and removable in-water structures such as stakes or racks).
- * Communication facilities.
- * Boat ramps for public use.
- * Pipelines, cables, and utility crossings (including incidental dredging necessary for installation).
- * Installation of tide gates in existing functional dikes.
- * Temporary alterations.
- * Bridge crossing support structures (including dredging necessary for their installation).

It is understandable from reading this list that it is not the intent of the state to prohibit all development within a natural area. Rather, it appears that the state adopted a reasonable position that some development is allowed and that the intent is to minimize environmental degradation.

Discharge of seawater back into the estuary where it came from will have less of an impact on the estuary than allowing fish farming or ranching, communication facilities, boat ramps, pipelines, cables, utility crossings, tide gates, and bridges to be constructed.

State policy, as interpreted by the City of Newport, severely limits activities allowed in Management Unit 9-A. Uses mentioned in the unit description are as follows:

- * Shallow draft navigation.

- * Recreational activities (hunting, fishing, clamming).
- * Limited areas of riprap shorelines.
- * Limited dredging for submerged crossings.
- * Other more permanent alteration should be reviewed individually.

The amount of land that will be impacted by this proposal will be limited to less than about 500 square feet located where outfall pipe(s) penetrate the shoreline bank.

The aquarium property abuts Management Unit 9-A. Because of the slope of the land and the propensity of water to seek a lower level, a seawater discharge anywhere on the property (even if not directly into the estuary) will move overland and eventually enter one of the existing drainage ways that discharge into the estuary. It seems appropriate, therefore, to allow the discharge seawater directly back to the estuary.

2.) **Areas that do not require a new exception cannot reasonably accommodate the use.**

There are only five possible areas or locations where seawater from the site can be discharged after use. These areas or locations, and associated implications are discussed below:

- (a) Discharge to the estuary (Management Unit 9-A). This is the proposed approach and has already been discussed.
- (b) Discharge to a City of Newport sanitary sewer. This approach is unacceptable to the city. The introduction of seawater into the sanitary sewer system would cause the destruction of bacteria in the sewage treatment plant and lead to treatment failure.
- (c) Discharge to an on-site holding pond. This approach would work for occasional or intermittent discharges. However, continuous flow of seawater through the aquarium is required. Even a very large pond would eventually overflow and, because of gravity flow, seawater would return to the estuary.

- (d) Discharge near the intake point (Management Unit 7). The Marine Science Center's seawater intake is located on a pier at the northwest corner of the center. The center has allowed the aquarium's intake to be located on the same pier. Because of research projects underway at the center, researchers must have complete control of the water intake area so temperature and salinity can be controlled within tight tolerances. Water is drawn from varying depths to obtain desired temperature and salinity and pumps are started and stopped based on salinity levels and tidal action.

The discharge of seawater from the aquarium in this vicinity could alter temperature and/or salinity levels at the center's intake and could effect on-going research projects. Given that Goal 16 allows research as a permissible use, it seems inappropriate to propose an action that might jeopardize on-going research projects.

- (e) Discharge to the estuary near the Highway 101 bridge (Management Unit 7). This approach, while feasible, is costly both in terms of the initial construction and long term operational costs (maintenance and pumping). In addition, traffic on the access road from the bridge would be impacted during construction.

The added costs of this approach, over the costs of the proposed approach, are estimated as follows:

2700 lf- 10 inch PVC pipe @ \$24.00/lf	\$ 67,500
Pump station (wetwell, pump, piping, electrical supply)	25,000

Construction subtotal	\$ 92,500
Engineering @ 10%	9,000
Contingency @ 20%	18,500

Estimated project construction	\$120,000

Annual pumping costs (1500 gpm, 30 foot head, 15 HP pump, power costs at \$0.04 KWH)	\$ 4,800
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Annual maintenance at 3% of construction	3,600

Estimated annual operation cost	\$ 8,400

The proposed seawater discharge facility, therefore, cannot be reasonably accommodated on non-resource land or on resource land that is already irrevocably committed to non-resource uses.

3.) **The long-term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in other areas requiring a Goal exception.**

Several alternative sites for the aquarium were considered before the selected site was chosen. As mentioned earlier, the aquarium is a water- dependent use and must be located near, if not adjacent to, Yaquina Bay. All sites considered would require discharge of seawater back into the estuary. Long term environmental consequences resulting from discharge at this site, as compared to discharge into a natural area from another site, are equal.

The typical positive and negative environmental consequences of discharging seawater at the proposed site, or any other site discharging into a natural area, are as follows:

> Positive Consequences:

* The continuous discharge of seawater at the edge of a natural area may provide

improved habitat for some plant and animal species.

* During winter storms when much fresh water is running into the estuary, the discharge of seawater may slightly increase salinity levels.

> Negative Consequences:

* Continuous discharge of seawater may lead to the enlargement or modification of discharge channels through the mud flats. (Note: this negative impact can be minimized by

dividing the discharge stream into two parts, thereby reducing hydraulic energy available at a given location.)

* Reduction of salinity level fluctuations near the discharge point may discourage plant and animal species which do better in areas where salinity levels fluctuate more widely.

Long term economic, social, and energy consequences resulting from discharge at this site, as compared to discharge into a natural area from another site, are difficult to evaluate. Sites located farther from the estuary than the selected site would require additional discharge piping, a short term economic detriment (added maintenance) to the aquarium. The selected site will allow discharge by gravity, obviating the need to pump seawater (energy cost avoidance). Sites located farther from the estuary or at lower elevations may require pumping, a long term economic detriment to the aquarium. It is unlikely that there would be any social consequences related to the discharge of seawater from the selected site or from any other site considered.

4.) **The proposed uses are compatible with other adjacent uses, or will be so rendered through measures designed to reduce impacts.**

The aquarium will be located south of the Marine Science Center, north of an industrial area, and east of a mostly vacant parcel that accommodates some mobile homes. The Yaquina Bay Estuary is directly to the east of the site. There will be a highly compatible relationship between the Marine Science Center and the aquarium. The center focuses on marine research and higher education, while the aquarium will focus on environmental education and recreation. The aquarium staff will look to the center staff for technical assistance, and the aquarium will unburden the center from its current heavy load of recreationists.

The aquarium and the industrial area should be reasonably compatible. The aquarium will need some services provided by industrial park tenants (e.g., pump repair, electrical equipment maintenance, and welding). Aquarium visitation will, however, cause some congestion along area roads. As a mitigating action, the City of Newport is improving and realigning Ferry Slip Road, which will improve access to both the aquarium and the industrial area.

Once the aquarium is complete and Ferry Slip Road is improved, the area west of the site is expected to become more valuable and will

likely be redeveloped. This action will have a positive economic effect on the South Beach area of Newport but a negative one on occupants of mobile homes on the property.

The placement of a seawater outfall into the estuary east of the aquarium will have no impact on the Marine Science Center, the industrial area, or residents of nearby mobile homes.

Reasons Necessary to Justify an Exception: The proposed use--seawater discharge into a natural area--is not specifically provided for in subsequent sections of this rule. Subsection (1) of 660-04-022 discusses this situation. The following comments are in response to subsection (1).

(a) There is a demonstrated need for the proposed use.

The aquarium will be built on a site which conforms to the Comprehensive Plan and Zoning Ordinance of the City of Newport. The aquarium is viewed by many as a development that will improve the economy of the central coast by creating jobs and increasing tourism. As of May, 1990, funds already committed included approximately \$3.3 million in federal monies, \$2.5 million in state economic development money, \$2.7 million from charitable foundations, and \$874,356.00 from other sources.

The proposed aquarium will help achieve Goal 9/"Economy of the State" in the following ways:

- * The aquarium will help diversify the economy of the central coast.
- * The aquarium will improve the economy of the central coast by generating jobs and providing services consistent with the long term availability of human and natural resources.
- * The aquarium will help promote tourism both for in-state residents and out-of-state visitors.

(b) A resource upon which the proposed use or activity is dependent can be reasonably obtained only at the proposed exception site and the use or activity requires a location near

the resource.

- (c) The proposed use or activity has special features or qualities that necessitate its location on or near the exception site.

As discussed earlier, the aquarium must be located near a continuous supply of seawater. Once the seawater passes through exhibit areas, it must be discharged. It is essential that a seawater discharge be available to the aquarium, preferably close at hand and capable of operating by gravity.

- B. Storm Water Drainage and Outfall: Goal 2, Oregon Revised Statutes (ORS) Section 197.732, and Oregon Administrative Rules (OAR) Chapter 660, Division 4, provide guidance and establish criteria for taking an exception. The following addresses the applicable standards for the storm drainage outfall in South Beach:

Four Factors To Be Addressed When Taking an Exception:

- 1.) **Reasons justify why the state policy embodied in the applicable goals should not apply.**

The storm drainage system will be constructed and will serve an upland area adjacent to the Yaquina Bay Estuary. The property in the drainage basin to be served by the system is designated on the acknowledged Newport Comprehensive Plan for

residential, commercial, and industrial uses depending on the location. The zoning reflects those Comprehensive Plan designations.

Urban level development requires the provision of urban level services (Goals 11 and 14). The channeling and disposing of storm run-off is one of those services. The existing natural and constructed channels are used now for storm run-off from the upland areas in the drainage basin. The development of the storm drainage system will not alter those existing channels or add new channels.

Goal 16 deals primarily with development or alteration within the estuary. Development outside of the estuary but which affects the estuary is also a concern; however, it is not the primary focus of the goal. Because the issues involved in the development of the storm water drainage system concern those upland areas, the problems that would affect the estuary are controlled by the design and construction of those upland facilities. As Goal 16 does not control the upland

development and storm drainage is a normal City service to the extent Goal 16 can be found applicable to storm water run-off, it should not apply in this instance because it would conflict with the delivery of urban services as required by Goals 11 and 14.

2.) **Areas that do not require a new exception cannot reasonably accommodate the use.**

Storm drainage systems generally rely on existing natural drainage patterns and gravity to function. One option to a gravity system is to collect the storm water and pump it into another drainage basin. The nearest management unit that allows storm drainage is Management Unit 7, approximately 2,600 feet to the north. Another option would be to collect the storm water and release it into the natural management unit at a slow rate. Both would require the construction of detention and pumping facilities.

Any non-gravity collection system would have to be built with the capacity to manage run-off from current and future development in order to properly work. The City of Newport's engineering staff estimate that the current run-off during a 25 year design storm is about 20 cubic feet per second

(cfs). These engineers have also determined that at build-out of the subject drainage basin, a flow of 50 cfs could occur. That number is based on a storm design of a rainfall intensity of one (1) inch of rainfall over a one (1) hour period. That equals 108,000 cubic feet, or 2.5 acre feet of water that must be stored. There would, therefore, have to be some sort of detention system built that could accommodate that much water.

The most likely way to detain water would be a pond or some similar type of impoundment. To store 2.5 acre feet of water, a pond could be one acre in size and at least 3.0 feet deep. It would be preferable to build the pond deeper, at least 5.0 feet, so as not to cause flooding during extreme storms.

For the detention pond to work, it would have to be:

- > In low lying land below surrounding uses;
- > Centrally located so as to be capable of serving a large area; and

> Easily developable.

The Newport Industrial Park in South Beach is at an elevation of 11 feet. This property is the lowest of the urban land in the area proposed to be affected by improved storm drainage. With that elevation in mind and the above stated depth of the detention facility, the bottom of the pond would be at six feet elevation.

It is not uncommon for high tides to be 8, 9, or 10 feet. If the detention pond were built at the suggested elevation, it would be within lands that are influenced by tidal action. Considering the other two factors of location and availability, the only place the pond could be built is in an area just south of the Newport Industrial Park. This area is partially within Management Unit 9-A and partially within a wetland. No lands are available out of either of these two natural resources. With that scenario, there would be a direct affect on the natural management unit rather than the secondary affect discussed below.

Another way to build the pond would be to construct it so that the bottom was at 12 feet or higher. This would involve large amounts of fill and a pumping system that could pump 25 cfs of future run-off into the pond. It would also have to be sited in an area consistent with the location criteria. Again, this would most likely be in the existing Management Unit 9-A or the abutting wetlands. This massive engineered selection in the management unit or adjacent wetlands is a greater divergence from the Goal 16 requirements than naturally channeled storm run-off.

Once in the pond, the water would either be released gradually into the natural management unit or pumped and released into a non-natural management unit. Either way would involve the construction of a pond and a pump that could dispense with the 50 cfs of water. City engineering staff estimates that the pond would cost about \$225,000. That assessment is based on the excavation of a hole five feet deep and other accessories associated with it, such as impermeable liners.

The engineering staff has also estimated that a variable speed pump of sufficient size and its accessory structures would cost \$262,000. In addition, there would have to be 200 feet of 24 inch pressure pipe at a cost of \$65.00 per foot for a total of \$13,000. The total cost of the ponding and pumping system would therefore total \$500,000. Such a

pump would not only be very expensive to install, but the ongoing operating costs would be a significant continued expense. (Engineering estimates the cost of operating the pumping system at approximately \$60,000 per year.)

In addition, the pump would stand idle most of the time. The above-described system is based on a design storm that occurs once every 50 years; or, conversely, there is a two percent chance that the storm could occur in any given year. It is not cost effective to have such a system that large operate only occasionally, considering the negligible effect on Management Unit 9-A if the exception is granted.

Finally, sediments from the run-off would settle into a detention pond. This means that the pond would have to be periodically dredged. Again, the maintenance costs for a ponding system that is only occasionally used is prohibitive and not a wise use of public monies considering the impact on Management Unit 9-A.

- 3.) **The long term environmental, economic, social, and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in other areas requiring a goal exception.**

Environmental: The state goal is to protect and, where feasible, enhance the natural management units. As mentioned above, the city is not proposing to construct any additional storm drainage facilities into the management unit but merely proposing to increase the amount of discharge through existing, natural channels.

City engineering staff has determined that discharge increase for the 50 year design would be from 20 to 50 cfs. Again, this is calculated for an intense storm. Storm drainage capacities are determined by the formula $q=c*i*a$, where "q" equals run-off in cubic feet per second, "c" equals the coefficient of permeability, "i" equals the intensity of rainfall, and "a" equals the area of the drainage basin in acres.

When the Engineering Department determined the 50 cfs, "i" equaled "1." That is a very intense storm and, again, according to the engineering staff, a more common figure would be .2. This would equal one-fifth of the design storm of 50 cfs. Consequently, a more common storm would generate only ten cfs. Those figures are based upon build out of the upland commercial, industrial, and residential land use.

Two potential adverse affects could result from that six cfs increase. One would be an increased amount of scouring in existing channels, especially below the high tide mark. Second, because of the increase in the impervious soils in the drainage basin (probably asphalt), there could be an increase in the amount of pollutants such as oil, gas, or antifreeze.

The Engineering Department has examined both impacts. According to the preliminary studies, the existing channel bisecting the bay is of sufficient depth to accommodate the increased run-off without additional scouring.

Also, according to the Engineering Department, the increase in pollutants is mostly offset by an increase in water. This results in a greater amount of mixing and dilution of the pollutants. There would, then, be a measurable but not critical adverse impact on natural Management Unit 9-A.

Economic: As stated in the previous section, the cost of building and maintaining a drainage system that is only used intermittently is very high. By building a drainage system that operates by gravity, the public costs of development and maintenance are considerably less.

The South Beach area has been designated as high density residential, commercial, and industrial elsewhere in this plan. It is estimated herein that the City of Newport will need additional acres of commercial and industrial land to accommodate the anticipated growth. As noted in this plan, areas other than South Beach feasible for commercial development are very limited. The acknowledged Comprehensive Plan stated that the area is needed for the future expansion of the city's economic base. The ability of the city to expand its economic base is necessary for the economic well being of the community and the region. The State of Oregon has recognized this by adopting Goal 9/"Economy of the State" as an important element of mandated comprehensive plans.

Storm drainage facilities must be available for any development, but it is even more critical for commercial and industrial areas. That type of development requires the construction of large parking lots. To be functional, efficient storm drainage is required because lots cannot be developed in accordance with the acknowledged designations if there is the possibility of flooding. This is compounded in the South Beach area because it is relatively flat and low lying.

Social: The South Beach area has a large amount of the future high

density residential lands. Other high density areas in the city are either small or are in areas difficult to develop. The South Beach area is, therefore, one of the few areas in town that can accommodate larger multi-family developments. The lack of a sanitary sewer system in the area has prevented any large projects from locating there, but the extension of

the sewer system into the area is almost complete, and development can now occur.

As with commercial and industrial development, apartments usually involve large amounts of impervious surfaces. This means that storm water must be collected on site and fed into an area-wide storm drainage system. The cost of that system has a direct relationship to the cost of housing because of added development costs. Infrastructure, therefore, must be as cost efficient as possible, yet still provide an adequate service. If the storm drainage system designed for South Beach can take advantage of natural outfall into the bay, the cost of providing that service can be greatly reduced not only in the initial construction but in the long-term maintenance. Conversely, if the cost is high, that added cost will be passed on to the consumer.

The housing element of this plan has identified a need for additional housing, especially for low income persons. The more costs that are required in residential building, the more expensive and less affordable are the homes. This social concern has been identified by the state in Goal 10/"Housing" and the Housing rule as an important goal. Considering the potential great expense of any of the alternatives to the natural gravity system for storm drainage, the availability of cost effective housing for lower income persons could be hampered.

Energy: If the city builds the storm drainage system as proposed, it will work totally on gravity; consequently, once constructed, no energy consumption will be required except for periodic maintenance. If, on the other hand, one of the alternative methods is employed, a considerable amount of energy will be used pumping water. In addition, maintenance demands will increase because of the pump and detention systems. This will also increase the amount of energy consumed.

- 4.) **The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.**

The proposal is to drain storm water into a natural management unit via a natural swale. There will be no additional outfall lines or drainage ditches constructed in Management Unit 9-A.

Natural drainage ways are a common feature for any body of water into which land drains.

Other adjacent uses include salt marshes, algae and eelgrass beds, shellfish beds, fish spawning and nursery areas, and waterfowl habitat. All of these uses have developed at or near the existing drainage way, and no adverse impacts have been identified. Because this proposal does not intend to alter that natural drainage channel but only insignificantly affect the management unit, the proposal is not inconsistent with the above uses.

Other non-natural uses include submerged crossings, navigation improvements, and aquaculture facilities. Submerged crossings and navigation improvements may involve minor alterations, resulting in temporary disturbances (see Goal 16 of the Statewide Planning Goals). It is then evident that some alteration and disturbance is allowed as long as it is temporary. This proposal is to use existing natural drainage with no alterations at all within the management unit. The storm drainage proposal subject to this exception, consequently, is compatible with other uses that may result in minor, temporary alterations.

5.) **There is a demonstrated need for the proposed use.**

As stated before, the subject drainage is and will continue to be a high density residential, commercial, and industrial area. Storm drainage facilities are needed in urban areas, especially in those on the coast that can receive over 80 inches of rain a year.

In addition to the overall rainfall amount, the coastal areas can experience intense rain storms, with an intensity of one inch an hour not uncommon. Even if the ground is vacant, the soil quickly becomes saturated, so water begins to run off. In urban areas, run-off that is not channeled can result in serious water damage to property and structures. Adequate storm drainage facilities, then, are needed in built up areas. This has also been identified as a needed public service under Goal 11.

6.) **A resource upon which the proposed use or activity is dependent can be reasonably obtained only at the proposed exception site,**

and the use or activity requires a location near the resource.

The "resource" upon which the use is dependent is water run-off on the Management Unit 9-A area. No other location is reasonable.

7.) **The proposed use or activity has special features or qualities that necessitate its location on or near the exception site.**

As discussed previously, in order to provide a needed storm water drainage system in the South Beach area in the most timely, orderly, and efficient manner, the existing, natural drainage facilities must be used. This requires flow into a natural management unit.

Special Policies: Management Unit 9-A shall be managed to preserve natural amenities. Active restoration activities are limited to fish and wildlife habitat and water quality and estuarine enhancement. There are two exceptions:

- > The waste seawater outfall for the Oregon Coast Aquarium; and
- > The storm water run-off through a natural, existing drainage system.

Both of these uses are permitted in Management Unit 9. The Idaho Point Marina and the channel that serves it are existing uses within the natural management unit, and they may be maintained as allowed under the existing Corps of Engineers permit. Repair of existing structures and facilities would be considered maintenance, as well. Any new dredging in excess of what is currently allowed under the existing Corps of Engineers permit, or any new development or expansion of existing in-water structures and facilities could require a Goal 16 exception. A cobble/pebble dynamic revetment for shoreline stabilization may be authorized in Management Unit 9-A for protection of public facilities (such as the Hatfield Marine Science Center facilities).

Management Unit 10-A¹²:

> Description: Management Unit 10-A includes part of the Sally's Bend area between Coquille Point and McLean Point. The unit consists of a major tideflat which supports eelgrass, shellfish and algal beds, fish spawning and nursery areas, and wildlife habitat, all of major significance. Uses in the area are limited to shallow and medium draft navigation, recreational use, and some minor commercial harvest. A number of incidental alterations are present, including pilings, dredging, and ripped shorelines. (See map for location of resources and uses.)

¹² Management Unit 10-A includes only that part of Management Unit 10 identified by the Yaquina Bay Task Force that is within the Newport UGB. The description and special policies set forth above differ from those for Management Unit 10 as a whole only because they apply to a smaller area. This subarea is classified, described, and planned for in a manner wholly consistent with the remainder of Management Unit 10.

- > Classification: Natural. This unit has been classified as "natural" in order to preserve the natural resources of the unit.
- > Resource Capability: Management Unit 10-A is similar in character and resource values to Management Unit 9-A. Due to the importance and sensitive nature of the resources in this area, permitted alterations should be limited to those which result in only temporary disturbances. (Several submerged crossings have been located in this area.) More permanent alterations should be reviewed for consistency with the resource capabilities of the area.
- > Management Objective: Management Unit 10-A shall be managed to preserve and protect natural resources and values.
- > Special Policies: Active restoration activities necessary to preserve and protect the natural resources and values of the management unit are limited to fish and wildlife habitat and water quality and estuarine enhancement. A portion of Management Unit 10-A has been identified as a potential future development site. Development of this area within the "resource line" shown in the Lincoln County Estuary Plan shall require a clear demonstration of need, evaluation of alternative sites, consideration of long-term consequences, and a finding of compatibility with the adjacent uses in order to justify the needed plan amendment and Goal 16 exception.

Estuary Plan Coordination and Implementation

The Lincoln County Estuary Management Plan will be implemented within the Newport urban growth boundary. Lincoln County has primary responsibility for implementation in those parts of Yaquina Bay outside the city limits, while the City of Newport has primary responsibility for implementation within the city limits. The applicable portions of the Lincoln County Estuary Management Plan, adjusted as needed to produce equivalent results, are incorporated into the Newport Comprehensive Plan and Zoning Ordinance.

Review Procedures

Section 2-2-13 of the city's Zoning Ordinance defines, in terms of a permitted use matrix, the development, conservation, and natural management units and describes appropriate uses, activities, and structures. Any use, structure, or alteration in

any management unit must comply with procedures established in that section of the Zoning Ordinance.

State and Federal Agency Coordination

The Lincoln County Estuary Management Plan and the Newport Comprehensive Plan and Zoning Ordinance are designed to provide for the review of proposed uses and

the application of performance standards in conjunction with the Division of State Lands waterway project permit review procedure (which in turn is integrated into the Corps of Engineers Section 10 and Section 404 review procedures).

Through this process, all state and federal resource agencies that participate in the review of waterway permits will be apprised of actions taken and findings made under the provisions of the management plan.

Similarly, each local government will be able to take advantage of the resource agencies' participation in this process for acquiring technical information and assessments relative to the review of waterway projects.

Yaquina Bay Shorelands:

This section summarizes inventory information about the shorelands adjacent to Yaquina Bay. Identification of the shorelands boundary was based upon consideration of several characteristics of the bay and adjacent uplands. Resources shown on the Yaquina Bay Shorelands Map within the bay-related portion of the shorelands boundary include:

- > Areas subject to 100-year floods as identified on the Flood Insurance Rate Map (FIRM).
- > Significant natural areas, adjacent marsh, and riparian vegetation along the shore.
- > Points of public access to the water.
- > Areas especially suited for water-dependent uses.
- > Dredged material disposal sites (for a more detailed discussion of dredged material disposal sites, see the amended Yaquina Bay and River Dredged Material Disposal Plan¹³).

Several of the Goal 17 inventory topics for coastal shorelands do not appear in the legend for the Yaquina Bay Shorelands Map either because they do not occur (coastal headlands) or are not directly associated with it (geologic hazards). However, the report

¹³ Wilsey & Ham, Yaquina Bay and River Dredged Material Disposal Plan, 1977.

and mapping of hazards by RNKR Associates is included in the Newport Comprehensive Plan inventory.¹⁴ The historic and archaeological resources of the Yaquina Bay Shoreland have been identified in the historical section of this document.

The Yaquina Bay Bridge is the major aesthetic landmark on Yaquina Bay. Views associated with the ocean have relegated the river scenes to secondary importance.¹⁵ The Visual Resource Analysis of the Oregon Coastal Zone classified the whole of Yaquina Bay as an area with a "less obvious coastal association" than the ocean beaches or Yaquina Head.¹⁶

Flooding

Areas of 100-year floods along Yaquina Bay (Zone A), as shown on the Flood Insurance Rate Map for the City of Newport (effective April 15, 1980), are included on the Yaquina Bay Shorelands Map. This line represents base flood elevation of 9 or 10 feet, depending upon the location.

The City of Newport has adopted flood plain management regulations that have been approved by the Federal Emergency Management Agency (FEMA). The regulations include provisions that meet the requirements of the National Flood Insurance Program.

Significant Natural Areas

The Oregon Natural Heritage Program identified two significant natural areas on Yaquina Bay within the Newport UGB. These areas are mostly within the boundaries of Estuarine Management Units 9-A and 10-A. However, the shore adjacent to these management units also contains riparian vegetation and marshland.¹⁷ These significant shoreland and wetland habitats and adjacent wetlands, including riparian vegetation, are shown on the Yaquina Bay Shorelands Map on page 272.

Public Access Points

The Yaquina Bay Shorelands Map identifies points of public access to the water for

¹⁴ RNKR Associates, Environmental Hazard Inventory: Coastal Lincoln County, Oregon, 1978.

¹⁵ Wilsey & Ham, Yaquina Bay Resource Inventory, 1977.

¹⁶ Walker, Havens, and Erickson, Visual Resource Analysis of the Oregon Coastal Zone, 1979.

¹⁷ Wilsey & Ham, Yaquina Bay Resource Inventory, 1977.

purposes of boating, clamming, fishing, or simply experiencing the bay environment. In addition to those points, there are several points identified in the Inventory of Coastal Beach Access Sites published by Benkendorf and Associates.¹⁸ That document is hereby included within this Plan by reference.

Areas Especially Suited for Water-Dependent Uses

There are several shoreland areas in the Newport UGB that are especially suited for water-dependent uses (ESWD). The shoreland areas especially suited for water-dependent recreational uses within the Newport UGB are virtually all on the ocean as described in the Ocean Shorelands Inventory. Suitable sites for water-dependent commercial and industrial uses exist on both the north and south shores of Yaquina Bay. Some of the water-dependent commercial areas, such as the marina sites, also have a recreational aspect. The port development section of this element will discuss the ESWD sites in more detail.

The factors which contribute to special suitability for water-dependent uses on Yaquina Bay Shorelands are:

- > Deep water (22 feet or more) close to shore with supporting land transport facilities suitable for ship and barge facilities;
- > Potential for aquaculture;
- > Potential for recreational utilization of coastal water or riparian resources;
- > Absence of steep slopes or other topographic constraints to commercial and industrial uses next to the water;
- > Access or potential for access to port facilities or the channel from the shorelands unobstructed by streets, roads or other barriers.

The first three factors are stated in Goal 17. Protected areas subject to scour that would require little dredging for use as marinas do not exist in Newport. The last two factors are based upon analysis of the characteristics of Yaquina Bay and its shorelands.

There are three areas within the Yaquina Bay Shorelands that have been identified as ESWD based on the five factors listed above. The degree and nature of the suitability for water-dependent uses varies both within and among these areas; consequently, a

¹⁸ Benkendorf and Associates, Inventory of Coastal Beach Access Sites, 1989.

flexible approach to evaluate proposed uses in these areas on a case-by-case basis will be necessary.

The ESWD areas are noted below with applicable factors from the above list in parentheses, beginning with the east end of the original plat of Newport and proceeding clockwise around the bay. (See the Yaquina Bay Shorelands Map on page 272 for locations.)

- 1.) The Port of Newport's commercial boat basin facilities and parking lot/storage area lie between the bayfront on the west and the Embarcadero Marina and parking area on the east. This area lies entirely to the south of Bay Boulevard (factors 3, 4 and 5).

This area is largely developed or committed to port facilities, including docks, port offices, and a parking area. This is the port area devoted to berthing commercial fishing boats. There is development potential for changes in the port's facilities to meet the changing needs of the commercial fishing industry. While the total number of vessels has declined, their size and diversity is increasing. Some vessels in the 70 to 100 foot class routinely fish as far away as the north Alaskan coast. Uses outside or on the fringes of the port area that do not conflict or interfere with commercial fishing needs could be acceptable and appropriate.

- 2.) The other area on the north side of the bay especially suited for water dependent uses is part of the McLean Point fill area, including Sunset Terminals and the LNG tank. Only that land with close proximity to the deep water channel is included. This area is entirely south of the western portion of Yaquina Bay Road (factors 1, 4 and 5).

This area has existing facilities and future development potential for a variety of water-borne transportation, shipping and storage activities in conjunction with fish processing, marine industry, and bulk shipping of limestone, logs, and lumber, liquefied natural gas, or other commodities. A variety of industrial uses would be desirable on the landward side of the terminal facilities.

- 3.) On the south side of the bay, the OSU Marine Science Center's dock facilities, the Ore-Aqua commercial salmon hatchery, and the land immediately adjacent to the South Beach Marina are especially suited for water-dependent uses (factors 2, 3, 4 and 5), and will also serve the needs of workers and visitors to the area.

This area is only partly developed. Additional water-related and nonwater-related developments associated with the existing South Beach Marina, the OSU Marine Science Center, and port development as identified in the port development plan are envisioned for the areas landward of this ESWD area. These facilities further

the public's enjoyment and understanding of the coastal environment, and resources are most desirable.

Port Development Plan:

The City of Newport's Urban Renewal Agency and the Port of Newport contracted with CH2M HILL of Corvallis to prepare an update of the port development element of the city's Comprehensive Plan (already mentioned in this section).

The first part of the port development plan is an executive summary of the entire plan. That section is repeated here.

Executive Summary

Industry Demands: The waterfront property bordering historic and scenic Yaquina Bay is used for a wide variety of activities. This diversity of uses contributes to the vibrancy of the Newport area. However, there is a tension between the various industries using the waterfront property as they compete for space to grow and expand their respective activities. The primary industries vying for use of bay front property are:

- Commercial shipping
- Commercial fishing
- Research and education
- Tourism

Commercial shipping provides the justification for continued federal participation in harbor and navigation channel maintenance activities. The channels not only provide access to the deep draft shipping lanes of the Pacific Ocean but also make Yaquina Bay a favored harbor for a large commercial fishing fleet, which in turn attracts many tourists to the bay front to observe off-loading and processing of the catch. Research and education activities support the commercial fishing industry and also attract visitors to the area. The combined presence of the Hatfield Marine Science Center and the deep draft navigation channel draws large ocean research vessels into the harbor for supplies, repairs, and to provide floating exhibitions open to the public. Thus, these major industries are all linked together.

Two hundred and fifty acres along the estuary are zoned for water-related or water-dependent use, and it is important to balance the needs of all to provide balanced growth in the local economy. The current needs of each of these industries are discussed below.

- > The commercial shipping industry requires additional staging areas and needs to

reserve room for future expansion. Additions of a dedicated shipper or a second export commodity, such as wood chips or other forest products, is the type of activity that could generate the need for additional berths.

- > Commercial fishing activities are restricted by lack of moorage, service and work docks, and upland support area for storage and repair work. Competition between ports often leads to marketing support facilities at rates that do not meet debt service in the name of economic development and job creation. This is done to attract commercial fishing vessels to a port because of the financial impact one of these boats can make on the local economy. Each boat is, in essence, an independent business, and the boats are increasingly being operated in a business-like manner.
- > Research and education requirements are fairly straightforward: room for expansion and maintenance of the environmental parameters upon which they depend (e.g., water quality in the vicinity of seawater intake facilities).
- > The tourism industry relies on the continued presence of the fishing fleet and access to the variety of activities that may be enjoyed along the waterfront, in addition to room for expansion.

Potential Development of Bay Front Areas: Parking is in short supply. Retail merchants, tourists, and commercial fisherman alike put this shortage at the forefront of their needs. Access to the bayfront could be enhanced by a multi-level parking structure with a capacity for approximately 400 vehicles. This would not solve all parking shortages nor completely eliminate congestion; however, construction of such a facility would provide the opportunity to establish one-way traffic along the bay and restrict all but commercial and emergency vehicles from the lower reach of Bay Boulevard.

The lower bayfront offers the potential for cold storage facilities, ice making and selling facilities, receiving docks and buying stations, and transient moorage space. If the now vacant Snow Mist site is not used for these activities, then it may be appropriate to allow other short-term uses. This should be permitted only if the short-term use allows easy conversion to the proposed primary use upon demonstrated need and demand for such a facility.

The area from Port Dock 5 to the Embarcadero should be dedicated, primarily, to the needs of the commercial fishing industry. However, some current uses, such as long term storage for crab pots and cod pots, are not appropriate considering the limited amount of upland area along the waterfront. The potential for major redevelopment of this area has been identified. This would enhance public enjoyment of the waterfront in addition to expanding facilities for the commercial fishing fleet.

The project requires filling of public tidelands between Port Docks 3 and 5. This

would provide space for a waterfront park area with a good view of the commercial fishing activities at Port Dock 5. Bay Boulevard could also be widened to provide additional street-side parking and one-way traffic lanes along this section. The remaining land would be converted to more efficient gear staging and short term storage, parking dedicated to the commercial fishermen, and marine retail lease space. A boardwalk running from Port Dock 3 to the Embarcadero would also allow tourists visual access to the activities of the fleet while maintaining the physical separation necessary for public safety.

Other elements of the overall development of this area's potential include relocating the U.S. Army Corps of Engineers' breakwater to expand the commercial fishing moorages.

Realignment of the Port docks would also be considered, along with replacing the original Port Dock 3 transient moorage facility.

The benefits of this major redevelopment project will be limited if more moorage and long term gear storage facilities are not developed elsewhere. The Fishermen's Investment Company site offers the necessary land for long term gear storage, service and work docks, permanent and transient moorage for boats up to 300 feet in length, and marine industrial lease facilities. Developing this facility would be strategic for the Port. Then, the Port Dock 7 fill area could be completely redeveloped for more appropriate uses.

The port's International Terminals facility has the capability for minor expansions of cargo staging areas, or possibly for the addition of facilities for barges or commercial fishing vessels. However, available land limits the potential for growth at this location.

McLean Point has the largest parcel of undeveloped property on the lower bay. This property is privately owned, and plans for development have not been announced. It would be well suited for a wide variety of uses such as:

- Boat haulout and marine fabrication
- Gear storage and staging
- Service and work docks
- Fish receiving, buying and processing facilities
- Moorage
- Commercial shipping terminals
- Surimi processing

This undeveloped parcel of land is critical to the overall development of the lower bay. If it is not developed, then the Port of Newport should consider buying or leasing the property with the intent to develop it to meet the needs of the shipping or fishing industries.

The South Beach peninsula serves as the home for many recreational boaters and for the research and education community. Potential developments that are attractive to the long term use of this area include moorages for research vessels, continued expansion of the Marine Science Center, and continued development at the Newport Marina at South Beach complex.

Idaho Point offers limited potential for development. Possibly a small boat haulout facility servicing the smaller commercial fishing boats could be developed. The shallow channel to the area, its small land area suitable for development, and its isolation from other businesses and support facilities severely limit the potential for developing a major haulout facility.

Development Restrictions: Limited funding and environmental regulations will be the most likely restrictions to developing the identified projects. Projects that should be developed in the next five years are those without major environmental restraints or that are fairly small in scale. Other projects should be developed later, as market conditions dictate or as funds become available. Construction on the waterfront is not inexpensive, and foundation conditions along the north side of Yaquina Bay are complicated by a very dense Nye mudstone formation, locally called "hardpan."

GOALS AND POLICIES **YAQUINA BAY AND ESTUARY**

Goal: To recognize and balance the unique economic, social, and environmental values of the Yaquina Bay Estuary.

Policy 1: Balanced Use of Estuary. The City of Newport shall continue to ensure that the overall management of the

Yaquina Bay Estuary shall provide for the balanced development, conservation, and natural preservation of the Yaquina Bay Estuary as appropriate in various areas.

Policy 2: Cooperative Management. The city will cooperate with Lincoln County, the State of Oregon, and the Federal Government in the management of the Yaquina Bay Estuary.

Policy 3: Use Priorities. The general priorities (from highest to lowest) for management and use of Yaquina Bay Estuary resources as implemented through the management unit designation and permissible use requirements listed below shall be:

- a.) Uses which maintain the integrity of the estuarine ecosystem;
- b.) Water-dependent uses requiring estuarine location, as consistent with the

overall Oregon Estuarine Classification;

- c.) Water-related uses which do not degrade or reduce the natural estuarine resources and values;
- d.) Nondependent, nonrelated uses which do not alter, reduce, or degrade estuarine resources and values.

Policy 4: Riparian Vegetation. Riparian vegetation shall be protected along the Yaquina Bay shoreland where it exists. The only identified riparian vegetation within the UGB is that shoreland vegetation adjacent to Management Unit 9-A. This vegetation shall be protected by requiring a fifty (50) foot setback from the high water line for any development in the area. Adjacent public roads may be maintained as needed.

Policy 5: Dredged Material Disposal Sites. Dredged material disposal sites identified in the Yaquina Bay and River Dredged Material Disposal Plan, which are located within the Newport urban growth boundary, shall be protected. Development that would preclude the future use of these sites for dredged material disposal shall not be allowed unless a demonstration can be made that adequate alternative disposal sites are available.

Policy 6: Protection of Mitigation Sites. The city shall work with Lincoln County, the Port of Newport, and state and federal agencies to assure that potential mitigation or restoration sites are protected from new uses of activities that would prevent their ultimate use for mitigation or restoration. No potential mitigation sites have been identified or designated within Newport's urban growth boundary.

Policy 7: Bayfront Uses. The city shall encourage a mix of uses on the bayfront. Preference shall be given to water-dependent or water-related uses for properties adjacent the bay. Nonwater-dependent or related uses shall be encouraged to locate on upland properties.

Policy 8: Water-Dependent Zoning Districts. Areas especially suited for water-dependent development shall be protected for that development by the application of the W-1/"Water-Dependent" zoning district. Temporary uses that involve minimal capital investment and no permanent structures shall be allowed, and uses in conjunction with and incidental to water-dependent uses may be allowed.

Policy 9: Solutions To Erosion and Flooding. Nonstructural solutions to problems of erosion or flooding shall be preferred to structural solutions. Where flood and erosion control structures are shown to be necessary, they shall be designed to minimize adverse impacts on water currents, erosion, and accretion patterns. Additionally, or cobble/pebble dynamic revetments in MU 8 and 9-A to be allowed,

the project must demonstrate a need to protect public facility uses, that land use management practices and nonstructural solutions are inadequate, and the proposal is consistent with the applicable management unit as required by Goal 16.

Policy 10: Impact Assessment. Actions in the estuary which--by their size, duration, or location relative to important natural resources--would potentially alter the estuarine ecosystem shall be preceded by a clear presentation of the impacts of the proposed alteration. Such activities include dredging, fill, in-water structures, riprap, log storage, application of pesticides and herbicides, water intake or withdrawal and effluent discharge, flow-lane disposal of dredged material, and other activities which could affect the estuary's physical processes or biological resources.

The impact assessment need not be lengthy or complex, but it should enable reviewers to gain a clear understanding of the impacts to be expected. It shall include information on:

- a.) The type and extent of alterations expected;
- b.) The type of resource(s) affected;
- c.) The expected extent of impacts of the proposed alteration on:
 - (1) Water quality and other physical characteristics of the estuary,
 - (2) Living resources,
 - (3) Recreation and aesthetic use, and
 - (4) Navigation and other existing and potential uses of the estuary; and
- d.) The methods which could be employed to avoid or minimize adverse impacts.

Policy 11: Dredge and Fill. Dredge and fill activity shall be allowed only:

- a.) If required for navigation or other water-dependent uses that require an estuarine location, or if specifically allowed by the applicable management unit;
- b.) If a need (i.e., a substantial public benefit) is demonstrated and the use or alteration does not unreasonably interfere with public trust rights;
- c.) If no feasible alternative upland locations exist;
- d.) If adverse impacts are minimized; and

- e.) If in intertidal or tidal marsh areas, the effects shall be mitigated by creation, restoration, or enhancement of another area to insure that the integrity of the estuarine ecosystem is maintained.

Policy 12: Alteration of the Estuary. Uses and activities other than dredge and fill activity which could alter the estuary shall be allowed only:

- a.) If the need (i.e., a substantial public benefit) is demonstrated and the use or alteration does not unreasonably interfere with public trust rights;
- b.) If no feasible alternative upland locations exist; and
- c.) If adverse impacts are minimized.

Policy 13: Resource Capability Determinations - Natural Management Units. Within Natural Management Units, a use or activity is consistent with the resource capabilities of the area when either the impacts of the use on estuarine species, habitats, biological productivity, and water quality are not significant or the resources of the area are able to assimilate the use and activity and their effects and continue to function in a manner to protect significant wildlife habitats, natural biological productivity, and values for scientific research and education. In this context, "protect" means to save or shield from loss, destruction, injury, or for future intended use.

Policy 14: Resource Capability Determinations - Conservation Management Units. Within Conservation Management Units, a use or activity is consistent with the resource capabilities of the area when either the impacts of the use on estuarine species, habitats, biologic productivity, and water quality are not significant or the resources of the area are able to assimilate the use and activity and their effects and continue to function in a manner which conserves long term renewable resources, natural biologic productivity, recreational and aesthetic values, and aquaculture. In this context, "conserve" means to manage in a manner which avoids wasteful or destructive uses and provides for future availability.

Policy 15: Temporary Alterations in Natural and Conservation Management Units. A temporary alteration is dredging, filling, or other estuarine alteration occurring over no more than three years which is needed to facilitate a use allowed by the Comprehensive Plan and the Permitted Use Matrices of the Zoning Ordinance. The provision for temporary alterations is intended to allow alterations to areas and resources that would otherwise be required to be preserved or conserved.

Temporary alterations include:

- > Alterations necessary for federally authorized navigation projects (e.g.,

access to dredged material disposal sites by barge or pipeline and staging areas or dredging for jetty maintenance);

- > Alterations to establish mitigation sites, alterations for bridge construction or repair, and for drilling or other exploratory operations; and
- > Minor structures (such as blinds) necessary for research and educational observation.

Temporary alterations require a resource capability determination to insure that:

- > The short-term damage to resources is consistent with resource capabilities of the area; and
- > The area and affected resources can be restored to their original condition.

Implementation Measure 1: All development within the Yaquina Bay Estuary shall be consistent with the management units contained in Newport's Comprehensive Plan and Zoning Ordinance.

Implementation Measure 2: The city shall continue to maintain the management unit classification system delineated in this plan and the Zoning Ordinance. The permitted use matrices contained in the Zoning Ordinance shall be maintained as is unless sufficient evidence can be presented to warrant change. Any change in the permitted uses matrices shall be considered an exception to Statewide Planning Goal 16 and shall be processed as such.





Implementation Measure 3: The Port of Newport and the city shall cooperate in the implementation of the Port Development Plan (dated July of 1989) or any other plan adopted by the port and consistent with the city's Comprehensive Plan.

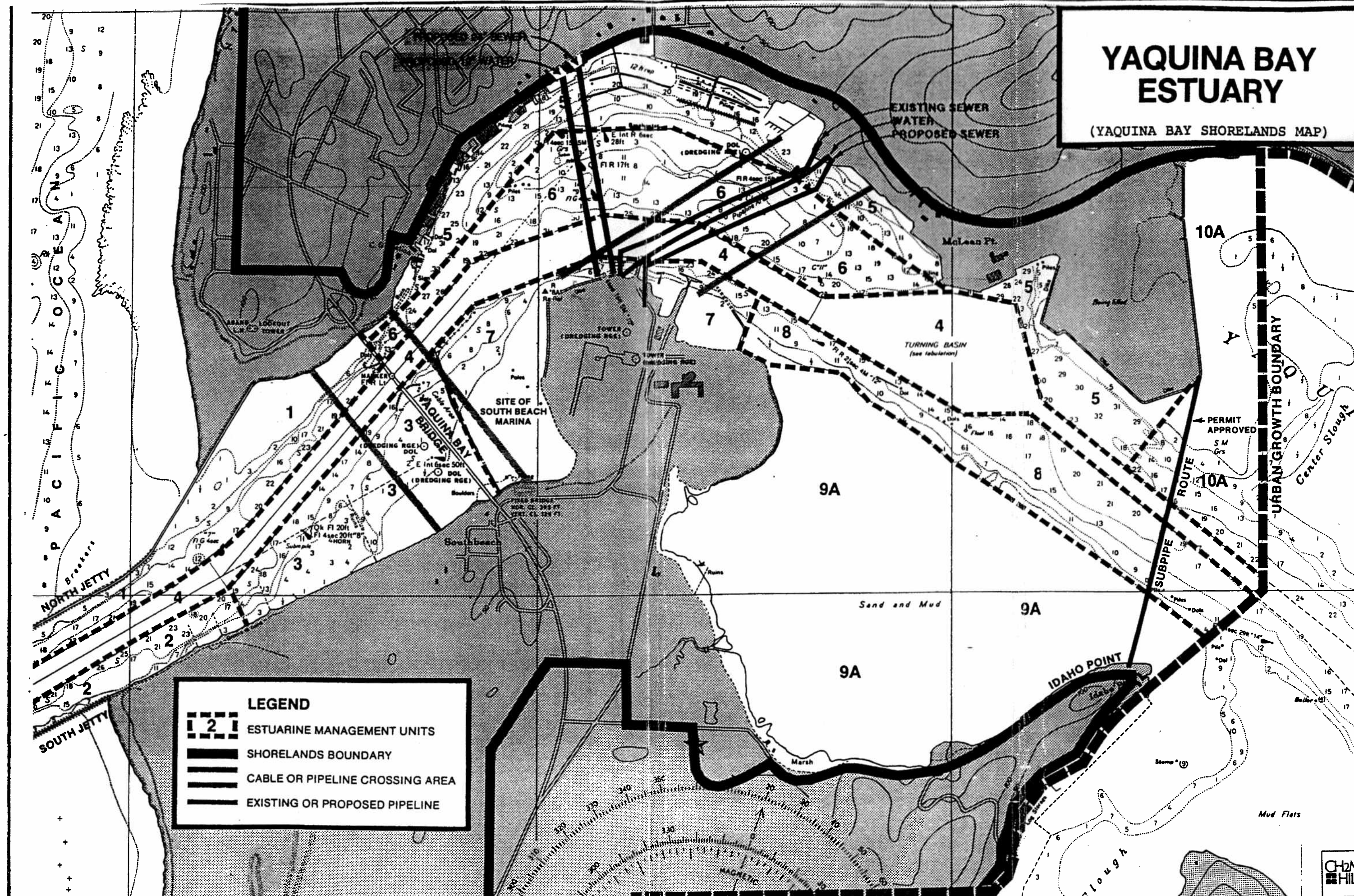
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YAQUINA BAY ESTUARY

(YAQUINA BAY SHORELANDS MAP)

LEGEND

-  ESTUARINE MANAGEMENT UNITS
-  SHORELANDS BOUNDARY
-  CABLE OR PIPELINE CROSSING AREA
-  EXISTING OR PROPOSED PIPELINE



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URBANIZATION*

The Newport urban area includes lands within the city limits. It becomes necessary, however, to identify lands outside those limits that will become available for future growth. With that in mind, the City of Newport and Lincoln County have agreed upon a site specific boundary that limits city growth until the year 2031.

The urban growth boundary (UGB) delineates where annexations and the extension of city services will occur. Converting those county lands within the UGB requires coordination between the county, the property owners, and the city. This section provides the framework and the policies for those conversions and service extensions. The decision makers can also use this section as a guide for implementation of the urbanizing process.

The city and county made the policies of this section as part of a coordinated effort. Involved in the process were the governing bodies and planning commissions of both jurisdictions. The Citizen's Advisory Committee, concerned citizens, and other affected agencies also participated in the process.

Newport Urban Growth Areas:

Land forms are the most important single determinant of the directions in which Newport can grow. Newport is bounded on the west by the Pacific Ocean and on the east by the foothills of the Coast Range. In addition, the city is divided by Yaquina Bay. The only suitable topography for utility service and lower cost urban development is along the narrow coastal plain. Some development has occurred in the surrounding foothills and along the Yaquina River and creek valleys, but this is generally rural development of low density without urban utilities. The following inventory describes areas evaluated as to their suitability to accommodate expected growth.

A. Agate Beach Area (North Newport/390 Acres):

Inventory. This study area consists of both urbanized and undeveloped land (see map on page 283). Of the 390 acres available for residential development, 225 lie within the unincorporated area of the UGB, and 165 acres are within Newport's city limits. (The urbanized area contains approximately 60 acres.)

The urbanized area was platted in the 1930's, with growth occurring gradually since that time. The area is primarily residential and has a mixture of houses, mobile homes, trailers, and some limited commercial uses along U.S. Highway 101. The area was previously served by the Agate Beach Water System, which frequently failed to meet federal water quality standards and had inadequate line size and pressure to serve existing customers and projected growth. The City of Newport rebuilt the water system and installed a sewer system at the cost of approximately \$1.4 million.

The unincorporated portions of this study area have been included in Newport's UGB

to help meet anticipated need for residential land. The land is relatively level, water services and road access are immediately adjacent, and sewer is available. The area has been urbanized to a degree already and is suitable for continued residential development. Much of this area has been platted into 5,000 square foot lots, which are both suitable for mobile home placement and "buildable" as sewer is extended.

Analysis. Because most of this area has been previously platted into 50 x 100 foot lots, land costs can be expected to be lower than in newly platted areas of the city. Many mobile homes and trailers currently exist in this area, and smaller lots are appropriate for mobile homes.

Finding. This area is suitable for continued residential development and is designated residential. In addition, because of the smaller lot sizes and the existence of many mobile homes in the area, a mobile home overlay zone is desirable and compatible with existing uses. Areas of larger acreage on both the east and west side are suitable for high density residential use with the mobile home overlay so that new mobile home parks may be built in the area as outright uses, as well as allowing apartments. Existing commercial development along U.S. Highway 101 should be allowed to remain.

B. Agate Beach Golf Course and Little Creek Drainage Area (North Newport/93 acres):

Inventory. This area lies south and east of the golf course, west of the west line of Section 33, and east of Highway 101, all of which is within the city limits (see map on page 283). The area is generally undeveloped, and it slopes steeply toward Little Creek.

The area has been planned to be served by city water and sewer and a major new road. It is zoned for low and high density residential development.

Analysis. Because of the steep slopes, this is the type of area where a planned development is often appropriate. It borders a mobile home park to the south and is geographically well separated from other areas of conventional housing; therefore, mixed residential development can be considered for the property with little possible conflict.

Finding. Because of the topography, either low density residential development with a planned development overlay or high density residential development would be appropriate designations. However, the former would insure more open space in the long range.

C. West Big Creek Drainage Area (North Newport/40 acres):

Inventory. This area lies south of the Pacific Beach Club, east of U.S. Highway 101, and west of Lakewood Hills (see map on page 283). It has not yet been developed.

Analysis. Much of the area is in a flood plain. However, it has been studied for a planned development and is suitable for high density residential use.

Finding. High density residential will be the designation for this property. The land

may be suitable for a planned unit development.

D. East Big Creek Drainage Area (City Reservoir):

Inventory. This area drains into the city reservoir, and the city owns the majority of the land (see map on page 283). There are several smaller private parcels with houses and livestock.

Finding. This area could eventually be used as a large city park or residential area once the reservoir is no longer used for the city water supply. During the planning period, this area should be protected from further residential development.

That land which is not needed for public park land shall be considered for return to the private sector for housing.

E. Jeffries Creek Drainage Area (Northeast Newport/220 Acres):

Inventory. This area is south of the city reservoir, north of Old Highway 20, east of Harney Street, and west of the eastern half of Section 4 (see map on page 283). This area contains the Terrace Heights, Virginia Additions, Kewanee Addition, and the Beaver State Land property. There is very little development in the area as yet. Fifty-five acres lie within Newport's city limits.

Analysis. Platted around the turn of the century, this area has long been planned for low density residential development. Little has occurred so far due to more accessible development closer to Newport. This is no longer the case, and this land is now needed for housing.

Finding. This area has steep slopes, no existing utilities as yet, and will be expensive to develop. However, much of the property will have ocean or bay view. The area is appropriate for low density development.

F. Harbor Heights Area (Southeast Newport/267 Acres):

Inventory. This study area lies east of Harbor Heights to the urban growth boundary and north of Bay Road to the urban growth boundary (see map on page 283). Of its 267 acres, approximately 44 are within Newport's city limits.

Analysis. This is an area where lot sizes might well be raised to a higher minimum to encourage the maintenance of the vegetation that helps stabilize the entire area. This would be a high cost housing area with very low density development.

Finding. The area is steep with some slide potential. Dotted with residential uses, the area commands a view of the bay and is in heavy demand. A low density residential designation is appropriate for this area.

G. Idaho Point Area (South Beach/120 Acres):

Inventory. This area stretches from South Bay Street to the Idaho Point Marina and from S.E. 32nd Street south to the forest lands (see map on page 283).

Analysis. The existing water system is inadequate and is being replaced, along with city sewer. Some of the area is in demand for its bay view, and much of the land could be developed for medium to high cost housing. The topography varies from flat to steeply sloping, with most in the in between category; therefore, development costs will vary.

Finding. The topography in the area varies from flat to steeply sloping, with most of it moderately sloping. The existing water system is inadequate and sewer is not yet available. Some low density residential uses currently exist, and the area has been planned for a mix of low and high density residential.

H. South Beach (South of Newport/560 Acres):

Inventory. The area extends from S.E. 32nd Street to the southern boundary of the Newport Municipal Airport and from the southerly extension of Bay Street to U.S. Highway 101 (see map on page 283).

Analysis. The area has long been planned for urban development and is currently coming along in that manner. Newport has planned for many years to encourage industrial development in South Beach.

Finding. It is the only area for which the city has planned industrial development that would allow non-water related or non-water dependent industrial development. The area will need city sewer and other city services.

I. Wolf Tree Destination Resort (South of Newport/1,000 Acres):

Inventory. The city extended its urban growth boundary and the city limits to include about 1,000 acres for the Wolf Tree Destination Resort consistent with Goal 8 (see map on page 284). The area includes about 800 acres south of the Newport Municipal Airport, with another 200 acres lying east of the airport. The region has a special plan and zoning designation that limits the land for a destination resort.

Analysis. Currently undeveloped except for a few scattered residences, the area has been planned for a destination resort since 1987. The south area is presently in the city limits, but the easterly 200 acres is not. The Wolf Tree property was brought into the UGB and annexed to the city only after a Goal 8 Destination Resort analysis and a limitation on

the property to the development of a destination resort. Many state and federal agencies were involved in the process that brought this property into the UGB and the city limits.

Finding. The project complies with Goal 8/"Destination Resort." The property cannot

be developed except as a destination resort consistent with state and city law.

Finding. The City of Newport has established its urban growth boundary as indicated on the city's Comprehensive Plan Map (available in the city's Planning Department office), in accordance with the following findings and as demonstrated in the inventory:

- > The projected population growth requirements of the City of Newport, as demonstrated in the inventory, cannot be met within the existing city limits.
- > In order to provide adequate housing opportunities and needed employment and to plan for a livable environment, there is a need for additional acreage beyond that currently available within the Newport city limits.
- > The City of Newport has planned for the urbanization of the UGB area based upon the city's long-range plan and capacity to extend needed facilities and service during the planning period.
- > In determining the most appropriate and efficient land uses and densities within the UGB, the City of Newport has considered current development pattern limitations posed by land forms, as well as the city's needs during the planning period.
- > In establishing its UGB, the City of Newport has considered and accounted for environmental, energy, economic, and social consequences as demonstrated in the inventory.
- > There are no agricultural lands adjacent to the Newport urban growth boundary.
- > What alternative locations within the area have been considered for the proposed needs.

GOALS/POLICIES/IMPLEMENTATION MEASURES
URBANIZATION

Goal: To promote the orderly and efficient expansion of Newport's city limits.

Policy 1: The City of Newport will coordinate with Lincoln County in meeting the requirements of urban growth to 2031.

Implementation Measure 1: The adopted urban growth boundary for Newport establishes the limits of urban growth to the year 2031.

- 1.) City annexation shall occur only within the officially adopted urban growth

boundary.

- 2.) The official policy shall govern specific annexation decisions. The city, in turn, will provide an opportunity for the county, concerned citizens, and other affected agencies and persons to respond to pending requests for annexation.
- 3.) Establishment of an urban growth boundary does not imply that all included land will be annexed to the City of Newport.

Policy 2: The city will recognize county zoning and control of lands within the unincorporated portions of the UGB.

Implementation Measure 2: A change in the land use plan designations of urbanizable land from those shown on the Lincoln County Comprehensive Plan Map to those designations shown on the City of Newport Comprehensive Plan Map shall only occur upon annexation to the city.

- 1.) Urban development of land will be encouraged within the existing city limits. Annexations shall address the need for the land to be in the city.
- 2.) Urban facilities and services must be adequate in condition and capacity to accommodate the additional level of growth allowed in the city's plans. Those facilities must be available or can be provided to a site before or concurrent with any annexations or plan changes.

Policy 3: The city recognizes Lincoln County as having jurisdiction over land use decisions within the unincorporated areas of the UGB.

Implementation Measure 3: All such decisions shall conform to both county and city policies.

- 1.) Unincorporated areas within the UGB will become part of Newport; therefore, development of those areas influences the future growth of the city. Hence, the city has an interest in the type and placement of that growth. Lincoln County shall notify the city of any land use decision in the UGB lying outside the city limits. The county shall consider recommendations and conditions suggested by the city and may make them conditions of approval.
- 2.) The city shall respond within 14 calendar days to notifications by the county of a land use decision inside the adopted UGB. The county may assume the city has comments only if they are received inside of that 14 days.

Policy 4: The development of land in the urban area shall conform to the plans,

policies, and ordinances of the City of Newport.

Implementation Measure 4a: The City of Newport may provide water and wastewater services outside the city limits consistent with the policies for the provision of such services as identified in the applicable Goals and Policies of the Public Facilities Element of the Comprehensive Plan.

Implementation Measure 4b: Amendments to UGB Boundaries or Policies. This subsection delineates the procedure for joint city and county review of amendments to the urban growth boundary or urbanization policies as the need arises.

1.) Major Amendments:

a.) Any UGB change that has widespread and significant influence beyond the immediate area. Examples include:

- (1) Quantitative changes that allow for substantial changes in the population or development density.
- (2) Qualitative changes in the land use, such as residential to commercial or industrial.
- (3) Changes that affect large areas or many different ownerships.

b.) A change in any urbanization policy.

2.) Minor Boundary Line Adjustments: The city and county may consider minor adjustments to the UGB using procedures similar to a zone change. Minor adjustments focus on specific, small properties not having significant impact beyond the immediate area.

3.) Determination of Major and Minor Amendments: The planning directors for the city and county shall determine whether or not a change is a minor or major amendment. If they cannot agree, the planning commissions for the city and county shall rule on the matter. The request shall be considered a major amendment if the planning commissions cannot agree.

4.) Initiation, Application, and Procedure: Individual or groups of property owners, agencies that are

affected, the planning commissions, or the city or county governing bodies may initiate amendments. Applicants for changes are responsible for completing the necessary application and preparing and submitting the applicable findings with the application. The planning commissions

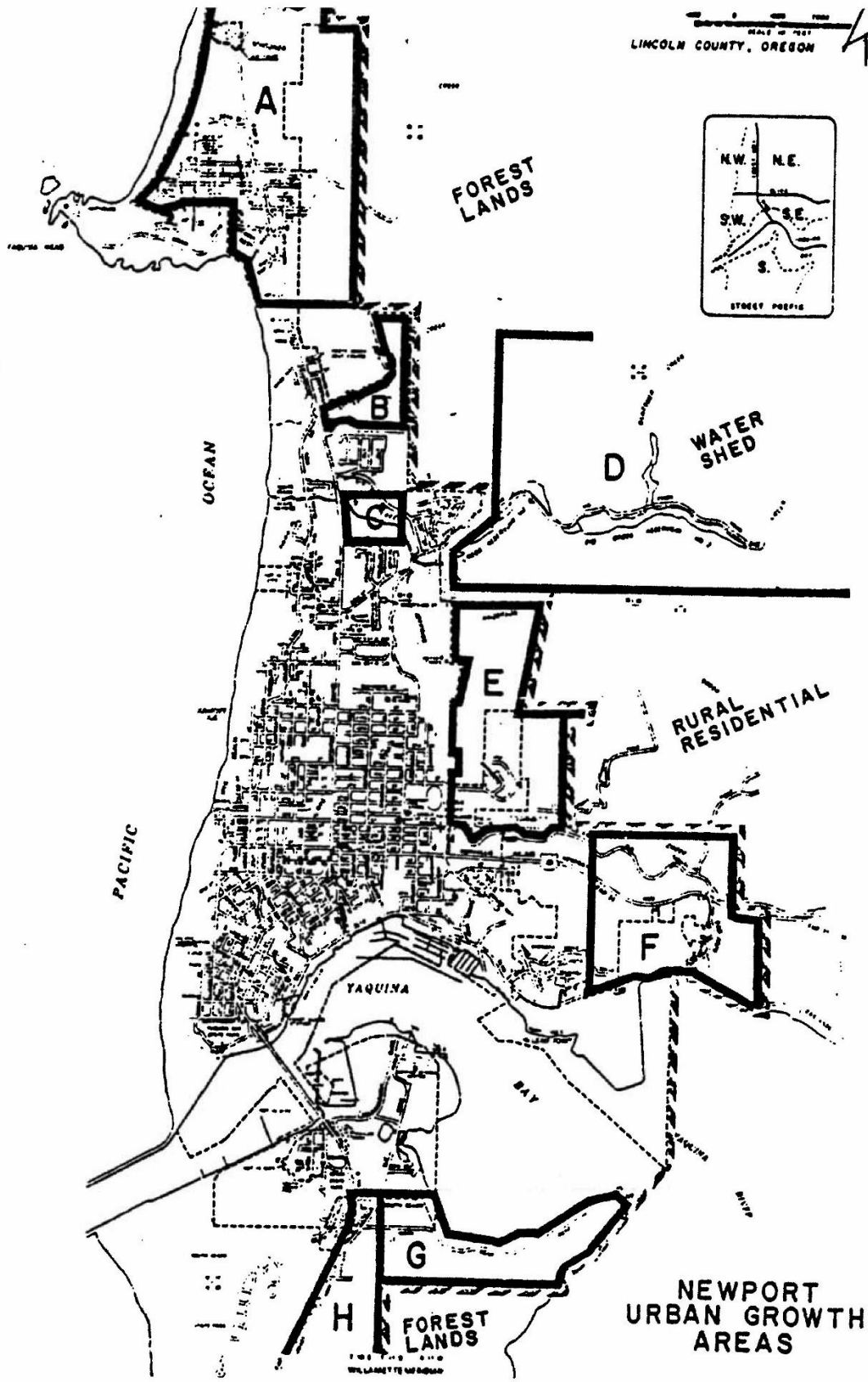
for the city and county shall review the request and forward recommendations to the Newport City Council and the Lincoln County Board of Commissioners.

The city and county governing bodies shall hold public hearings on the request. Amendments become final only if both bodies approve the request.

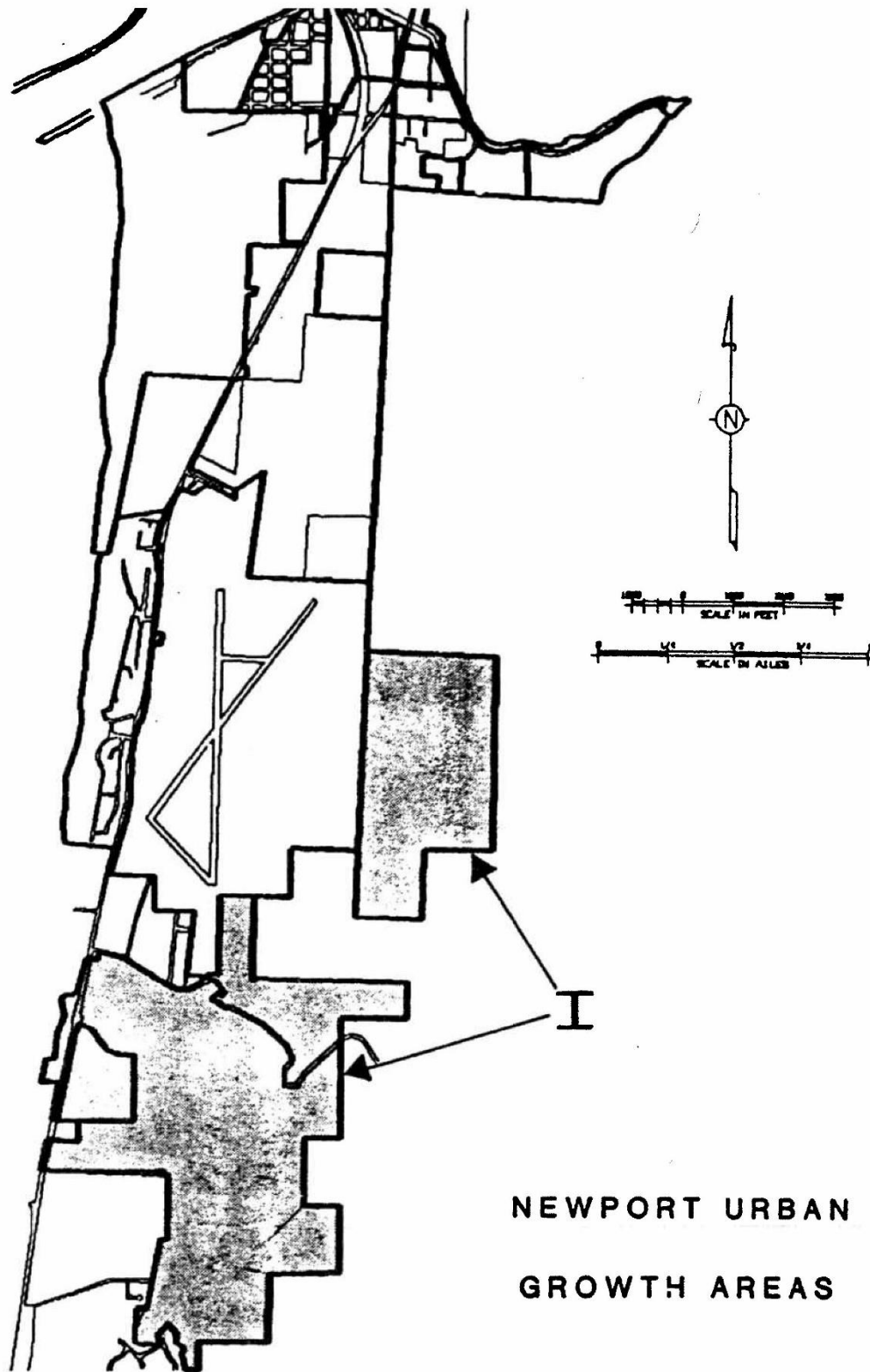
- 5.) Findings shall address the following:
 - a.) Land Need: Establishment and change of urban growth boundaries shall be based on the following:
 - 1.) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments; and
 - 2.) Demonstrated need for housing, employment opportunities, livability or uses such as public facilities, streets and roads, schools, parks and open space, or any combination of the need categories in this subsection;
 - b.) Boundary Location: The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:
 - 1.) Efficient accommodation of identified land needs;
 - 2.) Orderly and economic provision of public facilities and services;
 - 3.) Comparative environmental, energy, economic, and social consequences; and
 - 4.) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.
 - c.) Compliance with applicable Statewide Planning Goals, unless an exception is taken to a particular goal requirement.
- 6.) Correction of Errors: Occasionally an error may occur. Errors such as cartographic mistakes, misprints, typographical errors, omissions, or duplications are technical in nature and not the result of new information or changing policies. If the Newport City Council and the Lincoln County Board of Commissioners become aware of an error in the map or text of

this adopted urbanization program, either body may cause an immediate amendment to correct the error. Both bodies must, however, agree that an error exists. Corrections shall be made by ordinance after a public hearing. The governing bodies may refer the matter to their respective planning commissions, but that is not required.

Policy 5: The city is responsible for public facilities planning within its urban growth boundary.



Page 283. CITY OF NEWPORT COMPREHENSIVE PLAN: Urbanisation.



**NEWPORT URBAN
GROWTH AREAS**

Page 284. CITY OF NEWPORT COMPREHENSIVE PLAN: Urbanization.

ADMINISTRATION OF THE PLAN

Introduction:

Planning is a process. Because conditions change, the planning process should remain dynamic. Oregon's statewide planning program addresses this need in two ways: First, a post acknowledgement review process exists to assure that local amendments to a state acknowledged plan or implementing ordinance comply with the statewide planning goals; second, a periodic review program mandates the maintenance of local comprehensive plans. Cities must submit their plans every four to seven years to the state, who in turn reviews the plans for consistency and compliance with new rules and statutes.

In addition to state requirements, local jurisdictions should have a well defined review and amendment process. That process should attempt to strike a balance between changing circumstances and the need to provide certainty in the rules. This section presents such a process.

There are two types of comprehensive plan changes, text and map.

Text Amendments

Changes to the text of the plan shall be considered legislative acts and processed accordingly. These include conclusions, data, goals and policies, or any other portion of the plan that involves the written word.

Map Amendments¹

There are three official maps within this plan. They are (1) the General Land Use Plan Map (commonly called the "Comp Plan Map"), (2) the Yaquina Bay Estuary and Shorelands Map (page 272), and (3) the Ocean Shorelands Map (page 50).

¹ Map Amendments Section amended by Ordinance No. 1868 (February 17, 2004).

Three types of amendments are possible to each of these maps. The first involves wide areas of the map and many different properties, and these are considered major, legislative changes (see the urbanization section on page 273 for definitions). The second usually involves small areas and affects only a few pieces of property. These amendments are considered minor (again, see the urbanization section for definitions), and are quasi-judicial in nature. The third amendment is an amendment based on a demonstrated error in a map designation of a property or the establishment of boundaries on one of the maps. Errors may include, but are not limited to cartographic mistakes, scrivener's errors in a description of a designation or boundary, incorrect map designations of property based on an erroneous assumption of property ownership, the need to reconcile conflicts between a comprehensive plan map designation and a zoning map designation of a property, or the need to adjust comprehensive plan designations or boundaries based on the correction of errors in the Urban Growth Boundary under the Newport Comprehensive Plan process for resolution of errors in the Urban Growth Boundary.

Major, minor, and error amendments to any of the three maps shall be processed consistent with the procedure established in 2-6-1/"Procedural Requirements" of the Zoning Ordinance (No. 1308, as amended). Major, minor, and error amendments to the maps shall be accompanied by findings addressing the following:

A. Major Amendments:

- 1.) A significant change in one or more goal or policy; and
- 2.) A demonstrated need for the change to accommodate unpredicted population trends, to satisfy urban housing needs, or to assure adequate employment opportunities; and
- 3.) The orderly and economic provision of key public facilities; and
- 4.) Environmental, energy, economic, and social consequences; and
- 5.) The compatibility of the proposed change with the community; and
- 6.) All applicable Statewide Planning Goals.

B. Minor Amendments:

- 1.) A change in one or more goal or policy; and
- 2.) A demonstrated need to accommodate unpredicted population trends, housing needs, employment needs or change in community attitudes; and
- 3.) The orderly and economic provision of key public facilities; and
- 4.) The ability to serve the subject property(s) with city services without an undue burden on the general population; and
- 5.) The compatibility of the proposed change with the surrounding neighborhood and the community.

C. Error Amendments:

- 1.) An error was made in the establishment of a map designation or boundary; and,
- 2.) The correction of the error by the amendment of a map designation or boundary is necessary to resolve an issue created by the error.

Initiation:

A comprehensive plan text revision may be initiated by the Newport City Council, the Newport Planning Commission, the owner (or his/her authorized representative) of any property included in the urban growth boundary, or any resident. Changes proposed by a property owner or resident shall be initiated by the filing of an application for such change. The application shall be on a form prescribed by the City of Newport. Accompanying the application shall be a fee. The City Council shall from time to time set, by resolution, the fees for comprehensive plan changes.

All modifications initiated by a motion of the City Council or an application from a property owner or resident shall be forwarded

to the Planning Commission for review and recommendation, who shall review the request and send a recommendation back to the City Council.

Hearings and Notification:

All changes shall be considered by the Planning Commission and City Council at public hearings. Notices and other procedural requirements shall be made in accordance with Section 2-6-1 of the Zoning Ordinance.

The City Council shall hear the matter at a regularly scheduled meeting. If the Council approves the request, they shall pass an ordinance reflecting the change. Denial may be made upon a motion duly seconded and passed by a majority of the Council voting.

Findings of Fact:

All requests for amendments to the data, text, inventories, graphics, conclusions, goals and policies, or implementation strategies shall be accompanied by findings that address the following:

A. Data, Text, Inventories or Graphics:

- 1.) New or updated information.

B. Conclusions:

- 1.) A change or addition to the data, text, inventories, or graphics which significantly affects a conclusion that is drawn for that information.

C. Goals and Policies:

- 1.) A significant change in one or more conclusion; or
- 2.) A public need for the change; or
- 3.) A significant change in community attitudes or priorities; or

- 4.) A demonstrated conflict with another plan goal or policy that has a higher priority; or
- 5.) A change in a statute or statewide agency plan; and
- 6.) All the Statewide Planning Goals.

D. Implementation Strategies:

- 1.) A change in one or more goal or policy; or
- 2.) A new or better strategy that will result in better accomplishment of the goal or policy; or
- 3.) A demonstrated ineffectiveness of the existing implementation strategy; or
- 4.) A change in the statute or state agency plan; or
- 5.) A fiscal reason that prohibits implementation of the strategy.

Interpretations:

It may become necessary from time to time to interpret the meaning of a word or phrase or the boundaries of a map. Whenever such an interpretation involves the use of factual, policy, or legal discretion, a public hearing before the Planning Commission consistent with the procedural requirements contained in Section 2-6-1 of the Zoning Ordinance (No. 1308, as amended) shall be held.

A ruling for an interpretation shall be approved only if findings are presented that comply with the following:

- > The interpretation does not change any conclusion, goal, policy, or implementation strategy.
- > The interpretation is based on sound planning, engineering, or legal principles.
- > The interpretation is consistent with the Comprehensive Plan.

Additional Map Information:

The official maps shall be identified by the City Council and shall be on file with the City of Newport's Department of Community Planning and Development. A correct and up-to-date original of each map shall be maintained by the planning department. Regardless of the existence of copies of the official maps that may be made or published, the official maps shall be the final authority for determining boundaries for various districts and features.

In the event that an official map becomes damaged, destroyed, lost, difficult to interpret, or outdated, the City Council shall, by ordinance, adopt a new official map, which shall supersede the old one. Adoption of a new official map shall be a legislative matter and shall be processed as such.

Where uncertainty exists as to the boundaries of districts shown on the official maps, the following rules shall apply:

- A. Boundaries indicated as approximately following the center line of streets, highways, or alleys shall be construed to follow such center lines.
- B. Boundaries indicated as approximately following platted lot lines shall be construed as following such lot lines.
- C. Boundaries indicated as approximately following city limits shall be construed as following city limits.
- D. Boundaries indicated as following shore lines shall be construed to follow the mean higher high water line of such shore lines. In the event of change in the shore line, the boundary shall be construed as moving with the actual shore line.
- E. Boundaries indicated as approximately following the center lines of streams, rivers, canals, lakes, or other bodies of water shall be construed to follow such center lines.

- F. Areas below the mean higher high water line or the line of non-aquatic vegetation, whichever is most landward in the estuarine area, shall be considered to be in the estuarine management unit rather than the adjacent shoreland zone.
- G. Boundaries indicated as parallel to or extensions of geographic features indicated in subsections 1 through 6, above, shall be so construed.
- H. Distances not specifically indicated on the official maps shall be determined by the scale of the map.

Citizen Involvement:

It is important to involve a cross section of the citizens of Newport in the development and execution of this Comprehensive Plan and its implementing ordinances. For this purpose, a process must be established to assure that citizen involvement is effective. This section is designed to outline such a procedure for the City of Newport.

The City of Newport contains a wide variety of people with many different interests. When developing new plan policies and implementing laws, it is vital to consider the various view of the community or neighborhood that will be affected by the proposal.

Timing is crucial. Too often citizens do not become involved in the planning process until a specific project is proposed. By then it is frequently more difficult to have an affect on the outcome of the project. This is compounded by the legal requirements of quasi-judicial hearings. The complicated criterion and procedural mandates are not "user friendly" and add to the frustration of persons not familiar with the process. As a result, citizens may feel that the planning does not work and they are left with a bad experience.

For developers, the perception is similar. Public hearings place an element of uncertainty in their projects. Sometimes seemingly arbitrary decisions are made, discouraging investment and innovation. Once again, planning is seen as an impediment, a necessary and expensive paper hoop that must be jumped through.

How then can a citizen involvement program be effective? For Newport, with a strong tradition of community pride and awareness, the answer lies in citizen participation in the planning of the community rather than the administration of the plan and ordinances. That means the emphasis should be placed in citizen participation in the legislative, rather than the quasi-judicial, aspect of the planning process.

When the emphasis for citizen involvement is shifted from the quasi-judicial to the legislative, the adversarial nature of the program is reduced. It is no longer the neighborhood versus the developer but a group of concerned citizens who want a well planned community. The accent is also changed from the strict, legal procedures to more informal fact finding. All voices are encouraged. People have the freedom to explore all the alternatives and consider them fully.

Once a neighborhood or community consensus can be built, ordinances can be formulated that offer clear direction for development. As long as a developer is willing to comply with the community goals, s/he can be assured that approval will be given. Innovation can be considered on a case-by-case basis and looked at in light of objective policy.

With this system, there is a unified approach to community development. This can save the general public and development community a great deal of time and money, not to mention frustration. Planning can then be a positive.

This is not to say that problems and conflicts will not arise. It would be foolish to assume that all community goals and policies will be without ambiguity and that all developers will voluntarily comply with those standards. But the point is to shift the priority away from the antagonistic view of planning and more to the cooperative.

GOALS/POLICIES/IMPLEMENTATION
FOR CITIZEN INVOLVEMENT

Goal 1: To involve citizens in the development and implementation of the city's Comprehensive Plan and its implementing ordinances.

Policy 1: The city shall develop methods of community outreach that encourage participation in the planning process.

Implementation Measure #1: The Planning Commission shall serve as the official citizens' advisory committee to the City Council. Whenever a major change (as determined by the Commission) to the Comprehensive Plan or an implementing ordinance is under consideration, three persons from the community at large shall be designated by the Planning Commission as a Citizens' Advisory Committee.

Implementation Measure #2: The city may promote or assist neighborhood organizations to assist in decision making. When appropriate, the Planning Commission and/or City Council may hold meetings in neighborhoods affected by the issues under consideration.

Implementation Measure #3: If an important issue needs study, then the Planning Commission or the City Council may call for the formation of an ad hoc committee. The committee shall be appointed by the Mayor and confirmed by the City Council. Effort shall be made to select persons from different sides of the issue.

Policy 2: The city will encourage the participation of citizens in the legislative rather the quasi-judicial stage of plan development and implementation.

Implementation Measure #1: The city will make reasonable attempts to contact and solicit input in the formulation of comprehensive plan elements and ordinance provisions. The city may use the neighborhood organizations to discuss specific proposals. The media will be used as much as possible to make citizens aware of city policy and actions.

Implementation Measure #2: The city will develop clear and objective standards by which to review development proposals. Those standards should be developed only

after a concerted effort by the city to involve citizens in the formulation process.

Implementation Measure #3: The city will rely on its staff to administer the plan and ordinances if clear and objective standards can be developed. If, however, administration of a plan or implementing ordinance provision involves a legal, factual, or policy decision, the decision shall be made by the Planning Commission and/or the City Council after adequate public notice to interested or affected persons.

Implementation Measure #4: The Planning Commission shall serve as the official Committee for Citizen Involvement (CCI). On matters of neighborhood or city-wide significance, the Planning Commission shall make an effort to solicit the input of citizens.

**CITY OF NEWPORT
RESOLUTION 3486**

**RESOLUTION SETTING FEES FOR LAND USE ACTIONS
AND REPEAL THE PREVIOUS LAND USE FEE RESOLUTION**

Findings:

1. **The City of Newport has established fees for land use actions to cover expenses incidental to the cost of reviewing such requests, including costs related to publishing notices for hearings, mailing notices to affected property owners/agencies, preparing and copying staff reports, and other responsibilities as required by state law and city ordinances.**
2. **Fees for land use actions were last updated in August of 2003 (Resolution No. 3319) and were not established for the purpose of recovering a specific percentage of the costs incurred by the city.**
3. **A Comprehensive Use Fee Study for the City of Newport, by FCS Group, dated September of 2009, considered the direct and indirect costs the City incurs in reviewing land use requests, including estimates for each permit type in today's dollars. The FCS Study found that the city is currently recovering about 15% of its direct costs through land use fees.**
4. **The FCS Study provides guidance for establishing a cost recovery policy, including weighing the public benefit versus private benefit when determining the level of full cost of services that should be recovered through fees. Considering this guidance, and the direct and indirect costs detailed in the FCS Study, it is appropriate to set a target of collecting 50% of the direct cost of administering land use actions through fees.**
5. **Given the length of time since the city last amended its fees, and the amount of increase needed to achieve 50% recovery of direct costs, it is appropriate to phase in fee adjustments over a four (4) year period, adjusted for inflation using the Bureau of Labor Statistics Consumer Price Index for Urban Consumers (CPI-U).**
6. **Once the fees increases are phased in, land use fees shall be adjusted annually effective January 1st of each year to account for changes in the CPI-U, and such adjustments are to be placed in a resolution on the consent calendar of the Newport City Council at a December meeting to allow for public awareness of the fee changes.**
7. **A cost recovery policy for land use fees was considered by the City of Newport Planning Commission at an October 12, 2009 public meeting, and the approach outlined herein is consistent with their recommendation. The Newport City Council considered the Commission's recommendation on December 7, 2009. Appropriate public notification was provided for both the Planning Commission and City Council meetings.**

8. The prior land use fee ordinance (Resolution No. 3319), being no longer current, should be repealed. Those sections of Resolution No. 3319, which are still applicable, have been incorporated into this ordinance.

Based on these findings,

THE CITY OF NEWPORT RESOLVES AS FOLLOWS:

Section 1. Land Use Fees. Fees for land use actions shall be increased over a four (4) year period as reflected in Exhibit A, beginning on January 1, 2010.

Section 2. Annual Fee Adjustments. Once the fee increases in Exhibit A have been implemented, land use fees shall be adjusted annually on January 1st of each year. Fee adjustments are to be calculated by multiplying the fee as of November 2013 by a fraction, the numerator of which is the CPI Index Figure for the month of November proceeding the January in which the fee is to be adjusted and the denominator of which is to be the "Base CPI Index Figure." As used in this section, "Index" refers to the All Urban Consumers (CPI-U), U.S. City Average, CPI Index published by the Bureau of Labor Statistics of the United States Department of Labor. The Base CPI Figure will be the index figure for the month of November 2012.

Section 3. Fees Relating to ORS 227.186 Notifications. The applicant for a land use application requiring notification under ORS 227.186 (Measure 56 notification) shall pay, in addition to the land use application fee, the cost of preparing and mailing the notification. The city shall prepare an estimate of the cost and shall notify the applicant of the estimated cost. The estimated cost shall be paid within five (5) business days after notification of such determination or the application shall be subject to dismissal. In the event that actual costs exceed estimated costs, the applicant shall be billed the difference and payment of the difference is due within 30 days after notice is provided to the applicant. In the event that the amount of such estimated payment exceeds the actual cost of notification, the difference shall be refunded to the applicant.

Section 4. Fees Relating to Appeal Transcripts. For appeals of land use actions, the appellant shall pay the actual cost of preparing a verbatim written transcript up to \$500. If there is more than one appellant, each such appellant shall pay an appeal fee and the cost of preparing a written transcript. All of the appellants shall be jointly and severally liable for the cost and charges of such transcripts, and any or all appeals pending in any matters may be dismissed by the Newport City Council in the event of failure to make payment of the transcript fees. Upon filing an appeal, the city shall determine the estimated cost of such transcript, and the amount of such estimated cost shall be paid to the city within five (5) business days after notification of such determination, or the appeal shall be subject to dismissal. In the event that actual costs of preparing the transcript exceed the amount of the estimate, the appellant(s) shall be billed the difference and payment of the difference is due within 30 days after notice is provided. Failure of appellant(s) to make payment within 30 days will subject the appeal to dismissal. In the event that the amount of such estimated payment exceeds the actual cost of the transcript, the amount so paid shall be refunded, prorated, to those parties actually having paid

them. As provided by ORS 227.180, in lieu of a transcript prepared by the city and the fee thereof, parties to an appeal held on the record may prepare a transcript of relevant portions of the proceedings conducted at a lower level at the party's own expense. If an appellant prevails at a hearing or on appeal, the transcript fee shall be refunded.

Section 5. Fees Relating to Withdrawal of Annexations. Withdrawals are administered as annexations. In addition to the filing fee, the owner of each parcel of property to be so withdrawn shall, as a condition of such withdrawal action, and prior thereto, pay or make arrangements satisfactory to the city for the payment of any bonded indebtedness or any other charges attributable to such property which may become a debt, obligation, or liability of the City of Newport by reason of such withdrawal. Nothing herein contained shall be construed to prevent the Newport City Council from initiating and carrying out the withdrawal proceedings on its own motion and the assumption of such obligations pursuant to the applicable state law if the City Council determines that to do so is in the best interest of the city.

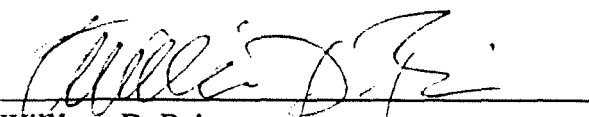
Section 6. Additions or Amendments to Land Use Fee Categories. In the event there is a need to make changes to the categories of fees charged for land use actions, the city may put such changes into effect by amending Exhibit A to this resolution. For new fees, the Base CPI Figure will be the index figure for the month of November proceeding the date the fee was adopted.

Section 7. Repeal of Prior Resolution. Resolution No. 3319 is repealed in its entirety.

Section 8: Effective Date. The effective date of this resolution is January 1, 2010.

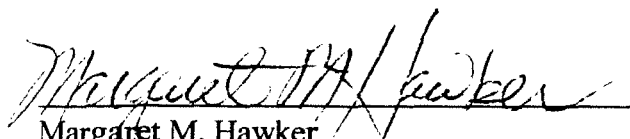
Adopted by a 7 – 0 vote of the Newport City Council on , 2009.

Approved by the Mayor on 12/22, 2009.



William D. Bain
Mayor

ATTEST:



Margaret M. Hawker
City Recorder

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(Resolution No. 3486 (Land Use Application Fees) (1-1-10) - Repeals Resolution No. 3319 (8-19-03) in its entirety.)
 Page 276 CITY OF NEWPORT COMPREHENSIVE PLAN: APPENDIX 'A'

Permit Type	Current Fee	Direct Unit Cost	50% of Direct Cost	50% Cost Adjusted	Fees Effective:				
					1/1/10	1/1/11	1/1/12	1/1/13	
Annexation	\$700	\$1,126	\$563	\$638	\$700	\$700	\$700	\$700	
Each additional parcel in separate ownership	\$20	\$77	\$39	\$44	\$26	\$32	\$38	\$44	
Appeals*	\$150	\$515	\$258	\$292	\$185	\$221	\$256	\$292	
Comprehensive Plan Amendment:									
Text	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Map	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Conditional Use Permit:									
Planning Commission	\$195	\$1,322	\$661	\$749	\$334	\$472	\$611	\$749	
Staff	\$150	\$1,058	\$529	\$600	\$262	\$375	\$487	\$600	
Estuarine Use Permit	\$0	\$1,018	\$509	\$577	\$144	\$288	\$433	\$577	
Design Review - Nye Beach	\$0	\$1,064	\$532	\$603	\$151	\$301	\$452	\$603	
Encroachment - right-of-way	\$100	\$822	\$411	\$466	\$191	\$283	\$374	\$466	
Exception to Statewide Goal	\$325	\$0	\$325	\$368	\$336	\$347	\$358	\$368	
Geologic Permit	\$65	\$355	\$178	\$201	\$99	\$133	\$167	\$201	
Interpretation	\$150	\$730	\$365	\$414	\$216	\$282	\$348	\$414	
Land Use Compatibility Signoff	\$0	\$94	\$47	\$53	\$13	\$27	\$40	\$53	
Minor Partition	\$50	\$550	\$275	\$312	\$115	\$181	\$246	\$312	
Nonconforming Use Permit	\$195	\$1,322	\$661	\$749	\$334	\$472	\$611	\$749	
Partition	\$50	\$550	\$275	\$312	\$115	\$181	\$246	\$312	
Planned Destination Resort:									
Conceptual Master Plan	\$325	\$2,306	\$1,153	\$1,307	\$570	\$816	\$1,061	\$1,307	
per acre charge	\$2	\$83	\$42	\$47	\$13	\$25	\$36	\$47	
Preliminary Development Plan	\$130	\$2,000	\$1,000	\$1,133	\$381	\$632	\$883	\$1,133	
per charge per each lot	\$13	\$83	\$42	\$47	\$22	\$30	\$39	\$47	
Final Development Plan	\$130	\$1,818	\$909	\$1,030	\$355	\$580	\$805	\$1,030	
Planned Unit Development:									
Tentative Plan	\$260	\$2,000	\$1,000	\$1,133	\$478	\$697	\$915	\$1,133	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Final Plan	\$260	\$1,818	\$909	\$1,030	\$453	\$645	\$838	\$1,030	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Property Line Adjustment	\$50	\$528	\$264	\$299	\$112	\$175	\$237	\$299	
Shoreland Impact Permit	\$0	\$877	\$439	\$497	\$124	\$248	\$373	\$497	
Signs:									
One temporary/portable sign	\$25	\$119	\$60	\$67	\$36	\$46	\$57	\$67	
each additional	\$10	\$0	\$10	\$11	\$10	\$10	\$10	\$10	
Other signs	\$100	\$205	\$103	\$116	\$104	\$108	\$112	\$116	

Permit Type	Current Fee	Direct Unit Cost	50% of Direct Cost	50% Cost Adjusted	Fees Effective:				
					1/1/10	1/1/11	1/1/12	1/1/13	
Subdivisions:									
Tentative Plan	\$230	\$1,670	\$835	\$946	\$409	\$588	\$767	\$946	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Final Plat	\$230	\$728	\$364	\$413	\$276	\$321	\$367	\$413	
charge per each unit	\$10	\$83	\$42	\$47	\$19	\$29	\$38	\$47	
Urban Growth Boundary Amendment	\$325	\$2,497	\$1,249	\$1,415	\$598	\$870	\$1,143	\$1,415	
Vacations**	\$500	\$1,335	\$668	\$757	\$564	\$628	\$692	\$757	
Variances/Adjustments:									
Planning Commission	\$195	\$1,018	\$509	\$577	\$290	\$386	\$481	\$577	
Staff	\$150	\$877	\$439	\$497	\$237	\$323	\$410	\$497	
Zoning Ordinance Amendments:									
Text	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Map	\$325	\$2,079	\$1,040	\$1,178	\$538	\$752	\$965	\$1,178	
Other staff level permits requiring public notice	\$50	\$831	\$416	\$471	\$155	\$260	\$366	\$471	

* plus cost of producing a verbatim transcript.

** plus appraisal cost and damages.

(Resolution No. 3486 (Land Use Application Fees) (1-1-10) - Repeals Resolution No. 3319 (8-19-03) in its entirety.)
 Page 2 of 4 - CITY OF NEWPORT COMPREHENSIVE PLAN: APPENDIX 'A'

APPENDIX B

LIST OF AMENDING ORDINANCES NOTING SECTIONS AMENDED

Ordinance No. 1621 (10-7-91)/Periodic Review Amendment: Repeals Ordinance No. 1217.

Ordinance No. 1633 (6-1-92)/Map Amendment: Lots 1, 2, and 3, Block B, CASE & BAYLEY'S 2ND ADDITION (Tax Map 11-11-8BD, Tax Lot 800/517 S.W. Hurbert Street); changed from medium density multi-family residential (R-3) to retail and service commercial (C-1).

Ordinance No. 1645 (9-21-92)/Map Amendment: Tax Map 10-11-32AB, Tax Lot 4400 (3821 N.W. Ocean View Drive); changed from low density residential (R-1) to high density residential (R-4).

Ordinance No. 1655 (12-21-92)/Map Amendment: Lots 11 and 12, Block 146, AGATE BEACH NO. 2 (Tax Map 10-11-29BD, Tax Lot 2100; 115 N.E. 54th Street) changed from retail and service commercial (C-2) to low density residential (R-2).

Ordinance No. 1660 (1-4-93)/Map Amendment: Amends #1655; scrivener's error.

Ordinance No. 1664 (3-15-93)/Map Amendment: Blocks 45, 46, and 47 or BEACH PARK ADDITION; changed from low density residential to commercial (Wal-Mart).

Ordinance No. 1665 (3-15-93)/Map Amendment: Tax Map 11-11-30DD, Tax Lot 6100; changed from public to commercial; corrects error done at time of Wolf Tree.

Ordinance No. 1649 (4-6-93)/Map Amendment: Tax Map 11-11-4D, Tax Lots 1500 and 1502; changed from county to city's low density residential.

Ordinance No. 1677 (7-6-93)/Text Amendment: Adds Newport Peninsula Urban Design chapter to Section 4/"Socioeconomic Characteristics" (page 136b).

Ordinance No. 1684 (9-20-93)/Map Amendment: Tax Map 11-11-20, Tax Lots 201, 203, 206, 207, and portions of 200 and 202 **deleted** from urban growth boundary and Comprehensive Plan Map; back to the county.

Ordinance No. 1686 (10-4-93)/Text Amendment: Amends Parks and Recreation Section (Section 6/"Public, Cultural, and Educational Services") and adopts the Parks System Master Plan.

Ordinance No. 1691 (11-15-93)/Text and Map Amendments: Adds "Aggregate and Mineral Resources" chapter to Environment section.

Ordinance No. 1700 (3-21-94)/Map Amendment: Previously annexed Gates property (see #1-AX-90) on northeast corner of N.E. Avery and N.E. 73rd Streets (10-11-20--902) changed from county timber conservation to city industrial.

Ordinance No. 1701 (3-21-94)/Text and Map Amendments: Adds to Goal 5 overlay (Ordinance No. 1691) by addition of 10-11-20--900 and 902.

Ordinance No. 1703 (4-18-94)/Text: Amends pages 107-108 of Housing Section and adds Policy 9, reflecting changes brought about by House Bill 2835.

Ordinance No. 1708 (7-5-94)/Text and Map Amendments: Amends Ordinance No. 1701 (scrivener's error).

Ordinance No. 1711 (11-9-94)/Map: Amends Comprehensive Plan Map by addition of 10-11-20--900;

designated "Industrial"; was previously annexed by Ordinance No. 1587 on 9-16-91.

Ordinance No. 1713 (10-17-94)/Map: Subject properties annexed and designated as follows: Shoreland (W-2) – 11-11-9CA—2500 and 2600/Industrial (I-1) – 11-11-9CA—1400, 11-11-9D west half of Tax Lot 200/Low Density Residential – 11-11-9CA—100, 102, 103, 104, 105, 190, 191, 192, 300, 500, 700, 701, 800, 900, 1000, 1100, 1200, 1300, 1600, 1700, 2100, 3000, 3100, 3200, 3300, 3400, 3500 and 11-11-9D east half of 200, and 11-11-9DB—101, 1800, 2000, 2001, 2100, 2200, 2300, 2400, 2500, 2600, 2700, 2800, 2900, 3000, 3100, 3200, 3300, 3400, 3500, and 3600.

Ordinance No. 1714 (10-17-94)/Map: Tax Map 11-11-9B—1514 and 1516 annexed and designated Low Density Residential.

Ordinance No. 1715 (10-17-94)/Map: Tax Map 10-11-20—westerly 440 feet of Tax Lots 1401, 1402 and 1403 annexed and designated Low Density Residential.

Ordinance No. 1716 (10-17-94)/Map: Subject properties annexed and designated as follows: Low Density Residential – 10-11-29BC—2700, 2701, 2800 and 10-11-30AD—1101 and 1103/Public – 10-11-30—200, 300 and 10-11-29BC—2500, 2600, 2900, 3000 and 10-11-30AD—1200, 1400, 1500, 1600.

Ordinance No. 1723 (4-3-9)/Map: Amends Comprehensive Plan Map by changing 10-11-32DC--400, 600, 700, 900, and 1000 from low density residential (R-1) to commercial (R-2).

Ordinance No. 1724 (6-19-95)/Map: Lots 9 and 10, Block 15, OCEANVIEW (Tax Map 11-11-5CA, Tax Lot 2800); changed from commercial (C-3) to low density residential (R-2).

Ordinance No. 1741 (2-5-96)/Map: Involves Tax Lot 1900 of Tax Map 11-11-4CB and Tax Lot 1700 of Tax Map 11-11-4CC (3 parcels); first 100 feet on the west side (Parcels 1 and 2) changed from county to low density residential; rest (Parcel 3) changed from county to public (P-1).

Ordinance No. 1742 (5-6-95)/Map: Tax Lots 301 and 400 of Tax Map 11-11-8BA (151 N.W. 3rd Street) amended from commercial (C-1) to high density residential (R-4).

Ordinance No. 1751 (8-22-96)/Map: Involves west 40 acres of Tax Lot 200 of Tax Map 11-11-4; portion went from Low Density Residential to Public (new middle school).

Ordinance No. 1753 (10-7-96)/Map: Tax Lot 801 of Tax Map 11-11-17DC amended and designated Industrial (I-1).

Ordinance No. 1755 (11-18-96)/Text: Revises Economic Section of the Comprehensive Plan (Yaquina Bay Economic Foundation Study).

Ordinance No. 1757 (12-16-96)/Map: Tax Lot 1800 of Tax Map 11-11-17DB amended from Public (P-1) to Commercial (C-1).

Ordinance No. 1765 (5-5-96)/Map: Urban Growth Boundary amended and subject property annexed and designated Industrial (I-1).

Ordinance No. 1767 (4-7-97)/Map: Tax Lots 2400 and 2401 of Tax Map 11-11-8CA amended from Public (P-1) to Shorelands (W-2).

Ordinance No. 1768 (4-7-97)/Map: Tax Lot 1000 of Tax Map 11-11-8CA amended from High Density Residential (R-4) to Commercial (C-3).

Ordinance No. 1771 (4-21-97)/Map: Urban Growth Boundary amended and Tax Lot 200 of Tax Map 11-11-4 annexed and designated Low Density Residential (R-1).

Ordinance No. 1772 (6-2-97)/Map: Tax Lot 500 of Tax Map 11-11-9BA amended from Low Density Residential to High Density Residential.

Ordinance No. 1774 (8-4-97)/Map: Tax Lot 11100 and 12900 of Tax Map 11-11-5CC amended from High Density Residential (R-4) to Commercial (C-2).

Ordinance No. 1792 (7-6-98)/Text: Adds Section 13 "Neighborhood Plans" and adopts the Agate Beach Neighborhood Plan.

Ordinance No. 1799 (4-19-99)/Map: Tax Lot 801 of Tax Map 11-11-17DC amended and designated Industrial (I-1).

Ordinance No. 1800 (9-21-98)/Map: Tax Lot 5000 and 5001 of Tax Map 11-11-8BA amended from High Density Residential (R-4) to Public (P-1).

Ordinance No. 1802 (1-4-99)/Text: Repeals existing Roadway Transportation Facilities and the Transportation Goals and Policies and adds a Newport Transportation System Plan.

Ordinance No. 1809 (5-17-99)/Map: Urban Growth Boundary amended to add Tax Lot 200 of Tax Map 11-11-30AD and designate Low Density Residential.

Ordinance No. 1810 (6-7-99)/Map: Urban Growth Boundary amended to add Tax Lot 2700 and the easterly portion of 2501 of Tax Map 11-11-20 and Tax Lot 1600 of Tax Map 11-11-21 and designated Public (P-1).

Ordinance No. 1811 (7-6-99)/Text: Adding the Bay Front Plan to Section 13.

Ordinance No. 1814 (8-16-99)/Map: Amends Ord. 1810/Corrects legal description.

Ordinance No. 1837 (8-6-01)/Map: Tax Lot 9700 of Tax Map 11-11-8CB amended from Low Density Residential (R-2) to High Density Residential (R-4).

Ordinance No. 1840 (10-1-01)/Text: Amends the Bay Front Plan (Section 13/"Neighborhood Plans").

Ordinance No. 1842 (2-5-02)/Map: Changes zoning designations of a portion of Tax Lots 500 and 12800 of Assessor's Map 11-11-8-AC from a combination of Shoreland and Low Density Residential to High Density Residential and Low Density Residential.

Ordinance No. 1858 (9-2-03)/Text & Map: Adopts South Beach State Park Master Plan.

Ordinance No. 1868 (2-17-04)/Text: Adds procedure for correction of errors on comprehensive plan map.

Ordinance No. 1869 (3-2-04)/Map: Corrects map to establish zone designation for an unzoned property (Assessor's Map 11-11-17, Tax Lot 1400) to Commercial (C-1/"Retail and Service Commercial").

Ordinance No. 1870 (3-1-04)/Text & Map: Adopts the revised Economic Section, expands the UGB, and adopts map designations for property included within the expanded UGB (Assessor's Map 10-11-17, Tax Lots 1300 & 1305; Assessor's Map 10-11-20, Tax Lots 200, 300, 301, 400, 500 & 501).

Ordinance No. 1876 (7-19-04)/Map: Amends Ord. No. 1870/Corrects illustrations included as Exhibits C & E.

Ordinance No. 1878 (10-18-04)/Text: Amends Aggregate and Mineral Resources Section.

Ordinance No. 1883 (3-21-05)/Text: Amends Noise Section.

Ordinance No. 1891 (6-5-06)/Text: Revises Economic Section, Appendix C, and Bibliography.

Ordinance No. 1894 (11-15-06)/Map: Amends the existing Comprehensive Plan Ocean Shorelands Map by removing the “Park and Outstanding Natural Resource Boundary” designation on the Ocean Shorelands Map from the subject property currently identified as Lincoln County Assessor’s Map 11-11-17-DB, Tax Lot 1800.

Ordinance No. 1895 (12-6-06)/Map: Corrects map to establish the designation of “Public” (rather than Commercial) for 5.7 acres of property used in conjunction with South Beach State Park (Assessor’s Map 11-11-18-D—100).

Ordinance No. 1897 (12-6-06)/Map: Amends the zone designation to establish a “Commercial” designation on that portion of Assessor’s Map 11-11-8-CA Tax Lot 16300 that became part of Tax Lot 800 as a result of a property line adjustment; and establish a “Residential” designation for the west half of SW Alder Street that became part of Assessor’s Map 11-11-8-CA Tax Lots 16300 and 17000 as a result of a street vacation.

Ordinance No. 1899 (12/4/06)/Map & Text: Adopts the 2006 revised South Beach Neighborhood Plan (SBNP) generated by the Newport Employment Lands & Conceptual Land Use Planning Project.

Ordinance No. 1905 (1-16-07)/Text: Adds the following amendments to the Yaquina Bay and Estuary Section: 1) an additional policy under the “Special Policies” section for Management Unit 8; 2) an additional policy under the “Special Policies” section for Management Unit 9-A; and additional language to the end of Policy 9 of the Yaquina Bay and Estuary Section.

Ordinance No. 1907 (4/4/07)/Map: Amends the zone designation to establish a “Commercial” designation for property described as Lots 1-4 of Block 48, Case & Bayley’s Second Addition to Newport (also currently identified as 810 SW Alder Street and as Lincoln County Assessor’s Map 11-11-08-BD Tax Lots 10400, 10500, and 10600).

Ordinance No. 1909 (4/2/07)/Map: Establishes a “High Density Residential” designation for property consisting of Lots 7, 8, 9, and 10 of Block 34, AGATE BEACH (currently identified as Lincoln County Assessor’s Map 10-11-29-BD Tax Lots 13200, 13400, and 13500) fronting on NW Agate Way, NW Gilbert Way, and NW Circle Way except for a 2-foot portion of property to be left as a “Commercial” designation along both: 1) the entire frontage of the subject property along both NW Agate Way and NW Circle Way, and 2) the northeasterly property line (that being the common property line between the subject property and Lots 6 and 11 of Block 34, AGATE BEACH).

Ordinance No. 1933 (9/4/07)/Text: Amends Policies of the Public Facilities and Urbanization Sections.

Ordinance No. 1942 (1/7/08)/Map: Changes designation of Tax Lots 600, 601 & 90000 (Supp. Map No. 1) of Lincoln County Assessor’s Map 11-11-08-CC) (1012 & 1022 SW 8th St. & pkg. lot on SW 8th St.) from low density residential to commercial.

Ordinance No. 1963 (8/18/08)/Text: Amends the Newport Transportation System Plan summary (currently beginning on page 152a) to adopt changes to the Newport Transportation System Plan.

Ordinance No. 1968 (12/1/08)/Map: Changes designations of Tax Lots 100 & 101 of Lincoln County Assessor’s Map 11-11-20 (Parcels 1 & 2 of Partition Plat 2007-39) and a portion of Tax Lot 700 of Map 11-11-21 by increasing the “Low Density Residential” designation from 33.7 acres to 47.0 acres, decreasing the “High Density Residential” designation from 16.9 acres to 9.8 acres, decreasing the “Commercial” designation from 9.2 acres to 4.9 acres, and decreasing the “Public” designation from 26.2 acres to 24.3 acres.

Ordinance No. 1969 (12/15/08)/Map: Changes designation of an approximately 1.5 acre portion of property that is currently designated as “High Density Residential” in the southeast corner of a 1.5 acre property

(currently identified as Tax Lot 100 of Lincoln County Assessor's Map 11-11-20-AB) to "Industrial" designation.

Ordinance No. 1978 (4/20/09)/Text: Amends the Public Facilities Section and adopts the 2008 Water System Master Plan.

Resolution No. 3486 (1/1/10)/Text: Amends Appendix "A", which sets fees for land use actions and repeals the previous land use fee resolution.

Resolution No. 3488 (1/1/10)/Text: Amends Appendix "A-1", which amends the System Development Charge Rates.

Ordinance No. 1994 (1/6/10)/Map: Changes designation of Tax Lot 3100 of Lincoln County Assessor's Map 10-11-29-CD from a split designation of "Low Density Residential" and "High Density Residential" to entirely "High Density Residential".

Ordinance No. 1995 (1/6/10)/Text: Amends Yaquina Bay and Estuary Provisions of the Comprehensive Plan by amending the Special Policies Subsection of Management Unit No. 4.

Ordinance No. 2015 (7/21/11)/Text: Replaces in their entirety the Population Growth and Characteristics section and the Housing section; adds Appendix "D" (Final Report: Newport Housing Needs Analysis, 2011 to 2031).

Ordinance No. 2017 (8/17/11)/Text: Amends the Shoreland Hazards section of the Natural Features chapter and amends Goal 1, Policy 3 of the Natural Features chapter.

Ordinance No. 2042 (11/1/12)/Text: Repeals the Economic section of the Socioeconomic Characteristics chapter and replaces it with a new Economy section. Also repeals Appendix C entitled "Employment Lands and Conceptual Land Use Planning Project: Economic Planning" and replaces it with Appendix C entitled "Commercial and Industrial Buildable Lands Inventory and Economic Opportunity Analysis".

Ordinance No. 2045 (12/5/12)/Text: Repeals and replaces the Transportation System Plan element of Chapter 5 "Public Facilities".

Ordinance No. 2049 (3/21/13)/Text: Repeals and replaces the Goals and Policies section of the Public Facilities element and repeals and replaces the Urbanization element.

Ordinance No. 2056 (9/5/13)/Text: Replaces in its entirety the Port Facilities element of the Public Facilities Section and adds the Port of Newport subsection to the Goals and Policies section of the Public Facilities element.

Ordinance No. 2066 (7/17/14)/Text: Replaces in its entirety the Library Services section of the Public, Cultural, and Educational Services element.

Ordinance No. 2076 (3/20/15)/Text: Amends the Goals, Policies, and Implementation Measures of the Housing element to include Policy 9 and Implementation Measures. Also amends Appendix D to include the document titled, "Newport Student Housing – Expansion of the Hatfield Marine Science Center in Newport," prepared by ECONorthwest, dated November 2014.

Ordinance No. 2093 (5/19/16)/Text: Amends the Goals & Policies section of the Public Facilities element to put in place policies to provide guidance for when and how LIDs are to be used to fund public facilities (added Policies 6 & 7 under General).

Ordinance No. 2101 (6/18/16)/Map: Amends the Newport Urban Growth Boundary and Comprehensive Plan Map to facilitate an equal area land exchange along the eastern boundary of the Wolf Tree Destination Resort Site.

Ordinance No. 2103 (9/6/16)/Map: Changes designation of Tax Lots 100 and 103 of Assessor's Map 11-11-20 (Wilder Planned Development). The Comprehensive Plan Map designation of "High Density Residential" is changed to "Low Density Residential" for Phase 4 and Phase 5. The Newport Zoning Map for Phase 4 and Phase 6 is changed from R-3/"Medium Density Multi-Family Residential" to R-2/"Medium Density Single-Family Residential." The Newport Comprehensive Plan Map for the southerly portion of Phase 5 is changed from "High Density Residential" to "Low Density Residential". The Newport Zoning Map for the same southerly portion of Phase 5 is changed from R3/"Medium Density Multi-Family Residential" to R-2/"Medium Density Single-Family Residential."

Ordinance No. 2109 (2/7/17)/Map: Changes to the Newport Comprehensive Plan and Zoning Map to facilitate the Pacific Communities Health District Hospital Expansion for Tax Lots 12900, 13000, 13001, 13100, 13200, 13300, 13400, 13500, 13501, 13502, 13600 and 13700 of Assessor's Map 11-11-08-CA. The Comprehensive Plan Map designation for the subject property is revised from "High Density Residential" to "Public" and the Newport Zoning Map designation for the same property is amended from R-4/"High Density Multi-Family Residential" to P-1/"Public Structures."

Ordinance No. 2128 (2/5/18)/Text: Replaces in its entirety the Airport Facilities section of the Public Facilities element of the Comprehensive Plan, and amends the Goals and Policies section of the Public Facilities element of the Comprehensive Plan to replace the existing goal "To provide for the aviation needs of the City of Newport and Lincoln County."

Ordinance No. 2147 (3/18/19)/Text: Replaces in its entirety the Goals, Policies, and Implementation language in the Parks and Recreation section of the Public, Cultural, and Educational Services Chapter of the Comprehensive Plan.

Ordinance No. 2155 (9/17/19)/Text: Repeals and replaces the Parks and Recreation section of the Public, Cultural, and Educational Services Chapter of the Comprehensive Plan and adopts the Park System Master Plan.

Ordinance No. 2163 (3/2/20)/Text: Adds the "Public Parking Facilities" element and the "Goals and Policies Public Facilities Element" to the Public Facilities Chapter of the Comprehensive Plan.

Ordinance No. 2167 (4/20/20)/Text: Amends the Wastewater Section and the Goals and Policies Section of the Public Facilities element of the Comprehensive Plan.

Ordinance No. 2169 (7/20/20)/Text: Amends the Storm Sewer Facilities Section of the City of Newport Comprehensive Plan.

Ordinance No. 2166 (8/4/20)/Text: Amends the Natural Features Section of the Newport Comprehensive Plan and the Newport Municipal Code related to Tsunami Hazards.

Ordinance No. 2175 (1/19/21)/Map: Tax Map 12-11-05, Tax Lot 801 deleted from urban growth boundary and Comprehensive Plan Map, and returned back to the county; Tax Map 10-11-33, Tax Lots 100 and 101 added and designated High Density Residential.

Ordinance No. 2199 (8/15/22)/Text: Amends the Transportation Element and the Transportation Goals and Policies Sections of the Newport Comprehensive Plan. Amends the Newport Municipal Code related to the Transportation System Plan. Adopts the 2022 Transportation System Plan.

Ordinance No. 2196 (11/7/22)/Map: Changes to the Newport Comprehensive Plan and Zoning Map to implement the recommendations of the South Beach US 101 Refinement Plan for Assessor's Map 11-11-17-DA as Tax Lots 00300, 00301, 00400, 00401, 00500 and 90000 through 90014; Map 11-11-17-DB as Tax Lots 00600, 00601, 00700, 00800, 00900, 01000, 01100, 01101, 01102, 01103, 01400, 01500, 01501, 01600, 01700, 02000, 02100, and 02200; Map 11-11-17-DC as Tax Lots 00100, 00200, 00201, 00300, 00301, 00302,

00303, 00401, 00402, 00403, 01300, 01500 and 01501; together with abutting rights-of-way. The Comprehensive Plan Map designation for the subject properties are revised from "Industrial" to "Commercial." Changes also include property between US 101 and the Pacific Ocean, immediately north of the Southshore Planned Development, identified on Lincoln County Assessors Map 11-11-20 as Tax Lots 03300, and the southernmost portion of Tax Lot 00100 on Map 11-11-19 that is not presently inside the Newport City limits; together with the abutting US 101 right-of-way. The Comprehensive Plan Map designation for the subject properties are revised from "High Density Residential" to "Public."

Ordinance No. 2204 (11/7/22)/Text: Amends the Transportation subsection of the Goals and Policies Public Facilities Element of the Newport Comprehensive Plan (2022 Yaquina Head Traffic Study).

Ordinance No. 2207 (3/6/23)/Text: Amends the Housing Section of the City of Newport Comprehensive Plan. Repeals the Population Growth and Characteristics section of chapter 4, Socioeconomic Characteristics. Newport Comprehensive Plan, Housing. Repeals and replaces the Housing section of chapter 4, Socioeconomic Characteristics, with a new Housing section. Repeals and replaces Appendix D of the Newport Comprehensive Plan titled "Final Report: Newport Housing Needs Analysis, 2011 to 2031 (ECONorthwest, May 2011)" with a new Appendix D titled "City of Newport 2022 – 2042 Housing Capacity Analysis (ECONorthwest, November 2022)".

Ordinance No. 2209 (3/20/23)/Text: Amends the History subsection of the Physical and Historical Characteristics Element of the Newport Comprehensive Plan.

Final

**Commercial and Industrial
Buildable Lands Inventory and
Economic Opportunities
Analysis**

Prepared for Newport

ECONorthwest
ECONOMICS • FINANCE • PLANNING

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Page 440 CITY OF NEWPORT
COMPREHENSIVE PLAN:
APPENDIX 'C'

July 2012

Disclaimer

ECONorthwest completed this report on behalf of the City of Newport. This report is an economic opportunities analysis (EOA), which the City will use as a factual basis as part of the City's Comprehensive Plan update.

Throughout the report we identify the sources of information and assumptions used in the analysis. Within the limitations imposed by uncertainty and the project budget, ECONorthwest has made every effort to check the reasonableness of the data and assumptions, and to test the sensitivity of the results of our analysis to changes in key assumptions. ECO acknowledges that any forecast of the future is uncertain. The fact that we evaluate assumptions as reasonable does not guarantee that those assumptions will prevail.

Acknowledgements

Numerous people contributed to the completion of this project. We would like to acknowledge the hard work of the project Technical Advisory Committee, State of Oregon Staff, and consultants.

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Technical Advisory Committee (TAC)

The Technical Advisory Committee (TAC) provided technical input in the economic opportunities analysis. The TAC included the following people:

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George Boehlert, Hatfield Marine Science Center
Chris Chandler, Central Lincoln PUD
John Clark, Whaler Motel
Lorna Davis, Greater Newport Chamber of Commerce
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Executive Summary

This report presents an economic opportunities analysis consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009). Goal 9 describes the EOA as “an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends” and states that “a principal determinant in planning for major industrial and commercial developments should be the competitive advantage of the region within which the developments would be located.”

The primary goals of the EOA are to (1) project the amount of land needed to accommodate the future employment growth within the Newport Urban Growth Boundary (UGB) between 2012 and 2032, (2) evaluate the existing employment land supply within the Newport UGB to determine if it is adequate to meet that need, and (3) to fulfill state planning requirements for a twenty-year supply of employment land. This project included preparation of an economic development strategy which is presented in a separate document.

How much buildable employment land does Newport currently have?

Table S-1 shows commercial, industrial, shoreland, and public land with development capacity (lands classified vacant, partially vacant, or destination resort) by constraint status. The results show that about 81 acres within tax lots with development capacity are developed. An additional 439 acres have development constraints that make the land unsuitable for employment uses, leaving about 408 vacant suitable employment acres within the UGB.

Table S-1. Employment land with development capacity (Vacant, Partially Vacant, and Destination Resort) by constraint status, Newport UGB, 2012

Plan Designation/ Classification	Tax Lots	Total Acres in Tax Lots	Developed Acres	Constrained Acres	Suitable Acres
Commercial					
Vacant	107	55	0	19	36
Partially Vacant	4	7	2	3	2
Destination Resort	2	51	0	27	24
Subtotal	113	113	2	49	62
Industrial					
Vacant	71	441	0	251	190
Partially Vacant	7	38	9	20	9
Subtotal	78	479	9	270	199
Shoreland					
Vacant	6	1	0	1	1
Partially Vacant	4	130	71	17	42
Subtotal	10	131	71	18	42
Public					
Vacant	20	206	0	102	104
Subtotal	20	206	0	102	104
TOTAL	221	928	81	439	408

Source: City of Newport GIS data; analysis by ECONorthwest

How much growth is Newport planning for?

Goal 9 requires that cities provide for an adequate supply of commercial and industrial sites consistent with plan policies. To meet this requirement, Newport needs an estimate of the amount of commercial and industrial land that will be needed over the 2012-2032 planning period. Table S-2 presents the forecast of employment growth by land use type in Newport's UGB from 2012 to 2032.

Table S-2 shows Newport's employment base in 2012, with about 10,060 employees, and forecast for 12,276 employees in 2032, an increase of 2,216 employees at an average annual growth rate of 1.0%.

Table S-2. Forecast of employment growth in by building type, Newport UGB, 2012–2032

Land Use Type	2012		2032		Change 2012 to 2033
	Employment	% of Total	Employment	% of Total	
Industrial	1,108	11%	1,841	15%	733
Commercial	7,269	72%	8,593	70%	1,324
Government	1,683	17%	1,841	15%	158
Total	10,060	100%	12,276	100%	2,216

Source: ECONorthwest

Note: Green shading denotes an assumption by ECONorthwest

Can some employment growth be accommodated on underutilized land?

Some new employment can be accommodated on underutilized land, such as the districts along Highway 101 identified in the buildable lands analysis as having development capacity. The analysis estimates in Table S-3 assume that some employment will locate on underutilized lands, including: (1) employment that can locate in existing built space (e.g., through filling vacancies or through making more efficient use of existing office space) and (2) employment can be accommodated on land with unused capacity, through infill development or redevelopment of an existing structure.

Using these assumptions, 211 new employees will be accommodated on underutilized land and 1,805 new employees will require vacant (including partially vacant) land over the 2012 to 2032 period.

Table S-3. New employment locating on underutilized land or vacant land, Newport, 2032

Land Use Type	New Employment	Employment on Underutilized Land		Emp. on Vacant Land
		Existing Built Space	Land with Additional Capacity	
Industrial	733	0	0	733
Commercial	1,324	132	199	993
Government	158	79	0	79
Total	2,216	211	199	1,805

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

How much land will be required for employment?

The forecast of growth of 1,805 new employees will result in the following demand for vacant (and partially vacant) employment land: 86 gross acres of industrial land and 63 gross acres of commercial land.

Does Newport have enough land to accommodate employment growth?

Table S-4 compares the supply of suitable employment land with the demand for employment land:

- **Industrial.** Newport has a supply of nearly 200 acres of suitable land designated for industrial uses. The employment forecast projects demand for 86 acres of industrial land. **Newport has more industrial land than the City is projected to need over the**

20-year period, with a surplus of 113 gross acres of industrial land.

- **Commercial.** Newport has 62 acres of land designated for commercial uses and 42 acres designated for Shoreland uses. According to the City’s zoning code, the purpose of land designated for shore land uses is for use by water-dependent businesses. **Newport has a surplus of 41 acres of land for commercial uses.**

Table S-4. Sufficiency of employment land to accommodate employment growth, gross acres, Newport, 2012 to 2032

Land Use Type	Land Supply (Gross Acres)	Land Demand (Gross Acres)	Land Surplus (Deficit)
Industrial	199	86	113
Commercial			
Commercial	62		
Shoreland	42		
Commercial Subtotal	104	63	41

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

While Newport has an overall surplus of commercial and industrial land, some issues exist with the city’s land supply. Specifically, Newport has a limited number of larger (5+ acre) commercial sites.

What types of business does Newport want to attract?

To identify target industries and economic development strategies, the City appointed a Technical Advisory Committee (TAC) to guide staff and the City’s consultant. The following industries are targeted for employment growth in Newport based, in part, on the Community’s aspirations for economic development, as articulated in the vision. In addition, the TAC considered Newport’s competitive and comparative advantages that make it attractive to specific industries. The industries that fit with the Community’s aspirations for growth and identified as having growth potential in Newport are:

- **Marine and ocean observing research and education.** The relocation of the NOAA fleet to Newport creates a significant opportunity to expand this cluster. Growing the existing cluster of marine and ocean research and educational institutions has been a goal in Newport. Key economic development opportunities in the ocean-observing industry cluster include: (1) operations and maintenance of marine research vessels, (2) development of facilities to support marine research operations and maintenance, (3) Development of

facilities and programs to support marine education, (4) Instrument design, manufacturing, deployment, sales, and service, and (5) expanded marine research.

- **International commerce.** The Port of Newport is one of the few deep draft ports on the Oregon Coast, which is accessible by large cargo vessels. The Port completing renovation of the International Terminal of the Port.
- **Fishing and seafood processing.** Newport is one of Oregon’s largest commercial fishing port, accounting for about one-third of the State’s commercial fishing activity.
- **Tourism.** Tourism plays an important role in Newport’s economy. In 2010, about 36% of Newport’s employment was in sectors most related to tourism: accommodation and food service, arts and recreation, and retail trade.

What are the implications of the key economic development issues in Newport?

Following are several key issues identified in the economic opportunities analysis:

- **Identify and manage opportunity sites for the target industries.** The community’s aspiration for economic development is growth of businesses related to marine and ocean observing research and education. In addition, the community wants to grow employment in international commerce, fishing, and tourism. A key factor in growing employment in these clusters to Newport is whether the City has an attractive land-base with the characteristics and infrastructure needed by businesses in these cluster.

Businesses in all of these clusters compete for land in similar areas: along the Bay Front and in South Beach. There is a limited amount of vacant land with direct access to the Bay Front. The Economic Development Strategy includes an action of identifying opportunity sites for the marine and ocean observing cluster.

Some vacant land along the Bay is likely to be used for international commerce (e.g., land owned by the Port) and some will continue to be used for fishing and related industries. For other land with direct Bay access, the City will need to work with stakeholders and land-owners to prioritize development of key properties with Bay access.

Newport has no commercial sites over 20 acres, 2 sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in

the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows commercial uses outright – which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

A core element of the economic development strategy is to establish an urban renewal district (URD) to facilitate redevelopment north of Yaquina Bay.

The City's economic development strategy also identifies annexation policy as a potential tool to work with property owners in the unincorporated areas of the UGB to clarify issues such as infrastructure provision outside of the city limits. The project ultimately will result in an Urban Growth Management Agreement (UGMA) between the City of Newport and Lincoln County that includes the South Beach area. The Newport City Council has a goal of accomplishing this in the next five years.

- **Facilitating redevelopment along Highway 101.** Newport has a substantial amount of land that is potentially redevelopable. Map 2-2 shows three districts with concentrations of redevelopment potential: (1) along Highway 101 around the City Center District, (2) along Highway 20, east of the intersection with Highway 101, and (3) along Highway 101 between NE 6th Street and NE 12th Street. These areas all include underutilized and vacant land.

The City has limited resources available to encourage redevelopment. While each of these areas offers redevelopment opportunities, we recommend the City consider focusing effort on redevelopment around the City Center District. This area is a gateway from the south to the northern side of Newport. It is connected to the Historic Bayfront and is near City Center. This area includes larger parcels with relatively low improvement to land value ratio, some of which are unused.

The Economic Development Strategy includes an action to evaluate creating an urban renewal district north of Yaquina Bay. The purpose of the District is to address the issues of underutilized commercial and industrial properties and infrastructure deficiencies, to spur new development. We recommend considering the commercial portions of the Highway 101 and Highway 20 corridors in the District.

- **Making infrastructure investments in key areas.** The City has limited funds to maintain existing infrastructure and facilities and very little financial capacity to make strategic investments. Existing

funds are generally used for basic maintenance. The lack of funds leaves the City in a reactive position for addressing infrastructure problems.

The City has some funds available from urban renewal for investment in the South Beach area. We recommend making investments in South Beach on key opportunity sites that need infrastructure improvements to enable development of marine and ocean observing businesses.

The Strategy also includes actions for maintaining and improving infrastructure to the International Terminal, necessary to support fishing, and infrastructure used by visitors. There may be opportunities for infrastructure investments that benefit businesses in multiple clusters, such as improvements to marine infrastructure used by fisherman and the Port. In addition, improvements to roads connecting the Bay Front with Highway 20 may benefit multiple users.

Given the limited funding available, the City will need to seek infrastructure grants. There may be opportunities for public-private partnerships that improve infrastructure.

This report presents an Economic Opportunities Analysis (EOA) for the City of Newport consistent with the requirements of statewide planning Goal 9 and the Goal 9 administrative rule (OAR 660-009). Goal 9 describes the EOA as “an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends” and states that “a principal determinant in planning for major industrial and commercial developments should be the competitive advantage of the region within which the developments would be located.”

BACKGROUND

The City of Newport is updating the Economy chapter of the City's Comprehensive Plan. This update includes two related parts: (1) determining whether Newport has enough employment land through conducting an economic opportunities analysis (EOA) and (2) developing a strategy to guide economic development policy and actions in Newport. These documents: (1) are informed by recent data, (2) consider the viewpoints of various stakeholder groups in the community, (3) express an economic development vision for Newport, and (4) clearly articulate the city's role in implementing the strategy.

The impetus for this project is the economic activity and opportunities created by the relocation of the National Oceanic and Atmospheric Administration's (NOAA) Pacific Marine Operations Center. The Center, dedicated in August 2011, increased marine research related employment in Newport from 300 to 500 jobs.

The relocation of the Pacific Marine Operations Center creates an opportunity to position Newport as a world-class marine research hub. The National Science Foundation's (NSF) Global Ocean Observatory Initiative will pour millions of dollars into marine research in the coming decades. Newport is ideally positioned to attract substantial funding from NSF and other organizations.

Newport's ability to capitalize on NOAA and NSF is not guaranteed. Newport needs to better understand the needs of marine research and develop strategies that will make Newport attractive to researchers in the field. Development of this strategy is on-going: a local nonprofit organization – the Yaquina Bay Ocean Observing Initiative (YBOOI) – initiated an effort to develop a vision for marine related research. Moreover, the Greater Newport Chamber of Commerce is engaging the

broader business community in discussions about Newport's opportunities. Finally, the Port of Newport will begin updating its strategic plan in 2012.

The City last evaluated economic development opportunities in 2005 as part of the South Beach Neighborhood Plan. That process, however, was not community wide, and relied on 2003 data. Considerable changes in the economies of Newport and Oregon have occurred since 2003.

This report presents the results of the economic opportunities analysis (EOA). The purpose of the EOA is to identify economic opportunities (and challenges), inventory buildable lands, and determine whether Newport has a sufficient supply of buildable lands designated for employment to accommodate growth forecast for the 2012 to 2032 period.

A separate document, presents the second product of this project: the Newport Economic Development Strategy. The Strategy articulates Newport's vision and goals for economic development and actions to implement the community's aspirations.

FRAMEWORK FOR ECONOMIC DEVELOPMENT PLANNING IN OREGON

The content of this report is designed to meet the requirements of Oregon Statewide Planning Goal 9 and the administrative rule that implements Goal 9 (OAR 660-009). The Land Conservation and Development Commission adopted amendments to this administrative rule in January 2007.¹ The analysis in this report is designed to conform to the requirements for an Economic Opportunities Analysis in OAR 660-009 as amended.

1. *Economic Opportunities Analysis (OAR 660-009-0015)*. The Economic Opportunities Analysis (EOA) requires communities to identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends; identify the number of sites by type reasonably expected to be needed to accommodate projected employment growth based on the site characteristics typical of expected uses; include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use; and estimate

¹ The amended OAR 660-009, along with a Goal 9 Rule Fact Sheet, are available from the Oregon Department of Land Conservation and Development at <http://www.oregon.gov/LCD/econdev.shtml>.

the types and amounts of industrial and other employment uses likely to occur in the planning area. Local governments are also encouraged to assess community economic development potential through a visioning or some other public input based process in conjunction with state agencies.

2. *Industrial and commercial development policies (OAR 660-009-0020).* Cities with a population over 2,500 are required to develop commercial and industrial development policies based on the EOA. Local comprehensive plans must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Local comprehensive plans must also include policies that commit the city or county to designate an adequate number of employment sites of suitable sizes, types and locations. The plan must also include policies to provide necessary public facilities and transportation facilities for the planning area.
3. *Designation of lands for industrial and commercial uses (OAR 660-009-0025).* Cities and counties must adopt measures to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementation measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans. More specifically, plans must identify the approximate number, acreage and characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies, and must designate serviceable land suitable to meet identified site needs.

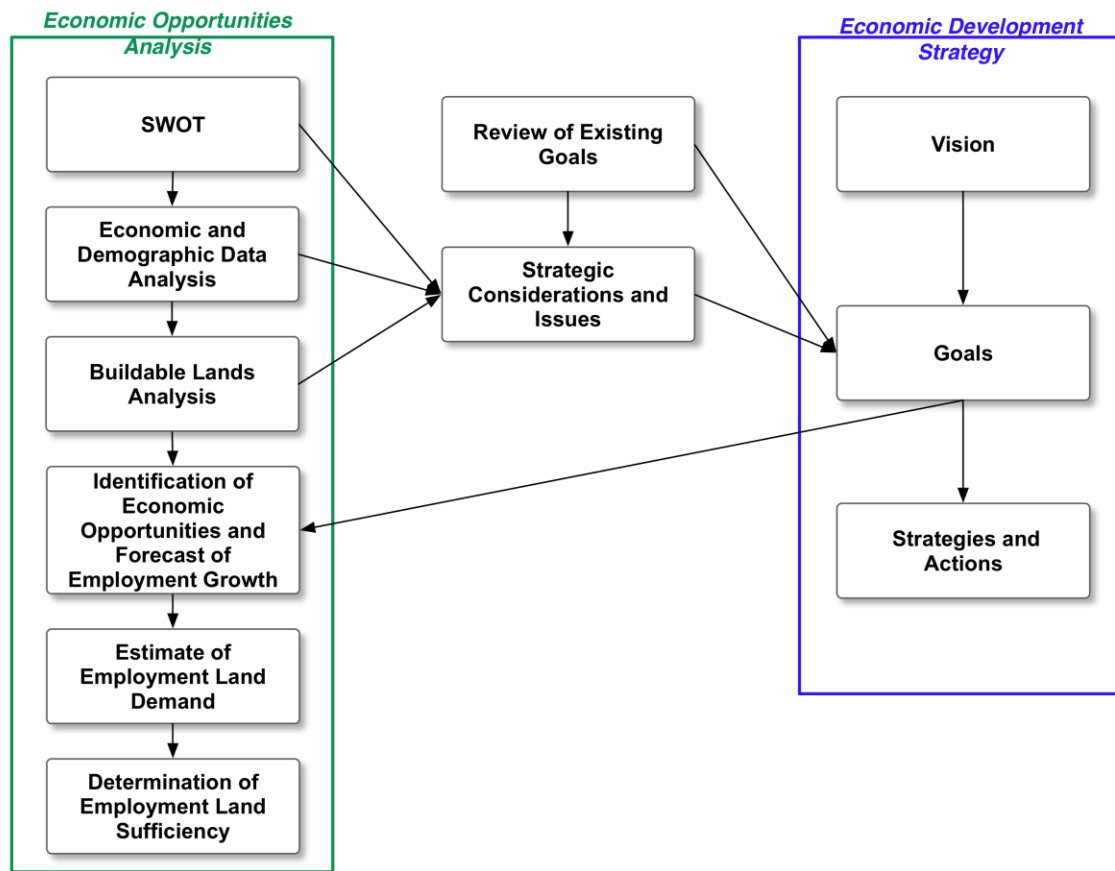
This report is an Economic Opportunities Analysis, the first key element required by Goal 9. This EOA includes an analysis of national, state, regional, and county trends as well as an employment forecast that leads to identification of needed development sites. It also includes an inventory of buildable commercial and industrial land in Newport.

This project included developing an EOA and a strategy for economic development. Figure 1-1 shows the relationship between the EOA and the economic development strategy for Newport. The purpose of each product is:

- **Economic Opportunities Analysis.** The EOA is intended to determine whether Newport has enough employment land. The EOA requires inventorying existing employment lands and identifying economic opportunities, an analysis that is guided by Goal 9.

- Economic Development Strategy and Action Plan.** This document articulates a community economic development vision and includes specific actions for how to achieve that vision. The economic development vision and goals are intended to: (1) provide direction about economic development policy for the City, especially policy relating to land use and (2) coordinate economic development efforts among the organizations in Newport that work on economic development issues.

Figure 1-1. Newport process for economic development analysis



Source: ECONorthwest

ORGANIZATION OF THIS REPORT

The remainder of this report is organized as follows:

- **Chapter 2, Land Available for Industrial and Other Employment Uses** presents a regional inventory of industrial and other employment lands.
- **Chapter 3, Land Demand and Site Needs in Newport** presents the employment forecast for Newport and an estimate of how much land is needed to accommodate the 20-year employment forecast. It also describes the types of sites that are needed to accommodate industries that are likely to locate or expand in Newport.
- **Chapter 4, Implications** presents a comparison of land supply and site needs and discusses the implications of the Economic Opportunities Analysis.

This report also includes four appendices:

- **Appendix A, Review of National, State, Regional, County, and Local Trends** describes national, state, and local economic trends that will influence the regional economy. Appendix A presents detailed information about economic trends that may affect Newport, which is summarized in Chapter 3.
- **Appendix B, Economic Development Vision, Objectives, and Implementation Strategies** presents the City's policy approach to economic development.
- **Appendix C, Employment Forecast and Site Needs for Industrial and other Employment Uses** presents the forecast for employment growth in Newport and the characteristics of sites likely to be needed by employers in the future
- **Appendix D, Buildable Lands Inventory Methodology** describes the approach and definitions used to develop the inventory of buildable land.

Land Available for Industrial and Other Employment Uses

Chapter 2

The buildable lands inventory is intended to identify commercial and industrial lands that are available for development for employment uses within the Newport UGB. The inventory is sometimes characterized as *supply* of land to accommodate anticipated employment growth. Population and employment growth drive *demand* for land. The amount of land needed depends on the type of development and other factors.

This chapter presents results of the commercial and industrial buildable lands inventory for the City of Newport. The results are based on analysis of GIS data by ECONorthwest and review by City staff. The remainder of this chapter summarizes key findings of the draft buildable lands inventory. This chapter includes tabular summaries and narrative descriptions. The results also include several series of maps that are available from the City’s Community Development Department. The methods used to conduct the inventory are summarized in Appendix D of this report.

LAND BASE

Table 2-1 shows acres within the Newport UGB and city limits in 2011. According to the City GIS data, Newport has about 8,179 acres in 7,668 tax lots within its UGB. The UGB includes areas within Yaquina Bay that are not developable. Newport has about 7,151 acres within its City Limits. Additionally, the City has about 1,028 acres between the City Limits and Urban Growth Boundary (the UGA).

Table 2-1. Acres in Newport UGB and City Limit, 2012

Area	Tax Lots	Total Acres	Acres in Tax Lots
City Limits	7,066	7,151	8,060
Urban Growth Area	602	1,028	3,808
Total	7,668	8,179	11,868

Source: City of Newport GIS data; analysis by ECONorthwest
 Note: Table includes all areas within the UGB, including non-residential areas
 Urban Growth Area is the unincorporated area between the City Limits and Urban Growth Boundary

Table 2-1 summarizes all land in the Newport UGB. The next step was to identify the employment land base (e.g., lands with plan designations that allow employment). The land base includes traditional employment

designations – Commercial, Industrial, and Shoreland) – as well as public lands (including the Newport Airport which is presented as a separate category). Most lands in the Public plan designation are considered committed, however, a review of lands designated Public with City Staff identified some lands with development capacity.

Table 2-2 shows that about 3,424 acres within the Newport UGB is included in the employment land base (including lands in Airport and Public designations). Thus, about 42% of land within the Newport UGB is included in the employment land base. The land base includes all land in tax lots that have any portion that is in an employment or public plan designation.

Table 2-2. Lands designated for employment uses, Newport UGB, 2012

Area	Value
Newport UGB	
Number of Tax Lots	7,668
Acres in UGB	8,179
Newport Employment Land	
Tax Lots in Employment Designations (Comm/Ind/Shoreland)	1,919
Acres in Land Base in Employment Designations	1,570
Newport Airport Land	
Tax Lots in Airport	3
Acres in Airport	541
Newport Public Land	
Tax Lots in Public	207
Acres in Public	1,326

Source: City of Newport GIS data; analysis by ECONorthwest

The third step in the inventory was to classify lands into mutually-exclusive categories that relate to their development status. The categories include:

- Vacant land
- Partially vacant land
- Undevelopable land
- Developed land
- Public land
- Semi-public land
- Destination resort land

See Appendix D for detailed definitions of these categories. ECO used the rules described in Appendix D to perform a preliminary classification. The next step was to show the results in map form overlaid on a 2009 aerial photo to validate the classifications. After validating the classifications, City staff reviewed and commented on the draft maps.

Table 2-3 shows all employment land in the Newport UGB by classification and plan designation. The results show that of the 3,437 acres in the UGB, about 2,639 acres are in classifications with no development capacity, and the remaining 915 acres have development capacity.

Analysis by plan designation shows that about 11% (404 acres) of the employment land in the Newport UGB is designated Commercial, 17% (573 acres) is designated Industrial, and 29% (594 acres) are in Shoreland. A total of 1,867 acres (nearly 50%) are in Public plan designations (note that the Airport is in the Public plan designation). The majority of land in the Public plan designation is committed, but a few sites owned by the city and port were considered available for development during the planning period. These lands are both in the Public plan designation and public ownership. These lands were classified as Vacant (approximately 206 acres).

Table 2-3. Employment acres by classification and plan designation, Newport UGB, 2012

Classification	Plan Designation										Total	
	Commercial		Industrial		Shoreland		Airport		Public			
	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac	Tax Lots	Total Ac
Developed	907	263	102	82	549	62	2	537	44	250	1,604	1,194
Semi-Public	21	9	5	12	4	61	0	0	12	4	42	87
Public	47	12	1	0	37	317	1	4	116	859	202	1,192
Unbuildable	32	7	1	0	12	22	0	0	15	7	60	37
Vacant	107	55	71	441	6	1	0	0	20	206	204	703
Partially Vacant	4	7	7	38	4	130	0	0	0	0	15	174
Destination Resort	2	51	0	0	0	0	0	0	0	0	2	51
Total	1,120	404	187	573	612	594	3	541	207	1,326	2,129	3,437
Total	53%	12%	9%	17%	29%	17%	0%	16%	10%	39%	100%	100%

Source: City of Newport data; analysis by ECONorthwest

Note: Areas in shown as Airport are in the Public plan designation. They are shown separately here because of economic activities at the airport.

Table 2-4 shows employment acres by classification and constraint status for the Newport UGB in 2012. Analysis by constraint status (the table columns) shows that about 1,674 acres are classified as built or committed (e.g., unavailable for development), 1,355 acres were classified as constrained, and 408 were classified as vacant and suitable for employment uses.

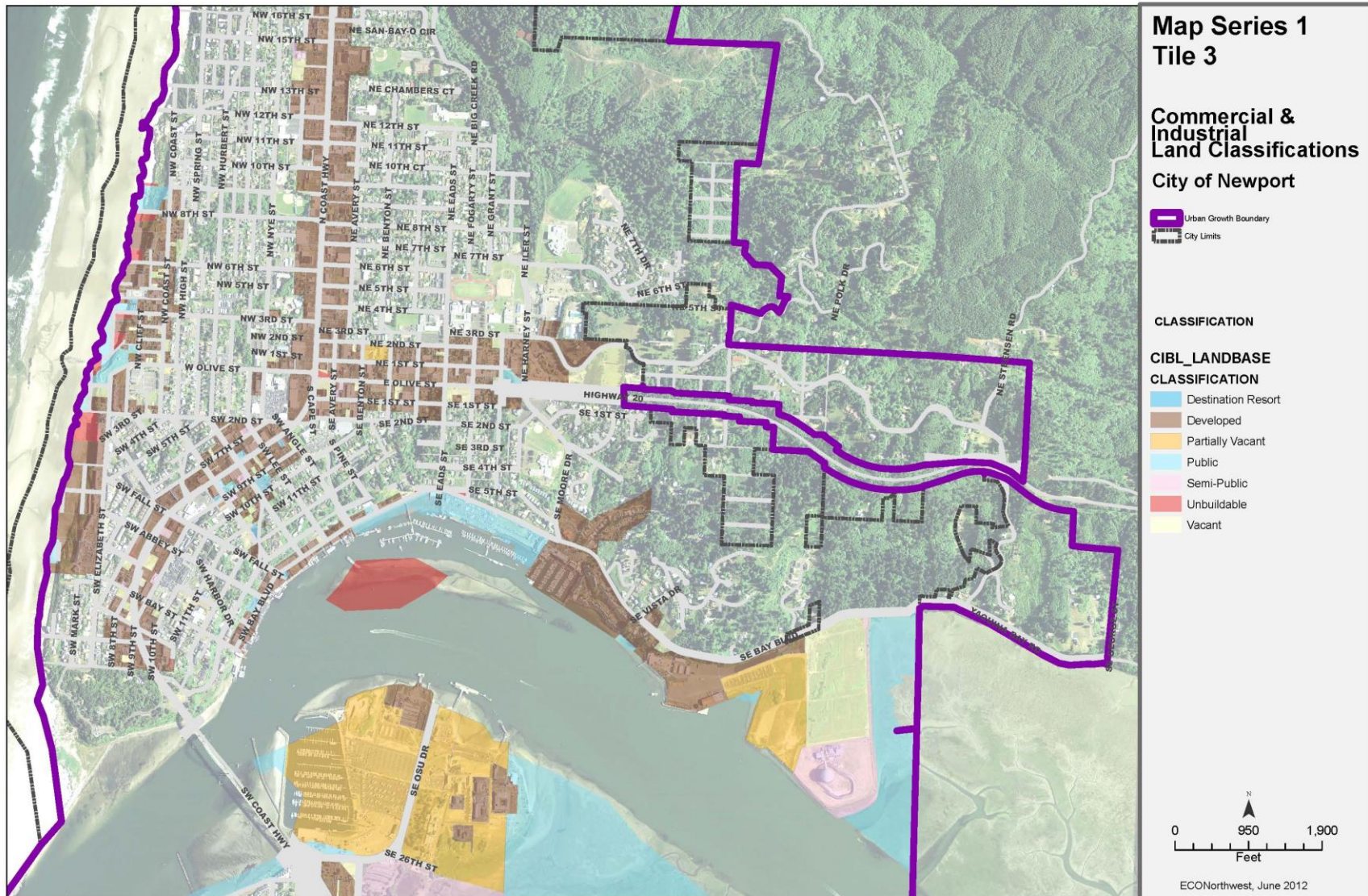
Table 2-4. Employment acres by classification, Newport UGB, 2012

Classification	Tax Lots	Total Ac	Land not suitable for new Employment		Land suitable for Employment
			Developed Ac	Constrained Ac	Suitable Ac
Land with no development capacity					
Developed	1,604	1,194	814	381	0
Semi-Public	42	87	74	12	0
Public	202	1,192	679	513	0
Unbuildable	60	37	26	11	0
Subtotal	1,908	2,509	1,592	917	0
Land with development capacity					
Vacant	204	703	0	372	331
Partially Vacant	15	174	81	40	53
Destination Resort	2	51	0	27	24
Subtotal	221	928	81	439	408
Total	2,129	3,437	1,674	1,355	408

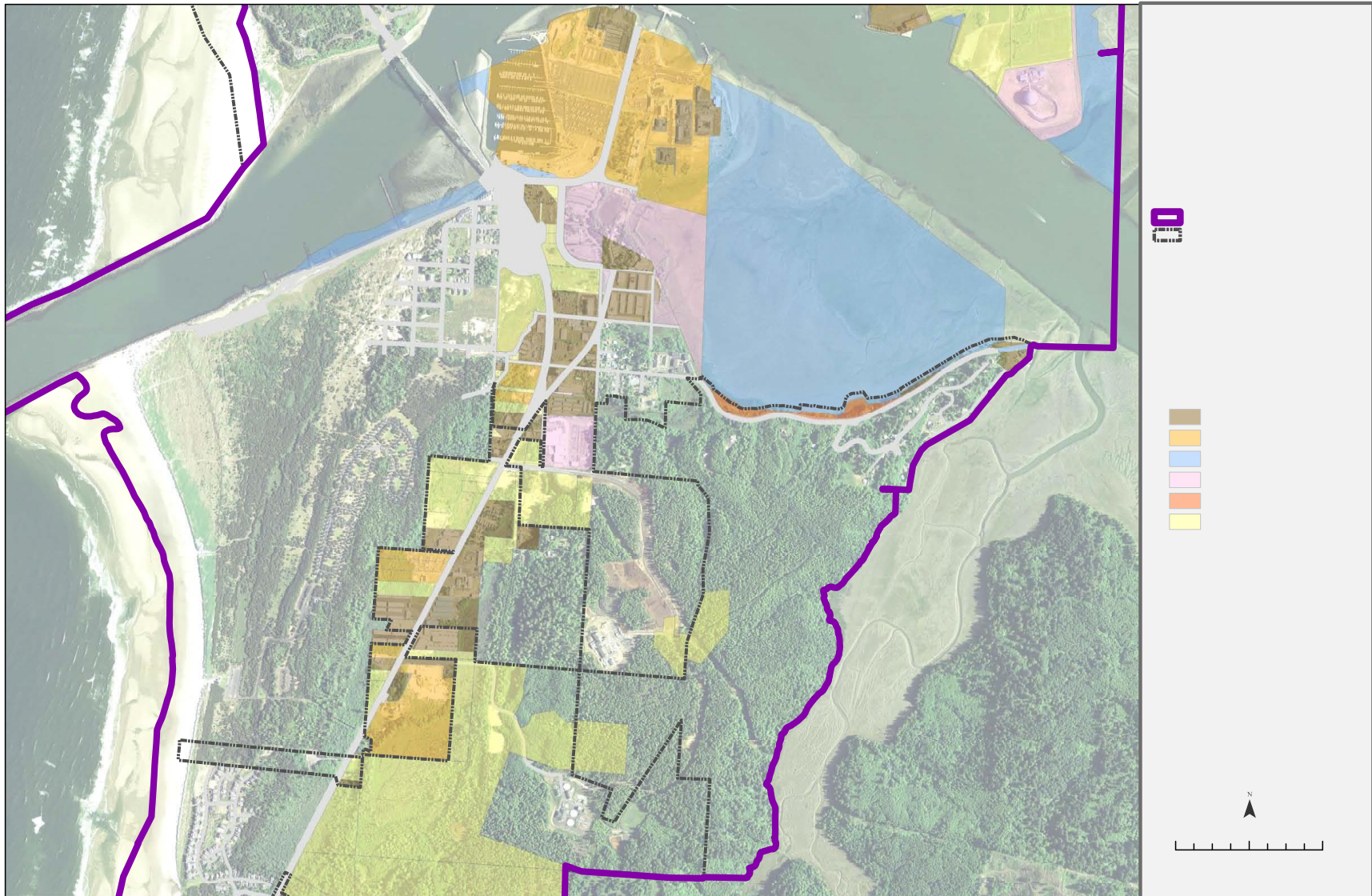
Source: City of Newport data; analysis by ECONorthwest

Maps 2-1 through 2-6 show commercial and industrial land in Newport by development status. The maps show the City of Newport in six tiles (maps), from the northern edge of the UGB to the southern edge of the UGB.

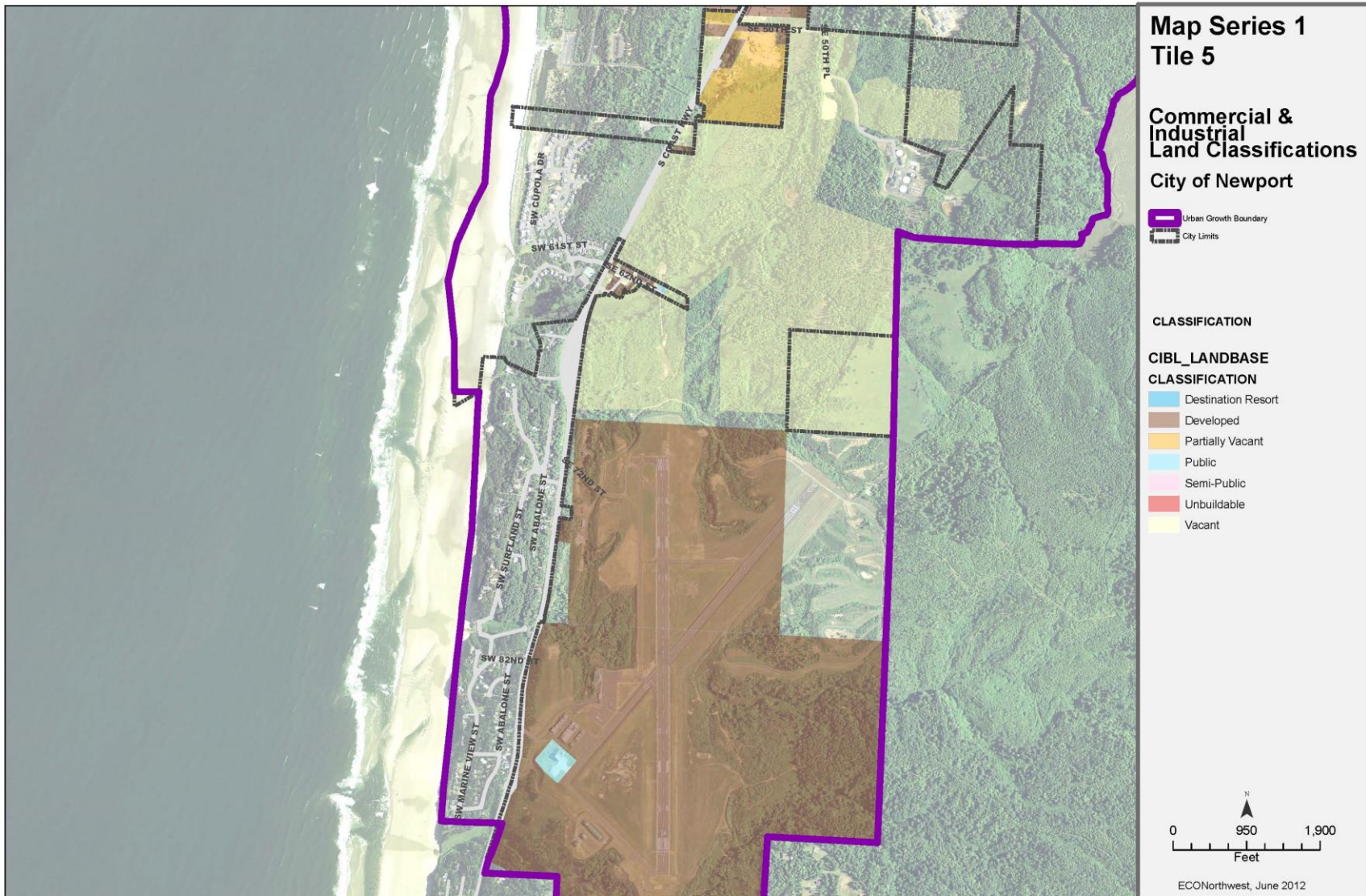
Map 2-3. Employment land by classification, Tile 3, Newport UGB, 2012



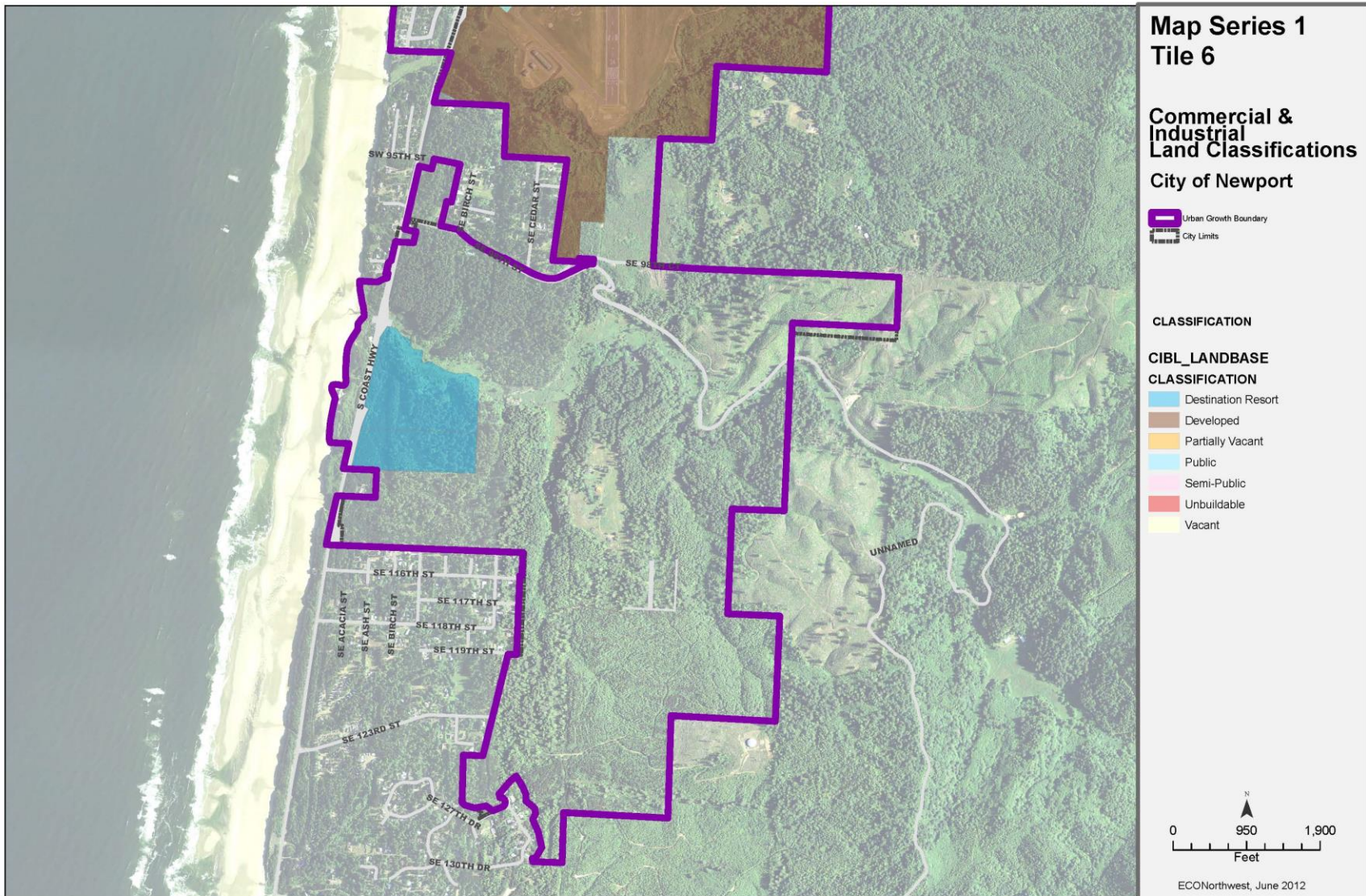
Map 2-4. Employment land by classification, Tile 4, Newport UGB, 2012



Map 2-5. Employment land by classification, Tile 5, Newport UGB, 2012



Map 2-6. Employment land by classification, Tile 6, Newport UGB, 2012



VACANT BUILDABLE LAND

The next step in the commercial and industrial buildable land inventory was to net out portions of vacant tax lots that are unsuitable for development. Areas unsuitable for development fall into three categories: (1) developed areas of partially vacant tax lots, (2) areas with physical constraints (in this instance areas with shoreline buffers, wetlands, geologic buffers, or floodways), or (3) lands that are already committed to a use (public/quasi-public or private open space).

Table 2-5 shows land with development capacity (e.g., lands classified as vacant, partially vacation, or destination resort) by constraint status. The data show that about 81 acres within tax lots with development capacity are developed. An additional 439 acres have development constraints that are unsuitable for employment uses, leaving about 408 vacant suitable employment acres within the UGB.

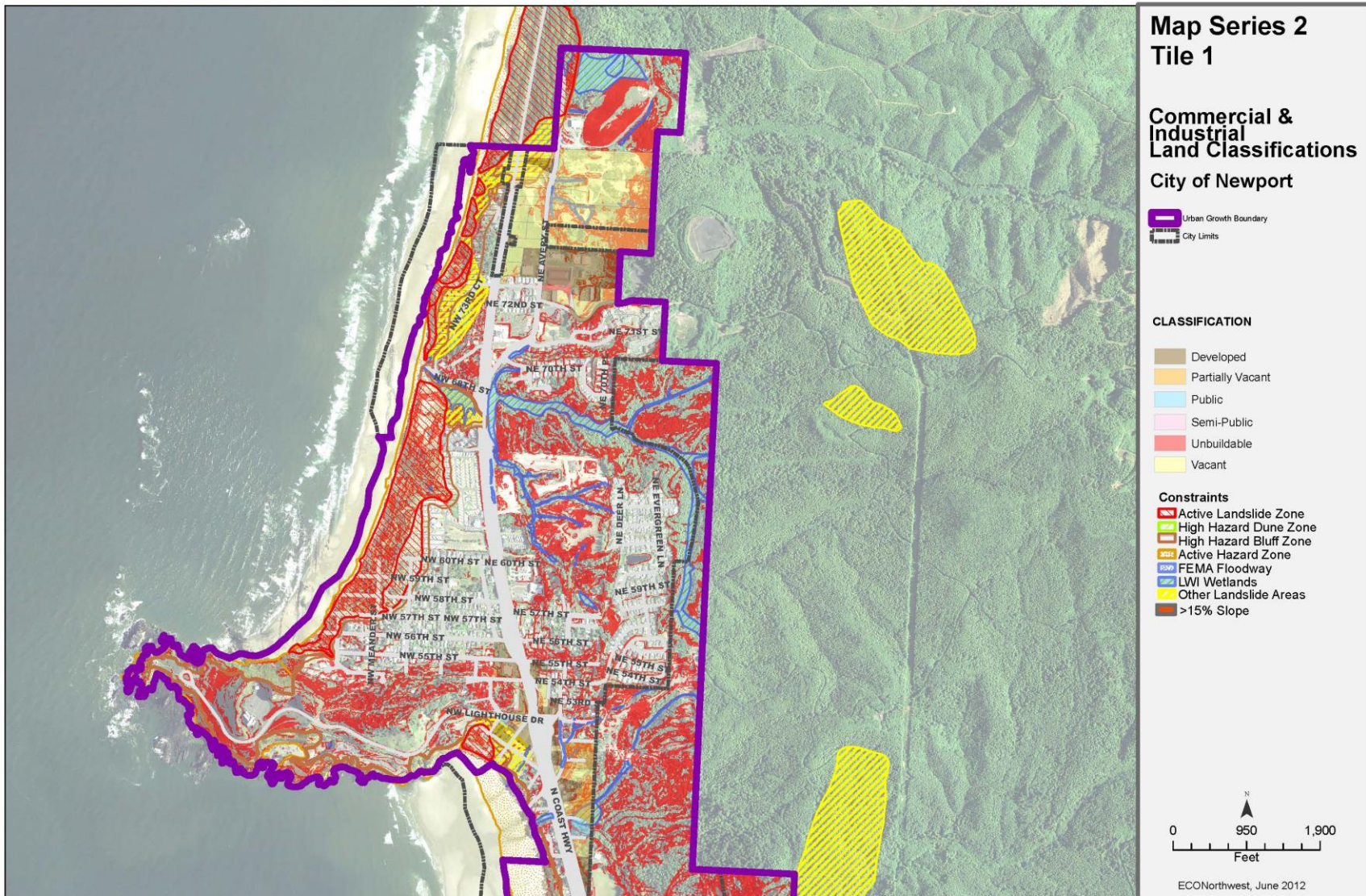
Table 2-5. Employment land with development capacity (Vacant, Partially Vacant, and Destination Resort) by constraint status, Newport UGB, 2012

Plan Designation/ Classification	Tax Lots	Total Acres in Tax Lots	Developed Acres	Constrained Acres	Suitable Acres
Commercial					
Vacant	107	55	0	19	36
Partially Vacant	4	7	2	3	2
Destination Resort	2	51	0	27	24
Subtotal	113	113	2	49	62
Industrial					
Vacant	71	441	0	251	190
Partially Vacant	7	38	9	20	9
Subtotal	78	479	9	270	199
Shoreland					
Vacant	6	1	0	1	1
Partially Vacant	4	130	71	17	42
Subtotal	10	131	71	18	42
Public					
Vacant	20	206	0	102	104
Subtotal	20	206	0	102	104
TOTAL	221	928	81	439	408

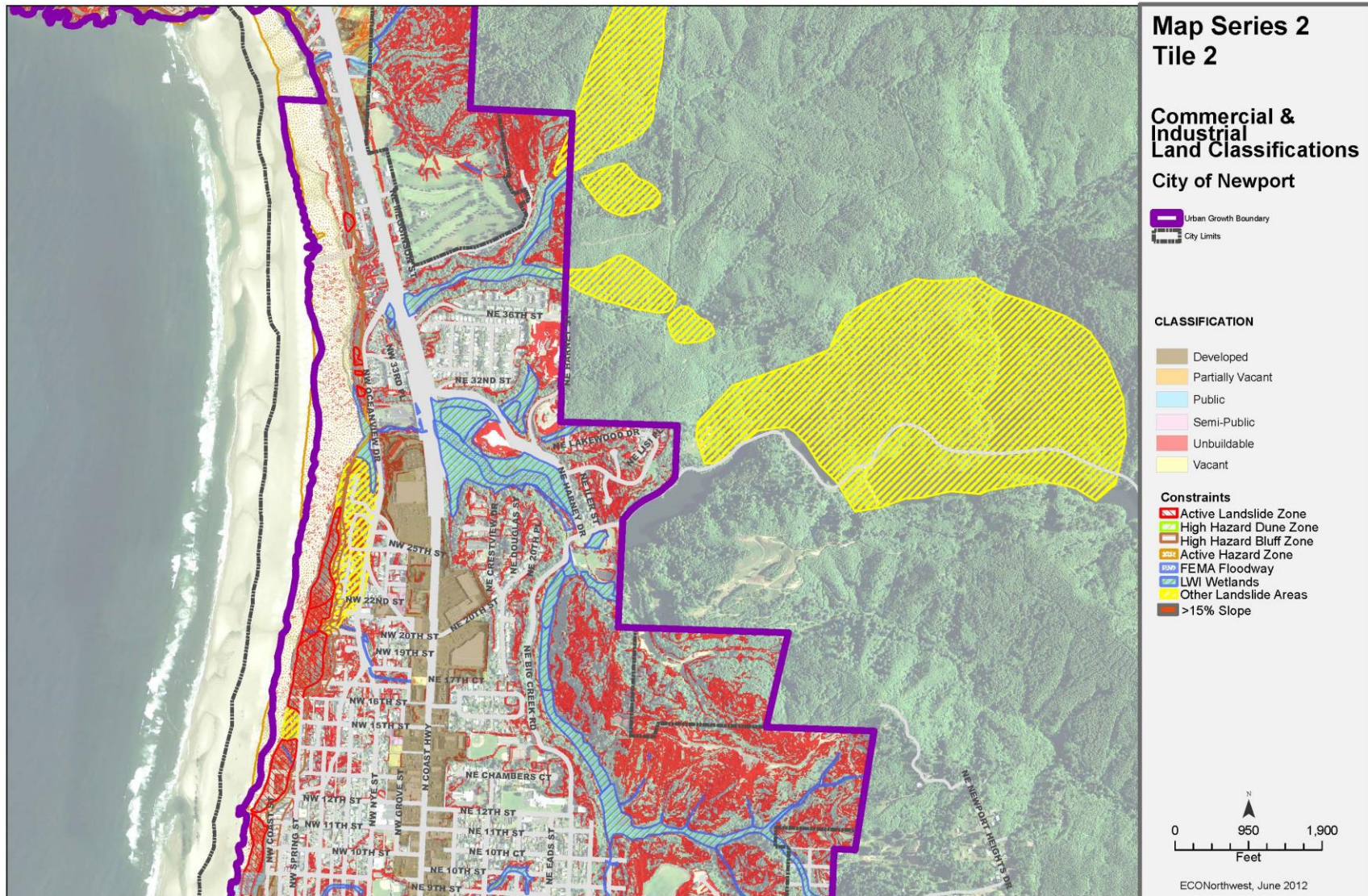
Source: City of Newport GIS data; analysis by ECONorthwest

Maps 2-7 through 2-12 show commercial and industrial land in Newport by development status with development constraints. The maps show the City of Newport in six tiles (maps), from the northern edge of the UGB to the southern edge of the UGB.

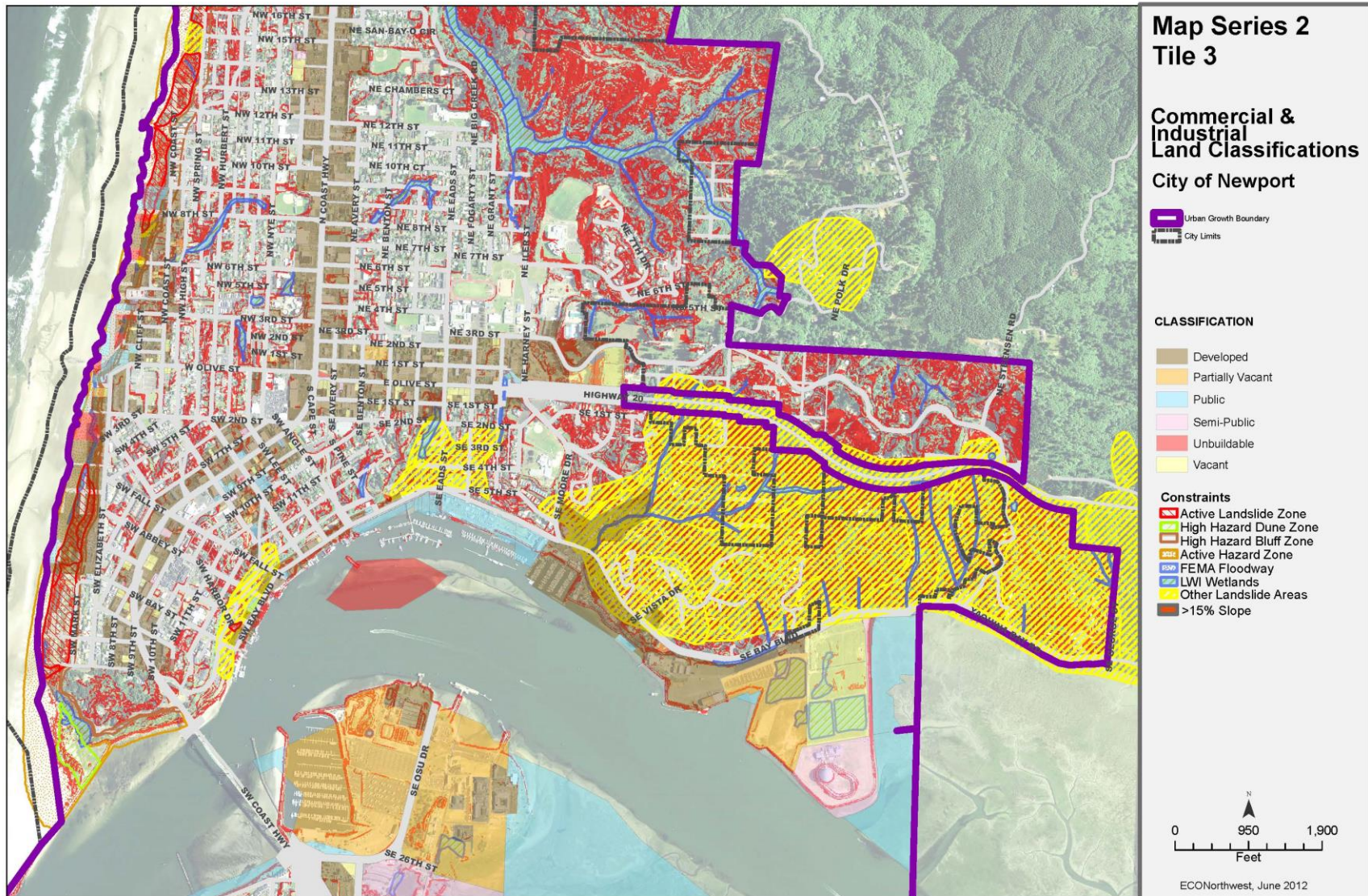
Map 2-7. Employment land by classification with development constraints, Tile 1, Newport UGB, 2012



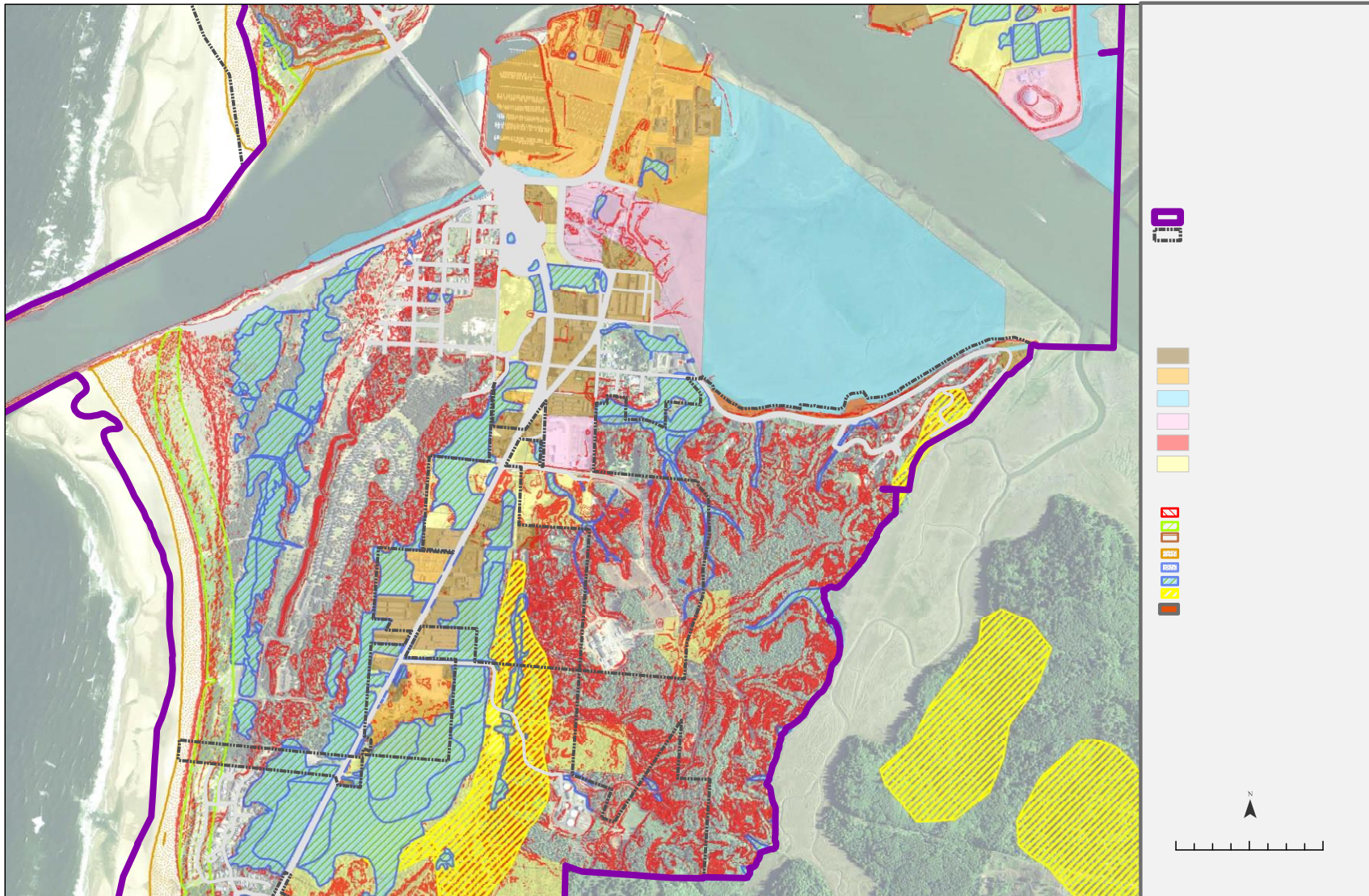
Map 2-8. Employment land by classification with development constraints, Tile 2, Newport UGB, 2012



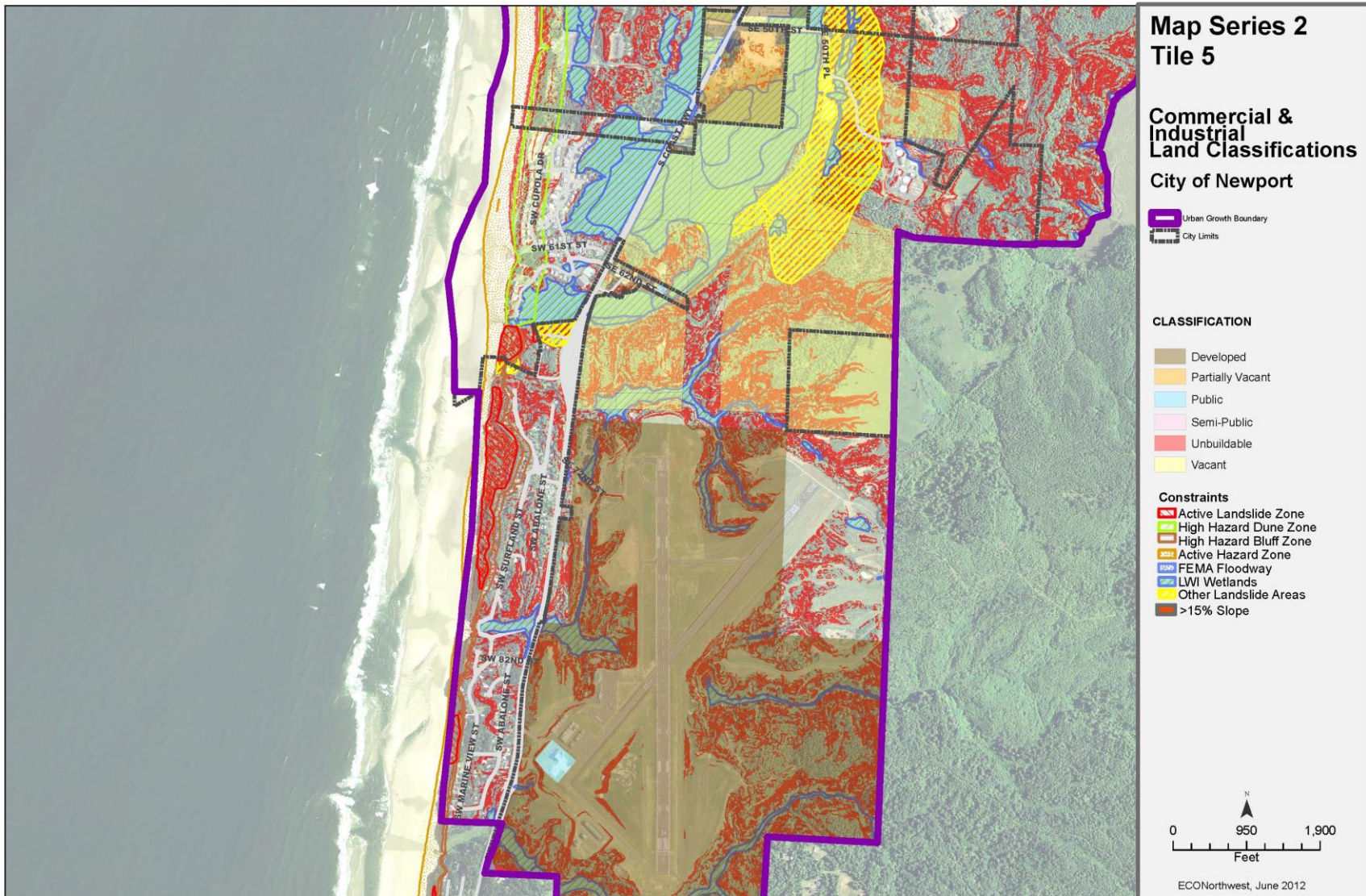
Map 2-9. Employment land by classification with development constraints, Tile 3, Newport UGB, 2012



Map 2-10. Employment land by classification with development constraints, Tile 4, Newport UGB, 2012



Map 2-11. Employment land by classification with development constraints, Tile 5, Newport UGB, 2012



Map 2-12. Employment land by classification with development constraints, Tile 6, Newport UGB, 2012

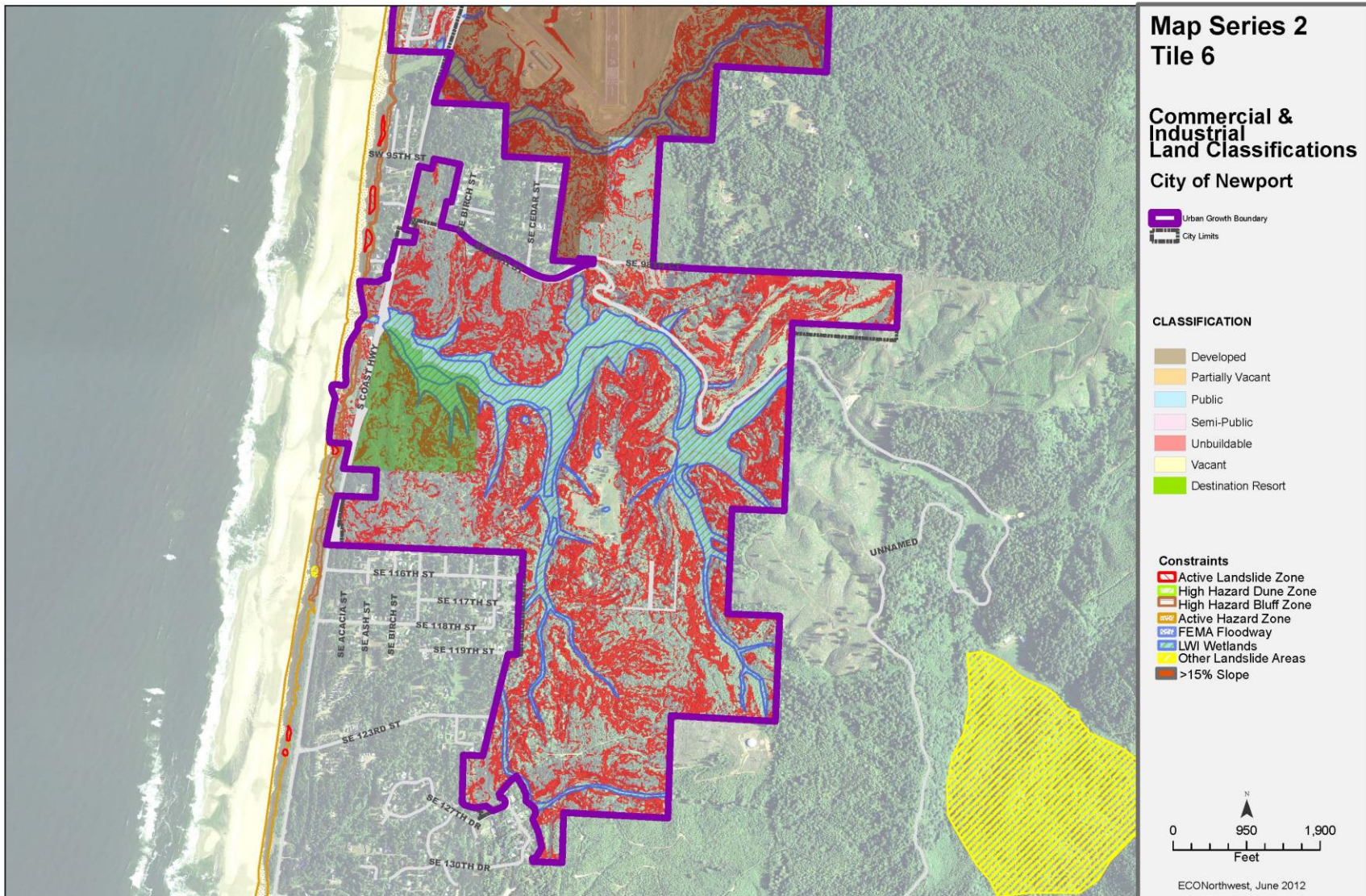


Table 2-6 shows the size of lots by plan designations for suitable employment land. Newport has nearly 195 lots that are smaller than 2 acres (with 106 acres of land). Newport has 16 lots between 2 and 10 acres (80 acres of land), four lots between 10 and 20 acres in size (51 acres of land), and six lots 20 acres and larger (171 acres of land).

Table 2-6. Lot size by plan designation, suitable acres, Newport UGB, 2012

Plan Designation	Suitable Acres in Tax Lot							Total	
	<0.25	>=0.25 and <0.50	>=0.50 and <1.00	>=1.00 and <2.00	>=2.00 and <5.00	>=5.00 and <10.00	>=10.00 and <20.00		>=20.00 and <50.00
Acres									
Commercial	7	4	5	2	3	16	24	0	62
Industrial	13	3	17	9	19	34	12	94	199
Public	1	2	1	0	8	0	15	78	104
Shoreland	42	0	1	0	0	0	0	0	42
Subtotal	62	9	23	12	30	50	51	171	408
Tax Lots									
Commercial	88	11	7	2	1	2	2	0	112
Industrial	27	9	21	7	5	5	1	3	78
Public	9	3	1	0	3	0	1	3	20
Shoreland	9	0	1	0	0	0	0	0	10
Subtotal	133	23	30	9	9	7	4	6	220

Source: City of Newport GIS data; analysis by ECONorthwest

The data in Table 2-6 suggest that Newport has a deficiency of larger commercial sites. Newport has no commercial sites over 20 acres, 2 sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport’s industrial zone allows commercial uses outright – which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

REDEVELOPMENT POTENTIAL

Redevelopment potential addresses land that is classified as developed that may redevelop during the planning period. While many methods exist to identify redevelopment potential, a common indicator is improvement to land value ratio. Different studies have used different improvement to land value ratio thresholds to identify redevelopment potential.

One of the key issues in preparing an accurate inventory of employment lands in Newport is how to identify and inventory under-utilized or redevelopable lands. For the purpose of this study, ECO does not make a distinction between under-utilized and redevelopable sites. The inventory consistently uses the term “redevelopable” since it is consistent with the

terminology of the statewide land use program.² For the purpose of this study, however, the definition of “redevelopable” land is considered synonymous with “under-utilized” properties.

In the context of the Newport commercial and industrial buildable lands inventory, redevelopment potential addresses land that was initially classified as developed that may redevelop during the planning period. While many methods exist to identify redevelopment potential, a common indicator is improvement to land value ratio. A threshold used in some studies is an improvement to land value ratio of 1:1. Not all, or even a majority of parcels that meet this criterion for redevelopment potential will be assumed to redevelop during the planning period.

The factors that affect redevelopability are many, but the economics are pretty straightforward. Redevelopment occurs when achievable rents exceed the current return on investment of the land and improvements. The reality, of course, is much more complicated. One way to think about the market for land is “highest and best use” which is a function of:

1. Achievable Pricing – Given the product type and location, what lease rates or sales prices are achievable?
2. Entitlements – What do local regulations allow to be built?
3. Development Cost – What is the cost to build the range of product types allowed (entitled) at that location?
4. Financing – What is the cost of capital, as well as the desired returns necessary to induce development of that form?

In our many conversations with commercial realtors and developers for this and other studies, the conclusion has been consistent: it is very difficult to develop reliable models of redevelopment potential. The factors are complicated and are location and time specific. Moreover, public policy can play a significant role in facilitating redevelopment.

In previous studies, ECO has explored supply side approaches using GIS datasets. The problem with supply side approaches is that the base data available to conduct empirical analyses is quite coarse and as a result, the analyses are limited and the results have varying levels of inaccuracy. The improvement to land value approach has some problems; for example, it does not make distinctions for land intensive employment uses that

² In this instance, the terminology is a little confusing. OAR 660-009-0005(1) defines redevelopment as follows: "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period. For the purpose of clarity, we use the term developed to mean land committed to existing productive employment uses and redevelopable as lands that have potential for redevelopment during the planning period.

require minimal built structure investments. Despite this limitation, it has utility in identifying districts that may be worth focusing resources on.

More robust approaches can consider employment densities, floor area ratios, and other factors. Often, however, the quality of the data is a limiting factor and the cost of generating new or cleaning existing data sets is prohibitive. For this study, we attempted to use employment density combined with improvement to land value ratios. Our assessment was the results were unreliable and unsuitable as a valid indicator of redevelopment potential.

Thus, this study uses a demand-based approach to estimating how much land will be redeveloped over the 20-year planning period. ECO typically approaches the issue from the demand side by making deductions from total employment growth to account for new employment that will not need any new land (see Chapter 4). This approach, however, will not meet key city objectives in developing economic development strategies.

One foundational element of the city's strategy is to identify districts that are "ripe" for redevelopment and then to focus efforts on those districts. To identify potential districts, we analyzed the improvement to land value ratio of all commercial properties within the UGB. That analysis was followed by field assessment and discussions with city staff and other experts.

Table 2-6 shows improvement to land ratios for developed land in Newport. About one-quarter of Newport's developed sites (319 acres of land) have an improvement to land value ratio of less than 0.25, suggesting that these sites have high redevelopment potential. Another 8% of Newport's developed land has an improvement to land ratio of between 0.25 and 1.0 and 11% of Newport's land has a ratio of between 1.0 and 2.0, suggesting redevelopment potential. Higher improvement to land value ratios suggest decreasing probability of redevelopment potential.

Table 2-6. Improvement to land value ratio, land classified as “developed,” Newport UGB, 2012

Plan Designation	Improvement to Land Value Ratio							No Data	Total
	>0.00 - <0.25	>=0.25 - 0.50	>=0.50 - <0.75	>=0.75 - <1.00	>=1.00 and <2.00	>=2.00 - <3.00	>=3.00		
Acres									
Airport	167	-	-	-	-	-	-	370	537
Commercial	15	20	35	19	82	20	28	42	263
Industrial	5	11	11	6	14	9	14	11	82
Public	131	2	-	0	1	2	71	43	250
Shoreland	1	3	1	1	48	1	42	95	192
Total									
Acres	319	36	47	27	147	33	155	561	1,324
Percent of Acres	24%	3%	4%	2%	11%	2%	12%	42%	100%
Tax Lots									
Airport	1	-	-	-	-	-	-	1	2
Commercial	54	74	100	87	188	51	71	282	907
Industrial	6	17	11	11	16	10	7	24	102
Public	6	4	-	5	5	5	15	4	44
Shoreland	5	11	7	9	21	3	17	480	553
Total									
Tax Lots	72	106	118	112	230	69	110	791	1,608
Percent of Acres	4%	7%	7%	7%	14%	4%	7%	49%	100%

Source: City of Newport GIS data; analysis by ECONorthwest

Of particular interest for the purpose of this study is low-improvement value commercial land. The improvement to land value ratio analysis in Table 2-7 shows 89 acres of commercial land with an improvement to land value ratio of less than 1.0:1.0; 35 of those acres have an improvement to land value ratio of less than 0.5:1.0. Rows with darker shading have more redevelopment potential.

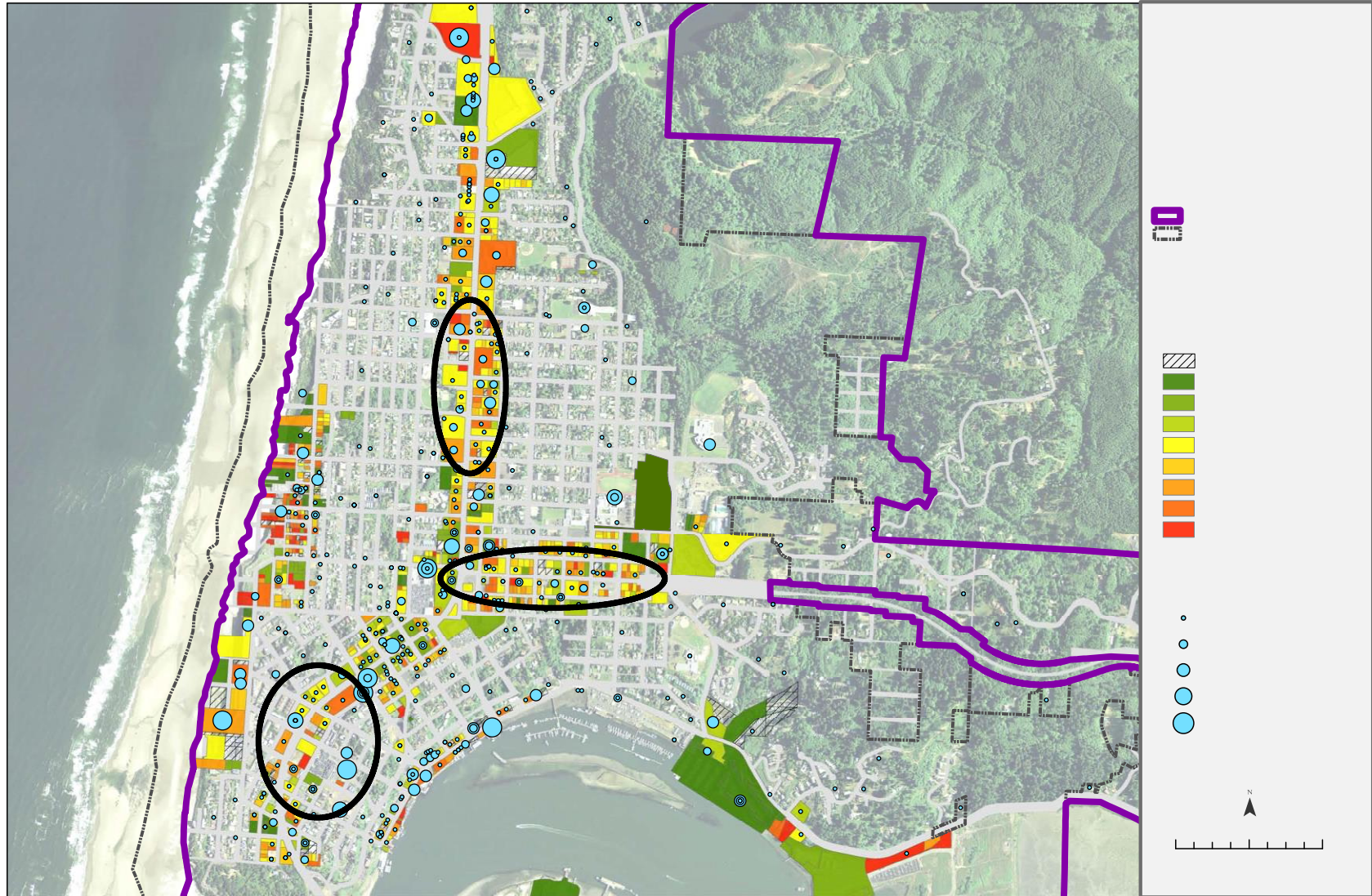
Table 2-7: Developed commercial land by improvement-to-land value ratio, Newport UGB, 2012

Improvement to Land Value Ratio	Tax Lots		Acres	
	Number	Percent	Number	Percent
>0.00 - <0.25	54	6%	15	6%
>=0.25 - 0.50	74	8%	20	8%
>=0.50 - <0.75	100	11%	35	13%
>=0.75 - <1.00	87	10%	19	7%
>=1.00 and <2.00	188	21%	82	31%
>=2.00 - <3.00	51	6%	20	8%
>=3.00	71	8%	28	11%
No Data	282	31%	42	16%
Total	907	100%	263	100%

Source: City of Newport GIS data; analysis by ECONorthwest

ECO developed a series of maps with the location of employers and the improvement to land value ratio to aid in this process. The Technical Advisory Committee and city staff chose to focus commercial redevelopment strategies on the Highway 101 and Highway 20 corridors north of Yaquina Bay. Map 2-13 shows the location of potential commercial redevelopment districts.

Map 2-13. Potential commercial redevelopment districts



Source: City of Newport GIS data; analysis by ECONorthwest

OAR 660-009 requires cities to maintain a 20-year inventory of sites designated for employment. To provide for at least a 20-year supply of commercial and industrial sites consistent with local community development objectives, Newport needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. Demand for commercial and industrial land will be driven by development in the target industry clusters, the expansion and relocation of existing businesses, and new businesses locating in Newport. The level of this business expansion activity can be measured by employment growth in Newport.

This chapter summarizes key findings from: (1) Appendix A: National, State, County, and Local Economic Trends, (2) Appendix B: Factors Affecting Future Economic Growth in Newport, and (3) Appendix C: Employment Forecast and Site Needs for Industrial and other Employment Uses. This chapter focuses on the issues related to growth of industries that the Technical Advisory Committee identified as potential growth industries for Newport.

NEWPORT'S COMPETITIVE AND COMPARATIVE ADVANTAGES

Economic development opportunities in Newport will be affected by local conditions as well as the national and state economic conditions described in Appendix A. Economic conditions in Newport relative to these conditions in other coastal communities form Newport's competitive and comparative advantages for economic development, which is described in detail in Appendix B. These advantages have implications for the types of firms most likely to locate or expand in Newport.

There is little that Newport can do to influence national and state conditions that affect economic development. Newport can, however, influence local factors that affect economic development. Newport's primary advantages are: access to the ocean, location in the central Oregon Coast, access to Highways 101 and 20, range of businesses in Newport, interest of business groups to work together, and high quality of life. Newport is likely to attract businesses that prefer to locate near to the ocean or businesses that have a choice of where to locate and prefer the quality of life factors in Newport.

The local factors that form Newport's competitive and comparative advantages are summarized below.

- **Location.** Newport is located in Lincoln County, along Highway 101, at the center of Oregon's Coast. Newport is one of the largest coastal communities and a regional center for retail trade, services, and government activity. Businesses in Newport have access to natural resources from surrounding rural areas, such as ocean products, wood products, agricultural products, and other resources. Businesses that need access to or want to attract customers from other coastal communities may locate in Newport.
- **Transportation.** Businesses and residents in Newport have access to a variety of modes of transportation: automotive (Highways 101 and 20), cargo vessels (at the newly renovated International Terminal), air (the Newport Municipal Airport), rail (in Toledo via the Willamette and Pacific Railroad), and transit (Lincoln County Transit). Businesses that need access to multiple modes of transportation, especially automotive and cargo vessels, may choose to locate in Newport. Newport's distance from Interstate 5, the Willamette Valley, and Portland are a barrier to attracting businesses that need direct access to I-5 or access to markets in the Willamette Valley.
- **Marine-related.** One of Newport's primary advantages is being on the Oregon Coast, with direct access to the Pacific Ocean. Newport's economy has developed with the following advantage:
 - **Proximity and access to the ocean.** Access to the ocean from Yaquina Bay is direct and fast. Boats in the Bay can get to the open ocean in about 10 minutes. This direct access to the ocean from a protected bay is relatively unique in the Northwest. Businesses that make frequent trips to and from the ocean may find Newport's access to the ocean appealing.
 - **Marine industries.** Newport has a wide-ranging of existing marine industries: the NOAA fleet, research and education, law enforcement, commercial fishing, seafood processing, recreational fishing, tourism-related ocean activities, and services for the marine industries. These industries form the base of a marine research and ocean observing industry cluster. Newport has opportunities to attract more marine industries, including small businesses that provide goods or services to marine businesses.
 - **Agreement about marine uses.** Newport has a wide-range of marine stakeholders, such as: the Port of Newport,

NOAA, the Hatfield Marine Science Center, commercial or recreational fishermen, the Coast Guard, and many others. These stakeholders are generally in agreement about the types of uses that should occur in Yaquina Bay, which focus on research, aquaculture, energy production, and transportation. The collaborative nature of the relationship among marine users is an advantage for economic development because there is broad agreement about the types of marine uses in and around Newport.

- **Existing marine infrastructure.** Newport's existing marine infrastructure is an advantage for attracting businesses. The community will need to make investments, such as those that brought the NOAA fleet to Newport or the renovation to the International Terminal, to continue attracting marine-related businesses. In addition, the concentration of marine uses in Newport gives the Port advantages in attracting funding for the dredging necessary to accommodate large vessels.
- **Tourism.** The existing tourism industry in Newport is an advantage for economic development. Tourism results in \$116.8 million in direct spending annually, supporting about 1,600 jobs, and resulting in lodging tax revenues of approximately \$2.2 million annually. While direct spending and lodging tax revenues have grown since 2000, employment in tourism industries has remained relatively flat over the 10-year period.

Newport's tourism infrastructure includes destinations such as the Oregon Coast Aquarium, recreational amenities, overnight accommodations, restaurants, retail, and cultural amenities. The amenities not only contribute to the success of Newport's tourism industries but enhance the quality of life for residents in and around Newport. The existing tourism industry in Newport offers opportunities to increase tourism and grow employment directly and indirectly related to tourism.

- **Buying power of markets.** The buying power of Newport's households, residents of nearby communities, and visitors provide a market for goods and services. Newport's role as a regional center for retail and services is a competitive advantage for attracting retail and other services.
- **Labor market.** The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available but the quality, skills, and experience of

available workers.

Businesses in Newport have access to workers in Newport and from neighboring communities. Businesses need access to reliable skilled workers, both with and without higher education.

Businesses that need skilled workers but that do not require a specialized college degree may find workers within the greater Newport area. These workers can gain job skills through training at the Oregon Coast Community College or on-the-job training. Some businesses, especially organized involved in research and education, may need to attract workers that have specialized college degrees from other parts of Oregon or out-of-state.

- **Public policy.** Public policy can impact the amount and type of economic growth in a community. The City can impact economic growth through its policies about the provision of land and redevelopment. Success at attracting or retailing firms may depend on the availability of attractive sites for development and public support for redevelopment. In addition, businesses may choose to locate in Newport (rather than another coastal community) based on: the City's tax policies, development changes (i.e., systems development charges), the availability and cost of public infrastructure (i.e., transportation or sanitary sewer), and attitudes towards businesses.

POTENTIAL GROWTH INDUSTRIES

An analysis of growth industries in Newport should address two main questions: (1) Which industries are most likely to be attracted to Newport? and (2) Which industries best meet Newport's vision for economic development? The types of industries that Newport wants to attract have the following attributes: high-wage, stable jobs with benefits; jobs requiring skilled and unskilled labor; employers in a range of industries that will contribute to a diverse economy; and industries that are compatible with Newport's community values.

NEWPORT'S VISION FOR ECONOMIC DEVELOPMENT

Economic data, such as the data in this document, provides decisionmakers with information necessary for planning for economic growth. Economic information on its own, however, is not sufficient for making decisions to plan for economic growth. Having an economic development vision and strategy that articulates how the community wants to grow in the future can help decisionmakers plan to accommodate growth. Goal 9 recognizes the importance of having a

vision to guide growth. OAR 660-009 encourages cities use a public process to assess community economic development potential and to use the results of that process to develop the community's economic development objectives.

The City of Newport worked with a Technical Advisory Committee (TAC) to develop a strategy to guide economic development in Newport over the planning period. The purpose of the strategy is to articulate the community's vision for economic development, develop actions to implement that vision, and define the City's role in helping to achieve community economic development aspirations through specific policies and implementation measures.

The economic development strategy is articulated in the technical memorandum "Economic Development Strategy" dated June ## 2012. This section presents the vision and goals of the strategy. The TAC identified potential growth industries, through the process of developing the strategy.

Vision

Newport's vision for economic development is:

The City of Newport embraces change and works collaboratively to create a dynamic, entrepreneurial, and forward looking community.

Newport's dynamic and collaborative waterfront community represents its diverse economy – an innovative and technologically advanced fishing and seafood industry; a rapidly growing marine research enterprise; and a resourceful coastal tourism and recreation industry. Newport's citizens place a high value on education, invest in lifelong learning, and upgrade skills for tomorrow's economy. People and families are attracted to the region for its diverse job opportunities and entrepreneurial environment. Residents invest in a quality of life reflected in numerous recreational opportunities, substantial infrastructure and support services, a vibrant arts community, and a beautiful and sustainable natural environment.

Goals

The TAC identified four broad goals necessary to achieve the City's vision for economic development.

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

- **Workforce Availability and Quality.** Provide appropriate workforce training opportunities to meet the needs of Newport’s target industries.
- **Supply of Commercial and Industrial Land.** Provide an adequate number of sites of suitable sizes, types, and locations to accommodate a variety of economic opportunities over the planning period.
- **Infrastructure and public facilities.** Make investments in infrastructure and public facilities to support the target industries.

TARGET INDUSTRIES

The TAC identified target industries for growth based, in part, on the Community’s aspirations for economic development, as articulated in the vision. In addition, the TAC considered Newport’s competitive and comparative advantages that make it attractive to specific industries. The industries that fit with the Community’s aspirations for growth and identified as having growth potential in Newport are:

- **Marine and ocean observing research and education.** Newport has been a growing center for marine and ocean research and education, with establishment of the Hatfield Marine Science Center in Newport more than 50 years ago. Since then, other marine and ocean research and educational institutions have located in Newport, such as the Oregon Coast Aquarium and, most recently, the National Oceanic and Atmospheric Administration (NOAA)’s Pacific Marine Operations Center.

Growing the existing cluster of marine and ocean research and educational institutions has been a goal in Newport. In 2008, The Yaquina Bay Economic Foundation (YBEF) developed the document “Establishing Newport, Oregon as a Hub of Ocean Observing Activities in the Pacific Northwest: A Strategic Framework.” This document describes the goal of developing an ocean observing industry cluster as a method of economic development to attract jobs to and grow jobs in Newport.

The Framework describes a range of ocean-observing economic activities, including research (aboard vessels and from sea floor “cabled” observatories), marine education, developing hardware used for ocean observing, and repair and maintenance of vessels and equipment. The data generated through the local research is valuable to commercial and recreational fishermen or cargo shippers.

Key economic development opportunities in the ocean-observing industry cluster include:

- *Operations and maintenance of marine research vessels.* With the deployment of UNOLS vessel R/V Oceanus, the NOAA Pacific research fleet, and wave energy test berth, there will be a steady demand for personnel and services to operate and maintain these vessels. These include vessel piloting, navigation, crew support services, equipment operation, vessel maintenance, and logistics.
- *Development of facilities to support marine research operations and maintenance.* These include development and expansion of dock facilities, construction of storage and maintenance buildings, deployment of cranes and loaders, construction of access roadways and surfaces for forklift transport of equipment to vessels, and hiring skilled operations and maintenance personnel.
- *Development of facilities and programs to support marine education.* These include expansion of facilities at the Oregon Coast Aquarium, development of marine education camps and facilities, implementation of educational programs including eco-tourist based learning experiences, and expansion of marine education research.
- *Instrument design, manufacturing, deployment, sales, and service.* With the Newport region being a hub for marine science research, the demand will grow for companies to supply, operate, and maintain ocean instruments, including sensors, underwater instrumentation, telecommunications gear, and autonomous underwater vehicles, along with skilled personnel in the fields of design, engineering, manufacturing, operations, maintenance, and customer relations.
- *Expanded marine research.* As federal and state investments in marine research and education increase, so will Newport's role grow, adding scientists, researchers, technicians, and students. This will result in expanded research facilities, including labs, conference facilities, residential facilities, and offices.
- **International commerce.** The Port of Newport is one of the few deep draft ports on the Oregon Coast, which is accessible by large cargo vessels. The Port stopped shipping via large cargo vessels about a decade ago because the physical condition of the docks and

Port infrastructure required repairs. The Port in the process of renovating the International Terminal of the Port. The Terminal is a 17-acre facility with about 1,000 feet of deep-water waterfront, docks, and storage facilities.

At completion of renovation of the International Terminal is completed, the Port will be able to accommodate cargo ships, by the beginning of the second quarter of 2013. The Port is considering export opportunities for the International Terminal, such as exporting logs, which would result in about four to six ships carrying cargo from Newport per year. Over the long term, the International Terminal may attract one ship per month and may ship other goods in addition to logs, such as value added lumber, other wood products (e.g., paper products or wood chips), or other agricultural products (e.g., hay bales). One goal of renovation of the International Terminal is creating 50 new jobs between 2013 and 2018.

Operation of the International Terminal depends access to Highways 20 and Highway 101 from the north, for trucks carrying logs.

- **Fishing and seafood processing.** Newport is one of Oregon’s largest commercial fishing port, accounting for about one-third of the State’s commercial fishing activity. In 2008, Newport was home to about 238 fishing vessels, including both short-haul boats that fish in Oregon’s Coastal fisheries and distant-haul boats that fish in Alaska’s fisheries. Newport’s commercial fishing vessels generated 61 million pounds of seafood, with a value of \$32.5 million in 2008, accounting for about one-third of the seafood harvested in Oregon. The economic contribution of the fishing industry on personal income in Newport in 2008 was about \$123 million, accounting for about 30% of statewide economic contribution from fishing.³
- **Tourism.** Tourism plays an important role in Newport’s economy. The 2005 EOA showed that about 33% of employment in Newport was related to tourism or arts. In 2010, about 36% of employment was in the sectors most directly related to tourism: accommodation and food service, arts and recreation, and retail trade. The strengths of Newport’s tourism cluster include:
 - Destinations such as the Oregon Coast Aquarium

³ The most recently available report describing Newport’s fishing industry is: “Oregon’s Commercial Fishing Industry, Year 2007 and 2008 Review.” Oregon Department of Fish and Wildlife and Oregon Coastal Zone Management Association, Inc.

- Recreational amenities, such as sightseeing tours or fishing charters
- Overnight accommodations, such as bed and breakfast inns, hotels, motels, RV parks and campgrounds, and private vacation rentals
- A wide range of restaurants, including fine dining
- Arts and cultural opportunities, such as art dealers, museums, or performance arts

EMPLOYMENT AND EMPLOYMENT FORECASTS

Goal 9 requires that cities provide for an adequate supply of commercial and industrial sites consistent with plan policies. To meet this requirement, Newport needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. Appendix C presents the forecast for employment growth in Newport in detail. This section summarizes the results of the forecast for employment growth and land needs

Table 3-1 presents the forecast of employment growth by land use type in Newport's UGB from 2012 to 2032. Table 3-1 shows Newport's employment base in 2012, with about 10,060 *total* employees,⁴ and forecast for 12,276 employees in 2032, an increase of 2,216 employees at an average annual growth rate of 1.0%.

Table 3-1 forecasts growth in all land-use types and it forecasts a shift in the composition of Newport's employment:

- **Industrial** will increase from 11% of employment in Newport in 2010 to 15% by 2032. The cause of this expected growth is faster growth in target industry businesses that require industrial land, such as manufacturing related to ocean observing businesses, ship and boat repair businesses, seafood processing, or businesses related to international shipping.
- **Commercial** employment will decrease from 72% of employment in Newport in 2010 to 70% by 2032. Although employment in commercial businesses will decrease as a percent of total employment, commercial employment will account for the majority of employment growth (1,300 new jobs).
- **Government** employment will decrease from 17% of employment in Newport in 2010 to 15% by 2032. Even with this decrease in the share of total employment, government employment will grow by nearly 160 people over the 20-year period. This employment will be the result of growth in public educational and research organizations, as well as growth in government to provide additional services to Newport's growing population.

⁴ The forecast of employment in Newport is based on an estimate of *covered* employment in 2010. Covered employment does not include all workers in an economy, most notably excluding sole proprietors. Appendix C describes the approach to converting from covered employment to total employment.

Table 3-1. Forecast of employment growth in by building type, Newport UGB, 2012–2032

Land Use Type	2012		2032		Change 2012 to 2033
	Employment	% of Total	Employment	% of Total	
Industrial	1,108	11%	1,841	15%	733
Commercial	7,269	72%	8,593	70%	1,324
Government	1,683	17%	1,841	15%	158
Total	10,060	100%	12,276	100%	2,216

Source: ECONorthwest

Note: Green shading denotes an assumption by ECONorthwest

Some new employment will locate on underutilized land, such as the districts along Highway 101 identified in the buildable lands analysis as having development capacity. Table 3-1 shows employment growth on underutilized lands and on vacant lands. Table 3-2 assumes that some employment will locate on underutilized lands, reducing the need for vacant employment land:

- Some employment growth will occur on sites with existing built space.** Some employment will locate in existing buildings, such as buildings with vacant spaces that can accommodate business tenants. In addition, existing businesses may be able to accommodate new employment by making more efficient use of existing office space (e.g., adding a new cubicle). ECO assumes that 10% of commercial employment can be accommodated this way and that 50% of government employment can be accommodated in existing built space.
- Some employment growth will be accommodated on land with additional capacity.** Some employment growth will be accommodated on land with additional development capacity, through infill or redevelopment. Some parcels with an existing building may have capacity to add another building, which is infill development. In other cases, the existing building may be obsolete, resulting in redevelopment of the existing building, with increased capacity to accommodate employment. ECO assumes that 15% of commercial employment will be accommodated through infill or redevelopment.

Using these assumptions, 211 new employees will be accommodated on underutilized land and 1,805 new employees will require vacant (including partially vacant) land over the 2012 to 2032 period.

Table 3-2. New employment locating on underutilized land or vacant land, Newport, 2032

Land Use Type	New Employment	Employment on Underutilized Land		Emp. on Vacant Land
		Existing Built Space	Land with Additional Capacity	
Industrial	733	0	0	733
Commercial	1,324	132	199	993
Government	158	79	0	79
Total	2,216	211	199	1,805

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

Table 3-3 shows demand for vacant (including partially vacant) land in Newport over the 20-year period. The assumptions used in Table 3-3 are:

- **Employment density.** Table 3-3 assumes the following number of employees per acre (EPA): Industrial will have an average of 10 employees per acre and Commercial and government will have an average of 20 EPA.

These employment densities are consistent with employment densities in Oregon cities of similar size as Newport. Some types of employment will have higher employment densities (e.g., a multistory office building) and some will have lower employment densities (e.g., a convenience store with a large parking lot).

- **Conversion from net-to-gross acres.** The data about employment density is in *net* acres, which does not include land for public right-of-way. Future land need for employment should include land in tax lots needed for employment plus land needed for public right-of-way. One way to estimate the amount of land needed for employment including public right-of-way is to convert from *net* to *gross* acres based on assumptions about the amount of land needed for right-of-way.⁵ A net to gross conversion is expressed as a percentage of gross acres that are in public right-of-way.

⁵ OAR 660-024-0010(6) uses the following definition of net buildable acre. “Net Buildable Acre” consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

Net-to-gross factors generally range from 15% to 20% for cities like Newport. Given that Newport has an existing well developed street system, ECO uses a net-to-gross conversion factor of 15% for industrial and 20% for commercial and government.

Using these assumptions, the forecasted growth of 1,805 new employees will result in the following demand for vacant (and partially vacant) employment land: 86 gross acres of industrial land, 63 gross acres of commercial land, and 5 gross acres of land for government uses.

Table 3-3 . Demand for vacant land to accommodate employment growth, Newport, 2012 to 2032

Land Use Type	Emp. on Vacant Land	EPA (Net Acres)	Land Demand (Net Acres)	Land Demand (Gross Acres)
Industrial	733	10	73	86
Commercial	993	20	50	63
Government	79	20	4	5
Total	1,805		127	154

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

This chapter provides a brief summary of the implications of the economic opportunities needs analysis for Newport. This study looked at economic trends and land needs from a regional and local perspective. This chapter includes a general comparison of land supply and demand and description of the characteristics of needed sites. The buildable lands analysis is followed by a discussion of the key implications of the EOA for Newport.

COMPARISON OF LAND CAPACITY AND DEMAND

Table 2-5 shows the inventory of suitable employment land by plan designation. Table 3-3 presented an estimate of demand for vacant (including partially vacant) land needed to accommodate employment growth over the planning period. Table 4-1 compares the supply of buildable land with the demand for employment land:

- Industrial.** Newport has a supply of nearly 200 acres of buildable land designated for industrial uses. The employment forecast projects demand for 86 acres of industrial land. **Newport has more industrial land than the City is projected to need over the 20-year period, with a surplus of 113 gross acres of industrial land.**
- Commercial.** Newport has 62 acres of land designated for commercial uses and 42 acres designated for Shoreland uses. According to the City's zoning code, the purpose of land designated for shore land uses is for use by water-dependent businesses. **Newport has a surplus of 41 acres of land for commercial uses.**

Table 4-1. Sufficiency of employment land to accommodate employment growth, gross acres, Newport, 2012 to 2032

Land Use Type	Land Supply (Gross Acres)	Land Demand (Gross Acres)	Land Surplus (Deficit)
Industrial	199	86	113
Commercial			
Commercial	62		
Shoreland	42		
Commercial Subtotal	104	63	41

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

The employment forecast identified demand for five acres of land to accommodate government uses. These uses can be accommodated in a number of ways: (1) on land designated for Public uses, (2) on land designated for Commercial use, or (3) through redevelopment of land with underutilized buildings.

Newport has a deficiency of larger commercial sites. Newport has no commercial sites over 20 acres, two sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows commercial uses outright – which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

CHARACTERISTICS OF NEEDED SITES

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. The Administrative Rule defines site characteristics as follows in OAR 660-009-0005(11):

(11) "Site Characteristics" means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

Friends of Yamhill County v. City of Newberg, 62 Or LUBA 5 (2010), established a two-prong test for establishing relevant "site characteristics" as follows: (1) that the attribute be "typical of the industrial or employment use" and (2) that it have "some meaningful connection with the operation of the industrial or employment use." The first of those prongs, that the attributes be "typical," appears expressly in OAR 660-009-0015(2), which refers to "site characteristics typical of expected uses." In upholding LUBA's two prong test, the Court of Appeals agreed, "[t]hat 'necessary' site characteristics are those attributes that are reasonably necessary to the successful operation of particular industrial or employment uses, in the sense that they bear some important relationship

to that operation.” *Friends of Yamhill County v. City of Newberg*, 240 Or App 738, 747 (2011).

This section presents a high-level discussion of the characteristics of land needed to accommodate the targeted industries, based on the identified need for: 86 gross acres of industrial land and 63 gross acres of commercial land. The following discussion summarizes the site characteristics and provides an overview of the two-prong test established for site characteristics under *Friends of Yamhill County v. City of Newberg*.

Marine and ocean observing research and education

Location within the City. Locational requirements of businesses in marine and ocean observing research and education cluster vary, depending on the type of business.

Newport has a limited supply of land with direct or nearby access to the Bay Front and should identify opportunity sites in these areas for use by marine and ocean observing organizations. The economic development strategy includes an action item of identifying specific opportunity sites for growth of this cluster within Newport.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic.

Organizations involved in research and education typically need access to the waterfront (i.e., a place to dock ships). While some organizations may prefer to have offices near the waterfront, others may find a location away from the water front acceptable.

Businesses involved with maintenance and manufacturing typically need to have a location along the water front (e.g., for ship maintenance), while others may prefer a location near Highway 20 or the airport.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Some marine and ocean observing businesses require access to the waterfront to do business, for docking ships or to be located near their customers. Some marine and ocean observing businesses need more access to the highway for automotive or freight transportation or the airport.

- **Size of sites.** Marine and ocean observing research and education firms will require a variety of site sizes.
 - Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites "a minimum acreage" as a site characteristic. The size of sites required by businesses in this cluster will vary. Some businesses may require no new space and make use of space within an existing building, such as a small firm involved in research. Other businesses may require a larger site (e.g., one to two acres) to build a new facility. A large organization could require a five- to ten-acre site.
 - Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee and customer parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** Development constraints include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. Office-based businesses may be willing to locate on land with slopes of 15% or more. Manufacturing, maintenance, and related businesses will need relatively flat sites.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be

unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) or with slopes of 15% or more may make it more difficult for developers to obtain financing or obtain insurance. Office and other types of commercial development requires level floorplates to reduce costs and offer maximum flexibility, as well as level areas to provide for freight access and pedestrian walkways that meet ADA standards.

- **Transportation access.** Transportation access may include automotive, shipping access, or access to the airport.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic. All businesses will need automotive access. Businesses that manufacture products for use outside of Newport will need sufficient access to Highway 101 and possibly to Highway 20. Businesses in this cluster are likely to require boat and shipping access in the Bayfront.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

All businesses in this industry require automotive access to function, for delivery of freight or access by customers and employees. Businesses that need highway access need it to minimize the amount of freight traffic on local streets, helping to improve mobility, minimize commercial traffic in residential neighborhoods, minimize adverse effects on urban land use and travel patterns. Businesses that require

boat and shipping access need it for boats and ships belonging to the business or their customers.

International commerce

- **Location within the City.** Businesses involved in international commerce will prefer to locate near the Port of Newport's facilities. Some of these businesses may require a Bayfront location and some may not need waterfront access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic.

Newport has a limited supply of land with direct or nearby access to the Bay Front, especially land near the Port of Newport's facilities. The Port, however, has some vacant land near the terminal that could be made available for related uses. The City and Port should identify opportunity sites in these areas for use by businesses in this cluster.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Businesses in international commerce require access to the waterfront, especially land near the Port, to do business, for docking ships or gaining access to Port facilities.

- **Size of sites.** The size of sites required by businesses in this cluster will vary.

- Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites "a minimum acreage" as a site characteristic. The size of the site will depend on the type of business. Warehouse and distribution firms may require a relatively small site (e.g., 1- to 2-acres) for small-scale businesses or may require a large site (e.g., 20- or more acres) for large-scale operations. Small businesses may prefer to locate in existing buildings (if available).

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** The buildable lands inventory identifies development constraints to include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. However, businesses in this cluster will need relatively flat sites.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) or sites within constrained areas or with slopes of 5% or more will be unsuitable for warehousing and shipping.

- **Transportation access.** Transportation access includes include automotive and shipping access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a

particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic. All businesses will need automotive access. Business in this cluster may need direct access to Highway 20 and to Highway 101. Businesses in this cluster will require access to shipping from the International Terminal at the Port of Newport.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

All businesses in this industry require automotive access to function, for delivery of freight or access by customers and employees. Businesses will require boat and shipping access need it for boats and ships belonging to the business or their customers.

Fishing and seafood processing

- **Location within the City.** Businesses involved in fishing and seafood processing are likely to require a Bay Front location, with waterfront access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic. Newport has a limited supply of land with direct or nearby access to the Bay .

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Fishing businesses require direct access to the Bay and waterfront for docking ships. Seafood processors need to be located near the fisherman for easy access to the seafood being processed.

- **Size of sites.** The size of sites required by businesses in this cluster will vary.

- Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites “a minimum acreage” as a site characteristic. The size of the site will

depend on the type of business. Some businesses may require relatively small locations on the waterfront, such as an office with a place to dock fishing vessels. Seafood processors firms may require a relatively small site (e.g., 1- to 2-acres) for small-scale businesses or may require a large site (e.g., 10- or more acres) for large-scale operations. Small businesses may prefer to locate in existing buildings (if available).

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** The buildable lands inventory identifies development constraints to include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. However, businesses in this cluster will need relatively flat sites.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) or sites within constrained areas or with slopes of 5% or more will be unsuitable for fishing or seafood processing.

- **Transportation access.** Transportation access includes include automotive and shipping access.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic. All businesses will need automotive access. Business in this cluster may need direct access to Highway 20 and to Highway 101. Businesses in this cluster will require access to shipping from the International Terminal at the Port of Newport.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

All businesses in this industry require automotive access to function, for delivery of freight or access by customers and employees. Businesses will require boat and shipping access need it for boats and ships belonging to the business or their customers.

Tourism

- **Location within the City.** Businesses involved in tourism are likely to locate in areas that visitors frequent.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the “proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes” as a site characteristic.

Tourism businesses will require a location in areas where visitors frequent, such as along Highway 101, in Nye Beach, or in the Historic Bayfront. Some businesses may prefer a location with an ocean view, such as restaurants or overnight-accommodations.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Tourism businesses must locate in areas frequented by visitors.

- **Size of sites.** Businesses providing services to visitors will require a variety of site sizes.

- Attribute is "typical of the industrial or employment use" - OAR 660-009-0005(11) specifically cites "a minimum acreage" as a site characteristic. Some businesses, such as a retail store or small restaurant, in this cluster can locate on a small site (1-acre or less) and in an existing building. Some businesses, such as restaurants or overnight-accommodations, may need larger sites (2- to 5-acres) and may prefer to build new facilities. Need for sites larger than 5-acres will be restricted to large businesses, generally those building new facilities.
- Attribute has "some meaningful connection with the operation of the industrial or employment use":

The ability of the firm to do business on a particular site will require an appropriately sized site. The site should be large enough to accommodate the following (not every business will need all of these attributes): the built space needed by the business, employee and customer parking, maintenance or storage yards, room for expansion of the business, and other attributes that affect the size of the site.

- **Constraints and topography.** The buildable lands inventory identifies development constraints to include: steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. However, businesses in this cluster can locate on sites with somewhat steeper slopes.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "site configuration including shape and topography" as a site characteristic. Reasonably level and well-drained land outside the floodway is typical of employment areas. Areas not meeting these requirements are constrained and, as a result, may be

unsuitable for development. OAR 660-009-0005(2) says: "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Businesses providing tourism services require sites where constraints do not prohibit building. Development within constrained areas (e.g., wetlands identified in the LWI or shoreland protection areas) will be unsuitable for businesses in this cluster. Some businesses in this cluster can locate on sites with slopes of up to 25%, consistent with slopes considered buildable for residential uses.

- **Transportation access.** Businesses providing services to visitors will need access to local streets, with space for parking.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites the "proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes" as a site characteristic. All businesses will need automotive access. Some will require access to Highway 101 or Highway 20 and some may prefer to locate in an area with access to local streets.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Access to public streets with capacity to accommodate traffic volumes is necessary to accommodate necessary freight movement to support commercial development, as well as to provide safe and convenient access for customers and employees.

- **Visibility.** Businesses in this cluster generally requires a site with high visibility, either along Highway 101 or in one of Newport's districts with other services for visitors.

- Attribute is "typical of the industrial or employment use":

OAR 660-009-0005(11) specifically cites "visibility" as a site characteristic.

- Attribute has "some meaningful connection with the operation of the industrial or employment use":

Many of the desired commercial businesses require from exposure to traffic and storefront view to the road to attract passing motorists and other customers.

IMPLICATIONS

The conclusion of the economic opportunities analysis is that Newport has enough land to accommodate the forecast for employment growth over the next 20-years. The City's challenge is managing the existing land base and infrastructure to retain existing businesses and attract new businesses. The actions proposed in the Economic Development Strategy focus on these issues, emphasizing the City's role in managing these issues.

- **Identify and manage opportunity sites for the target industries.**
The community's aspiration for economic development is growth of businesses related to marine and ocean observing research and education. In addition, the community wants to grow employment in international commerce, fishing, and tourism. A key factor in growing employment in these clusters to Newport is whether the City has an attractive land-base with the characteristics and infrastructure needed by businesses in these cluster.

Businesses in all of these clusters compete for land in similar areas: along the Bay Front and in South Beach. There is a limited amount of vacant land with direct access to the Bay Front. The Economic Development Strategy includes an action of identifying opportunity sites for the marine and ocean observing cluster.

Some vacant land along the Bay is likely to be used for international commerce (e.g., land owned by the Port) and some will continue to be used for fishing and related industries. For other land with direct Bay access, the City will need to work with stakeholders and land-owners to prioritize development of key properties with Bay access.

Newport has no commercial sites over 20 acres, two sites between 10 and 20 acres (with a total of 24 acres) and two sites between 5 and 10 acres (with a total of 16 acres). Both sites over 10 acres are located in the Wolf Tree destination resort area and are not

currently serviced. No sites over five acres are available north of Yaquina Bay. Newport's industrial zone allows commercial uses outright – which could address part of the deficit. Some of this deficiency could potentially be addressed through redevelopment.

The City's economic development strategy also identifies annexation policy as a potential tool to work with property owners in the unincorporated areas of the UGB to clarify issues such as infrastructure provision outside of the city limits. The project ultimately will result in an Urban Growth Management Agreement (UGMA) between the City of Newport and Lincoln County that includes the South Beach area. The Newport City Council has a goal of accomplishing this in the next five years. Having a well-defined annexation strategy is important to the City because it can ensure efficient provision of municipal services and adequate sites for businesses.

- **Facilitating redevelopment along Highway 101.** Newport has a substantial amount of land that is potentially redevelopable. Map 2-2 shows three districts with concentrations of redevelopment potential: (1) along Highway 101 around the City Center District, (2) along Highway 20, east of the intersection with Highway 101, and (3) along Highway 101 between NE 6th Street and NE 12th Street. These areas all include underutilized and vacant land.

The City has limited resources available to encourage redevelopment. While each of these areas offers redevelopment opportunities, we recommend the City consider focusing effort on redevelopment around the City Center District. This area is a gateway from the south to the northern side of Newport. It is connected to the Historic Bayfront and is near City Center. This area includes larger parcels with relatively low improvement to land value ratio, some of which are unused.

The Economic Development Strategy includes an action to evaluate creating an urban renewal district (URD) north of Yaquina Bay. The purpose of the District is to address the issues of underutilized commercial and industrial properties and infrastructure deficiencies, with the purpose of spurring new development. We recommend considering the commercial portions of the Highway 101 and Highway 20 corridors in the District.

The URD would provide a source of financing for upgrades and improvements to public infrastructure. Improvements in areas the City targets for redevelopment along Highway 101 can catalyze redevelopment of key commercial areas. Without a source of

financing for the improvements, encouraging redevelopment in key areas of Highway 101 will be more difficult for the City.

- **Making infrastructure investments in key areas.** The City has limited funds to maintain existing infrastructure and facilities and very little financial capacity to make strategic investments. Existing funds are generally used for basic maintenance. The lack of funds leaves the City in a reactive position for addressing infrastructure problems.

The City has some funds available from urban renewal for investment in the South Beach area. We recommend making investments in South Beach on key opportunity sites that need infrastructure improvements to enable development of marine and ocean observing businesses.

The Strategy also includes actions for maintaining and improving infrastructure: to the International Terminal, necessary to support fishing, and infrastructure used by visitors. There may be opportunities for infrastructure investments that benefit businesses in multiple clusters, such as improvements to marine infrastructure used by fisherman and the Port. In addition, improvements to roads connecting the Bay Front with Highway 20 may benefit multiple users.

Given the limited funding available, the City will need to seek infrastructure grants. There may be opportunities for public-private partnerships that improve infrastructure.

National, State, County, and Local Trends

Appendix A

This appendix summarizes national, state, county, and local trends affecting Newport. It presents a demographic and socioeconomic profile of Newport (relative to Lincoln County and Oregon) and describes trends that will influence the potential for economic growth in Newport. This appendix covers recent and current economic conditions in the City, and forecasts from the State Employment Department for employment growth in Lincoln County. This appendix meets the intent of OAR 660-009-0015(1).

NATIONAL, STATE, AND REGIONAL TRENDS

NATIONAL TRENDS

Economic development in Newport over the next twenty years will occur in the context of long-run national trends. The most important of these trends include:

- **The aging of the baby boom generation, accompanied by increases in life expectancy.** The number of people age 65 and older will more than double by 2050, while the number of working age people under age 65 will grow only 19 percent. The economic effects of this demographic change include a slowing of the growth of the labor force, an increase in the demand for healthcare services, and an increase in the percent of the federal budget dedicated to Social Security and Medicare.⁶

Baby boomers are expecting to work longer than previous generations. An increasing proportion of people in their early to mid-50s expect to work full-time after age 65. In 2004, about 40% of these workers expect to work full-time after age 65, compared with about 30% in 1992.⁷ This trend can be seen in Oregon, where the share of workers 65 years and older grew from 2.9% of the workforce in 2000 to 4.1% of the workforce in 2010, an increase of

⁶ The Board of Trustees, Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, 2011, *The 2011 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, May 13, 2011.

⁷ "The Health and Retirement Study," 2007, National Institute of Aging, National Institutes of Health, U.S. Department of Health and Human Services.

41%. Over the same ten-year period, workers 45 to 64 years increased by 15%.⁸

- **Need for replacement workers.** The need for workers to replace retiring baby boomers will outpace job growth. According to the Bureau of Labor Statistics, net replacement needs will be 33.7 million job openings over the 2010-2020 period, compared with growth in employment of 21.1 million jobs. The occupations with the greatest need for replacement workers includes: retail sales, food service, registered nurses, office workers and teachers.⁹
- **Increases in labor productivity.** Productivity, as measured by output per hour, increased over the 1995 to 2005 period. The largest increases in productivity occurred over the 1995 to 2000 period, led by industries that produced, sold, or intensively used information technology products. Productivity increased over the 2000 to 2005 period but at a slower rate than during the later half of the 1990's. The sectors that experienced the largest productivity increases over the 2000 to 2005 period were: Information, Manufacturing, Retail Trade, and Wholesale Trade. Productivity in mining decreased over the five-year period.¹⁰
- **Continued shift of employment from manufacturing and resource-intensive industries to the service-oriented sectors of the economy.** Increased worker productivity and the international outsourcing of routine tasks lead to declines in employment in the major goods-producing industries. Projections from the Bureau of Labor Statistics indicate that U.S. employment growth will continue to be strongest in healthcare and social assistance, professional and business services, and other service industries. Construction employment will also grow but manufacturing employment will decline.¹¹
- **The importance of high-quality natural resources.** The relationship between natural resources and local economies has changed as the economy has shifted away from resource extraction.

⁸ Analysis of 2000 Decennial Census data and 2010 U.S. Census American Community Survey, 1-Year Estimates for the table Sex by Age by Employment Status for the Population 16 Years and Over

⁹ "Occupational Employment Projections to 2010-2020," Bureau of Labor Statistics, February 2012.

¹⁰ Corey Holman, Bobbie Joyeaux, and Christopher Kask, "Labor Productivity trends since 2000, by sector and industry," Bureau of Labor Statistics *Monthly Labor Review*, February 2008.

¹¹ "Occupational Employment Projections to 2010-2020," Bureau of Labor Statistics, February 2012.

High-quality natural resources continue to be important in some states, especially in the Western U.S. Increases in the population and in households' incomes, plus changes in tastes and preferences, have dramatically increased demands for outdoor recreation, scenic vistas, clean water, and other resource-related amenities. Such amenities contribute to a region's quality of life and play an important role in attracting both households and firms.¹²

- **The growing importance of education as a determinant of wages and household income.** According to the Bureau of Labor Statistics, a majority of the fastest growing occupations will require an academic degree, and on average they will yield higher incomes than occupations that do not require an academic degree. The fastest growing of occupations requiring an academic degree will be: health care service, computer programming, management and business services, college teachers, and architectural and engineering services. Occupations that do not require an academic degree (e.g., retail sales person, food preparation workers, and home care aides) will grow, accounting for more than two-thirds of all new jobs by 2020. These occupations typically have lower pay than occupations requiring an academic degree.¹³

The national median income in 2010 was about \$40,700. Workers without a high school diploma earned \$17,600 less than the median income and workers with a high school diploma earned \$8,100 less than median income. Workers with some college earned slightly less than median and workers with a bachelor's degree earned \$13,300 more than median. Workers in Oregon experience the same patterns as the nation but pay is generally lower in Oregon than the national average.¹⁴

- **Continued increase in demand for energy.** Energy prices are forecast to remain at relatively high levels, with continued, gradual increased prices over the planning period. Output from the most energy-intensive industries is expected to decline, but growth in the population and in the economy is expected to increase the total

¹² For a more thorough discussion of relevant research, see, for example, Power, T.M. and R.N. Barrett. 2001. *Post-Cowboy Economics: Pay and Prosperity in the New American West*. Island Press, and Kim, K.-K., D.W. Marcouiller, and S.C. Deller. 2005. "Natural Amenities and Rural Development: Understanding Spatial and Distributional Attributes." *Growth and Change* 36 (2): 273-297.

¹³ "Occupational Employment Projections to 2010-2020," Bureau of Labor Statistics, February 2012.

¹⁴ Bureau of Labor Statistics, Employment Projections, May 2011. http://www.bls.gov/emp/ep_chart_001.htm

amount of energy demanded. Energy sources are expected to diversify and the energy efficiency of automobiles, appliances, and production processes are projected to increase. Despite increases in energy efficiency and decreases in demand for energy by some industries, demand for energy is expected to increase over the 2012 to 2035 period because of increases in population and economic activity. Growth will remain slow early in the planning period, as the economy continues a gradual recovery from the recent recession.¹⁵

- **Impact of rising energy prices on commuting patterns.** Energy prices may continue to be high (relative to historic energy prices) or continue to rise over the planning period.¹⁶ The increases in energy prices may impact willingness to commute long distances.
- **Possible effect of rising transportation and fuel prices on globalization.** Increases in globalization are related to the cost of transportation: When transportation is less expensive, companies move production to areas with lower labor costs. Oregon has benefited from this trend, with domestic outsourcing of call centers and other back office functions. In other cases, businesses in Oregon (and the nation) have “off-shored” employment to other countries, most frequently manufacturing jobs.

Increases in either transportation or labor costs may impact globalization. When the wage gap between two areas is larger than the additional costs of transporting goods, companies are likely to shift operations to an area with lower labor costs. Conversely, when transportation costs increase, companies may have incentive to relocate to be closer to suppliers or consumers.

This effect occurs incrementally over time and it is difficult to measure the impact in the short-term. If fuel prices and transportation costs decrease over the planning period, businesses may not make the decision to relocate (based on transportation costs) because the benefits of being closer to suppliers and markets may not exceed the costs of relocation.

- **Potential impacts of global climate change.** There is growing support for, but not a consensus about whether global climate

¹⁵ Energy Information Administration, 2012, *Annual Energy Outlook 2012 with Projections to 2035*, U.S. Department of Energy, DOE/EIA-0383(2012), April.

¹⁶ Energy Information Administration, 2012, *Annual Energy Outlook 2012 with Projections to 2035*, U.S. Department of Energy, DOE/EIA-0383(2012), April

change is occurring as a result of greenhouse gas emissions. There is a lot of uncertainty surrounding global climate change, including the pace of climate change and the ecological and economic impacts of climate changes. Climate change may result in the following changes in the Pacific Northwest: (1) increase in average temperatures, (2) shift in the type of precipitation, with more winter precipitation falling as rain, (3) decrease in mountain snow-pack and earlier spring thaw, (4) increases in carbon dioxide in the air, and (5) increases in sea-level.¹⁷ Assuming that global climate change is occurring and will continue to occur over the next 20-years, a few broad, potential economic impacts for the nation and Pacific Northwest include:¹⁸

- *Potential impact on agriculture and forestry.* Climate change may impact Oregon’s agriculture through changes in: growing season, temperature ranges, and water availability.¹⁹ Climate change may impact Oregon’s forestry through increase in wildfires, decrease in the rate of tree growth, change in mix of tree species, and increases in disease and pests that damage trees.²⁰
- *Potential impact on tourism and recreation.* Impacts on tourism and recreation may range from: (1) decreases in snow-based recreation if snow-pack in the Cascades decreases, (2) negative impacts to tourism along the Oregon Coast as a result of damage and beach erosion from rising sea levels,²¹ (3) negative impacts on availability of water summer river recreation (e.g., river rafting or sports fishing) as a result of lower summer river flows, and (4) negative impacts on the availability of water for domestic and business uses.

¹⁷ “Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

¹⁸ The issue of global climate change is complex and there is a substantial amount of uncertainty about climate change. This discussion is not intended to describe all potential impacts of climate change but to present a few ways that climate change may impact the economy of cities in Oregon and the Pacific Northwest.

¹⁹ “The Economic Impacts of Climate Change in Oregon: A preliminary Assessment,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

²⁰ “Economic Impacts of Climate Change on Forest Resources in Oregon: A Preliminary Analysis,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, May 2007.

²¹ “The Economic Impacts of Climate Change in Oregon: A preliminary Assessment,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

- *Potential changes in government policies.* There is currently no substantial national public policy response to global climate change. States and regional associations of states are in the process of formulating policy responses to address climate change including: increasing renewable energy generation, selling agricultural carbon sequestration credits, and encouraging energy efficiency.²² Without clear indications of the government policies that may be adopted, it is not possible to assess the impact of government policies on the economy.

Global climate change may offer economic opportunities. The search for alternative energy sources may result in increased investment and employment in “green” energy sources, such as wind, solar, and biofuels. Firms in the Northwest are well positioned to lead efforts on climate change mitigation, which may result in export products, such as renewable technologies or green manufacturing.²³

Short-term national trends will also affect economic growth in the region, but these trends are difficult to predict. At times these trends may run counter to the long-term trends described above. A recent example is the downturn in economic activity in 2007 following declines in the housing market and the mortgage banking crisis. The result of the economic downturn has been a decrease in employment related to the housing market, such as construction and real estate. Employment in these industries will recover as the housing market recovers and will continue to play a significant role in the national, state, and local economy over the long run. This report takes a long-run perspective on economic conditions (as the Goal 9 requirements intend) and does not attempt to predict the impacts of short-run national business cycles on employment or economic activity.

STATE TRENDS

State and regional trends will also affect economic development in Newport over the next twenty years. The most important of these trends includes: continued in-migration from other states, distribution of population and employment across the State.

²² Pew Center on Global Climate Change website: http://www.pewclimate.org/what_s_being_done/in_the_states/

²³ “The Economic Impacts of Climate Change in Oregon: A preliminary Assessment,” Climate Leadership Initiative, Institute for Sustainable Environment, University of Oregon, October 2005.

- **Continued in-migration from other states.** Oregon will continue to experience in-migration from other states, especially California and Washington. According to a U.S. Census study, Oregon had net interstate in-migration (more people moved *to* Oregon than moved *from* Oregon) during the period 1990-2010. Oregon had an annual average of 26,290 more in-migrants than out-migrants during the period 1990-2000. The annual average dropped to 9,800 during the period 2000-2010.²⁴ Most in-migrants come from California, Washington, and other western states.²⁵
- **Concentration of population and employment in the Willamette Valley.** Nearly 70% of Oregon’s population lives in the Willamette Valley. About 10% of Oregon’s population lives in Southern Oregon, 9% lives in Central Oregon, and 6% live in Coastal counties. The Oregon Office of Economic Analysis (OEA) forecasts that population will continue to be concentrated in the Willamette Valley through 2040, increasing slightly to 71% of Oregon’s population.

Employment growth generally follows the same trend as population growth. Employment growth varies between regions even more, however, as employment reacts more quickly to changing economic conditions. Total employment increased in each of the state’s regions over the period 1970-2006 but over 70% of Oregon’s employment was located in the Willamette Valley.

- **Change in the type of the industries in Oregon.** As Oregon has transitioned away from natural resource-based industries, the composition of Oregon’s employment has shifted from natural resource based manufacturing and other industries to service industries. The share of Oregon’s total employment in Service industries increased from its 1970s average of 19% to 45% in 2011, while employment in Manufacturing declined from an average of 18% in the 1970s to an average of 10% in 2011.
- **Shift in manufacturing from natural resource-based to high-tech and other manufacturing industries.** Since 1970, Oregon started to

²⁴ Portland State University Population Research Center, Population Report, Components of Population Change for 1990-2000 and 2000-2010. <http://pdx.edu/prc/annual-oregon-population-report>

²⁵ Oregon Department of Motor Vehicles collects data about state-of-origin for drivers licenses surrendered by people applying for an Oregon drivers license from out-of-state. Between 2000 and 2007, about one-third of licenses surrendered were from California, 15% to 18% were surrendered from Washington, and about 17% to 19% were from the following states: Arizona, Idaho, Nevada, Colorado, and Texas.

transition away from reliance on traditional resource-extraction industries. A significant indicator of this transition is the shift within Oregon's manufacturing sector, with a decline in the level of employment in the Lumber & Wood Products industry and concurrent growth of employment in other manufacturing industries, such as high-technology manufacturing (Industrial Machinery, Electronic Equipment, and Instruments), Transportation Equipment manufacturing, and Printing and Publishing.²⁶

- **Continued importance of manufacturing to Oregon's economy.** Oregon's exports totaled \$19.4 billion in 2008, nearly doubling since 2000. Oregon's largest export industries were computer and electronic products and agricultural products, account for nearly 60% of Oregon's exports. Manufacturing employment is concentrated in five counties in the Willamette Valley or Portland area: Washington, Multnomah, Lane, Clackamas, and Marion Counties.²⁷
- **Small businesses continue to account for over 50% of employment in Oregon.** Small business, with 100 or fewer employees, account for 51% of private sector employment in Oregon in 2009, up from about 50.2% of private employment in 2000 and down from 52.5% in 1996. Workers of small businesses typically had lower wages than the state average, with average wages of \$33,977 compared to the statewide average of for large businesses about \$45,814 in 2009.²⁸

The changing composition of employment has not affected all regions of Oregon evenly. Growth in high-tech and Services employment has been concentrated in urban areas of the Willamette Valley and Southern Oregon. The brunt of the decline in Lumber & Wood Products employment was felt in rural Oregon, where these jobs represented a larger share of total employment and an even larger share of high-paying jobs than in urban areas.

²⁶ Although Oregon's economy has diversified since the 1970's, natural resource-based manufacturing accounts for more than nearly 40% of employment in manufacturing in Oregon in 2010, with the most employment in Wood Product and Food manufacturing.

²⁷ Business Oregon, "Economic Data Packet"

²⁸ Business Oregon, "Economic Data Packet"

ECONOMIC TRENDS IN LINCOLN COUNTY AND NEWPORT

Future economic growth in Newport will be affected in part by demographic and economic trends in the city and surrounding region. A review of historical demographic and economic trends provides a context for establishing a reasonable expectation of future growth in Newport. In addition, the relationship between demographic and economic indicators such as population and employment can help assess the local influence of future trends and resulting economic conditions. This section addresses the following trends in Newport:

- Population and demographics
- Household and personal income
- Employment
- Business activity
- Outlook for growth in Newport

POPULATION AND DEMOGRAPHIC CHARACTERISTICS

Population growth in Oregon tends to follow economic cycles. Historically, Oregon's economy is more cyclical than the Nation's, growing faster than the national economy during expansions, and contracting more rapidly than the nation during recessions. Oregon grew more rapidly than the U.S. in the 1990s (which was generally an expansionary period) but lagged behind the U.S. in the 1980s. Oregon's slow growth in the 1980s was primarily due to the nationwide recession early in the decade. As the nation's economic growth has slowed during 2007, Oregon's population growth began to slow.

Oregon's population grew from 2.8 million people in 1990 to 3.8 million people in 2010, an increase of more than 1,000,000 people at an average annual rate of 1.5%. Oregon's growth rate slowed to 1.1% annual growth between 2000 and 2010.

Lincoln County and Newport grew more slowly than the State average between 1990 and 2010, growing at 0.8% annually. Lincoln County added 7,145 residents and Newport added 1,552. Twenty-two percent of the County's population lived in Newport in 2010.

Table A-1. Population in the U.S., Oregon, Lincoln County, and Newport, 1990-2010

Area	Population			Change 1990 to 2010		
	1990	2000	2010	Number	Percent	AAGR
U.S.	248,709,873	281,421,906	308,745,538	60,035,665	21%	1.1%
Oregon	2,842,321	3,421,399	3,831,074	988,753	29%	1.5%
Lincoln County	38,889	44,479	46,034	7,145	16%	0.8%
Newport	8,437	9,532	9,989	1,552	16%	0.8%

Source: U.S. Census, 2000, 2010 DP-1

Migration is the largest component of population growth in Oregon. Between 2000 and 2010, in-migration accounted for 62% of Oregon's population growth. Over the same period, in-migration accounted for 100% of the of population growth in Lincoln County, adding nearly 1,135 residents over the ten-year period.

The average age of Newport residents is increasing. The average age of Newport residents in 2010 was 43.1 years old, compared with 40.9 in 2000. In comparison, Lincoln County's average age was 49.6 years old in 2010 and 42.6 in 2000. The average age of Oregon's population in 2010 was 38.4 years and 36.3 in 2000. The average age in Newport increased at about the same rate as the State. The average age for Lincoln County increased faster than the State or Newport.

Table A-2 shows the change in age distribution for Newport between 2000 and 2010. Population increased in all age groups. The age group that increased the most was people aged 45 and older, which grew by 2,189 people (an increase of more than 50%). This age group's proportion of the total population increased from 44% to 51% during this time period. Newport's younger population grew slowly, with people under 17 years accounting for 19% of the City's population in 2010, down from 23% in 2000.

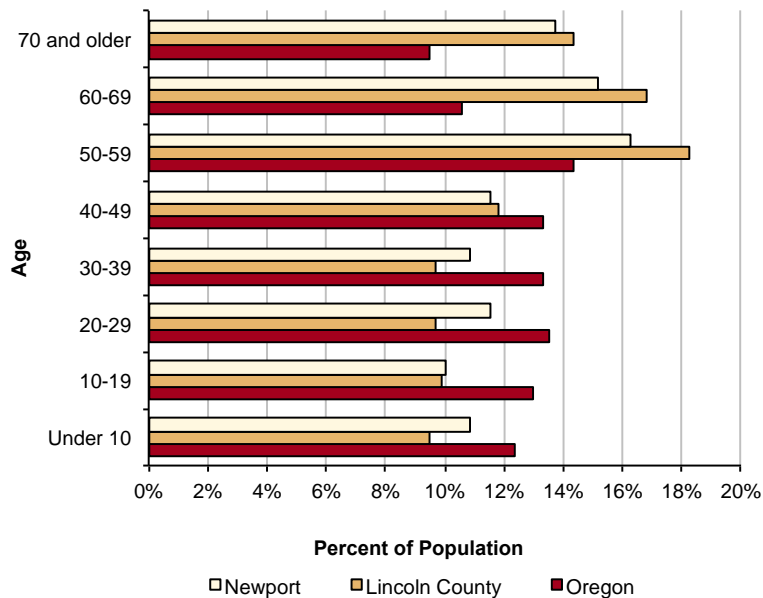
Table A-2. Change in age distribution, Newport, 2000-2010

Age Group	2000		2010		Change 2000 to 2010		
	Number	Percent	Number	Percent	Number	Percent	Share
Under 5	533	6%	730	6%	197	37%	0%
5-17	1,590	17%	1,605	13%	15	1%	-4%
18-24	770	8%	892	7%	122	16%	-1%
25-44	2,452	26%	2,772	22%	320	13%	-3%
45-64	2,548	27%	3,871	31%	1,323	52%	5%
65 and over	1,639	17%	2,505	20%	866	53%	3%
Total	9,532	100%	12,375	100%	2,843	30%	0%

Source: U.S. Census Bureau, 2010

Figure A-1 shows the age structure for Oregon, Lincoln County, and Newport in 2010. Lincoln County and Newport had a larger share of people over 50 years old (49% and 45%) than Oregon (34%).

Figure A-1. Population by age, Oregon, Lincoln, and Newport, 2010



Source: U.S. Census Bureau, 2010

The Office of Economic Analysis forecasts that Lincoln County’s percent of people 65 years and older will increase from 20% in 2000 to 30% in 2030, compared to Oregon’s increase from 13% to 19% of the population.²⁹

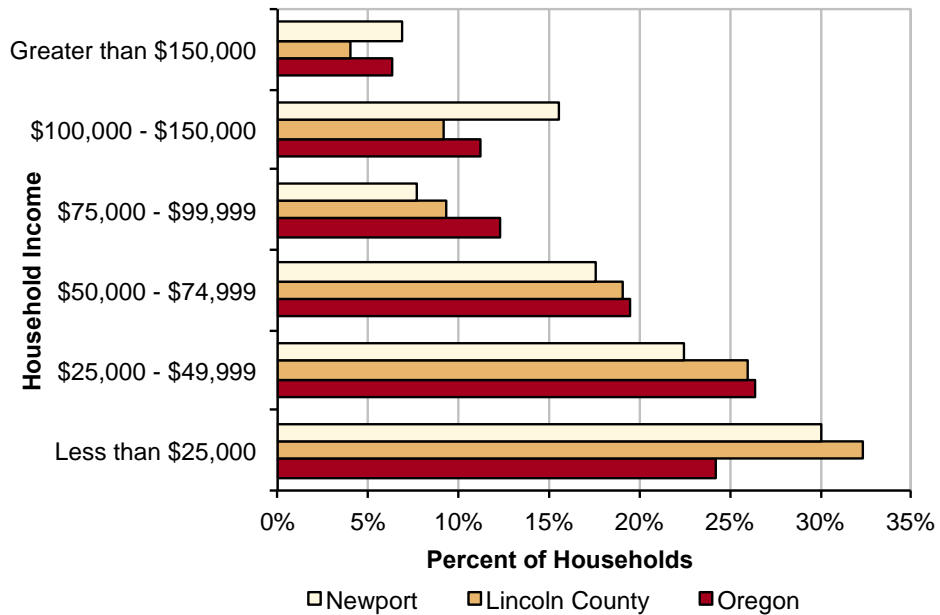
HOUSEHOLD INCOME

Income for residents of Newport is higher on average than the County and slightly lower than the State. In 2010, Newport’s median household income was \$48,247, compared with the County median of \$39,738 or the State median of \$49,260.

Figure A-2 shows the distribution of household income in Oregon, Lincoln County, and Newport in 2010. Figure A-2 shows that a larger share of households in Newport (16%) had an income between \$100,000 and \$150,000, compared to Lincoln County (9%) or the State (11%). Newport and Lincoln County also had a higher share of households with income below \$25,000 (between 30 and 32%), compared to the State (24%).

²⁹ Oregon Office of Economic Analysis, Long Term County Forecast, State and County Population Forecasts by Age and Sex, 2000 to 2040

Figure A-2. Distribution of household income of Oregon, Lincoln County, and Newport, 2010



Source: U.S. Census Bureau 2010/American Community Survey 2006-2010 B19001

Table A-3 shows average annual pay per employee in the U.S., Oregon, and Lincoln County for 2001 to 2010. The national average wage grew faster than State or County averages. The average U.S. wage increased by 29%, compared to the State and County increase of 26%. As a percentage of the U.S. average, wages in Lincoln County decreased by 2% over the ten-year period, from 66% to 64%. Wages in Lincoln County have consistently been 18% below the State average.

In 2010, average annual pay for workers in Lincoln City was \$30,014, compared to Oregon’s average of \$41,700 and the national average of about \$46,750.

Table A-3. Average annual pay, Oregon and Lincoln County (nominal dollars), 2000-2010

Year	U.S	Oregon	Lincoln County	Lincoln County	
				% of U.S.	% of State
2001	\$36,219	\$33,202	\$23,852	66%	72%
2002	\$36,764	\$33,685	\$24,449	67%	73%
2003	\$37,765	\$34,455	\$25,156	67%	73%
2004	\$39,354	\$35,627	\$26,026	66%	73%
2005	\$40,677	\$36,593	\$26,821	66%	73%
2006	\$42,535	\$38,070	\$27,883	66%	73%
2007	\$44,450	\$39,566	\$28,384	64%	72%
2008	\$45,563	\$40,486	\$29,310	64%	72%
2009	\$45,559	\$40,742	\$29,665	65%	73%
2010	\$46,751	\$41,669	\$30,014	64%	72%
Change 2000 to 2010					
Nominal Change	\$10,532	\$8,467	\$6,162		
Percent Change	29%	26%	26%		

Source: Oregon Employment Department: OLMIS, <http://www.qualityinfo.org/olmis/CEP> and U.S. Bureau of Labor Statistics, 2010

LINCOLN COUNTY EMPLOYMENT TRENDS

Tables A-4 and A-5 present data from the Oregon Employment Department that show changes in covered employment³⁰ for Lincoln County between 1980 and 2005. The changes in sectors and industries are shown in two tables: (1) between 1980 and 2000 and (2) between 2001 and 2010. The analysis is divided in this way because of changes in industry and sector classification system that made it difficult to compare information about employment collected after 2001 with information collected prior to 2000.³¹

Employment data in this section is summarized by *sector*, each of which includes several individual *industries*. For example, the Retail Trade sector includes General Merchandise Stores, Motor Vehicle and Parts Dealers, Food and Beverage Stores, and other retail industries.

Table A-4 shows the changes in covered employment by sector in Lincoln County between 1980 and 2000. Covered employment in the County grew from 11,828 to 16,949, an increase of 43% or 5,121 jobs. Most sectors added jobs during this period, except for Mining; Manufacturing; Agriculture, Forestry, and Fishing; and Wholesale Trade. Manufacturing saw the

³⁰ Covered employment refers to jobs covered by unemployment insurance, which includes most wage and salary jobs but does not include sole proprietors, seasonal farm workers, and other classes of employees.

³¹ Prior to 2001, data were organized by Standard Industrial Classification (SIC) codes. That system was completely revamped and replaced with the North American Industrial Classification System (NAICS) in 2001.

largest decline in terms of its share of total employment from 18% to 8%, translating to 792 fewer jobs. Covered employment in Agriculture, Forestry, and Fishing also declined by over half, from 409 to 202. The sectors with the greatest positive change in employment were Services and Retail Trade, adding a total of 4,948 jobs or about 80% of all new jobs.

Average pay per employee increased from about \$11,947 in 1980 to \$23,226 in 2000. The sectors that grew the fastest generally paid less than average, with Services paying between 66% to 82% of average and Retail Trade paying about 64% to 66% of average. Manufacturing jobs generally paid more than the average, varying between 152% of average in 1980 to 168% of average by 2000.

Table A-4. Covered employment in Lincoln County, 1980-2000

Sector	1980	1990	2000	Change 1980 to 2000		
				Difference	Percent	AAGR
Agriculture, Forestry & Fishing	409	534	202	-207	-51%	-3.5%
Mining	72	51	N/A*	0	0%	0.0%
Construction	475	496	690	215	45%	1.9%
Manufacturing	2,157	1,670	1,365	-792	-37%	-2.3%
Trans., Comm., & Utilities	437	408	488	51	12%	0.6%
Wholesale Trade	208	205	205	-3	-1%	-0.1%
Retail Trade	3,035	4,056	4,914	1,879	62%	2.4%
Finance, Insurance & Real Estate	391	445	535	144	37%	1.6%
Services	2,108	3,203	5,177	3,069	146%	4.6%
Nonclassifiable/all others	21	31	40	19	90%	3.3%
Government	2,515	2,975	3,334	819	33%	1.4%
Total	11,828	14,074	16,949	5,121	43%	1.8%

Source: Oregon Employment Department, Oregon Labor Market Information System, Covered Employment & Wages. <http://www.qualityinfo.org/olmisj/CEP> Accessed 1/30/12. Summary by industry and percentages calculated by ECONorthwest.

*No covered employment data was available for Mining in the year 2000.

Table A-5 shows the change in covered employment by sector for Lincoln County between 2001 and 2010. Employment increased by 534 jobs or 3% during this period. There were modest fluctuations across all sectors with regard to share of total employment. The sector with the largest increase in number of employees was Health and Social Assistance. That sector grew 6% annually and increased its share of total employment by 3.85%. The sector that lost the greatest number of employees during this period were Accommodations and Food Services and Retail.

Table A-5. Covered employment in Lincoln County, 2001-2010

Sector	2001	2010	Change 2001 to 2010		
			Difference	Percent	AAGR
Natural Resources and Mining	319	274	-45	-14%	-1.7%
Construction	631	714	83	13%	1.4%
Manufacturing	1,102	1,016	-86	-8%	-0.9%
Wholesale	162	158	-4	-2%	-0.3%
Retail	2,838	2,669	-169	-6%	-0.7%
Transportation & Warehousing	239	289	50	21%	2.1%
Information	253	175	-78	-31%	-4.0%
Finance & Insurance	242	291	49	20%	2.1%
Real Estate Rental & Leasing	226	314	88	39%	3.7%
Professional, Scientific & Tech. Srv.	283	(c)	(c)	(c)	(c)
Management of Companies	46	(c)	(c)	(c)	(c)
Admin. Support & Cleaning Srv.	593	538	-55	-9%	-1.1%
Education	27	126	99	367%	18.7%
Health & Social Assistance	1,001	1,695	694	69%	6.0%
Arts, Entertainment & Recreation	215	228	13	6%	0.7%
Accommodations & Food Services	3,967	3,766	-201	-5%	-0.6%
Other Services (except Public Admin.)	583	637	54	9%	1.0%
Private Non-Classified	13	(c)	(c)	(c)	(c)
Government	3,933	3,988	55	1%	0.2%
Total	16,673	17,207	534	3%	0.4%

Source: Oregon Employment Department, Oregon Labor Market Information System, Covered Employment & Wages. Summary by industry and percentages calculated by ECONorthwest
 Note: (c) denotes confidential data

EMPLOYMENT IN NEWPORT

Table A-6 shows a summary of employment data for the Newport UGB in 2010. Newport had 7,055 jobs at 725 establishments in 2010, with an average firm size of 9.7 employees. The sectors with the greatest employees were: Government (23%), Accommodation and Food Service (19%), and Retail Trade (16%), and Health Care and Social Assistance (14%). These sectors accounted for 5,051 jobs or 72% of Newport's jobs.

Table A-6. Covered employment in Newport UGB, 2010

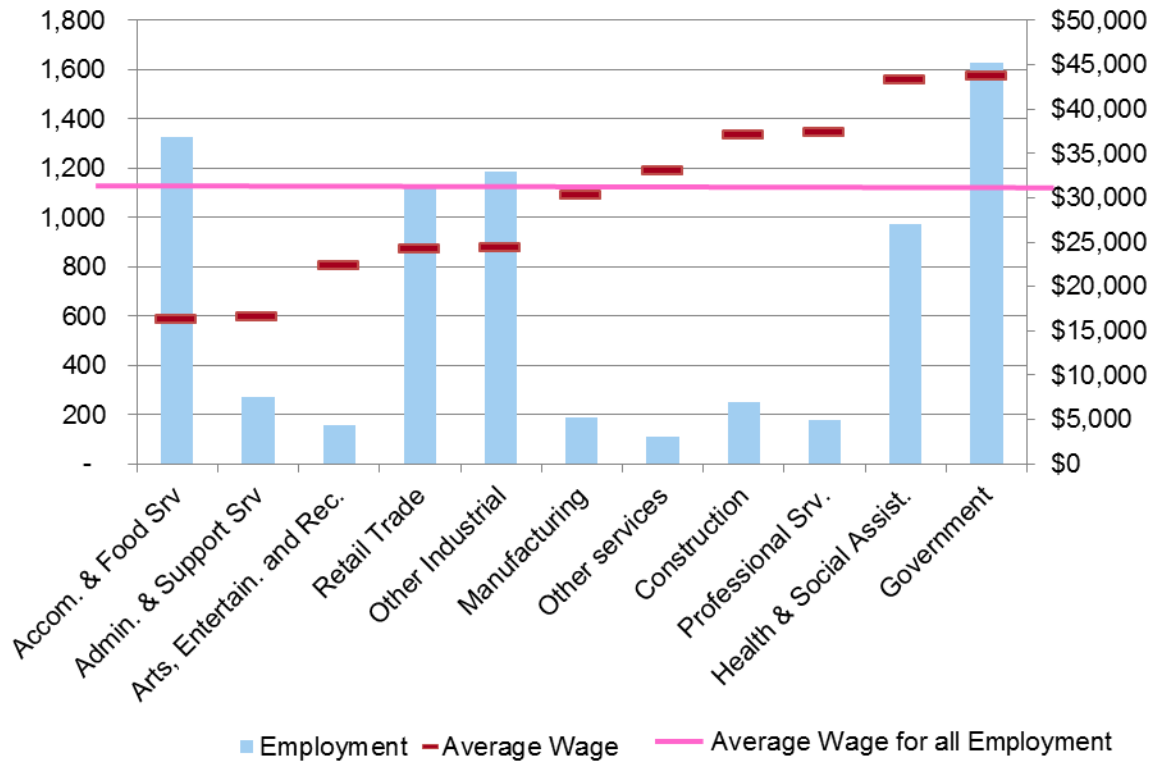
Industry/Sector	Establish- ments	Employment	Average Pay/Emp.
Agriculture, Forestry, Fishing & Hunting, and Mining	28	69	\$44,515
Construction	54	250	\$37,078
Manufacturing	26	189	\$30,306
Food Manufacturing	6	94	\$21,563
Other Manufacturing	20	95	\$38,957
Wholesale Trade	16	89	\$38,219
Retail Trade	106	1,121	\$24,280
General Merchandise Stores	5	395	\$25,322
Food and Beverage Stores	15	199	\$21,237
Motor Vehicle and Parts Dealers	10	153	\$31,557
Other Retailers	76	374	\$21,823
Transportation & Warehousing & Utilities	17	91	\$33,688
Information	14	83	\$29,578
Finance & Insurance	32	165	\$41,390
Real Estate & Rental & Leasing	31	83	\$22,803
Professional, Scientific, and Technical Services	56	177	\$37,320
Management of Companies and Enterprises	4	18	\$39,602
Admin. & Support & Waste Mgt. & Remediation Srv	23	272	\$16,626
Private Educational Services	4	12	\$30,092
Health Care & Social Assistance	70	972	\$43,269
Arts, Entertainment, & Recreation	10	159	\$22,379
Accommodation & Food Services	110	1,329	\$16,255
Accommodation	29	493	\$16,779
Food Services and Drinking Places	81	836	\$15,946
Other Services (except Public Administration)	83	347	\$19,589
Government	41	1,629	\$43,669
Federal Government	4	49	\$72,729
State Government	13	402	\$42,096
Local Government	24	1,178	\$42,997
Total	725	7,055	\$31,224

Source: Oregon Employment Department Quarterly Census of Employment and Wages (QCEW). Summary by industry and percentages calculated by ECONorthwest

Figure A-3 shows covered employment and average wage by sector in Newport in 2010. The average wage for all covered employment in Newport was about \$31,000 in 2010. The sectors with at least 10% of Newport's employment and above average wages were Government, Health Care and Social Assistance. The sectors with at least 10% of

Newport's employment and below average wages were Accommodations and Food services, Retail Trade, and other industrial.

Figure A-3. Covered employment and average wage per sector in Newport UGB, 2010



Source: Oregon Employment Department Quarterly Census of Employment and Wages (QCEW). Summary by ECONorthwest

Employment in Newport is seasonal, with peak employment during the summer and lower employment in the winter. In 2010, employment was highest between June and September, peaking at 7,350 employees in August. Employment was lowest from November to April, with a low of 6,641. Some of the most seasonal sectors are: manufacturing (except food manufacturing), transportation, finance and real estate, and other services. Some of the most seasonal sectors are: food products manufacturing, educational services, and accommodation and food services.

ACTIVITY IN TARGET INDUSTRIES

The 2005 EOA report³² identified the following target industry clusters: tourism, fishing and value added manufacture, non-seafood food products and beverage manufacture, arts & culture, higher education and research, and surgical appliance and suppliers manufacture. Discussions with the project advisory committee and changes in Newport's economy

³² "Employment Lands and Conceptual Land Use Planning Project: Economic Planning," September 2005.

resulted in some re-organizing of these target industries. The target industries used in this report are:

- **Ocean observing and research**, which is similar to the previous target industry of higher education and research
- **Tourism** includes tourism and arts and culture
- **Marine shipping and fisheries** considers marine-related industries, including fishing and value added manufacture, and adding shipping from the renovated International Terminal

Marine and ocean observing research and education

Newport has been a growing center for marine and ocean research and education, with establishment of the Hatfield Marine Science Center in Newport more than 50 years ago. Since then, other marine and ocean research and educational institutions have located in Newport, such as the Oregon Coast Aquarium and, most recently, the National Oceanic and Atmospheric Administration (NOAA)'s Pacific Marine Operations Center.

Growing the existing cluster of marine and ocean research and educational institutions has been a goal in Newport. In 2008, The Yaquina Bay Economic Foundation (YBEF) developed the document "Establishing Newport, Oregon as a Hub of Ocean Observing Activities in the Pacific Northwest: A Strategic Framework." This document describes the goal of developing an ocean observing industry cluster as a method of economic development to attract jobs to and grow jobs in Newport.

The Framework describes a range of ocean-observing economic activities, including research (aboard vessels and from sea floor "cabled" observatories), marine education, developing hardware used for ocean observing, and repair and maintenance of vessels and equipment. The data generated through the local research is valuable to commercial and recreational fishermen or cargo shippers.

Key economic development opportunities in the ocean-observing industry cluster include:

- **Operations and maintenance of marine research vessels.** With the deployment of UNOLS vessel R/V Oceanus, the NOAA Pacific research fleet, and wave energy test berth, there will be a steady demand for personnel and services to operate and maintain these vessels. These include vessel piloting, navigation, crew support services, equipment operation, vessel maintenance, and logistics.

- **Development of facilities to support marine research operations and maintenance.** These include development and expansion of dock facilities, construction of storage and maintenance buildings, deployment of cranes and loaders, construction of access roadways and surfaces for forklift transport of equipment to vessels, and hiring skilled operations and maintenance personnel.
- **Development of facilities and programs to support marine education.** These include expansion of facilities at the Oregon Coast Aquarium, development of marine education camps and facilities, implementation of educational programs including eco-tourist based learning experiences, and expansion of marine education research.
- **Instrument design, manufacturing, deployment, sales, and service.** With the Newport region being a hub for marine science research, the demand will grow for companies to supply, operate, and maintain ocean instruments, including sensors, underwater instrumentation, telecommunications gear, and autonomous underwater vehicles, along with skilled personnel in the fields of design, engineering, manufacturing, operations, maintenance, and customer relations.
- **Expanded marine research.** As federal and state investments in marine research and education increase, so will Newport's role grow, adding scientists, researchers, technicians, and students. This will result in expanded research facilities, including labs, conference facilities, residential facilities, and offices.

Marine Shipping and Fishing

Newport's marine industries include cargo shipping and fishing.

Cargo shipping

The Port of Newport is one of the few deep draft ports on the Oregon Coast, which is accessible by large cargo vessels. The Port stopped shipping via large cargo vessels about a decade ago because the physical condition of the docks and Port infrastructure required repairs. The Port is in the process of renovating the International Terminal of the Port. The Terminal is a 17-acre facility with about 1,000 feet of deep-water waterfront, docks, and storage facilities.

Once renovation of the International Terminal is completed, the Port will be able to accommodate cargo ships, by the beginning of the second quarter of 2013. The International Terminal will begin by shipping logs, with about four to six ships carrying cargo from Newport per year. Over

the long term, the International Terminal may attract one ship per month and may ship other goods in addition to logs, such as value added lumber, other wood products (e.g., paper products or wood chips), or other agricultural products (e.g., hay bales). One goal of renovation of the International Terminal is creating 50 new jobs between 2013 and 2018.

Operation of the International Terminal depends access to Highways 20 and Highway 101 from the north, for trucks carrying logs.

Fishing and seafood processing

Newport is one of Oregon's largest commercial fishing ports, accounting for about one-third of the State's commercial fishing activity. The following section describes Newport's fishing industry, in 2008 (the most recently available information).³³

- Newport was home to about 238 fishing vessels in 2008, an increase from 188 vessels in 2005. Newport's fishing fleet includes both short-haul boats that fish in Oregon's Coastal fisheries and distant-haul boats that fish in Alaska's fisheries.
- Newport's commercial fishing vessels generated 61 million pounds of seafood, with a value of \$32.5 million in 2008. This volume of seafood and value accounts for about one-third of the seafood harvested in Oregon in 2008.
- The economic contribution of the fishing industry on personal income in Newport in 2008 was about \$123 million, accounting for about 30% of statewide economic contribution from fishing. Between 1986 and 2008, the economic contributions from fishing grew from \$83 million, with an average annual growth rate of 1.8%.
- The species of fish most commonly sold in Newport in 2008 were: crab, groundfish, and shrimp. According to the 2005 EOA, restrictions on Oregon's groundfish and flatfish fisheries discouraged growth in fishing and seafood processing.
- In 2008, Newport had more than 30 seafood processors.

Tourism

Tourism plays an important role in Newport's economy. The 2005 EOA showed that about 33% of employment in Newport was related to tourism or arts. In 2010, about 36% of employment was in the sectors most directly

³³ "Oregon's Commercial Fishing Industry, Year 2007 and 2008 Review." Oregon Department of Fish and Wildlife and Oregon Coastal Zone Management Association, Inc.

related to tourism: accommodation and food service, arts and recreation, and retail trade. The strengths of Newport’s tourism cluster include:

- Destinations such as the Oregon Coast Aquarium
- Recreational amenities, such as sightseeing tours or fishing charters
- Overnight accommodations, such as bed and breakfast inns, hotels, motels, RV parks and campgrounds, and private vacation rentals
- A wide range of restaurants, including fine dining
- Arts and cultural opportunities, such as art dealers, museums, or performance arts

Table A-7 shows direct travel spending in Lincoln County and Newport over the 2001 to 2009 period, the most recently available data for Newport. In 2009, direct travel spending in Newport was \$116.8 million. Over the eight-year period, travel spending in Newport grew by about \$9 million, growth of about 1% per year. In comparison, Lincoln County’s travel spending grew by about \$120.7 million or 4.2% per year. Newport’s share of the County’s direct travel spending decreased from 35% in 2001 to 27% in 2009.

**Table A-7. Direct Travel Spending, millions of dollars
Lincoln County and Newport, 2001 to 2010**

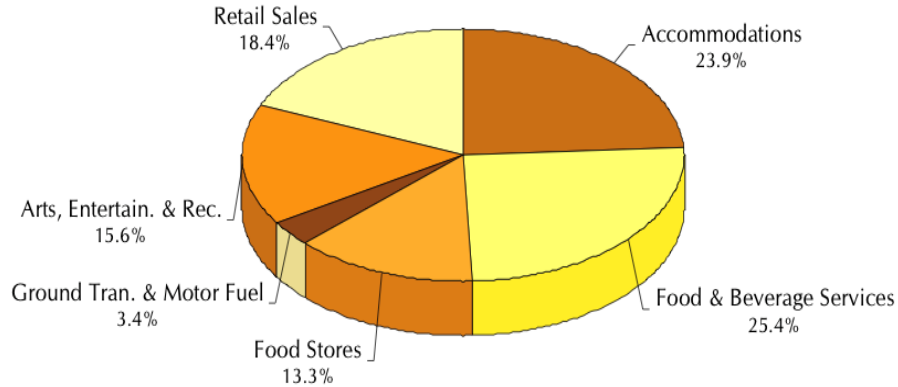
Year	Lincoln County	City of Newport	Newport's % of County
2001	\$311.9	\$107.8	35%
2003	\$326.2	\$107.4	33%
2004	\$340.0	\$111.9	33%
2005	\$353.9	\$113.8	32%
2006	\$426.6	\$119.4	28%
2007	\$436.2	\$121.4	28%
2008	\$453.8	\$114.8	25%
2009	\$432.6	\$116.8	27%
2010	\$440.9	Not Available	
Change 2001-2009			
Amount	\$120.7	\$9.0	
% change	39%	8%	
AAGR	4.2%	1.0%	

Source: Lincoln County data from: "Oregon Travel Impacts 1991-2010p," May 2011, Dean Runyan Associates
Newport data from: "Newport Travel Impacts, 1991-2009p," May 2010, Dean Runyan Associates

Table A-4 shows travel spending by type of commodity in 2009 in Newport. Of the \$116.8 million spent in Newport in 2009, about half of spending was on accommodations or food and beverages. Remaining

spending was for retail sales, arts and entertainment, food stores, and transportation.

Table A-4. Travel Spending by Type of Commodity Purchased, City of Newport, 2009



Source: "Newport Travel Impacts, 1991-2009p," May 2010, Dean Runyan Associates

Table A-8 shows employment and earnings generated by travel spending in Newport over the 2001 to 2009 period. In 2009, travel spending in Newport generated 1,580 jobs and \$32.9 million in earnings. Table A-8 shows that earnings grew while employment changed little over the eight-year period.

Table A-8. Employment and earnings generated by travel spending, Newport, 2001 to 2010

Year	Employment (jobs)	Industry Earnings (\$million)
2001	1,620	\$28.0
2003	1,560	\$27.9
2004	1,600	\$29.1
2005	1,550	\$29.4
2006	1,560	\$30.9
2007	1,660	\$33.1
2008	1,560	\$32.2
2009	1,580	\$32.9
Change 2001-2009		
Amount	-40	\$4.9
%	-2%	18%
AAGR	-0.3%	2.0%

Source: Lincoln County data from: "Oregon Travel Impacts 1991-2010p," May 2011, Dean Runyan Associates
 Newport data from: "Newport Travel Impacts, 1991-2009p," May 2010, Dean Runyan Associates

Table A-9 shows lodging tax receipts for Newport and Lincoln County between 2001 and 2010. Newport collected about \$2.2 million in lodging tax receipts in 2010, an increase of about \$912,000 since 2000. Newport's lodging tax receipts accounted for about one-quarter of lodging taxes collected in Lincoln County over the 10-year period.

**Table A-9. Lodging tax receipts, thousands of dollars
Lincoln County and Newport, 2001 to 2010**

Year	Lincoln County	Newport	Newport's % of County
2000	\$5,539.0	\$1,311.0	24%
2001	\$5,982.0	\$1,453.0	24%
2002	\$6,363.0	\$1,464.0	23%
2003	\$6,395.0	\$1,492.0	23%
2004	\$6,715.0	\$1,716.0	26%
2005	\$7,004.0	\$1,866.0	27%
2006	\$8,398.0	\$2,113.0	25%
2007	\$8,071.0	\$2,272.0	28%
2008	\$8,144.0	\$2,378.0	29%
2009	\$8,996.0	\$2,232.0	25%
2010	\$9,067.0	\$2,223.0	25%
Change 2000-2010			
Amount	\$3,528.0	\$912.0	
%change	64%	70%	
AAGR	5.1%	5.4%	

Source: Lincoln County data from: "Oregon Travel Impacts 1991-2010p," May 2011, Dean Runyan Associates
Newport data from: "Newport Travel Impacts, 1991-2009p," May 2010, Dean Runyan Associates

OUTLOOK FOR GROWTH IN NEWPORT

Table A-10 shows the population forecast developed by the Office of Economic Analysis for Oregon and Lincoln County for 2000 through 2040. Lincoln County is forecast to grow at a slower rate than Oregon from 2010 to 2040. The forecast shows Lincoln County's population will grow by about over 10,300 people over the 30-year period – a 22% increase. Over the same period, Oregon is forecast to grow by more than 1.5million people, or 41%.

**Table A-10. State population forecast,
Oregon and Lincoln County, 2000 to 2040**

Year	Oregon	Lincoln County
2000	3,436,750	44,600
2005	3,618,200	45,365
2010	3,843,900	46,945
2015	4,095,708	48,776
2020	4,359,258	50,379
2025	4,626,015	52,039
2030	4,891,225	53,710
2035	5,154,793	55,364
2040	5,425,408	57,247
Change 2010 to 2040		
Amount	1,581,508	10,302
% Change	41%	22%
AAGR	1.2%	0.7%

Source: OEA 2004 population forecast
<http://www.oregon.gov/DAS/OEA/demographic.shtml>

Table A-11 shows the Oregon Employment Department’s forecast for employment growth by industry for Lincoln County over the 2010 to 2020 period. The sectors that will lead employment growth in Lincoln for the ten-year period are Health Care & Social Assistance (adding 3,180 jobs), Government (adding 2,060 jobs), Professional and Business Services (adding 2,420 jobs), Leisure & Hospitality (adding 1,970 jobs), and Retail Trade (adding 1,330 jobs). Together, these sectors are expected to add 10,960 new jobs or 69% of employment growth in Lincoln County.

Table A-11. Nonfarm employment forecast by industry in Lincoln County, 2010-2020

Sector / Industry	2010	2020	Change 2010-2020	
			Amount	% Change
Natural resources & Mining	3,600	4,080	480	13%
Construction	3,390	4,320	930	27%
Manufacturing	10,960	12,220	1,260	11%
Durable Goods	7,930	9,230	1,300	16%
Wood product mfg.	1,760	2,030	270	15%
Nondurable goods	4,000	4,100	100	3%
Transportation, & utilities	15,860	18,290	2,430	15%
Wholesale trade	2,090	2,470	380	18%
Retail trade	10,380	11,710	1,330	13%
Information	1,410	1,510	100	7%
Financial activities	3,430	3,880	450	13%
Professional & business srv.	7,590	10,010	2,420	32%
Administrative & support srv.	3,270	4,230	960	29%
Education	930	1,050	120	13%
Health care & social assist.	11,330	14,510	3,180	28%
Health care	9,610	12,370	2,760	29%
Leisure & hospitality	10,460	12,430	1,970	19%
Accommodation & food srv.	9,420	11,230	1,810	19%
Food srv. & drinking places	7,210	8,710	1,500	21%
Other srv.	3,090	3,590	500	16%
Government	25,620	27,680	2,060	8%
Federal government	1,300	1,370	70	5%
State government	12,420	13,770	1,350	11%
Local government	11,900	12,540	640	5%
Local education	6,410	6,610	200	3%
Total nonfarm employment	97,670	113,580	15,910	16%

*Note: Region 4 is Lincoln, Benton, and Linn Counties

Source: OR Employment Department. Employment Projections by Industry 2010-2020

<http://www.qualityinfo.org/pubs/projections/r4.pdf>

Factors Affecting Future Economic Growth in Newport

Appendix B

This appendix presents a detailed analysis consistent with the requirements of OAR 660-009-0015(4) of Newport’s competitive advantage relative to Lincoln County, the Oregon Coast, and Oregon. The information presented in this appendix is summarized in Chapter 3.

Each economic region has different combinations of productive factors: land (and natural resources), labor (including technological expertise), and capital (investments in infrastructure, technology, and public services). While all areas have these factors to some degree, the mix and condition of these factors vary. The mix and condition of productive factors may allow firms in a region to produce goods and services more cheaply, or to generate more revenue, than firms in other regions.

By affecting the cost of production and marketing, competitive advantages affect the pattern of economic development in a region relative to other regions. Goal 9 and OAR 660-009-0015(4) recognizes this by requiring plans to include an analysis of the relative supply and cost of factors of production.³⁴ An analysis of competitive advantage depends on the geographic areas being compared. In general, economic conditions in Newport will be largely shaped by national and regional economic conditions affecting Coastal communities. Chapter 3 and Appendix A present trends and forecasts of conditions in Oregon and Newport to help establish the context for economic development in Newport. Local economic factors will help determine the amount and type of development in Newport relative to other communities in Oregon.

This appendix focuses on the competitive advantages of Newport relative to the mid-Oregon Coast and the rest of Oregon. The implications of the factors that contribute to Newport’s competitive advantage are discussed at the end of this chapter.

³⁴ OAR 660-009-0015(4) requires assessment of the “community economic development potential.” This assessment must consider economic advantages and disadvantages – or what Goal 9 broadly considers “competitive advantages.”

LOCATION

Newport is a city with a population of approximately 9,989 people in 2010, located on the Central Oregon Coast, adjacent to the Pacific Ocean. The City is located along Highway 101, with the intersection of Highway 101 and Highway 20. Newport's location will continue to impact its future economic development.

- The Central Coast is composed mostly of smaller cities with fewer than 10,000 people, of which Newport is the largest. Lincoln City is the next largest nearby city (located 25 miles to the north) with a population of 7,930. The largest city within approximately 50 miles is Corvallis, with a population of more than 50,000 people.
- Newport has direct access to the State's highway system, as well as other options for passenger transportation. Highway 101 is the main north-south route at the Oregon Coast and runs through Newport. Interstate 5 about 60 miles to the east of Newport and is accessible by Highway 20. Greyhound operates bus service to and from Newport. Residents and businesses in Newport can access other modes of transportation in Albany (Amtrak), and Eugene (Eugene Airport and Amtrak).
- Residents of Newport have easy access to shopping, cultural activities, indoor and outdoor recreational activities, and other amenities in Newport, Lincoln City, Corvallis, other Willamette Valley communities, and in other communities along the Central Coast.
- The Pacific Ocean is a major tourism draw to Newport and the Central Coast. Tourists from all over the world come to Newport to visit attractions such as the Oregon Coast Aquarium or for recreational activities like fishing, whale watching, or surfing. Ocean-going vessels can get from Yaquina Bay to the open ocean in about 10 minutes, which is considerably faster than access from other large Northwest ports.
- Newport residents have several nearby opportunities for post-secondary education. The Oregon Coast Community College is located in Newport and offers associate degrees, GEDs, non-credit classes and credits toward the first two years of a bachelor's degree. The Hatfield Marine Science Center is also located in Newport and operated by Oregon State University. Corvallis also has a number

of opportunities for post-secondary education, including Oregon State University and Linn-Benton Community College.

Newport's distance from major urban centers and arterials and access to the Pacific Ocean and Highway 101 will affect the types of businesses that locate in Newport. Newport is unlikely to attract businesses that need direct access to Interstate 5 or communities in the Willamette Valley. Newport is likely to attract businesses that need to locate near the ocean, Highway 101, or other coastal communities.

AVAILABILITY OF TRANSPORTATION FACILITIES

Businesses and residents in Newport have access to a variety of modes of transportation: automotive (Highway 101, Highway 20, and local roads); rail (Amtrak via Albany or Willamette and Pacific Railroad in Toledo); transit (Lincoln County Transit); shipping (Newport International Terminal) and air (Newport Municipal Airport and other regional airports).

Newport has automotive access for commuting and freight movement along Highway 101 and Highway 20. Newport is located about 63 miles from Interstate 5, the primary north-south transportation corridor on the West Coast, linking Newport to domestic markets in the United States and international markets via West Coast ports.

Other transportation options are:

- **Rail.** The Willamette and Pacific Railroad provides freight service from Toledo (just 7 miles east of Newport) to Albany, where it connects to Union Pacific lines. Passenger rail service (Amtrak) is also available in Corvallis. Traffic on the Willamette and Pacific Railroad is approximately 38,000 cars a year with cargo primarily of forest and paper products, scrap, and steel.
- **Transit.** Lincoln County Transit provides limited transit service to and from Newport, Lincoln City, Depoe Bay, Toledo, Waldport, Yachats, Siletz, Otis, and Corvallis. Most routes have 2 to 3 morning and afternoon/evening departure times. Valley Van Pool provides weekday shuttle service from Newport to Corvallis that leaves at 6:15am. The Newport loop runs through Newport and up to Lincoln City and back, and makes approximately 5-6 trips per day.
- **Port.** The Port of Newport operates an international shipping terminal, a commercial fishing marina, and a recreational marina. The Port is in the process of renovating the International Terminal,

which will provide facilities for shipping bulky goods (e.g., wood products) via large cargo vessels.

- **Air.** The Newport Municipal Airport offers aviation service to for small privately owned planes. Until July 2011, the Airport offered commercial passenger service to the Portland International Airport. The Eugene Airport is the closest mid-sized airport providing passenger and freight service and is about 90 miles from Newport. Newport is about 150 miles away from the Portland International Airport, Oregon’s largest airport.

Newport has greater access to transportation than many coastal communities in Oregon. The considerable distance to major arteries and urban centers will affect the types of businesses that locate in Newport and overall employment growth for the City. Newport’s transportation access provides the City with competitive advantages for attracting some businesses, such as businesses that prefer to locate on Highway 101 or those who prefer to locate near Highway 20. In addition, Newport’s location along Highway 101 gives the City access to workers along the Coast and heavy seasonal tourist traffic.

Newport has advantages for shipping freight. The City has one of three deep draft ports on the Oregon Coast, making it attractive to do businesses that need access to ship freight. Businesses in Newport have access to rail transportation via the Willamette and Pacific Railroad in nearby Toledo, which may be important for businesses that ship bulky or heavy products that do not need to be shipped fast.

Newport’s distance from I-5 is a competitive disadvantage for businesses that depend on quick, easy access to the Interstate. These businesses include large-scale regional warehousing and distribution firms, or firms that ship large amounts of freight by truck.

BUYING POWER OF MARKETS

The buying power of Newport and Lincoln County forms part of Newport’s competitive advantage by providing a market for goods and services. Table B-1 shows average household expenditures for common purchases in Lincoln County and Newport in 2010. Newport’s households spend an average of \$48,044 on commonly purchased items, nearly \$1,700 more than the County average.

Table B-1. Average household expenditures, Lincoln County, and Newport 2010

	Lincoln County		Newport	
	\$ per Household	% of total	\$ per Household	% of total
Transportation	9,235	20%	9,509	20%
Shelter	8,934	19%	9,263	19%
Food and Beverages	7,202	16%	7,420	15%
Utilities	3,335	7%	3,426	7%
Health Care	2,966	6%	3,037	6%
Entertainment	2,564	6%	2,666	6%
Apparel	2,202	5%	2,279	5%
Household Furnishings & Equ	1,989	4%	2,081	4%
Contributions	1,679	4%	1,762	4%
Household Operations	1,599	3%	1,684	4%
Gifts	1,201	3%	1,273	3%
Education	1,065	2%	1,156	2%
Miscellaneous Expenses	790	2%	822	2%
Personal Care	675	1%	699	1%
Personal Insurance	458	1%	480	1%
Tobacco	325	1%	327	1%
Reading	153	0.3%	160	0.3%
Total	46,372	100%	48,044	100%

Source: Oregon Prospector, 2010

Businesses in Newport may benefit from being located in one of the larger cities on the Coast. Residents in smaller nearby cities such as Waldport, Depoe Bay, or Yachats, may find a larger selection of goods and services in Newport, increasing the size of the market for area businesses.

PUBLIC FACILITIES AND SERVICES

Provision of public facilities and services can impact a firm’s decision on location within a region but ECO’s past research has shown that businesses make locational decisions primarily based on factors that are similar with a region. These factors are: the availability and cost of labor, transportation, raw materials, and capital. The availability and cost of these production factors are usually similar within a region.

Once a business has chosen to locate within a region, they consider the factors that local governments can most directly affect: tax rates, the cost and quality of public services, and regulatory policies. Economists generally agree that these factors do affect economic development, but the effects on economic development are modest. Thus, most of the strategies available to local governments have only a modest affect on the level and type of economic development in the community.

TAX POLICY

The tax policy of a jurisdiction is a consideration in economic development policy. In Fiscal Year 2010 to 2011, property tax rates in Newport for the City was \$7.00 per \$1,000 of assessed value. Newport's property tax rate was similar to Coos Bay (\$7.01), lower than Astoria (\$8.67), and higher than Lincoln City (\$5.07) or Florence (\$3.23). The range of tax rates of cities at the Coast is comparable to tax rates of cities in the Willamette Valley, which generally range between \$5 and \$8 per \$1,000 of assessed value.

WATER

Newport's municipal water is supplied from the Big Creek Raven Area and the Siletz River. The City stores water in two reservoirs, with the City's water treatment plant located at the lower reservoir. The cost of water service in Newport is similar to the costs in other Central Coastal communities.

The water-intensive economic uses are fish processing and tourism. Fish processing is by far the heaviest single employment-related water user in the City. Fish processing uses the most water in the spring and fall. Tourism, which peaks in the summer, requires a substantial amount of water at the driest part of the year. The City typically draws down the water stored in its reservoirs to meet summertime water demand.

The City has sufficient water rights to meet current and future needs. The City has water rights to six cubic feet per second (CFS) or the equivalent of about 3.9 million gallons of water per day. At peak usage in summer, Newport uses a maximum of 5.5 CFS of water. The City could meet increased demand for water during the summer, if they had more capacity for water storage at reservoirs, so that they could pump more water earlier and later in the year when the City uses significantly less than the amount allowed in their water rights.

The City is planning the following upgrades to the water system: (1) upgrading the raw water storage capacity, (2) extending service to the northern part of Newport, and (3) extending service to the southern part of Newport.

- The City is studying the long-term sustainability of the existing reservoirs and exploring long-term options for expanding the storage capacity of water. The results of these studies will likely result in a need to modify the water system master plan to address

and fund changes to the City's reservoirs and storage capacity for raw water.

- The City is planning to address the water capacity issues at the northern edge of town. The City plans to service this area by building a 1 million gallon water storage tank and upsizing water lines and the pump stations to the tank. Construction on these improvements is scheduled to begin in Fall 2012. These improvements will serve the industrial areas north of 71st Street but will not serve much further north than 78th Street. The City has long-term plans for constructing another water storage tank in the most northern part of the City.
- The City is planning to extend water service on the south side of the City, around 40th and 50th Streets. The City does not currently have the capacity to serve south of 62nd Street, which would require additional infrastructure, such as a lift station.

The City's ability to meet future commercial and industrial demand for municipal water service will depend on the timing of the growth, the location of the growth, and the amount and character of growth. For example, while the City has enough water, storage capacity, and water treatment capacity to accommodate growth of one or two water-intensive users (e.g., fish processors), the City's water system would be strained to accommodate growth of many water-intensive users. This difficulty would be intensified if a new water-intensive user needed large quantities of water in the summer, which would require building additional water storage facilities.

Given the amount of growth expected in Newport, the types of industries likely to grow or locate in Newport, and the City's plans for upgrading the existing water system, the City has sufficient water system capacity to accommodate expected growth.

WASTEWATER

Newport's wastewater treatment plant is located on the south side of the City. The City typically treats between 1.5 and 2 million gallons per day. The treatment plant has capacity to treat up to 15 million gallons per day and the City's permit is for 5 million gallons per day. The City's peak load is 14 million gallons per day, as a result of rainwater infiltration into the wastewater treatment distribution and collection system.

The City has sufficient capacity to treat wastewater and can accommodate the forecasts for growth. The constraints for wastewater system are in the collection system. One issue is the condition of the collection system, with a need to replace mains and lifts. The City plans to replace problematic

mains and lifts between 2012 and 2017, which will decrease infiltration of rain water.

Another issue is that some parts of the City are not served by the wastewater system, such as the northern or southern parts of the City. The City is planning to serve some of these areas, such as the areas being newly served with municipal water. The City will be updating the wastewater system master plan in 2014, which will include new mapping of infrastructure deficiencies.

The ability of Newport's wastewater system to accommodate the needs of new or growing employers will depend on the needs of the employers and the need to comply with new Federal regulations. The wastewater needs of existing businesses vary. For example, the effluent of fruit processors has a high level of biological oxygen. In comparison, the NOAA vessels discharge ocean water into the wastewater system. The different types of effluent have different effects on the City's wastewater system. In addition, the EPA will require communities on the mid-Oregon Coast to comply with revised total daily maximum loads (TMDL) standards for bacteria, sediments, and temperatures.

Given the amount of growth expected in Newport, the types of industries likely to grow or locate in Newport, and the City's plans for upgrading the existing wastewater system, the City has sufficient wastewater system capacity to accommodate expected growth. The City may need to work with businesses with high or unusual wastewater effluent, to ensure that the City is able to meet Federal standards for wastewater treatment.

LABOR MARKET FACTORS

The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available, but the quality, skills, and experience of available workers as well. This section examines the availability of workers for Newport.

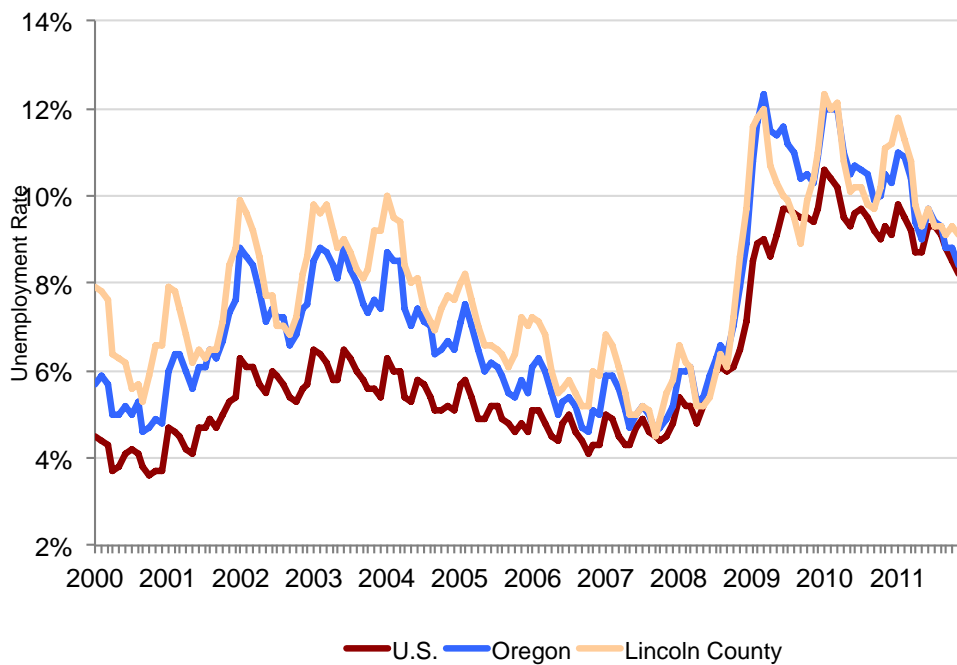
The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force.

Newport's labor force participation rate (percent of adult population who are employed or actively seeking work) was about 59% in 2010. In comparison, Lincoln County's labor force participation rate was 56%, compared with the State average of 64%. The lower labor force

participation rate in Newport (and Lincoln County) is a result, in part, of the older population in Newport, many of whom are retired.

The unemployment rate is one indicator of the relative number of workers who are actively seeking employment. Labor force data from the Oregon Employment Department shows that unemployment in Lincoln County 9.1% in November 2011 was higher than the State average of 8.4%. Figure B-1 shows the unemployment rate for Lincoln County, Oregon, and the United States for the past decade. During this period, Lincoln County's unemployment has been similar to the statewide unemployment rate. The County and State unemployment rates have been consistently higher than the national average, but the difference has decreased in recent years.

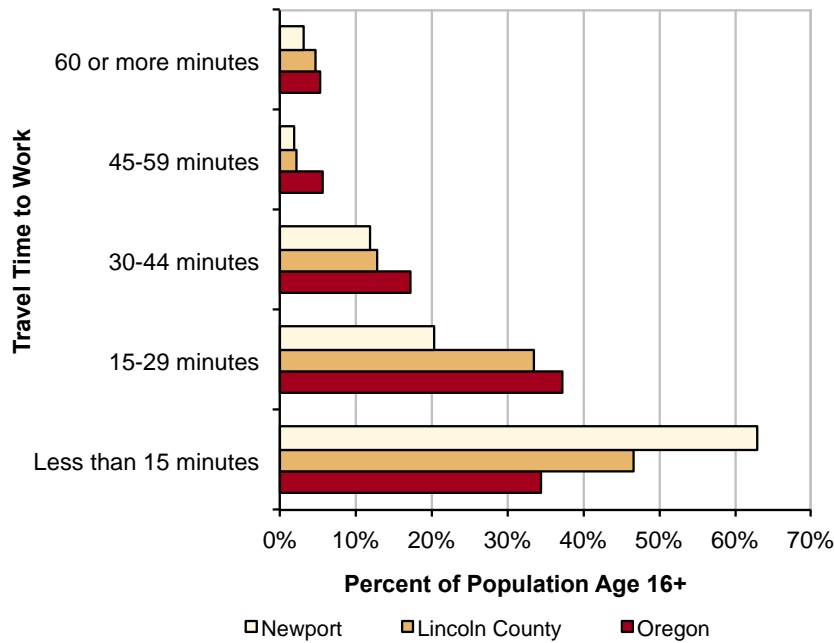
Figure B-1. Unemployment rates for Lincoln County, Oregon, and the U.S., January 2000 through November 2011



Source: Bureau of Labor Statistics
 Note: unemployment data is not seasonally adjusted

Another important factor in the labor force is the distance that workers are willing to commute. Figure B-2 shows a comparison of the commute time to work for residents 16 years and older for Oregon, Lincoln County, and Newport in 2010. Commute times for Newport residents are below County and State averages. The majority of Newport residents (63%) have a commute time of fewer than 15 minutes; Eighty-three percent have a commute time of 29 minutes or less.

Figure B-2. Commuting time to work in minutes for residents 16 years and older, Oregon, Lincoln County, and Newport, 2010



Source: American Community Survey 5-Year Estimates 2006-2010

Table B-3 show where residents of Newport worked in 2002 and 2009. During the seven-year period, the percentage of residents working in the County and City decreased approximately 16% and 15%. In 2009, 62% of Newport’s residents were employed in Lincoln County, with 47% working in Newport. Multnomah County had the next highest percentage of workers living in Newport at 8%; Marion County had 6%.

Table B-3. Places that residents of Newport were employed, 2002 and 2009

Location	2002		2009	
	Number	Percent	Number	Percent
Lincoln County	2,830	78%	2,722	62%
Newport	2,228	62%	2,063	47%
Toledo	63	2%	126	3%
Lincoln City	178	5%	143	3%
Marion County	147	4%	266	6%
Salem	118	3%	181	4%
Multnomah County	131	4%	334	8%
Portland	109	3%	294	7%
Linn County	97	3%	99	2%
Benton County	96	3%	175	4%
Corvallis	90	2%	164	4%
Washington County	67	2%	199	5%
Clackamas County	62	2%	139	3%
Jackson County	32	1%	44	1%
Lane County	26	1%	51	1%
Clatsop County	19	1%	58	1%
All Other Locations	105	3%	322	7%
Total	3,612	100%	4,409	100%

Source: U.S. Census Bureau: LED on the Map Work Destination Report - Where Workers are Employed Who Live in the Selection Area - by Places (Cities, CDPs, etc.), 2010

Table B-4 shows where employees of firms located in Newport lived in 2002 and 2009. During the 7-year period, the percentage of workers commuting to Newport from outside the City and County increased approximately 5% and 7%. In 2009, 72% of Newport's workers lived in Lincoln County with 33% living in Newport. The 28% of workers commuting from other counties are mostly divided between Lane, Marion, Washington, Multnomah, Tillamook, Benton, Clackamas, Linn, and Clatsop Counties.

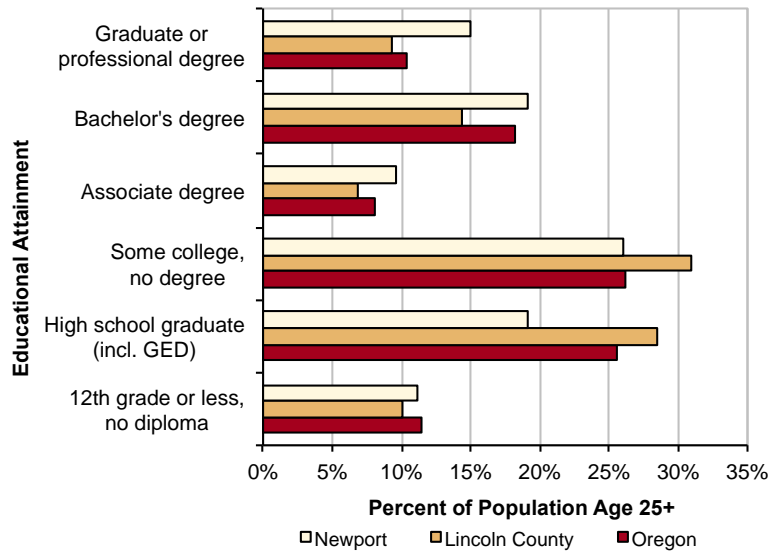
Table B-4. Places where workers in Newport lived, 2002 and 2009

Location	2002		2009	
	Number	Percent	Number	Percent
Lincoln County	4,643	79%	4,506	72%
Newport	2,228	38%	2,063	33%
Toledo	628	11%	662	11%
Lincoln City	140	2%	179	3%
Lane County	282	5%	285	5%
Eugene	77	1%	75	1%
Marion County	172	3%	155	3%
Washington County	115	2%	106	2%
Multnomah County	101	2%	133	2%
Tillamook County	98	2%	75	1%
Benton County	97	2%	179	3%
Corvallis	53	1%	109	2%
Clackamas County	77	1%	89	1%
Linn County	63	1%	169	3%
Clatsop County	29	1%	93	2%
All Other Locations	225	4%	469	8%
Total	5,902	100%	6,259	100%

Source: U.S. Census Bureau: LED on the Map Home Destination Report - Where Workers Live Who are Employed in the Selection Area - by Places (Cities, CDPs, etc.)

Educational attainment is an important labor force factor because firms need to be able to find educated workers. Figure B-5 shows the share of population by education level completed in Oregon, Lincoln County, and Newport in 2010. About 44% of Newport's residents had an associate's degree or higher, compared with 31% of Lincoln County residents and 37% of Oregonians.

Figure B-5. Educational attainment for the population 25 years and over, Oregon, Lincoln County, and Newport, 2010



Source: U.S. Census Bureau B15002 Sex By Educational Attainment for Population 25 Years and Over

Opportunities for workforce training and post-secondary education for residents of Newport and Lincoln County is primarily through the Oregon Coast Community College, with courses about marine science offered at the Hatfield Marine Science Center. Newport residents also have access to post-secondary institutions in or near Corvallis at Oregon State University and Linn-Benton Community College.

While Newport currently has a higher percentage of workers with bachelor’s degrees and graduate degrees than either the State or County, they also have a higher percentage of residents age 50 and above - many of whom may soon reach retirement age and leave the workforce.

NEWPORT’S COMPETITIVE AND COMPARATIVE ADVANTAGES

Economic development opportunities in Newport will be affected by local conditions as well as the national and state economic conditions described in Appendix A. Economic conditions in Newport relative to these conditions in other coastal communities form Newport’s competitive and comparative advantages for economic development. These advantages have implications for the types of firms most likely to locate or expand in Newport.

There is little that Newport can do to influence national and state conditions that affect economic development. Newport can, however, influence local factors that affect economic development. Newport’s

primary advantages are: access to the ocean, location in the central Oregon Coast, access to Highways 101 and 20, range of businesses in Newport, interest of business groups to work together, and high quality of life. Newport is likely to attract businesses that prefer to locate near to the ocean or businesses that have a choice of where to locate and prefer the quality of life factors in Newport.

The local factors that form Newport's competitive and comparative advantages are summarized below.

- **Location.** Newport is located in Lincoln County, along Highway 101, at the center of Oregon's Coast. Newport is one of the largest coastal community and a regional center for retail and government activity. Businesses in Newport have access to natural resources from surrounding rural areas, such as ocean products, wood products, agricultural products, and other resources. Businesses that need access to or want to attract customers from other coastal communities may locate in Newport.
- **Transportation.** Businesses and residents in Newport have access to a variety of modes of transportation: automotive (Highways 101 and 20), cargo vessels (at the newly renovated International Terminal), air (the Newport Municipal Airport), rail (Willamette and Pacific Railroad), and transit (Lincoln County Transit). Businesses that need access to multiple modes of transportation, especially automotive and cargo vessels, may choose to locate in Newport. Newport's distance from Interstate 5, the Willamette Valley, and Portland are a barrier to attracting businesses that need direct access to I-5 or markets in the Willamette Valley.
- **Marine-related.** One of Newport's primary advantages is being on the Oregon Coast, with direct access to the Pacific Ocean. Newport's economy has developed with the following advantage:
 - **Proximity and access to the ocean.** Access to the ocean from Yaquina Bay is direct and fast. Boats in the Bay can get to the open ocean in about 10 minutes. This direct access to the ocean from a protected bay is relatively unique in the Northwest. Businesses that make frequent trips to and from the ocean may find Newport's access to the ocean appealing.
 - **Marine industries.** Newport has a wide-ranging of existing marine industries: research and education, law enforcement, commercial fishing, seafood processing, recreational fishing, tourism-related ocean activities, and services for the marine industries. These industries form the base of an ocean

observing industry cluster. Newport has opportunities to attract more marine industries, including small businesses that provide goods or services to marine businesses.

- **Agreement about marine uses.** Newport has a wide-range of marine stakeholders, such as: the Port of Newport, the Hatfield Marine Science Center, commercial or recreational fishermen, the Coast Guard, and many others. These stakeholders are generally in agreement about the types of uses that should occur in Yaquina Bay, which focus on research, aquaculture, and transportation. The collaborative nature of the relationship among marine users is an advantage for economic development because there is broad agreement about the types of marine uses in and around Newport.
- **Existing marine infrastructure.** Newport's existing marine infrastructure is an advantage for attracting businesses. The community will need to make investments, such as those that brought the NOAA fleet to Newport or the renovation to the International Terminal, to continue attracting marine-related businesses. In addition, the concentration of marine uses in Newport gives the Port advantages in attracting funding for the dredging necessary to accommodate large vessels.
- **Tourism.** The existing tourism industry in Newport is an advantage for economic development. Tourism results in \$116.8 million in direct spending annually, supporting about 1,600 jobs, and resulting in lodging tax revenues of approximately \$2.2 million annually. While direct spending and lodging tax revenues have grown since 2000, employment in tourism industries has remained relatively flat over the 10-year period.

Newport's tourism infrastructure includes destinations such as the Oregon Coast Aquarium, recreational amenities, overnight accommodations, restaurants, retail, and cultural amenities. The amenities not only contribute to the success of Newport's tourism industries but enhance the quality of life for residents in and around Newport. The existing tourism industry in Newport offers opportunities to increase tourism and grow employment directly and indirectly related to tourism.

- **Buying power of markets.** The buying power of Newport's households, residents of nearby communities, and visitors provide a market for goods and services. Newport's role as a regional center

for retail and services is a competitive advantage for attracting retail and other services.

- **Labor market.** The availability of labor is critical for economic development. Availability of labor depends not only on the number of workers available but the quality, skills, and experience of available workers.

Businesses in Newport have access to workers in Newport and from neighboring communities. Businesses need access to reliable skilled workers, both with and without higher education. Businesses that need skilled workers but that do not require a specialized college degree may find workers within the greater Newport area. These workers can gain job skills through training at the Oregon Coast Community College or on-the-job training. Some businesses, especially organized involved in research and education, may need to attract workers that have specialized college degrees from other parts of Oregon or out-of-state.

- **Public policy.** Public policy can impact the amount and type of economic growth in a community. The City can impact economic growth through its policies about the provision of land and redevelopment. Success at attracting or retailing firms may depend on the availability of attractive sites for development and public support for redevelopment. In addition, businesses may choose to locate in Newport (rather than another coastal community) based on: the City's tax policies, development changes (i.e., systems development charges), the availability and cost of public infrastructure (i.e., transportation or sanitary sewer), and attitudes towards businesses.

Employment Forecast and Site Needs for Industrial and other Employment Uses

Appendix C

This appendix presents a detailed analysis of Newport’s site needs consistent with the requirements of OAR 660-009-0015(2) and of OAR 660-009-0025(1). This appendix includes an employment forecast and an analysis of site needs to accommodate industrial and other employment uses in Newport for the 2012 to 2032 period. The information presented in this appendix is summarized in [Chapter 4](#).

EMPLOYMENT FORECAST

To provide for an adequate supply of commercial and industrial sites consistent with plan policies, Newport needs an estimate of the amount of commercial and industrial land that will be needed over the planning period. Goal 9 requires cities identify “the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses.” The number of needed sites is dependent on the site requirements of employers. The estimate of land need is presented in the site needs analysis in the next section.

Demand for commercial and industrial land will be driven by the expansion and relocation of existing businesses and new businesses locating in Newport . The level of this business expansion activity can be measured by employment growth in Newport . This section presents a projection of future employment levels in Newport for the purpose of estimating demand for commercial and industrial land.

The projection of employment has three major steps:

1. **Establish base employment for the projection.** We start with the estimate of covered employment in Newport ’s UGB presented in [Chapter 3](#). Covered employment does not include all workers, so we adjust covered employment to reflect total employment in Newport .
2. **Project total employment.** The projection of total employment will be calculated using the safe harbor method suggested in OAR 660-024.

3. **Allocate employment.** This step involves allocating employment to different land use types.

EMPLOYMENT BASE FOR PROJECTION

To forecast employment growth in Newport , we must start with a base of employment growth on which to forecast. Table C-1 shows ECO's estimate of total employment in the Newport UGB in 2010. To develop the figures, ECO started with estimated covered employment in the Newport UGB from confidential QCEW (Quarterly Census of Employment and Wages) data provided by the Oregon Employment Department (presented in Table A-6).

Covered employment, however, does not include all workers in an economy. Most notably, covered employment does not include sole proprietors. Analysis of data shows that covered employment reported by the Oregon Employment Department for Lincoln County is only about 68% of total employment reported by the U.S. Department of Commerce. We made this comparison by sector for Lincoln County and used the resulting ratios to convert covered employment to total employment in Newport. Table C-1 shows Newport had an estimated 10,060 employees within its UGB in 2010.

Table C-1. Estimated total employment in the Newport UGB by sector, 2010

Sector	Covered Employment		Estimated Total Employment
	Number	% of Total Emp.	
Agriculture, Forestry, Fishing & Hunting	69	68%	102
Construction	250	50%	495
Manufacturing	189	81%	233
Wholesale Trade	89	59%	150
Retail Trade	1,121	75%	1,502
Transportation & Warehousing & Utilities	91	71%	128
Information	83	68%	122
Finance & Insurance	165	51%	324
Real Estate & Rental & Leasing	83	22%	371
Professional, Scientific, and Technical Services	177	68%	261
Management of Companies and Enterprises	18	68%	27
Admin. & Support & Waste Mgt. & Remediation Srv.	272	52%	522
Private Educational Services	12	51%	23
Health Care & Social Assistance	972	68%	1,439
Arts, Entertainment, & Recreation	159	36%	437
Accommodation & Food Services	1,329	91%	1,461
Other Services (except Public Administration)	347	45%	780
Government	1,629	97%	1,683
Total	7,055	68%	10,060

Source: 2006 covered employment from confidential Quarterly Census of Employment and Wage (QCEW) data provided by the Oregon Employment Department. Covered employment as a percent of total employment calculated by ECONorthwest using data for Lincoln County employment from the U.S. Department of Commerce, Bureau of Economic Analysis (total) and the Oregon Employment Department (covered).

Note: The estimate of the percent of covered to total employment was not available for the following sectors because confidential employment data could not be disclosed for these sectors by either the Oregon Employment Department or the Bureau of Economic Analysis: Natural Resources and Mining; Information; Professional, Scientific, and Technical Services; and Management of Companies.

EMPLOYMENT PROJECTION

Table C-1 presents an estimate of total employment in Newport’s UGB in 2010, 10,060 employees. Given the recent recession and the slow employment growth in Oregon between 2010 and 2012, we assume that Newport’s employment base in 2012 has not changed substantially since 2010.

Forecasting employment growth in Newport requires making assumptions about future economic conditions in Newport and Lincoln County over the next 20-years. Some factors that we considered in forecasting employment growth in Newport are: historical growth trends in the County, the State’s forecast for employment growth in the region, and Newport’s expectations for population growth:

- **Long-term growth trends in Lincoln County.** Employment in Lincoln County grew from about 14,000 jobs in 1990 to 17,200 jobs in 2010, adding about 3,100 jobs at an average annual growth rate of 1.0%. Non-retail commercial employment more than doubled and government employment increased by 50% over the 20-year period. Employment in retail decreased by about 9% and manufactured decreased by 40% over the 20-year period.
- **Forecast of employment growth in Region 4.** The Oregon Employment Department’s projection of employment growth over the 2010 to 2020 period shows Region 4 (which includes Benton, Linn, and Lincoln Counties) growing at an average annual growth rate of 1.5%, adding nearly 16,000 new employees. Lincoln County accounts for nearly 20% of the employment in Region 4. The forecast shows the majority growth in Health Care, Professional Services, Transportation and Warehousing, and Leisure and Hospitality. While employment in these sectors are likely to grow in Newport (except for Transportation and Warehousing, which is unlikely to grow substantially in Newport), growth of these sectors is likely to be faster in larger urban areas like Corvallis and Albany.
- **Newport’s population is forecast to grow at about 0.7% annually.** Newport’s population forecast shows that Newport will grow from approximately 11,318 people in 2012 to 12,932 persons in 2032.³⁵ Based on this forecast, Newport’s ratio of persons to employees (PE ratio) will decrease from 1.13 persons per job in 2012 to 1.05 persons per job in 2032. It is reasonable to expect that employment in Newport may grow somewhat faster than population, given that Newport is a regional employment center.

Table C-2 presents a forecast of employment in Newport for the 2012 to 2032 period based on these considerations. It is reasonable to assume that Newport’s employment will grow at the 1.0% annually. This rate is consistent with historical growth in Lincoln County and the forecast for growth in Region 4. This rate assumes that employment growth will be faster than population growth, which is consistent with Newport’s position as a regional employment center.

Table C-2 shows the result of applying this growth rate to the total employment base of 10,060 employees in Newport in 2012. Table C-2

³⁵ Newport does not have a coordinated, adopted population forecast. The population forecast presented here is based on the population forecast used in the 2011 Newport Housing Needs Analysis. This forecast assumed that Newport would grow from 11,243 persons in 2011 to 12,846 persons in 2031, at an average annual growth rate of 0.7%. We estimated population in 2012 and 2032 based on the 0.7% average annual growth rate.

shows that employment is forecast to grow by 2,216 employees (an 18% increase) between 2012 and 2032.

Table C-2. Employment growth in Newport’s UGB, 2012-2032

Year	Total Employment
2012	10,060
2032	12,276
Change 2012 to 2032	
Employees	2,216
Percent	18%
AAGR	1.0%

Source: ECONorthwest

ALLOCATE EMPLOYMENT TO DIFFERENT LAND USE TYPES

The next step in the employment forecast is to allocate future employment to land use types by grouping employment into land use types with similar building and site requirements, based on the North American Industry Classification System (NAICS), which assigns a classification code to every business with employment. The land use types are:

- **Industrial** businesses in the following sectors: Natural Resources and Mining, Construction, Manufacturing, Wholesale Trade, and Transportation, Warehousing, and Utilities. Industrial employment accounted for 11% of Newport’s employment in 2010.
- **Commercial** businesses in the following sectors: Retail trade, Information, Finance and Insurance, Real Estate, Professional and Scientific Services, Management of Companies, Administrative and Support Services, Private Educational Services, Health Care and Social Assistance, Accommodations and Food Services, and Other Services. Commercial employment accounted for 72% of Newport’s employment in 2010.
- **Government** includes employment local, state, and federal agencies, including public educational services. Government employment accounted for 15% of Newport’s employment in 2010.

Table C-3 shows the forecast of employment growth by land use type in Newport’s UGB from 2012 to 2032. Table C-3 forecasts growth in all land-use types and it forecasts a shift in the composition of Newport’s employment based on:

- **Industrial** will increase from 11% of employment in Newport in 2010 to 15% by 2032. The cause of this expected growth is faster growth in target industry businesses that require industrial land,

such as manufacturing related to ocean observing businesses, ship and boat repair businesses, seafood processing, or businesses related to international shipping.

- **Commercial** employment will decrease from 72% of employment in Newport in 2010 to 72% by 2032. Although employment in commercial businesses will decrease as a percent of total employment, commercial employment will account for the majority of employment growth (1,300 new jobs).
- **Government** employment will decrease from 17% of employment in Newport in 2010 to 15% by 2032. Even with this decrease in the share of total employment, government employment will grow by nearly 160 people over the 20-year period. This employment will be the result of growth in public educational and research organizations, as well as growth in government to provide additional services to Newport’s growing population.

Table C-3. Forecast of employment growth in by building type, Newport UGB, 2012–2032

Land Use Type	2012		2032		Change 2012 to 2033
	Employment	% of Total	Employment	% of Total	
Industrial	1,108	11%	1,841	15%	733
Commercial	7,269	72%	8,593	70%	1,324
Government	1,683	17%	1,841	15%	158
Total	10,060	100%	12,276	100%	2,216

Source: ECONorthwest

Note: Green shading denotes an assumption by ECONorthwest

LAND AND SITE NEEDS

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. For example, site types can be described by plan designation (i.e., heavy or light industrial), they can be by general size categories that are defined locally (i.e., small, medium, or large sites), or it can be industry or use-based (i.e., manufacturing sites or distribution sites).

Firms wanting to expand or locate in Newport will be looking for a variety of site and building characteristics, depending on the industry and specific circumstances. Previous research conducted by ECO has found that while there are always specific criteria that are industry-dependent and firm-specific, many firms share at least a few common site criteria. In general, all firms need sites that are relatively flat, free of natural or regulatory constraints on development, with good transportation access and adequate public services. The exact amount, quality, and relative importance of these factors vary among different types of firms. This section discusses the site requirements for firms in industries with growth potential in Newport, as identified in the analysis of target industries.

LAND NEEDED ACCOMMODATE EMPLOYMENT GROWTH

Table C-3, presented earlier in this appendix, discusses Newport's forecast for employment by land use type. The analysis of long-term land and sites needs in Newport builds off of the employment forecast for Newport .

Some new employment will locate on underutilized land, such as the districts along Highway 101 identified in the buildable lands analysis as having development capacity. Table C-4 shows employment growth on underutilized lands and on vacant lands. Table C-4 assumes that some employment will locate on underutilized lands, reducing the need for vacant employment land:

- **Some employment growth will occur on with existing built space.** Some employment will locate in existing buildings, such as buildings with vacant spaces that can accommodate business tenants. In addition, existing businesses may be able to accommodate new employment by making more efficient use of existing office space (e.g., adding a new cubicle). ECO assumes that 10% of commercial employment can be accommodated this

way and that 50% of government employment can be accommodated in existing built space.

- **Some employment growth will be accommodated on land with additional capacity.** Some employment growth will be accommodated on land with additional development capacity, through infill or redevelopment. Some parcels with an existing building may have capacity to add another building, which is infill development. In other cases, the existing building may be obsolete, resulting in redevelopment of the existing building, with increased capacity to accommodate employment. ECO assumes that 15% of commercial employment will be accommodated through infill or redevelopment.

Using these assumptions, 211 new employees will be accommodated on underutilized land and 1,805 new employees will require vacant (including partially vacant) land over the 2012 to 2032 period.

Table C-4. New employment locating on underutilized land or vacant land, Newport, 2032

Land Use Type	New Employment	Employment on Underutilized Land			Emp. on Vacant Land
		Existing Built Space	Land with Additional Capacity		
Industrial	733	0	0	733	
Commercial	1,324	132	199	993	
Government	158	79	0	79	
Total	2,216	211	199	1,805	

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

Table C-5 shows demand for vacant (including partially vacant) land in Newport over the 20-year period. The assumptions used in Table C-5 are:

- **Employment density.** Table C-5 assumes the following number of employees per acre (EPA): Industrial will have an average of 10 employees per acre and Commercial and government will have an average of 20 EPA.

These employment densities are consistent with employment densities in Oregon cities of similar size as Newport. Some types of employment will have higher employment densities (e.g., a multistory office building) and some will have lower employment densities (e.g., a convenience store with a large parking lot).

- **Conversion from net-to-gross acres.** The data about employment density is in *net* acres, which does not include land for public right-of-way. Future land need for employment should include land in tax lots needed for employment plus land needed for public right-of-way. One way to estimate the amount of land needed for employment including public right-of-way is to convert from *net* to *gross* acres based on assumptions about the amount of land needed for right-of-way.³⁶ A net to gross conversion is expressed as a percentage of gross acres that are in public right-of-way.

Net-to-gross factors generally range from 15% to 20% for cities like Newport. Given that Newport has an existing well developed street system, ECO uses a net-to-gross conversion factor of 15% for industrial and 20% for commercial and government.

Using these assumptions, the forecasted growth of 1,805 new employees will result in the following demand for vacant (and partially vacant) employment land: 86 gross acres of industrial land, 63 gross acres of commercial land, and 5 gross acres of land for government uses.

Table C-5. Demand for vacant land to accommodate employment growth, Newport, 2012 to 2032

Land Use Type	Emp. on Vacant Land	EPA (Net Acres)	Land Demand (Net Acres)	Land Demand (Gross Acres)
Industrial	733	10	73	86
Commercial	993	20	50	63
Government	79	20	4	5
Total	1,805		127	154

Source: ECONorthwest

Note: Vacant land includes land identified in the buildable lands inventory as vacant or partially vacant.

FACTORS THAT AFFECT LOCATIONAL DECISIONS

Why do firms locate where they do? There is no single answer – different firms choose their locations for different reasons. Key determinates of a location decision are a firm’s *factors of production*. For example, a firm that spends a large portion of total costs on unskilled labor will be drawn to

³⁶ OAR 660-024-0010(6) uses the following definition of net buildable acre. “Net Buildable Acre” consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads. While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

locations where labor is relatively inexpensive. A firm with large energy demands will give more weight to locations where energy is relatively inexpensive. In general, firms choose locations they believe will allow them to maximize net revenues: if demand for goods and services is held roughly constant, then revenue maximization is approximated by cost minimization.

The typical categories that economists use to describe a firm's production function are:

- **Labor.** Labor is often and increasingly the most important factor of production. Other things equal, firms look at productivity – labor output per dollar. Productivity can decrease if certain types of labor are in short supply, which increases the costs by requiring either more pay to acquire the labor that is available, the recruiting of labor from other areas, or the use of the less productive labor that is available locally. Based on existing commuting patterns, Newport has access to labor from Lincoln County and the Central Coast.
- **Land.** Demand for land depends on the type of firm. Manufacturing firms need more space and tend to prefer suburban locations where land is relatively less expensive and less difficult to develop. Warehousing and distribution firms need to locate close to interstate highways. Some marine and ocean observing industries need land with direct access to the Bayfront and others can locate in areas away from the waterfront with other office buildings. Services for visitors need to be located in areas that attract visitors, such as along Highway 101 or near the waterfront.
- **Local infrastructure.** An important role of government is to increase economic capacity by improving quality and efficiency of infrastructure and facilities, such as roads, bridges, water and sewer systems, airport and cargo facilities, energy systems, and telecommunications.
- **Access to markets.** Though part of infrastructure, transportation merits special attention. Firms need to move their product, either goods or services, to the market, and they rely on access to different modes of transportation to do this. Newport has a deep water port, which provides the City with advantages to do businesses that need access a deep water port. In addition, the City's access to Highway 101 and the municipal airport transportation provide advantages that may appeal to firms that use these methods of transportation. The City's distance from I-5 is a disadvantage for attracting firms that need to ship large volumes of freight by truck.

- **Materials.** Firms producing goods, and even firms producing services, need various materials to develop products that they can sell. Some firms need natural resources: lumber manufacturing requires trees. Or, farther down the line, firms may need intermediate materials: for example, dimensioned lumber to build manufactured housing.
- **Entrepreneurship.** This input to production may be thought of as good management, or even more broadly as a spirit of innovation, optimism, and ambition that distinguishes one firm from another even though most of their other factor inputs may be quite similar.

The supply, cost, and quality of any of these factors obviously depend on market factors: on conditions of supply and demand locally, nationally, and even globally. But they also depend on public policy. In general, public policy can affect these factors of production through:

- **Regulation.** Regulations protect the health and safety of a community and help maintain the quality of life. Overly burdensome regulations, however, can be a disincentive for businesses to locate in a community. Simplified bureaucracies and straightforward regulations can reduce the burden on businesses and help them react quickly in a competitive marketplace.
- **Taxes.** Firms tend to seek locations where they can optimize their after-tax profits. Studies show that tax rates are not a primary location factor within a region – they matter only after businesses have made decisions based on labor, transportation, raw materials, and capital costs. The cost of these production factors is usually similar within a region. Therefore, differences in tax levels across communities within a region are more important in the location decision than are differences in tax levels between regions.
- **Financial incentives.** Governments can offer firms incentives to encourage growth. Studies have shown that most types of financial incentives have had little significant effect on firm location between regions. For manufacturing industries with significant equipment costs, however, property or investment tax credit or abatement incentives can play a significant role in location decisions. Incentives are more effective at redirecting growth within a region than they are at providing a competitive advantage between regions.

This discussion may suggest that a location decision is based entirely on a straight-forward accounting of costs, with the best location being the one with the lowest level of overall costs. Studies of economic development,

however, have shown that location decisions depend on a variety of other factors that indirectly affect costs of production. These indirect factors include agglomerative economies (also known as industry clusters), quality of life, and innovative capacity.

- **Industry clusters.** Firms with similar business activities can realize operational savings when they congregate in a single location or region. Clustering can reduce costs by creating economies of scale for suppliers. For this reason, firms tend to locate in areas where there is already a presence of other firms engaged in similar or related activities. A key element of Newport’s vision for economic development is developing a marine and ocean observing employment cluster.
- **Quality of life.** A community that features many quality amenities, such as access to recreational opportunities, culture, low crime, good schools, affordable housing, and a clean environment can attract people simply because it is a nice place to be. A region’s quality of life can attract skilled workers, and if the amenities lure enough potential workers to the region, the excess labor supply pushes their wages down so that firms in the region can find skilled labor for a relatively low cost. The characteristics of local communities can affect the distribution of economic development within a region, with different communities appealing to different types of workers and business owners. Sometimes location decisions by business owners are based on an emotional or historical attachment to a place or set of amenities, without much regard for the cost of other factors of production.
- **Innovative capacity.** Increasing evidence suggests that a culture promoting innovation, creativity, flexibility, and adaptability is essential to keeping U.S. cities economically vital and internationally competitive. Innovation is particularly important in industries that require an educated workforce. High-tech companies need to have access to new ideas typically associated with a university or research institute. Innovation affects both the overall level and type of economic development in a region. Government can be a key part of a community’s innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.

Table C-6 provides a summary of production factors in Newport as well as comments on local opportunities and constraints. It also discusses implications of each factor for future economic development in Newport.

Table C-6. Summary of production factors and their implications for Newport

Category	Opportunities	Challenges	Implications
Labor	<ul style="list-style-type: none"> • Access to labor from across Lincoln County • Workforce development through Oregon Coast Community College programs 	<ul style="list-style-type: none"> • Businesses, especially those involved in research and education, may need workers with specialized college degrees, who will most likely be attracted from outside the Central Coast region 	<p>The City has access to labor from the region.</p> <p>Commuting patterns may be negatively impacted by increases in energy prices.</p>
Land	<ul style="list-style-type: none"> • Opportunities for development along the Bayfront • Underutilized commercial properties along Highway 101 	<ul style="list-style-type: none"> • Limited supply of land with development capacity in South Beach • Constraints on some lands that will prohibit development • Land without municipal services • Short-term availability 	<p>Newport’s commercial and industrial land base has substantial constraints, such as steep slopes, that will prohibit development and will require careful siting of businesses.</p> <p>Land with development capacity in South Beach is limited. The City will need to work with businesses in the marine and ocean observing research and education cluster to identify other locations for new or expanded businesses, especially those that do not require close proximity to the waterfront.</p>
Local infrastructure	<ul style="list-style-type: none"> • Existing services in areas with development, especially along Highway 101 • Increases in the capacity of water and wastewater systems resulting recent upgrades • Extension of water and wastewater services to the northern and southern ends of the City • Urban renewal district in South Beach can provide funding for investments 	<ul style="list-style-type: none"> • Limitations on automotive (passenger and freight), pedestrian, and bicycle transportation across the Yaquina Bridge • Limitations on shipping because of low clearance on the Yaquina Bridge • Limited funds available for necessary maintenance and capacity upgrades • Little funding available for strategic investments 	<p>The lack of funds leaves the City in a reactive position for addressing infrastructure problems. Some funds are available in the South Beach area for infrastructure maintenance and improvements through the urban renewal district. As a result, the City may be able to pro-actively support growth in South Beach and make strategic infrastructure investments.</p> <p>The City is extending services to areas of the City with buildable land, such as areas around the Airport.</p>

Category	Opportunities	Challenges	Implications
Access to markets	<ul style="list-style-type: none"> • Location along Highway 101 and Highway 20 • Opportunities to ship freight via highways, the International Terminal, or rail. • Ease of access to the ocean, 10 minutes from the Bay 	<ul style="list-style-type: none"> • Distance from I-5 • Limits on freight shipping on Highway 101, especially south of the Yaquina Bridge 	Newport is attractive to do businesses that need direct access to the ocean or a deep draft port. The City is unattractive to do businesses that need easy access to I-5.
Materials	<ul style="list-style-type: none"> • Proximity to natural resources (e.g., timber or agricultural products) • Access to ocean resources 	<ul style="list-style-type: none"> • Cost of shipping raw and finished products 	Newport may be attractive to manufacturers that need access to ocean and natural resources. However, firms dependent on highway access to transport large quantities of materials are unlikely to locate in Newport.
Entrepreneurship	<ul style="list-style-type: none"> • Access to the Oregon Coast Community College 	<ul style="list-style-type: none"> • Distance from markets in the Willamette Valley 	Newport may be attractive to entrepreneurs who value the City's quality of life attributes, access to the ocean, access to outdoor recreation, and other locational attributes. Newport has opportunities to encourage entrepreneurship through continued growth in marine and ocean observing industries
Regulation	<ul style="list-style-type: none"> • Pro-business attitudes among City officials and leaders 		The City has the opportunity to develop a regulatory framework that can promote economic activity through economic development policies, plans for providing infrastructure, and provision of a variety of housing types.
Taxes	<ul style="list-style-type: none"> • Property taxes in Newport are lower than some cities on the Oregon Coast. 	<ul style="list-style-type: none"> • Property taxes in Newport are higher than some cities on the Oregon Coast. 	Newport's property tax rates are comparable to other cities on the Oregon Coast. Newport needs revenue sources for providing public services and infrastructure, just as other cities do. The City has options about how to raise these funds: through property taxes, development fees, and other fees to taxes.

Category	Opportunities	Challenges	Implications
Industry clusters	<ul style="list-style-type: none"> • Potential for additional development of marine and ocean-observing research and education • Potential for development of employment for tourism, international commerce, and fisheries • Newport's role as a regional center of activity on the Central Oregon Coast 	<ul style="list-style-type: none"> • Newport's economic and business climate may be unattractive to some businesses • Little growth in employment in tourism employment over the past decade • Need for some substantial capital improvements to public facilities to grow international tourism 	<p>Newport has dedicated stakeholders who are committed to growing employment in marine and ocean observing research and education businesses. There has been considerable success in growing this cluster.</p> <p>Newport's direct access to the ocean, marine infrastructure (e.g., piers), fleet of fishing vessels, and deep draft port situate Newport for growth in marine businesses, such as international commerce and fisheries.</p>
Quality of life	<ul style="list-style-type: none"> • High quality of life, including proximity to the ocean, access to recreation, regional shopping opportunities and environmental quality 	<ul style="list-style-type: none"> • Growth management challenges, such as balancing development with protection of environmental quality 	<p>Newport's policy choices will affect the City's quality of life, such as decisions regarding development of natural areas, housing policies, or policies that lead to redevelopment along Highway 101.</p>
Innovative capacity	<ul style="list-style-type: none"> • Campuses for Oregon State University Hatfield Marine Science Center and the Oregon Coast Community College • Other organizations involved in marine and ocean observing research and education • Existing regional businesses, clusters, and innovators 	<ul style="list-style-type: none"> • Attracting and retaining good workers • Availability cultural amenities to attract creative class workers 	<p>Government can be a key part of a community's innovative culture, through the provision of services and regulation of development and business activities that are responsive to the changing needs of business.</p>

CHARACTERISTICS OF SITES NEEDED TO ACCOMMODATE GROWTH IN NEWPORT

OAR 660-009-0015(2) requires the EOA identify the number of sites, by type, reasonably expected to be needed for the 20-year planning period. Types of needed sites are based on the site characteristics typical of expected uses. The Goal 9 rule provides flexibility in how jurisdictions conduct and organize this analysis. For example, site types can be described by plan designation (i.e., heavy or light industrial), they can be by general size categories that are defined locally (i.e., small, medium, or large sites), or it can be industry or use-based (i.e., manufacturing sites or distribution sites).

This section presents a high-level discussion of the characteristics of land needed to accommodate the targeted industries, based on the identified need for: 86 gross acres of industrial land, 63 gross acres of commercial land, and 5 gross acres of land for government employment

Marine and ocean observing research and education

- **Location within the City.** Locational requirements of businesses in marine and ocean observing research and education cluster vary, depending on the type of business.
 - Organizations involved in research and education may need access to the waterfront (i.e., a place to dock ships). While some organizations may prefer to have offices near the waterfront, others may find a location away from the water front acceptable.
 - Businesses involved with maintenance and manufacturing may need to have a location along the water front (e.g., for ship maintenance), while others may prefer a location near Highway 20 or the airport.

Newport has a limited supply of land with direct or nearby access to the Bay Front and should identify opportunity sites in these areas for use by marine and ocean observing organizations. The economic development strategy includes an action item of identifying specific opportunity sites for growth of this cluster within Newport.

- **Size of sites.** The size of sites required by businesses in this cluster will vary. Some businesses may require no new space and make

sure of space within an existing building, such as a small firm involved in research. Other businesses may require a larger site (e.g., one to two acres) to build a new facility. A large organization could require a five- to ten-acre site.

- **Constraints and topography.** Office-based businesses may be willing to locate on land with slopes of 15% or more. Manufacturing, maintenance, and related businesses will need relatively flat sites.
- **Transportation access.** All businesses will need automotive access. Businesses that manufacture products for use outside of Newport will need sufficient access to Highway 101 and possibly to Highway 20. Businesses in this cluster are likely to require boat and shipping access in the Bayfront.

International commerce

- **Location within the City.** Businesses involved in international commerce are may prefer to locate near the Port of Newport's facilities. Some of these businesses may require a Bayfront location and some may not need waterfront access.

Newport has a limited supply of land with direct or nearby access to the Bay Front, especially land near the Port of Newport's facilities. The City and Port should identify opportunity sites in these areas for use by businesses in this cluster.

- **Size of sites.** Warehouse and distribution firms may require a relatively small site (e.g., 1- to 2-acres) for small-scale businesses or may require a large site (e.g., 20- or more acres) for large-scale operations. Small businesses may prefer to locate in existing buildings (if available).
- **Constraints and topography.** These businesses will need relatively flat sites.
- **Transportation access.** Business in this cluster may need direct access to Highway 20 and to Highway 101. Businesses in this cluster will require access to shipping from the International Terminal at the Port of Newport.

Fishing and seafood processing

- **Location within the City.** Businesses involved in fishing and seafood processing are likely to require a Bay Front location, with waterfront access.

- **Size of sites.** Some businesses may require relatively small locations on the waterfront, such as an office with a place to dock fishing vessels. Seafood processors firms may require a relatively small site (e.g., 1- to 2-acres) for small-scale businesses or may require a large site (e.g., 10- or more acres) for large-scale operations. Small businesses may prefer to locate in existing buildings (if available).
- **Constraints and topography.** These businesses will need relatively flat sites.
- **Transportation access.** Business in this cluster may need direct access to Highway 20 and to Highway 101. Businesses in this cluster will require access to the Bay Front.

Tourism

- **Location within the City.** Tourism businesses will require a location in areas where visitors frequent, such as along Highway 101, in Nye Beach, or in the Historic Bayfront. Some businesses may prefer a location with an ocean view, such as restaurants or overnight-accommodations.
- **Size of sites.** Some businesses, such as a retail store or small restaurant, in this cluster can locate on a small site (1-acre or less) and in an existing building. Some businesses, such as restaurants or overnight-accommodations, may need larger sites (2- to 5-acres) and may prefer to build new facilities. Need for sites larger than 5-acres will be restricted to large businesses, generally those building new facilities.
- **Constraints and topography.** These businesses can locate on sites with slopes.
- **Transportation access.** Businesses providing services to visitors will need access to local streets, with space for parking.
- **Visibility.** Businesses in this cluster generally requires a site with high visibility, either along Highway 101 or in one of Newport's districts with other services for visitors.

Buildable Lands Inventory Methodology

A key component of the Newport Economic Opportunities Analysis is the buildable lands inventory (BLI). The BLI consists of several steps:

1. Classifying land into mutually exclusive categories
2. Netting out development constraints
3. Developing tabular summaries of lands by classification and plan designation
4. Estimating land capacity in terms of dwelling units

This section describes the methods and definitions ECONorthwest used to complete the Newport employment buildable lands inventory.

BLI METHODS

The general structure of the buildable land (supply) analysis is based on the methods used for the residential buildable lands inventory included with the *Newport Residential Lands Study*. The buildable lands inventory uses methods and definitions that are consistent with OAR 660-009 and OAR 660-024. The steps in the inventory were:

- Generate employment “land base.” This involved “clipping” all of the tax lots in the Newport UGB with the comprehensive plan layer. The GIS function was followed by a quality assurance step to review the output and validate that the resulting dataset accurately represents all lands designated for employment use in the Newport UGB.
- Classify lands. Each tax lot was classified into one of the following categories:
 - Vacant land
 - Partially vacant land
 - Undevelopable land
 - Developed land
 - Public land
 - Semi-public land

- Destination resort
- Identify constraints. The City identifies areas in steep slopes (over 15%), floodways, wetlands identified in the Local Wetlands Inventory (LWI), shoreland protection areas, and land identified for future public facilities as constrained or committed lands. These areas are deducted from lands that were identified as vacant or partially vacant. To estimate the constrained area within each tax lot, all constraints listed above were merged into a single constraint file which was overlaid on tax lots.
- Evaluate redevelopment potential. According to statewide planning rules, redevelopable land is land on which development has already occurred but on which, due to present or expected market forces, there exists the potential that existing development will be converted to more intensive uses during the planning period.
- Tabulation and mapping. The results are presented in tabular and map format with accompanying narrative. The maps include lands by classification, and maps of vacant and partially vacant lands with constraints.

DEFINITIONS

The first step in the buildable inventory was to develop working definitions and assumptions. ECO began the buildable lands analysis with a tax lot database provided by the City's GIS Department. The tax lot database was current as of February 2012. The inventory builds from the tax lot-level database to estimates of buildable land by plan designation.

A key step in the buildable lands inventory was to classify each tax lot into a set of mutually exclusive categories. Consistent with applicable administrative rules, all tax lots in the UGB are classified into one of the following categories:

- *Vacant land.* Tax lots that have no structures or have buildings with very little value. For the purpose of this inventory, employment lands with improvement values under \$10,000 are considered vacant.
- *Partially vacant land.* Partially vacant tax lots are those occupied by a use but which contain enough land to be further subdivided without need of rezoning. This determination was made through review of aerial photographs.

- *Undevelopable land.* Land that has no access or potential access, land that is already committed to other uses by policy, or tax lots that are more than 90% constrained. The majority of undevelopable land identified in the inventory is located in the active beach zone within the UGB.
- *Developed land.* Land that is developed at densities consistent with zoning with improvements that make it unlikely to redevelop during the analysis period. Lands not classified as vacant, partially-vacant, or undevelopable are considered developed.
- *Public land.* Lands in public ownership are mostly considered unavailable for employment uses. This includes lands in Federal, State, County, or City ownership. Public lands were identified using the Lincoln County Assessment property tax exemption codes. This category only includes public lands that are located in employment plan designations.
- *Semi-public land.* Lands in medical use, public or private utilities, churches, and fraternal organizations. These lands were identified using land use descriptions in the Lincoln County Assessment database.
- *Destination resort.* Lands in the Wolf Tree resort area that are designated for commercial uses.

ECO initially classified land using a rule-based methodology. ECO then generated maps that show the results of the application of those rules, with some adjustments made through a validation step based on review of aerial photos and building permit data. The preliminary classification maps were provided to City staff for review and comment.

DEVELOPMENT CONSTRAINTS

Consistent with state guidance on buildable lands inventories, ECO deducted certain constraints from the buildable lands inventory including wetlands and steep slopes. We propose to use categories that are more restrictive than the definition provided in OAR 660-009-0005(2):

(2) "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.

Based on the Division 9 rule and data provided by the City of Newport and discussions with City staff, ECO deducted the following constraints from the employment lands inventory.

- *Land constrained by natural hazards.* The City provided three GIS datasets that map the extent of Goal 7 hazards:
 - Active hazard zone region
 - Active landslide hazards
 - Bluff erosion hazard zones
 - Dune hazard zones

We classified portions of employment taxlots considered that fall within areas considered “high risk” as constrained (unsuitable for employment uses).

- *Land within natural resource protection areas.* The Newport Local Wetlands Inventory was used to identify areas within wetlands. The City also adopted an Ocean Shorelands Overlay that prohibits development within Parks, Outstanding Natural Areas, and Significant Habitat are considered unsuitable for employment uses and were deducted from the buildable lands inventory.
- *Land with slopes over 15%.* Lands with slopes over 15% are considered unsuitable for commercial and industrial development.
- *Lands within floodplains.* We did not deduct these lands from the buildable lands inventory. Most jurisdictions, including Newport, allow development in floodplains contingent upon meeting specific conditions.

Employment Lands &
Conceptual Land Use Planning Project:
South Beach Neighborhood Plan

Submitted to:

City of Newport
Community Development Department
169 SW Coast Highway
Newport, Oregon 97365

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(with October 2006 revisions to South Beach Neighborhood Plan)

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**EMPLOYMENT LANDS AND CONCEPTUAL
LAND USE PLANNING PROJECT:
SOUTH BEACH NEIGHBORHOOD PLAN**

CITY OF NEWPORT, OREGON

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VI. SOUTH BEACH EXISTING CONDITIONS

The South Beach Neighborhood Land Use Plan was developed with significant public involvement to provide direction for the future growth of the South Beach area. The South Beach Neighborhood Land Use Plan builds on prior planning efforts for the neighborhood while incorporating new information and policies developed as part of the City of Newport Employment Lands and Conceptual Land Use Planning Project.

The South Beach Neighborhood Land Use Plan was chosen as the preferred alternative plan by the Employment Lands and Conceptual Land Use Planning Project Ad Hoc Advisory Committee after evaluation of four possible future directions for South Beach that included maintaining the status quo with the industrial land emphasis, redesignating the industrial land in South Beach to commercial uses to meet the commercial land need for all of Newport, and attempting to meet commercial land needs through significant wetland fill and mitigation adjacent to Highway 101. Public comments during the December 2004 open house also indicated support for the Plan as the preferred alternative. The Plan changes the existing Comprehensive Plan Map's industrial focus away from South Beach and provides for future growth for the South Beach area in residential, commercial, and institutional development that is more consistent with the pattern of land use that already exists in the South Beach neighborhood.

The South Beach Neighborhood Land Use Plan provides for an efficient, economical, and orderly urban development plan that includes removing a large but isolated section of land designated for high density residential development east of the airport from the urban growth boundary, rezoning industrially designated land subject to constraints that is unlikely to be developed with industrial uses, adding additional residential, commercial, and public land east of the existing urban growth boundary on land that is relatively flat and that abuts the existing Idaho Point urban growth boundary area. The Plan also changes the Highway 101 strip pattern of industrial and commercial zoning by providing for land for commercial uses located away from Highway 101.

New Comprehensive Plan policies for the South Beach neighborhood are provided to ensure consistency in the development of the new area within the urban growth boundary, to provide for the redesignation of land from industrial to commercial, residential, open space and business park uses, to provide for the maintenance of open space areas, to improve and enhance the appearance of commercial and industrial development, to support the development and expansion of educational institutions, to consider the rezoning of portions of R-4 zoned land to an R-3 zone designation to protect an existing residential neighborhoods near SW Jetty Way and SE 35th Street, to implement street, pedestrian and bicycle plan provisions, and to consider general urban design objectives.

The South Beach Neighborhood Land Use Plan also amends existing public facility and transportation plans as needed to provide efficiency in servicing new development with sewer, water, storm drainage, and transportation linkages (including vehicular, pedestrian and bicycle). The 1993 City of Newport Parks and Recreation Plan is also amended to include

the resiting of a community park for the South Beach area from its formerly proposed location near Highway 101 to more suitable land currently owned by the City of Newport east of the wastewater plant. The Comprehensive Plan economic policies are amended to be consistent with the South Beach Neighborhood Plan by not requiring the South Beach area to accommodate all of the future commercial land needs for Newport.

Overall, the South Beach Neighborhood Land Use Plan results in a reduction of land designated for urban level development within the Newport Urban Growth Boundary. The Plan, however, provides for more developable land (in terms of constraints such as topography and ability to service with necessary infrastructure) within the Urban Growth Boundary and provides for the redesignation of land to uses that are more likely to be developed and compatible with the existing uses in South Beach. The overall focus of the South Beach area is shifted from the industrial land focus to a more mixed use neighborhood with additional residential, commercial and institutional uses.

South Beach is defined as that area within the City limits and the Urban Growth Boundary (UGB) between Yaquina Bay and Passmore Drive, south of the Newport Municipal Airport. South Beach also includes the areas in Lincoln County adjacent to the UGB.

A. Natural Conditions

South Beach is characterized by very flat land adjacent to Highway 101 from Yaquina Bay to just north of the airport and low hills with steep slopes east of the low, flat lands. The low areas have poor drainage and therefore wetlands have formed on much of the land. There are several areas with steep slopes, particularly towards the east along the edges of King Slough, where slopes exceed thirty-five percent. The stream channels surrounding the airport also exhibit relatively steep slopes, falling in the range between twelve and fifty percent. In other areas the hillsides are generally not as steep and are covered with vegetation ranging from brush to mature forests.

1. Geology

According to the Geologic Map of the Yaquina River Section of Lincoln County, prepared by the State of Oregon Department of Geology and Mineral Industries, the South Beach area consists of alluvial bottom land deposits composed of primarily silt, sand and gravel in the low areas and the Nye Mudstone formation in the hills to the east. The western portion of the study area just south of the south jetty, is almost certainly an accretion area because of the jetty. The area around the Marine Science Center and the South Beach Marina was built up from dredged material excavated from the bay.

One of the major geologic concerns in South Beach is the very high water table (i.e., the low, flat topography). During some parts of the year (i.e., the winter) the water table is at or above the surface creating wet areas on parts of South Beach, leading to excavation problems over much of the area. Even in those areas where the water table does not reach the surface, the depth is within a few inches or feet of the ground. This high water table can present a problem to land development and engineering construction.

The Nye Mudstone ranges in topography from moderately steep to low rounded foot slopes modified by ancient landslides and soil creep. If the cuts are in an area where the bedding dips towards the excavation at about 15 degrees or more, failure along weak zones is possible. The natural slopes may be ancient landslides, some of which have been so modified that they no longer are readily recognizable as landslides.

2. Flooding

The 1982 Federal Emergency Management Agency (FEMA) flood insurance rate study indicated that the 100-year flood elevation is 10 feet above mean sea level in the western part of Yaquina Bay and nine feet above mean sea level in the eastern part. The elevations are a theoretical height of a “100-year flood”. Although the name implies such a flood every 100 years, the actual prediction is that there is a one percent chance in any given year that the theoretical flood will occur. The predictions are based on hydrological computer models and are used mainly for insurance purposes.

The 100-year flood area in the Yaquina Bay is called an A-zone. The boundary between two of the A-zones in Yaquina Bay is at about the bridge on the south side of Yaquina Bay and Pine Street on the north side. There is also another A-zone upstream but it is unnumbered at this time. It is assumed that the flood elevation for those areas is equivalent to the nine foot elevation in the adjoining flood area to the west.

3. Fish and Wildlife Areas and Habitats

There are four main fish and wildlife habitats. The first are the extensive wetlands permeating the neighborhood. The wetlands are discussed in Appendix G.

The second is the Mike Miller Park. This area, consisting of a stand of major timber, is home to many different types of woodland flora and fauna. Since it is protected by public ownership, it should remain a vital area into the foreseeable future.

The third area is the tidal lands between Idaho Point and the Marine Science Center. This area has been designated as natural in the City’s Estuary Management Plan and as such must be protected from development.

The final fish and wildlife habitat is the beaches and deflation plains landward of the sandy beaches. Almost all of those lands are under public ownership within the South Beach State Park.

4. Water Areas

The only water area is the Yaquina Bay Estuary. This important water body is regulated by zoning provisions that designate the bay into three different management units. Those units are development, conservation, and natural. The City’s Comprehensive Plan and Zoning Ordinance detail the significance of those designations, what types of uses are allowed, and

what procedural requirements are associated with each unit.

5. Wetlands Summary

The Wetlands Inventory found in Appendix G will be used as a resource when the City decides to proceed with a Goal 5 analysis. **See Exhibit 1** which illustrates the existing wetland areas based on the inventory conducted in 2004.

Exhibit 1

B. Man-Made Conditions

South Beach has a mix of uses that are allowed within the defined boundaries of the neighborhood. In fact, it is one of the most diverse areas of the City permitting residential, commercial, and industrial uses in a relatively small area. South Beach also is home to the Mark O. Hatfield Marine Science Center, the Oregon Coast Aquarium, the South Beach Marina, and the South Beach State Park. All those uses provide an unusual but interesting mix of local, state, national, and international entities.

Combined with the many types of uses, the area has limited infrastructure needed to accommodate the planned growth. Streets, water and sewer lines, storm drainage, telephone, TV, natural gas and electricity all exist south of Yaquina Bay. However, the various utilities must be expanded and upgraded in order to improve the neighborhood as proposed by the Neighborhood Plan and to provide the services and amenities commonly expected in modern communities.

One observation made during the course of this study is that there are currently few services, retail outlets, and job opportunities in South Beach. Therefore, people living south of the bridge must travel to the north side of Yaquina Bay for the necessary services.

1. Land Use

The Vacant Land Inventory for the City of Newport indicated that the City had an insufficient supply of vacant, buildable commercial, industrial, and water-dependent/water-related land. The same conclusion can be drawn for South Beach: a summary of the inventory for those parcels in South Beach can be found in the following table. The table indicates that although South Beach has 629 acres designated for Commercial, Industrial, and Water-Dependent/Water-Related uses, only 86 acres (less than 14 percent) are buildable.

Table 25
SOUTH BEACH VACANT BUILDABLE LAND INVENTORY

Category	Zone (City) or Plan (UGB)	Parcels	Acres Constrained	Acres Buildable
Commercial	C-1	5	11.91	0.42
Commercial	C-2	5	7.77	0.00
<i>sub-total</i>		<i>10</i>	<i>19.68</i>	0.42
Redevelopable	C-1	1	0	1.13
UGB	C	1	0	0.52
Total Commercial		12	19.68	2.07
Industrial	I-1	15	263.15	21.39
UGB	I	22	68.82	34.76
UGB Redevelopable	I	3	0.16	3.87
Total Industrial		40	332.13	60.02
Water-Dependent	W-1	2	1.70	0.13
Water-Related	W-2	3	27.56	0.52
Total Water-Dependent/Related		5	29.26	0.65
Planned Destination Resort	C-2 PDR	2	162.01	23.69

The existing land uses in South Beach have been classified into six categories: residential, industrial, commercial, institutional, recreation, and open space. Each category is described in more detail below. **See Appendix H** (of the September 2005 Employment Lands and Conceptual Land Use Planning document).

a. Residential

The South Beach area has three residential areas. The first, South Shore Planned Development is a confined project, master planned for a mix of uses and managed to ultimate build out by the approved master plan.

The second area is the west side, defined as that area with the R-4 (High Density Multi-Family Residential) zoning west of Hwy. 101, roughly bounded by the South Jetty Road on the north, SW Abalone St. on the east, SW 35th St. to the south and SW Egret on the west. The area is characterized by a smattering of one-, two- and multi-family residential uses with many vacant lots. Because the zoning is R-4, the current development pattern is expected to continue. The area developed when the neighborhood was in the county and for that reason, most of the roads do not meet City standards.

The third area is the east side, defined as the residential area east of Hwy. 101, east of Chestnut Street and south of SE 32nd St. This area is also zoned R-4 (High Density Multi-Family Residential).

b. Industrial

Within the City Limits, there are currently approximately 330 acres with the I-1 zoning designation in South Beach. Additionally, there are another 168 acres designated Industrial on the Comprehensive Plan that are currently outside City Limits but within the Urban Growth Boundary. There are another 171 acres zoned for Water-Dependent & Water-Related Uses in South Beach.

c. Commercial

Within the City Limits, there are currently approximately 16 acres with the C-1 zoning and 16 acres with the C-2 zoning designation in South Beach, along with an additional 58 C-2 acres that are part of the Wolf Tree PDR. Additionally, there is another half acre designated Commercial on the Comprehensive Plan that is currently outside City Limits but within the Urban Growth Boundary.

d. Institutional

South Beach is fortunate to have a number of institutional uses, including the Oregon State University's Mark O. Hatfield Marine Science Center, the Oregon Coast Aquarium, and the South Beach Community Center.

e. Recreation

A major recreation facility in South Beach is the Port of Newport Marina and RV Park, which consists of 600 moorage slips, a launch ramp, a public fishing pier, and over 100 RV spaces with full hook-ups. The area also boasts the South Beach State Park (which is discussed in more detail in the section on Open Space).

Established recreational trails on public land, other than those at the South Beach State Park, are limited in the South Beach area to the estuary trail by the Hatfield Marine Science Center and a trail in Mike Miller Park. The 1993 Newport Park System Master Plan has identified a need for recreational improvements in the South Beach area that include neighborhood parks, a community park, trails and open space.

f. Open Space

The City owns approximately seven acres to the south of SE 35th St., the site of the old South Beach water storage facility. During the South Beach Neighborhood Plan project there was some discussion of using this land for a natural preserve and for nature trails. There is also a possibility that the property could be connected with other planned trails in the area to form a complete system of trails that could serve the entire South Beach community.

The predominant open space area in South Beach is the South Beach State Park. Located between the south jetty and the South Shore development, the site is one of the most heavily used parks in Oregon. The State Department of Parks and Recreation has prepared a master plan for the park which shows more intensive development but the retention of vast areas of open space.

Another major open space feature is Mike Miller Park. The park, which lies about one mile inland from the sea and at an elevation of 100 feet, consists of 40 acres. Owned by Lincoln County, the site is one of the few remaining uncut stands of old growth western hemlock and Sitka spruce along the northern Oregon coast. There is a tall shrub understory of salal, red huckleberry, evergreen huckleberry, and salmonberry. Some of the trees are up to four feet in diameter and over 125 feet tall. The proximity of this site to Newport provides easy access for outdoor education and nature study. The City's Comprehensive Plan provides further discussion and policies regarding this important park.

The most significant open spaces in South Beach are the beaches themselves. From the surveyed line established by state law (at about 16 feet above mean sea level), the beach is owned by the public. Between the beach zone line and the first line of vegetation, the property is private but the public has a permanent easement across it. This is basically the dry sand area between the wet sand and the vegetation

There is other open space in South Beach associated with the Newport Municipal Airport and other natural constraints (such as wetlands and steep slopes). A few of the wetland areas

(primarily to the west of Highway 101) have been designated as “significant habitat” pursuant to the Newport Comprehensive Plan’s Ocean Shoreland Map. Those areas designated as significant habitat are protected by the Newport Zoning Ordinance from residential, commercial, and industrial development. Additionally, significant wetland areas within the South Shore Planned Development are also protected from development pursuant to the planned development approval. The 1993 Newport Park System Master Plan has also identified areas that could be possible open space areas for the recreational needs of the community.

2. Existing Zoning

Land uses in South Beach portion are governed by 9 different zones within the City of Newport and 5 different zones within unincorporated Lincoln County land within the Urban Growth Boundary. The applicable zones can be found in the following table.

Table 26
South Beach Zoning Designations

Zones within the City of Newport	
Zone	Abbreviation
Retail & Tourist Commercial	C-1
Tourist Commercial	C-2
Light Industrial	I-1
Public Structures	P-1
Public Parks	P-2
Low Density Single-Family Residential	R-1
High Density Multi-Family Residential	R-4
Water-Dependent	W-1
Water-Related	W-2
Zones within Lincoln County	
Zone	Abbreviation
Planned Industrial	I-P
Public Facilities	P-F
Residential	R-1
Residential	R-1-A
Timber Conservation	T-C

A map of the existing zoning in South Beach is found in **Exhibit 2**. As illustrated in the exhibit, the area just to the south of the Yaquina Bay Bridge is within City Limits and has been designated with 8 of the 9 City zones listed above (excluding only R-1, Low Density Single-Family Residential). This area is home to the South Beach Marina, the Hatfield Marine Science Center, the Oregon Coast Aquarium, the South Beach State Park, and a mixture of residential, commercial, and industrial uses. Farther east on Idaho Point, the land is zoned R-1 and P-F by Lincoln County. Immediately south of 40th Street, the land is outside City Limits and is zoned I-P, and P-F, which is followed to the south by land within the City and zoned I-1, P-1, and R-4.

Large portions of South Beach within City Limits are zoned for public use. The South Beach State Park is zoned P-2, while the Newport Municipal Airport and the wastewater treatment plant are zoned P-1. North of the airport, there is a large area zoned I-1, but this area also has some steep slopes and wetlands and is not entirely suitable for Light Industrial Uses. East of the airport the land outside the City Limits is zoned Timber Conservation (T-C) by Lincoln County. The Surfland development is in Lincoln County and is zoned R-1 and R-1-A. The Wolf Tree Planned Destination Resort at the southern end of the City Limits and UGB has two zoning designations: C-2 (PDR) and R-4 (PDR) (where “PDR” indicates the Planned Destination Resort requirements).

Exhibit 2

3. Transportation System

The most important existing transportation facility in South Beach in terms of both capacity volume of people and freight is, of course, US 101. This highway is presently classified by the Newport Transportation System Plan (TSP) as a Principal Arterial, which means that it is intended to carry high traffic volumes and to function primarily to provide mobility and not access, and to provide continuity for intercity traffic. It is classified by the Oregon Department of Transportation as a Statewide Highway, which means that it is intended to be managed for safe and efficient, high-speed, continuous-flow operation.

US 101 through South Beach has one through traffic lane in each direction, with left-turn lanes at some intersections. At the south end of the Yaquina Bay Bridge there is an entrance and exit ramp both northbound and southbound that provides a connection to Marine Science Drive and the Port of Newport marina area. These ramps allow traffic to turn onto or off of US 101 in either direction without making a left turn. A short distance to the south, there is a traffic signal at the intersection with 32nd Avenue.

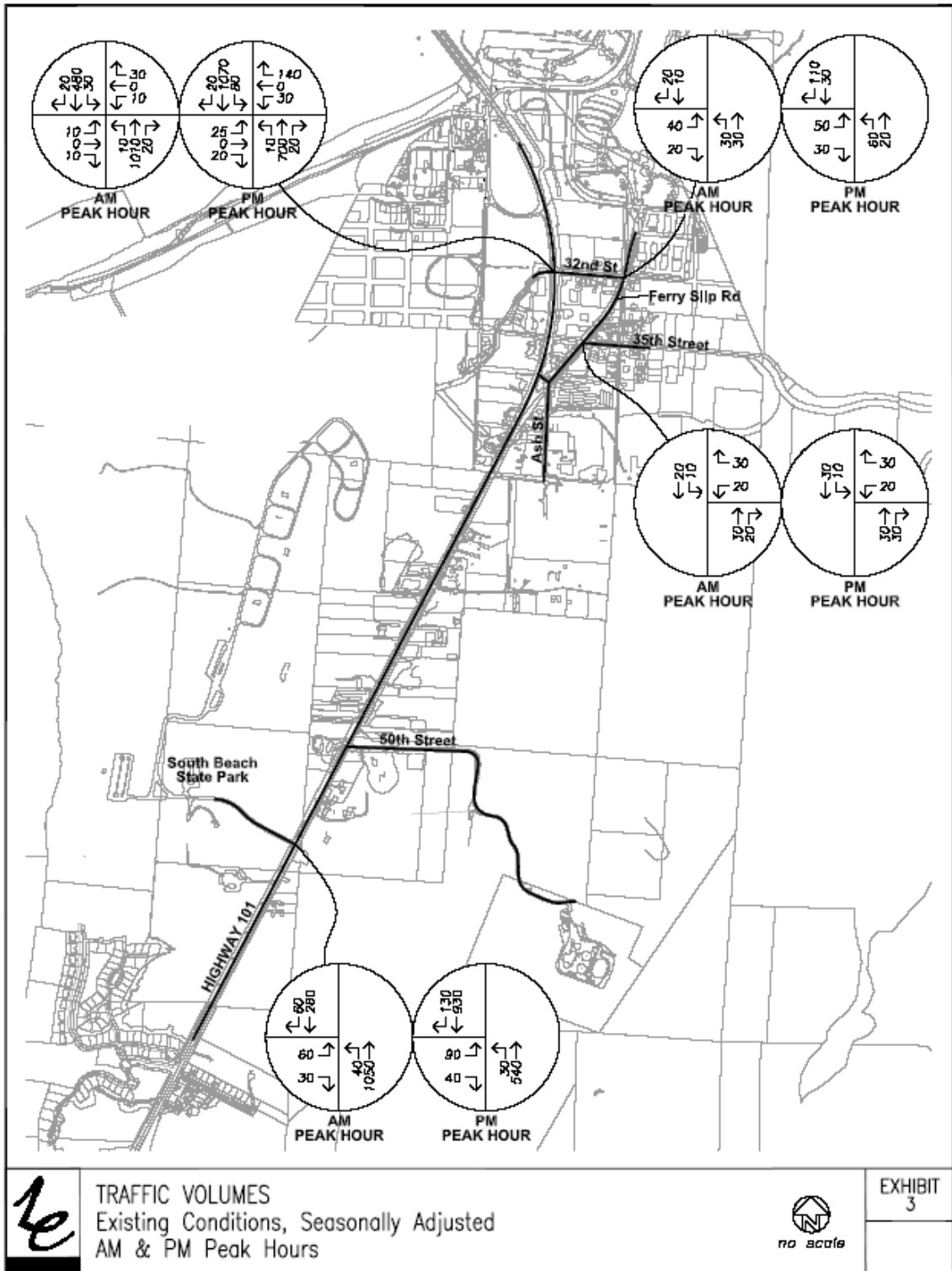
Ferry Slip Road from US 101 to Marine Science Drive, Marine Science Drive, and Abalone Street and the ramps on the west side of US 101 are classified in the TSP as Minor Arterials. Minor Arterials augment the principal arterial system and interconnect residential, shopping, employment, and recreational activities within the community.

The section of 32nd Street from US 101 to Ferry Slip Road is classified as a Collector Street. Collector streets are intended to provide both land access and movement within residential, commercial, and industrial areas. Ferry Slip Road intersects US 101 at an acute angle, resulting in an unconventional intersection configuration.

All other streets within South Beach are classified as Local Streets. Local streets provide land access to residential and other properties within neighborhoods and generally do not intersect any arterial routes. One of the streets currently classified as a local street is 50th Street, which intersects US 101 from the east and provides access to the City's wastewater treatment plant.

There are only two roadway improvements proposed in the current TSP. The widening of US 101 from two through lanes to four through lanes from the Yaquina Bay Bridge to 123rd Street is proposed. This is based on the projected increase in traffic volumes on the highway. In addition, a new street to connect 32nd Street to and Anchor Way to Abalone Street is proposed. This connection would provide access to the 32nd Street signal on US 101 from the west side of US 101.

Two other roadway improvements are mentioned in the TSP but are not listed as specific projects. The first is providing an additional two through traffic lanes across Yaquina Bay. This need is created by the projected traffic volumes that indicate that the capacity of the existing bridge will be exceeded in 2016. The second improvement is a proposal to combine the existing access from US 101 to South Beach State Park with the existing access from US 101 to the park headquarters office



South Beach does not have much in the way of bicycle improvements other than the bike lanes along Hwy. 101. The main reason there are not many projects in South Beach is that the streets have light enough traffic that bicycles can share the roadway with cars. This may change as the area develops. The typical section for major arterials (Hwy. 101) mandates the inclusion of bicycle paths, but minor arterials may or may not include bike lanes based on the particular section of street. The TSP contains the recommended bicycle improvements throughout the City.

4. Utilities

a. Water System

The City of Newport's South Beach water system was evaluated to determine if existing water system plans and infrastructure adequately address the development potential identified in this South Beach Land Use Plan. Where existing planning documents and infrastructure were determined inadequate, additional planning and capital improvements that facilitate potential developments in South Beach have been proposed. The results of the water system evaluation and proposed capital improvements are discussed below.

Existing Water System Master Plan

The City of Newport prepared a Water System Master Plan (CH2M Hill, 1988) addressing the citywide delivery and expansion of potable water supplies including supplies necessary for developed and undeveloped areas in the South Beach area. The majority of the first phases of the Plan's capital improvement program (CIP) addressing South Beach have been completed. These improvements include construction of a main supply line to a 1.3 MG reservoir located above Mike Miller Park. Subsequent capital improvement phases in the South Beach area are effected by the proposed land-use changes that will be adopted with the South Beach Land Use Plan. Changes to the CIP are therefore required. Although the City's existing Master Plan provides a comprehensive and well thought out guidance document that remains applicable to current development trends, an update to the Master Plan should be prepared.

Existing Water System

The City of Newport and the Seal Rock Water District provide potable water service to the South Beach area. The service areas of the two water supply systems are defined and generally encompass the following areas:

- The City supplies water to all residential, commercial, and industrial lands north of 40th Street, and the South Shore development, the South Beach State Park, and the City's wastewater treatment facilities.
- The Seal Rock Water District provides water service to the airport, residential areas south of south shore, commerce along Highway 101 up to 40th Street and residential areas in Idaho Point.

In comparison, the level of service provided by the City's water system far exceeds the level of service provided by the Seal Rock Water District's system. Fire flow capabilities, storage capacity in South Beach, remaining infrastructure life cycle valuation, and a lower cost of service distinguish the City's system as the most viable water system for serving and benefiting new developments in the South Beach area. In particular, existing and proposed development areas such as the airport and proposed UGB expansion areas that are outside the Seal Rock Water District should be served by the City's water system. If not already prepared, an intergovernmental agreement addressing each respective agencies existing service area, new UGB areas, the airport, and the minimum level of service required to support growth inside the Newport UGB should be prepared to further define how, where, and who will supply potable water to new South Beach developments. Such agreements are required between urban level service providers pursuant to ORS 195 no later than the first periodic review that begins after November 4, 1993.

As shown in **Exhibit 4 A - D**, the existing South Beach water system is fed from the north through a 12" PVC water main, which crosses the bay at OSU Drive. There is a pressure reducing vault at the corner SE OSU Drive and SE Ferry Slip Road that reduces the system pressure to the operating levels required for the South Beach area. A 1.3 million gallon reservoir located at the end of Mike Miller Road (adjacent to the wastewater treatment facility) provides water storage and sets the South Beach system pressure at an approximate static elevation of 250 feet. From this reservoir, an 18 HDPE transmission main runs from the reservoir through South Beach State Park before tying into the system grid at SW Anchor Way. The bulk of the South Beach water grid consists of 8-inch transite water mains and 6-inch, 8-inch, and 12-inch PVC water mains. Overall, the system gridiron is well planned, provides excellent distribution pressure, and exceptionally high fire flow capacities.

There are, however, some residential areas of South Beach that are served by 2", 3" and 4" water mains. Specifically, there are two areas with small service mains. The residential area south of South Jetty Way and just north of South Beach State Park has been largely updated to 6" PVC Water Mains, but there is still a 2" main along 27th Street West of Brant Street. Also, there are some residential areas East of Highway 101 near 35th Street, which are served by 4" water mains. These undersized distribution system components should be replaced according to the following criteria.

Exhibit A

Exhibit B

Exhibit C

Exhibit D

There are, however, some residential areas of South Beach that are served by 2", 3" and 4" water mains. Specifically, there are two areas with small service mains. The residential area south of South Jetty Way and just north of South Beach State Park has been largely updated to 6" PVC Water Mains, but there is still a 2" main along 27th Street West of Brant Street. Also, there are some residential areas East of Highway 101 near 35th Street, which are served by 4" water mains. These undersized distribution system components should be replaced according to the following criteria.

- Six-inch diameter lines should be the minimum sized lateral water main for looped areas and dead-end mains less than 500 feet long.
- Eight-inch diameter lines should be the minimum size for permanently dead-ended mains supplying fire hydrants and minor trunk mains where looping is not possible.
- Ten-inch diameter and larger lines should be sized for trunk (feeder) mains, for example running along the ridge from reservoirs through major development areas.
- 12-inch and larger mains should be supplied for all reservoir connections.

The City of Newport's water system is connected to the Seal Rock water system at a closed gate valve located on the south side of Highway 101 near the SW 40th Street intersection. The Seal Rock water system serving the South Beach area is composed primarily of a single unlooped 8-inch diameter transite water mains reducing to 6-inch and 4-inch diameter transite mains out on Idaho Point

Raw Water Supply

The raw water supply for the City of Newport is obtained from reservoirs and diversions permitted for the Big Creek drainage basin and a diversion permitted for the Siletz River. These water rights consist of certificated diversions totaling 10.4 cfs from Big Creek, a permitted diversion of 6.0 cfs from the Siletz River, and a total certificated and permitted impoundment right of 1,170 acre-feet at two reservoir locations in the Big Creek drainage basin.

In accordance with the City's Water Rights, raw water is diverted directly from Big Creek as supplemented from the Siletz River and the two Big Creek storage impoundments. The first impoundment, constructed in 1951, has a certificated storage capacity of 200 acre-feet. The second reservoir, constructed in 1968-69 and raised in 1976, has a current capacity of 970 acre-feet with 345 acre-feet certificated and 625 acre-feet under permit. The total water storage for the City is equivalent to 381 million gallons (MG).

Using the Master Plan data for maximum month water usage of 282 gallons per person per day (gpcd) and, assuming a system wide water loss rate equivalent to 15 percent, a year 2000 City of Newport population of 9,532 (US Census data) and +24% RV/hotel population [Wastewater Facilities Plan], the City's impoundments can provide up to 93 days of water storage. During a dry year, supplemental water from the Siletz River diversion is required to maintain adequate supplies. The availability of the water supply appears adequate until the population of the City reaches a level in excess of 21,000 equivalent people (estimated to occur sometime after year 2020). At such time, additional water supplies will be required.

Long-range water supply planning for the City has identified the need for additional water in the foreseeable future. In addition to the Big Creek supply, the City has applications for a 6.0 cfs diversion and a 9,000 acre-feet impoundment located north of the City at Rocky Creek. Preliminary planning for the development of the Rocky Creek source has been initiated.

Based on available water rights, impoundment capacity, and existing plans to develop Rocky Creek as a regional water source, no deficiencies in the City's water supply are anticipated to impede development plans for the South Beach area.

Treated Water Supply

Treated water capacity for the City is currently rated at 5.75 MGD. Additional capacity can be added to the existing facility by increasing the total water production rate by 2.0 MGD per expansion. The ultimate expansion capacity of the treatment system is reportedly 9.75 MGD. This ultimate treated water production rate correlates to the maximum population benefited by the Big Creek impoundments and the Siletz River supply, estimated at 21,000 people. Based on the existing recommendations in the Water System Master Plan, to expand water treatment capacity as the City of Newport population increases, treated water supply is not anticipated to impede development plans for the South Beach area.

Treated Water Storage

The total treated water storage capacity for the City is currently at 7.95 MG. This quantity of stored water provides an adequate supply of potable water for human and commercial consumption during maximum month demand periods, fire fighting reserves, and emergency reserves. The total City population served by existing finished water storage is approximately 12,000 people.

The City's existing Water System Master Plan recommends expanding the City's finished water storage capacity by an additional 2.0 MG. Included in this recommendation is adding a new 1.0 MG tank located on King Ridge above the airport to serve the South Beach area. Construction of the King Ridge reservoir will create a new high level pressure zone for developments located above the current service levels of both the City's and Seal Rock Water District's systems. An additional reservoir is proposed for the Thiel Creek area, however, the Seal Rock Water District currently serves users in this area, and, based on current service boundaries; it is unlikely that the City will need to expand its water system into the Thiel Creek area.

Fire Protection

The required fire flows, as shown in Table 27, were obtained from ISO Guidelines and are used to evaluate the firefighting capabilities of the existing system for anticipated growth. The City of Newport has an ordinance requiring buildings greater than 35 feet high to install a sprinkler fire protection system and all buildings are to be constructed so as not to exceed a 3,000 gpm recommended fire flow rate as established by ISO guidelines.

**Table 27
City of Newport Fire Flow Service Requirements**

Land Use Classification	Recommended Fire Flows		
	Quantity (GPM)	Duration (hrs)	Volume (MG)
Commercial			
Major	3,000	3	0.54
Neighborhood	2,000-3,000	2-3	0.24-0.54
Industrial			
Light-Medium	2,500-3,000	2-3	0.30-0.54
Institutional			
Schools	3,000	3	0.54
Hospitals	3,000	3	0.54
Residential			
Rural	750	2	0.09
Single Family			
Low Density	1,000	2	0.12
High Density	1,500-2,000	2	0.18
Multiple Family	1,500-2,000	2	0.18-0.24
Apartments	2,000-3,000	2-3	0.24-0.54

There currently exists adequate fire flow throughout the South Beach water system. Any areas with inadequate fire flow are localized residential areas served by 2" and 4" PVC water mains. These water mains should be replaced with 8" PVC water mains to provide the minimum fire flow capacity established by the City's current minimum level of service required for residential areas.

Fire flow capabilities in the South Beach water system area are maximized by the system ability to supply water from two directions including from across the bay and from the existing 1.3 MG South Beach Water Tank. These two supply points combine to provide approximately an excess of 3,000-gpm of fire flow to the South Beach commercial areas such as the Marine Science Center. Also, the available finished water storage is more than sufficient to provide 3000-gpm of fire flow for a 3-hour duration. The proposed major commercial, and community college development in the South Beach UGB expansion area will, however, need an additional storage tank for fire flows located at a higher elevation than the current system allows. Based on the minimum City requirements, a 0.75 MG reservoir will need to be constructed to provide a 3,000-gpm fire flow for a duration of 3-hours while

providing domestic demands and emergency reserves. The provisioning of a new high level water system and new reservoir are necessary to facilitate the new developments proposed for the South Beach area including the areas of the UGB expansion and the airport.

b. Wastewater System

The City of Newport's wastewater infrastructure was evaluated to determine if the existing Wastewater Facilities Plan Update [CH2Mhill, 1995] and as-constructed infrastructure adequately address the development potential identified in the South Beach Land Use Plan. Existing planning documents and infrastructure constructed to date appear to have considered South Beach developments. **See Exhibits 5A and 5B.**

With the most recent improvements to the City's infrastructure including the construction of a major wastewater facility upgrade and effluent disposal system, the major obstructions to growth within the City UGB have been relieved. In general, the City's infrastructure is well positioned to expand sanitary sewer service to the majority of development areas in South Beach. The existing wastewater infrastructure and proposed capital improvements that expand the wastewater system further into South Beach are discussed below.

Wastewater Treatment and Disposal Facilities.

The City of Newport's existing wastewater treatment facility is located in South Beach on Mike Miller Road. The current facility was completed in 1998 and consists of a 5.0 MGD average day flow oxidation ditch process treatment plant, raw sewage conveyance pipeline constructed under the Yaquina Bay, and a new treated effluent line from the plant to the City's outfall pipe which runs from Nye Beach to the Pacific Ocean. The total peak capacity of the facility is rated at 15.0 MGD, which will process wastewater collected from all locations inside the City from a service population of approximately 17,000 persons. Currently, just under 1/3rd of the facility capacity is available for new developments. Expansion of the existing treatment facility to a peak instantaneous capacity of 25.0 MGD is provided in the long-range planning and site development for this facility. Considering the available capacity of the treatment facility and ability to expand the system, wastewater treatment could not be considered a current inhibitor of growth in the South Beach area.

Treated Effluent Disposal

Effluent from the wastewater treatment facility is allowed to flow by gravity or be pumped back across the bay through a 20" HDPE force main. This effluent pipeline shares the same alignment as a 24" HDPE raw sewage force main discussed below. The effluent disposal outfall pipeline discharges to the Pacific Ocean through a three-port diffuser assembly located off shore from Nye Beach near 2nd Street in downtown Newport. There are preliminary plans for a 30-inch outfall to be located west of the South Beach State Park and the elimination of the existing bay crossing and Nye Beach outfall. The replacement outfall is proposed to occur once the existing treatment facility is upgraded to provide a peak instantaneous flow of 25.0 MGD. Considering the available capacity of the effluent disposal system and the ability to expand the discharge capacity, wastewater disposal could not be considered a current inhibitor of growth in the South Beach area.

Exhibit 5A

Exhibit 5B

Wastewater Collection and Pumping Systems

The City of Newport's existing wastewater collection system includes developed areas north of Yaquina Bay and a large portion of the South Beach area north of 35th Street and west of Highway 101. In South Beach, the system currently serves residential, commercial, industrial, and public facility land-uses.

Raw wastewater collected from the City north of Yaquina Bay is conveyed to the wastewater treatment plant through a 24" HDPE force main that crosses the bay at OSU Drive. Several small pump stations serving the South Beach area discharge into this force main which discharges to a manhole on the west side of Highway 101 at SW 40th Street. A 36" PVC gravity sewer interceptor conveys flows from the force main manhole to an influent pump station near the intersection of Mike Miller Road and Highway 101. The influent pump station has a peak instantaneous capacity of 15.0 MGD with provisions for expansion to 25.0 MGD. Expansion of the wastewater collection system and, as appropriate, additional lift stations, will be required to serve undeveloped areas considered in the South Beach Land Use Plan.

South Beach Sewer Expansion Areas

The 1995 Wastewater Facilities Plan addressed expansion of the wastewater collection system in the South Beach area. This plan divided South Beach into seven sewer basins that encompass all development areas from the Highway 101 Bridge to the Thiel Creek area south of the airport. Data for each basin are provided below in Table 28.

Table 28
Wastewater Statistics By Drainage Basin

Wastewater Drainage Basin Number	S1	S2	S3	S4	S5	S6	S7
Gross Acreage	425	545	320	707	270	55	800
Residential Population	747	810	270	1,341	1,278	396	5,200
Population Equivalent - Other Zoning	2,416	3,020	6,270	8,788	5,950	714	1,890
Total Projected Population	3,163	3,830	6,540	10,129	7,228	1110	7,090
Average Daily Base Flow - Residential	0.171	0.185	0.062	0.307	0.293	0.091	1.191
Average Daily Flow -Other Zoning	0.121	0.151	0.314	0.439	0.298	0.036	0.095
Average Daily Base Domestic Flow	0.29	0.34	0.38	0.75	0.59	0.13	1.29
Peaking Factor for Domestic Flow	2.1	2.0	1.9	1.8	1.9	2.5	1.9
Peak Domestic Flow Rate from Basin	0.61	0.68	0.72	1.35	1.12	0.33	2.45
Infiltration Allowance Within Basin	0.21	0.27	0.16	0.35	0.14	0.03	0.40
Total Peak Flow from Basin	0.82	0.95	0.88	1.70	1.26	0.36	2.85
Basin S1 - South Airport							
Basin S2 - East Airport							
Basin S3 - North Airport							
Basin S4 - West Hwy 101							
Basin S5 - South Beach existing							
Basin S6 - Idaho Point							
Basin S7 - Thiel Creek							

City of Newport Wastewater Facility Plan, 1995 Update [CH2Mhill]

As identified in the Facility Plan and as shown in Exhibit 5A & B, Basins S4 and S5 are currently served by the sewer system. These two existing service areas include the Hatfield Marine Sciences Center to 35th Street, residential areas near Jetty Way, South Beach State Park, and the South Shore development. Expansion of the sewer system in these areas should only require connecting to the existing facilities, as the area is infilled with new developments. The remaining five sewer basins require expansion of the sewer system to new and existing development areas. Areas proposed for development that are outside of the existing UGB will also require expansion of the sewer system.

c. Storm Water System

The City of Newport's South Beach Storm Water System Master Plan [SHN Consulting Engineers & Geologists, 2004] was evaluated to determine if the recommended drainage system capital improvements would facilitate the development potential identified in the South Beach Land Use Plan. In preparation of the storm water master plan, efforts were made to predict the impact to drainage courses from land-use developments allowed by current zoning during a 50 year design storm. The analysis of the system was, however, limited to areas inside the UGB (except where rural areas outside the UGB were anticipated to have low density development in accordance with Lincoln County rural land zoning).

The existing Master Plan was found to be in general conformance with the land use developments proposed by the South Beach Land Use Plan for all areas inside the UGB. Development potential for areas proposed outside of the current UGB were determined to have a significant impact on the recommended Master Plan drainage improvements. Additional revisions to two of the recommended storm drainage system improvements will be required to facilitate the developments proposed in the expanded UGB areas.

Existing Study

The existing South Beach Storm Water Master Plan was used as the basis of study for the recommended storm water capital improvements. Plan recommendations were based on the following:

- Discreet analysis of 13 drainage basins identified within the Study Area.
- Evaluation of the City's rules and regulations related to storm drainage.
- Solicitation of Local Stakeholder and Public input.

Revisions to the plan were performed for the outside UGB areas including the Community College, commercial areas, and new residential areas. These proposed land use changes had a significant impact on the proposed storm drainage facilities.

5. Historic Areas, Sites, Structures and Objects

The City's Comprehensive Plan does not identify any historic areas, structures or objects in the South Beach area, although there is one potential historic site. The Pioneer Cemetery located west of Hwy. 101, north of SW 30th St. and east of SW Brant St., contains graves that date back to the late 1800's. The cemetery lies hidden among the jack pines on the bay ridge just south of the Davis home site, an early family in the South Beach area. The cemetery predates the south jetty and was apparently set aside by Davis as a community service. It was known as the Newport Cemetery in the early days.

It is impossible, after many years of neglect, to identify more than a few graves. Of the known markers, three are military issue for men of the Fourth Infantry of California Volunteers who remained in Newport after their discharge. The site should be retained as an historic site.

Another historic structure that is not technically in the South Beach Study area but is highly visible and an important identifying feature is the Yaquina Bay Bridge. Built in 1936, the City's acknowledged Comprehensive Plan designates the bridge as an historic structure important enough to protect. It states that, if it is necessary to expand the bridge, it should be in the same corridor, should preserve the silhouette and be located on the west side of the existing bridge.

VII. SOUTH BEACH NEIGHBORHOOD PLAN

The Neighborhood Plan for the South Beach neighborhood of the City of Newport is based on an analysis of the:

Economic base of the City (Section IV of the September 2005 Employment Lands document)

Existing environmental and natural conditions of the South Beach area

Existing institutional, commercial, industrial and residential uses, and

The vision and aspirations of the residents, landowners and public officials who participated in formulating the Plan.

The Plan represents a reasonable proposal for the long term development of the neighborhood given Newport's location on the Oregon Coast.

A. Land Use Plan

1. Challenges of the South Beach Area

There are many conditions in South Beach that offer difficult challenges to proposing an attractive, efficient and cost-effective land use pattern. The characteristics of the area that offer the challenges include:

- The neighborhood is a narrow elongated land area which stretches approximately 5½ miles from the Yaquina Bay Bridge to the southern tip of the City limits. This narrow shape is inefficient and costly to extend services and has resulted in an inefficient use of land.
- The existing configuration of the City Limit boundary has created pockets of unincorporated Lincoln County parcels surrounded by incorporated land areas. This checkerboard pattern has made it difficult to plan and manage a cohesive development pattern, as evidenced by the existing development adjacent to Highway 101.
- In many cases, the existing Comprehensive Plan and Zoning Map designations are inappropriate for many of the assigned land uses given the site characteristics such as extensive wetlands and steep slopes. The wetlands (totaling 184 acres) and steep slopes over 10% limit the suitability of these parcels for commercial and industrial uses. Slopes over 10% for these uses increase site improvement costs because of the scope of excavation required for large buildings. Although the parcels with steep slopes up to 20% with stable geologic conditions are appropriate for residential uses at lower densities.
- As described above, the area is not only a narrow land area; it is also fragmented by large public and institutional uses such as the South Beach State Park, the Airport and the Aquarium. Further limitations are imposed on land areas north and south of the Newport Municipal Airport in order to protect the Runway Protection and Approach zones. These large public areas coupled with the

wetlands, fragment the neighborhood and interrupt the efficient use of land for other purposes.

- Transportation access is limited due to the area's elongated shape and topography. Highway 101 provides a north-south corridor but there are only a few small segments of east-west roads which intersect with the highway. Consequently, many of the industrial land parcels have limited accessibility.
- Finally, these areas have only limited water supply and the sanitary sewer infrastructure is limited to the northern part of the South Beach area. Consequently, the cost to extend water and sewer lines long distances to serve narrow strips of land on either side of the highway is cost prohibitive.

2. General Description of the Neighborhood Plan

In response to the challenges outlined above, the Neighborhood Plan has been designed to re-direct the shape of future growth within the South Beach neighborhood in two potential phases. The following summary of land use changes is predicated on the completion of both phases. The main feature of the Plan is a proposal to redraw the Urban Growth Boundary (UGB) by adding approximately 268 acres south of Idaho Point and east of Highway 101 and by trading out approximately 309 acres east of the airport. **See Exhibit 6.** Exhibit 6A is the September 2005 draft plan map replaced in part by the Exhibit 6 map. The current Exhibit 6 map includes a proposed study area of property both within the current UGB and some acreage north of the waste water treatment plant proposed to be added to the UGB. The proposed area added to the UGB will retain the existing applicable city or county comprehensive plan and zoning designations until changed through the annexation process or at a later date. The Exhibit 6 (South Beach Village: Option 9) map was prepared by SERA and proposed for use by Double E Northwest, Inc., in the South Beach Neighborhood Plan. The Exhibit 6 map was accepted for use in the South Beach Neighborhood Plan by the Newport City Council through the formal public hearing process as recommended by the Newport Planning Commission. Exhibit 6A shows the property to be removed from the UGB.

The 268 acres to be added to the UGB are more suitable for urban level development than the 309 acres to be removed for the following reasons, including:

- Presence of primarily flat, buildable land;
- Proximity to existing infrastructure, allowing more efficient use of existing and future public investments;
- Potential to create a new neighborhood "node" that reinforces and will provide services to the existing nearby residences;
- Opportunity for mixed use developments; and
- Option for a transportation network that provides access, removes some traffic from Highway 101, and provides future development opportunities. The proposed road network provides an alternate north-south route for local trips and provides connectivity to the east and west sides of Highway 101.

In contrast, the 309 acres proposed for removal from the UGB have limited development potential due to the presence of steep slopes, convoluted accessibility which isolates the area from other land uses, is expensive to service, and inefficient to develop.

The Land Use Plan redraws the UGB to include approximately 309 acres south of the existing residential development on Idaho Point and east of existing industrial development along Highway 101. The Land Use Plan converts approximately 22 acres of existing Industrial and Public land already within Newport’s Urban Growth Boundary from the Industrial (one area immediately south of Mike Miller Park on property currently owned by Double E Northwest and currently identified as Lincoln County Assessor's Map 11-11-20 Tax Lot 100 to a Low Density Residential/R-1 Comprehensive Plan Map and Zoning Map designation and one area in the southeast corner of property currently owned by GVR Investments and currently identified as Lincoln County Assessor's Map 11-11-20-AB Tax Lot 100 from a Comprehensive Plan Map designation of Industrial to a Comprehensive Plan Map designation of High Density Residential)) and from the Public (the north portion of the triangle tip of a property owned by the City of Newport currently identified as Lincoln County Assessor's Map 11-11-20 Tax Lot 2700) the Comprehensive Plan designations and Zones to both Low Density Residential and High Density Residential designations as illustrated in Exhibit 6. In addition, approximately 48 acres are proposed to be re-zoned to open space with the addition of an open space overlay zone to be completed when the property owner has finished a formal wetland delineation of the property. These changes avoid the wetlands and steep slopes which are not suitable for industrial development.

TABLE 29
South Beach Neighborhood UGB Addition Description by Acreage
(Based on information provided by SERA)

Comprehensive Plan Designation	Potential Zoning Designation upon Annexation	Acres
Public	P-1	26
Low Density Residential	R-1	118
Low Density Residential	R-2	51
High Density Residential	R-3	45
Commercial	C-1	12
Industrial	I-1	16
		Total – 268

Note: An additional 48 acres (approximate) of wetlands and wetlands buffers with an Industrial Comprehensive Plan designation are recommended to be added under the proposed South Beach Open Space Zone designation.

Further discussion of each of the proposed land uses is found below. The net result of the Neighborhood Plan will be a reduction of the area within Newport’s Urban Growth Boundary by approximately 41 acres. Additionally, approximately 22 acres of land currently designated Public and Industrial with the UGB will be converted to a mix of Low Density Residential and High Density Residential designations as illustrated in Exhibit 6.

Exhibit 6

Residential

The property traded out of the UGB will include approximately 309 acres of High Density Residential property (part of the Wolf Tree Planned Destination Resort (PDR) property) and the property brought into the UGB will include approximately 214 acres of residential property (approximately 45 acres of High Density Residential and 169 acres of Low Density Residential Property). Currently, approximately 11 acres of the 214 residential acres added within the UGB is already designated as Lincoln County RR-2 (Rural Residential) and contains established residences. Within the UGB, approximately 22 acres of existing Industrial and Public designated property will be converted to a mix of approximately 20.5 acres of Low Density Residential property (identified for future R-1 zoning on Lincoln County Assessor's Map 11-11-20 Tax Lot 2500) with a small amount (approximately 1.5 acres) of High Density Residential property (southeastern portion of Lincoln County Assessor's Map 11-11-20-AB Tax Lot 100).

The following figures illustrate the acreage and dwelling unit potential comparisons for the property to be traded out and the property to be added to UGB:

**TABLE 30
DWELLING UNIT COMPARISON**

Type of Area Added to UGB	Acreage	Dwelling Units
Low Density Residential/R-1	118 acres	377
Low Density Residential/R-2	51 acres	269
High Density Residential/R-3	45 acres	705
		Total - 1,351
Type of Area Removed from UGB		
High Density Residential/R-4 (PDR)	309 acres	Total - 1,545

The dwelling unit calculations for the area added to the UGB were based on the residential buildable land methodology found in the City of Newport Comprehensive Plan Housing Section which nets out 20 % of an acre for roads and other infrastructure/requirements and the estimated average density per net buildable acre by zoning classification found on Table 12 on page 109. The average estimated dwelling units (du) per net buildable acre (ac) by zone are: R-1/4.0 du/ac, R-2/6.6 du/ac, R-3/19.6 du/ac and R-4/19.0 du/ac. Additionally, for the High Density Residential/R-4 (PDR) to be removed from the UGB, a projected 5 dwelling unit per gross acre average (although the calculation methodology still assumes the R-4/19.0 du/per net buildable acre) estimate from the Comprehensive Plan) was calculated based on the topographical constraints on the site and the limitations on development required by the City of Newport Planned Destination Resort zoning ordinance requirements. The calculations methodology for the property to be removed is explained in detail below. Because the property to be added to the UGB is more readily developable, the calculations for that property follows the straight forward methodology (standard 20 % deduction, average dwelling unit per net buildable acre estimates based on zoning) adopted in the Newport Comprehensive Plan Housing Section. The following summarizes the calculations overall for the property to be added to the UGB:

R-1: 118 acres x .80 (net) = 94.4 ac x 4 units/ac = 377 units
R-2: 51 acres x .80 (net) = 40.8 ac x 6.6 units/ac = 269 units
R-3: 45 acres x .80 (net) = 36 ac x 19.6 units/ac = 705 units

The proposed UGB amendment reduces the number of acres included within the UGB for high density residential uses through the proposed removal of approximately 309 acres of High Density Residential land (within the UGB but currently outside of the city limits) that was originally added to the Newport UGB as part of the Wolf Tree Planned Destination Resort. Development of the 309 acres is limited by a number of factors, including distance from available public infrastructure (including sewer, water, and transportation), location of the property to the east of the Newport Municipal Airport in relative isolation from additional urbanizable property, topographic constraints (considerable areas of steep slopes and significant creek drainages that bisect the property), and zoning requirements related to the planned destination resort designation such that to obtain a realistic projection of dwelling unit potential a more detailed set of analysis than was used for the property being added to the UGB is utilized. The Urbanization Section of the Newport Comprehensive Plan contains a discussion of the Newport Urban Growth Areas, including the Wolf Tree Planned Destination Resort property, and makes the finding on page 277 that "The project [the Wolf Tree Destination Resort] complies with Goal 8/'Destination Resort'. The property cannot be developed except as a destination resort consistent with state and city law." If the approximately 309 acres were to be annexed and developed, the development would occur consistent with the Planned Destination Resort requirements of the Newport Zoning Ordinance (NZO) (Ordinance No. 1308, as amended) Section 2-5-9 (PDR, Planned Destination Resort). Approximately 1,545 dwelling units (based on a 5 dwelling unit/gross acre estimate). As the approximately 309 acres have not been brought into the city limits with a plan approved through the Conceptual Master Planning process for PDRs, the following residential unit analysis supports the 5 dwelling unit/gross acre estimate as follows:

- 1) A minimum of at least 50% of the 309 acres (excluding yards, streets, and parking areas) would be in open space consistent with NZO Section 2-5-9.025 (General Requirements [for PDRs] (C) (1) which requires that: "At least 50% of the sum total of the acreage for all approved FDPs [Final Development Plans], including previously approved FDPs, of the entire planned destination resort site must be dedicated to permanent open space, excluding yards, streets and parking areas."
- 2) Topographic constraints on the approximate 309 acres are significant and limit the buildable portions of the property as illustrated on the map for the Wolf Tree property.
- 3) In addition to the minimum 50% open space requirement, the standard 20% net reduction from the remaining property for roads and other public infrastructure would further reduce the remaining acreage available for residential development. To verify that the estimated 5 dwelling units per gross acre is within the range of likely development density (using the 19 units per buildable acre average for R-4 zoned property from the Comprehensive Plan), a range of possible development would

include, for example, the minimum 70% netted to a 75% netted figure.

A) For the 70% netted out, the overall gross acreage density would be 5.7 units per acre (Calculation: $309 \times .3 = 92.7 \times 19$ units/acre (per R-4 average from Comprehensive Plan) = 1,761 units / 309 acres = 5.7 units per gross acre)

B) For the 75% netted out, the overall gross acreage density would be 4.7 units per gross acre. (Calculation: $309 \times .25 = 77.25 \times 19$ units/acre (per R-4 average from Comprehensive Plan) = 1,467 units / 309 acres = 4.7 units per gross acre)

4) The Wolf Tree PDR will likely include a mix of both single-family and multi-family residential units for both full time and vacation rental use as was proposed in the original application for adding the Wolf Tree PDR to the City of Newport UGB. The Southshore Planned Development (located to the west of Highway 101 in the South Beach area of Newport) provides an example of a similar development in an R-4 zone designation that was approved to include both tourist oriented commercial development, multi-family and single-family residential. The project included 326 residential units per the findings of approval for the Southshore planned development final order (86 single-family residences, 90 multi-family (condos) units, and a 150 unit residential hotel). The Southshore project contained significant wetland constraints with approximately 43 acres of the 79 total project acres devoted to open space (approximately 55% open space). The gross dwelling unit per acre figure was calculated in the findings approving the Southshore project as 4.12 dwelling units/acre (or with 55% open space and assuming 20% net of the remaining area for roads and other infrastructure, the net per buildable acre density as approved was 19.75 units).

Industrial

An additional 16 acres of Industrial property is added to the UGB while the Plan will decrease the amount of land planned or zoned for Industrial use through conversion to residential use by approximately 22 acres. Additionally, approximately 48 acres of Industrial land comprising of wetlands is recommended to be designated with a South Beach Open Space Overlay zone when the property owner completes a formal wetland delineation on the property that is currently underway. Since much of this land is comprised of wetlands and steep slopes in excess of 10 per cent, it is not suitable for industrial use.

Commercial

As discussed in earlier sections of the report, there is a strong need for additional commercial land in the City. Additional evidence is provided by the building permit data from 2004 which indicated that the valuation of new commercial construction of commercial space has steadily declined since 2000. The Land Use Plan will provide an additional 12 acres in association with a new site for an institutional use to serve as the focus for a new community

“node”. The plan also recommends several polices evaluating the potential for conversion of additional industrial land to commercial land in a portion of South Beach near other commercial and tourist oriented uses such as the Oregon Coast Aquarium. These 12 acres will not satisfy the entire City-wide need for new commercial land however, the remainder of that need will need to be met through redevelopment, revitalization and conversion of other existing land uses in South Beach and north of the Yaquina Bay.

Business Park

A total of 16 acres of additional industrial property is added to the UGB north of the waste water plant that is recommended for Business Park use. The purpose of a new Business Park area is to provide sites for a mix of light industrial, office and service types of businesses in a more formal campus type of setting that could be developed through the master planning process upon annexation of the site.

Institutional

Twenty six acres near Mike Miller Park within the area proposed to be added to the UGB have been identified for Institutional use. It is anticipated that a major institution such as the Oregon Coast Community College or school will locate on this site. This area is part of the approximately 268 acres to be added to the UGB.

Recreation and Open Space

The Land Use Plan includes the designation of an area of open space north of the Municipal Airport that is consistent with the identification of an open space area (OS-7) on the 1993 City of Newport Park System Master Plan Facility Plan. In addition to the open space designation consistent with OS-7, the Land Use Plan proposes to relocate community park site C-2 of the 1993 City of Newport Park System Master Plan to the City owned property east of the wastewater plant and zoned P-1. This location would be nearer the proposed residential areas and on a generally flat area. The C-2 community park site was originally recommended to be situated on land near the City's proposed wastewater plant. Since the adoption of the 1993 City of Newport Park System Master Plan, the City has purchased land further to the east and constructed the wastewater treatment plant. No changes to the recommended facilities for the C-2 park site identified in the 1993 City of Newport Park System Master Plan are proposed at this time. However, it is recommended that the "Open multi-purpose grass area, large enough for pick up games" identified as part of the facilities for the C-2 park site should be designed in such a fashion as to support soccer usage.

For the residential area included within the new area added to the UGB, it is recommended that the master planning for the area include a park meeting the definition of a neighborhood park (3-5 acres) (established in the 1993 City of Newport Park System Master Plan on page VI-2) on the northern portion of the area. Park and Open space connectivity is an important element in the development of trails and bike paths. The master planning for the site added to the UGB should also at a minimum provide links to the trail system as proposed in the 1993 Newport Park System Master Plan (or the Park System Master Plan current at the time of master planning and other adopted City plans).

Other than those items identified above, the Land Use Plan does not propose any additional specific locations for Recreation land as it appears that most of the 1993 City of Newport Park System Master Plan Facility Plan for the South Beach area remains to be implemented.

A new South Beach Open Space zoning designation is proposed to allow the open space designation to be applied to privately owned property and to allow property owners to seek tax incentives for open space preservation under Oregon Revised Statutes Section 308A. Tax incentives are available for private property owners that wish to preserve open space by requesting an open space designation for lands that may qualify under the ORS 308A.300 definitions (such as those lands that would conserve and enhance natural or scenic resources, protect air or streams or water supply, promote conservation of soils, wetlands, beaches, or tidal marshes, conserve landscaped area which reduce air pollution and enhance the value of abutting or neighboring property, enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open space, enhance recreation opportunities, preserve historic sites, promote orderly urban or suburban development, and for other reasons).

A policy is also included encouraging the acquisition by either public or private entities of areas for open space preservation (such as wetlands), especially areas adjacent existing park facilities such as the South Beach State Park or Mike Miller Park."

Existing land uses

Many land use designations in South Beach are not proposed to be changed. The Wolf Tree Planned Destination Resort at the southern end of the City will remain. The two South Beach residential neighborhoods on either side of Highway 101 at the northern end of South Beach are reinforced by the presence of the proposed new residential uses. The Newport Municipal Airport, the Hatfield Marine Science Center, and the Aquarium shall be enhanced in the future because they help to define the character of the area and have the potential to generate new business opportunities. Several policies are included within the proposed plan to evaluate some areas of South Beach for possible future changes that may be desired by the property owners.

B. Transportation Plan

Note: Changes in proposed land use designations that occurred as part of the public hearing process required the detailed transportation analysis previously included in the original September 2005 and March 2006 revised South Beach Neighborhood Plan to be amended to reflect new and additional information. Several exhibits and tables were removed from the text of the transportation plan portion of the South Beach Neighborhood Plan. The amended transportation analysis is now a separate supporting document. Additionally, at the time of adoption of this Plan, the City had initiated an update to the City's Transportation System Plan which would include a review of the transportation improvements in the South Beach area.

As part of the Land Use Plan, new transportation infrastructure is proposed. A new Parkway is proposed to provide access to the area proposed for addition to the UGB. This Parkway will allow north-south transportation off Highway 101 and will serve to connect the existing development to the proposed development. Another transportation enhancement includes improvements to the east-west road network to provide connectivity across Highway 101; for example, re-positioning the entrance to South Beach State Park to align with 50th Street will allow traffic to cross the highway at a signalized intersection. The additional road network will also provide more opportunity for non-motorized circulation such as bicycles and pedestrians.

The proposed land development plan for the South Beach area of Newport will generate a substantial volume of additional traffic. The removal of the 309 acres of High Density Residential property will provide a reduction in the volume of traffic anticipated. Through a combination of the addition of property to the UGB and the removal of property from the UGB the goal is to minimize impacts on the transportation system. The property added into the UGB will result in traffic patterns different from those that now exist in South Beach. To assure that the new traffic volumes and patterns do not become an impediment to the desired land development, the roadway system must be made to accommodate the traffic safely and efficiently. This means that adequate facilities for pedestrians and bicycles as well as vehicular traffic should be provided.

The need for new transportation facilities was determined by first collecting information about existing traffic volumes and patterns. Then, based on the types and locations of the proposed new development areas, a sketch-level roadway network was created that would serve the new developments. The number of trips that will be created by the planned new land development was estimated, and the new trips were then assigned to the conceptual street network. Critical intersections within the street network were analyzed in detail to verify that the proposed street network would be adequate and to determine the lane configuration that will likely be needed to accommodate all the new trips. The analysis assumed that most of the planned development areas would be built out within 20 years.

Based on the results of the traffic analysis, recommendations were made for the design of the new roadways and the intersections. It is important to note that, first, some of the recommended roadway improvements will not be needed until a substantial amount of the planned land development occurs. This means that the improvements can be constructed in phases over a period of years. Some roadway links will not need to be constructed initially,

and some roadways can be constructed initially but not built to their full width until a later time. As land development projects are proposed, the appropriate phasing of roadway improvements can be determined.

Second, the need for the recommended roadway improvements could change if land development plans change from the current plans. More or less intensive development could result in a greater or lesser need for roadway improvements. The roadway improvement recommendations in this report can serve as a basic framework, allowing changes and adjustments to be made as development plans are revised.

Roadway Network

To accommodate traffic from the proposed area added to the UGB, a conceptual plan for a network of roadways was produced (**see Exhibit 11**). The primary component of the network is a loop roadway to the east of 101 which would bisect the area added to the UGB. The north end of the loop would be located at 40th Street, and the south end would be at the present location of 50th Street. A potential extension of the south end of the loop west of US 101 could serve as a new access to South Beach State Park as a replacement for the existing access. Similarly, a potential extension of the north end of the loop to the west of US 101 could provide additional access to properties on the west side of US 101 between 40th and 32nd. It is likely that both the north and south intersections of this loop with US 101 will ultimately be controlled by traffic signals.

The south end of Ferry Slip Road presently intersects US 101 at an acute angle. To eliminate this awkward intersection and to provide a street system that will encourage long-term redevelopment of Area D east of US 101, a realignment of Ferry Slip Road is proposed. The intersection with US 101 would be eliminated, and Ferry Slip would be extended to Ash Street and to the south to intersect with the proposed new roadway loop through the area added to the UGB.

This realignment would provide a continuous street east of US 101 that would extend from 32nd on the north to the proposed loop roadway on the south. There is an existing signal on US 101 at 32nd, and a future signal is likely to be installed on US 101 at the proposed loop roadway. As part of this realignment a restriction of turning movements on US 101 at 35th Street should be considered. Limiting the access to US 101 at 35th to right turns in and right turns out would reduce congestion and improve safety on the highway, particularly with traffic signals at both 32nd and 40th (the location of the proposed loop roadway).

Recommendations

Roadway Configuration

The recommended roadway configuration for South Beach is shown in **Exhibit 11**. This configuration includes the following improvements:

- Construction of a new loop roadway through the area added to the UGB
- Widening of US 101 to four through lanes from the Yaquina Bridge through the 50th

Street intersection

- Realignment of Ferry Slip Road and Ash Street to provide a continuous street
- Elimination of the intersection of Ferry Slip Road and US 101
- Turn restrictions at the intersection of US 101 and 35th Street
- Installation of a traffic signal on US 101 at 40th Street
- Installation of a traffic signal on US 101 at 50th Street

The required lane configuration of the proposed roadway intersections was determined from the capacity analysis of the intersections. The capacity analysis was based on full build-out of all the planned land development and redevelopment in the South Beach area, except that less than full build-out of high-density residential is expected within 20 years. The analysis determined that the lane configurations as shown in Exhibit 10 will be necessary.

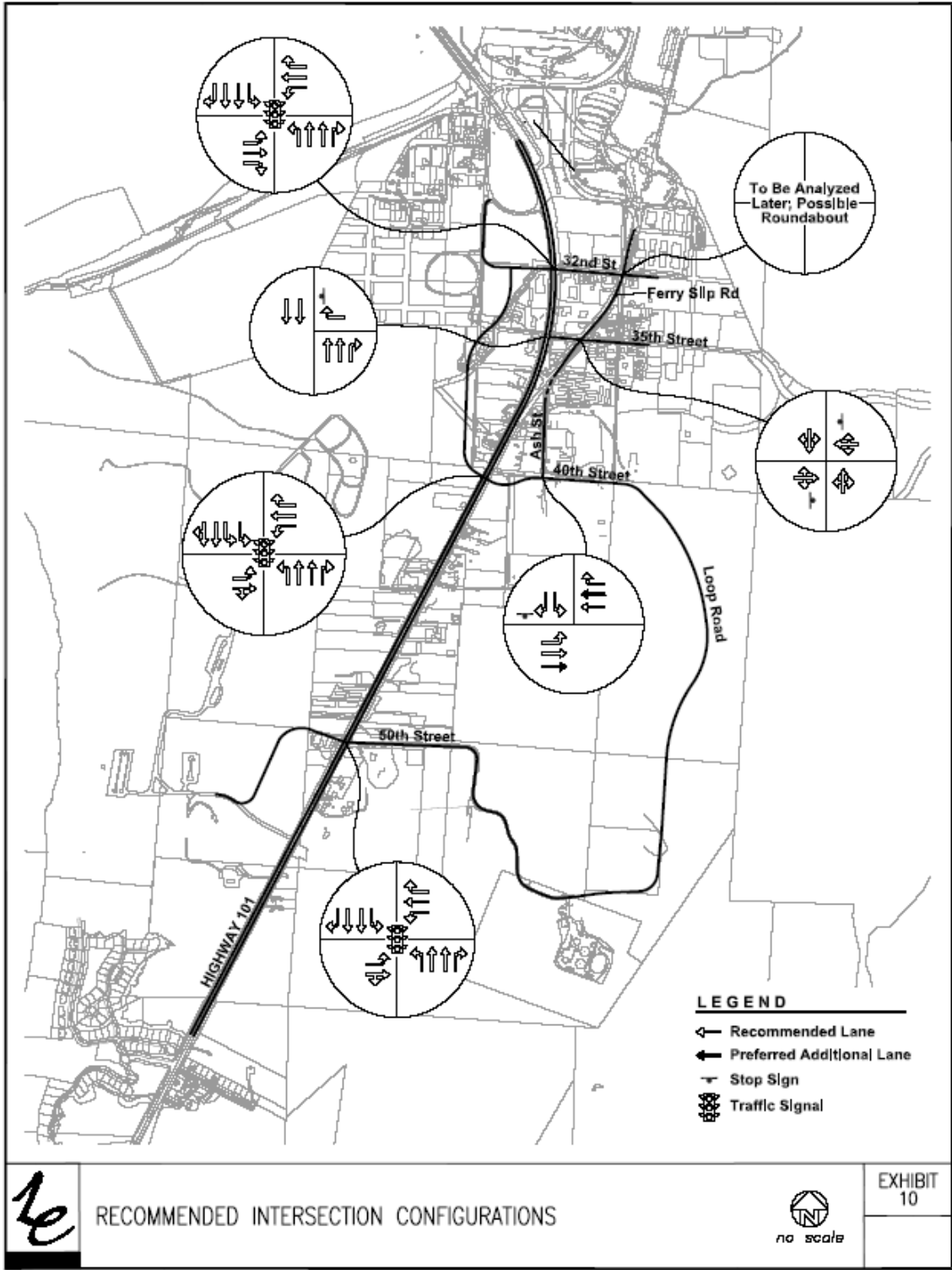
Because full build-out of the planned land development will require 20 years or more, the roadway and intersection improvements may be constructed incrementally. For example, as new intersections are constructed, they could be constructed initially with only through-traffic lanes and no turn lanes. As traffic volumes increase, turn lanes can be added. But right-of-way for the full improvement should be obtained when possible with the initial construction.

US 101

The capacity analysis indicates that four through traffic lanes will be required on US 101 from the Yaquina Bridge to 50th Street. The transition from four lanes to two lanes should be south of 50th so that four lanes are provided through the intersection. In addition to the through lanes, turn lanes will be required at the major intersections on US 101 as shown in Exhibit 11.

The existing traffic signal on US 101 at 32nd and the proposed traffic signals at 40th and 50th will provide sufficient capacity for the land development included in this study. However, the 32nd Street intersection will be close to capacity with full build-out of the assumed development. If the planned land-use study for the Port of Newport indicates that redevelopment of the marina area will generate a substantial volume of new trips, additional improvements to the 32nd Street intersection will be required. Retaining free-flowing traffic on the entrance and exit ramps on US 101 at the south end of the Yaquina Bay Bridge and encouraging their use through signing will reduce the need for improvements of the 32nd Street intersection.

The projected traffic volumes for full build-out of all the planned development in South Beach indicate that ultimately four lanes will be required on the Yaquina Bay Bridge to avoid traffic backups on the bridge approaches. This is consistent with the current Newport Transportation System Plan, which projects that the bridge will exceed capacity in 2016. In the future, as long-term transportation planning is undertaken for the Newport area, the need for additional vehicular capacity across Yaquina Bay should be addressed.



Scenic Parkway

As part of the development of the area added to the UGB east of US 101, the proposed network includes a new loop road through that area. Although two lanes (one through lane in each direction) on the loop roadway appears to provide sufficient capacity for the projected traffic volumes, it is on the borderline of needing four traffic lanes. With only two traffic lanes slow speeds could be expected during the peak traffic hours, particularly when slow-moving trucks are traveling up the hill. In any case, two eastbound lanes will be needed on 40th for a distance east of US 101 to accommodate the southbound double left turn from US 101.

The initial construction of the loop roadway can be limited to two lanes, but it is recommended that sufficient right-of-way be obtained and the roadway designed to accommodate widening to four lanes in the future. The future four lanes should extend from the north intersection with US 101 (40th Street) to approximately the center of the area added to the UGB. At that point the roadway can transition back to two lanes.

The ultimate design and construction of the loop roadway as a scenic parkway should be considered if future analysis indicates that it is feasible and practical to do so. This would include two through lanes in each direction on the north half of the parkway, and a landscaped center median the entire length of the parkway that would be used as a left-turn lane at intersections. Trees and other landscaping could be provided both in the center median and on each side of the street between the curb and the sidewalk. A landscaped parkway design would be an attractive and inviting entrance to the entire area added to the UGB.

With development of the area added to the UGB and redevelopment of the area south of SE 35th Street with shops, restaurants, and other tourist-oriented businesses, there may be a demand for travel between the two areas. Because the distance between the two areas is relatively short, it is recommended that a pedestrian and bicycle path be developed between the two areas. A pedestrian/bicycle path would have the potential to eliminate some vehicular trips. A possible location for the path would be on the easterly and northerly side of the loop roadway, then to the north along Ash Street and Ferry Slip. The pedestrian/bicycle route would then connect with the pedestrian/bicycle route to the north of 32nd as shown in the Transportation System Plan.

Ferry Slip Road/Ash Street

There is a potential for redevelopment of the area east of US 101 and between 32nd and 40th, over the next 20 years and beyond. To facilitate this redevelopment, it is recommended that Ferry Slip Road and Ash Street be realigned and reconstructed to provide a continuous street between 32nd and 40th (the loop parkway).

Construction of this street could result in several benefits. First, by providing a street parallel to US 101, it would permit travel throughout this area without the necessity of entering and exiting US 101. Second, it would provide access from all of this area to the existing signal at 32nd and the proposed signal at 40th. Third, it would provide the opportunity to construct

the street as a landscaped local street with parking which would be attractive to tourists. This would encourage the development of tourist-oriented businesses such as shops, restaurants, lodging, and other retail operations.

As part of the construction of this street, a connection should be maintained on 35th Street between US 101 and Ferry Slip Road. As traffic volumes in the area increase, turns should be restricted at the 35th/101 intersection to eliminate left turns onto and off of US 101 to avoid safety concerns (see **Exhibit 11**).

The Parkway is expected to cost approximately 2 ½ million dollars per mile. This preliminary estimate assumes that the public right of way will be donated by the landowner and no unusual circumstances are encountered that might impact the construction.

32nd Street/Ferry Slip Intersection

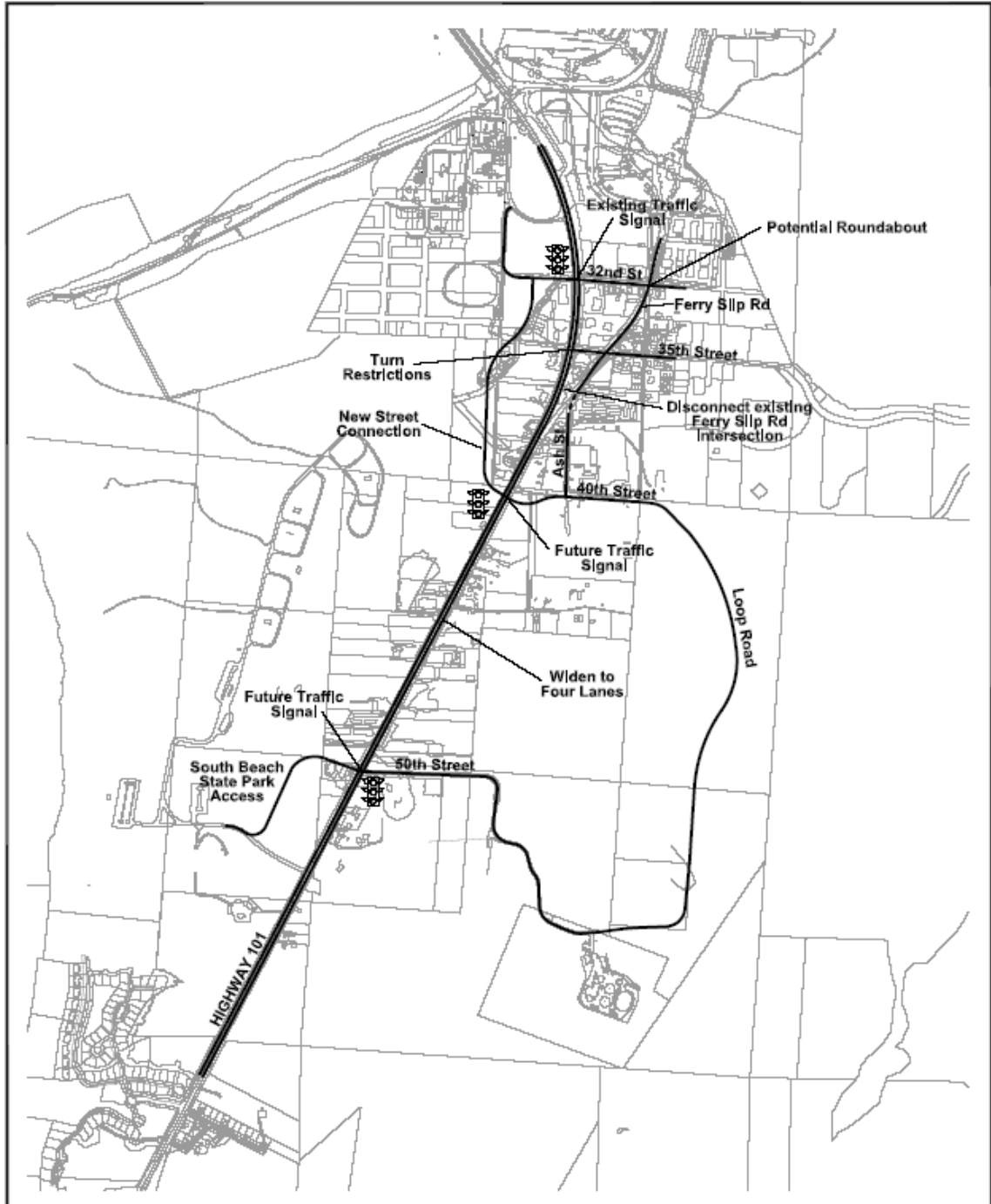
Because of the proposed land-use and transportation study of the Port of Newport marine district, the 32nd/Ferry Slip intersection was not analyzed as part of this study. It is not known at this time what the ultimate required lane configuration for this intersection will be, and whether a traffic signal will be needed.

Due to the location of this intersection, and because the signalized intersection of US 101 and 32nd offers easy access to this intersection, the 32nd/Ferry Slip intersection will in effect serve as a gateway to both the marine district to the north and the redevelopable Ferry Slip/Ash Street district to the south. To enhance the attractiveness of this intersection as a gateway, it is recommended that this location be considered for a roundabout with a landscaped center island. A roundabout would eliminate the potential need for a signal, would keep traffic free-flowing, would avoid backups that might extend back to the existing signal at US 101 and 32nd, and would eliminate the need for extra street width for left-turn lanes. It would also provide a landscaped park-like entrance to the two districts.

South Beach State Park Access

The existing access from US 101 to South Beach State Park is located approximately 950 ft south of the proposed traffic signal at 50th Street. During peak days in the summer there can be extensive delays to traffic attempting to enter US 101 from the park. Because of the close proximity to the proposed signal at 50th, it is unlikely that a signal will be installed at the park access.

It is recommended that the feasibility of relocating the park access be investigated. Relocating the park access to serve as the west leg to the 50th Street intersection, and removing the existing access, would provide a signalized access to the park when a signal is installed at 50th. There would be cost, wetland, and right-of-way issues involved with a relocation of the access, but the benefits to park users in terms of both safety and delay would be substantial.



RECOMMENDED TRANSPORTATION SYSTEM



EXHIBIT
11

Roadway Improvement Priorities

Because the development of new areas and the redevelopment of existing areas of South Beach will take place over a period of 20 years or more, the proposed roadway network can be constructed over a period of years. It is not necessary to construct all the new streets initially, and it is not necessary to construct new streets initially to their ultimate configuration.

The order in which roadway improvements should be constructed will depend to a large extent on the sequencing of land development. This in turn will depend on market conditions and financing availability and is difficult to forecast. But to assure an orderly development process and to facilitate implementation of the land-use plan, some general recommendations can be made for roadway improvement priorities:

- Begin to procure right-of-way based on preliminary design.
- Construct the north portion of the loop roadway through the area added to the UGB, from US 101 at 40th Street to a point within the area added to the UGB. It may be constructed initially as two lanes, but should be designed for ultimate expansion to a four-lane parkway if future analysis warrants it. This will allow development of the UGB to begin.
- Widen US 101 from Yaquina Bridge to a point south of 40th to four lanes with a center median. This will accommodate the increased traffic volumes between downtown Newport and the area to be added to the UGB.
- Realign and reconstruct Ferry Slip Road and Ash Street to provide a continuous street parallel to and east of US 101 from 32nd Street to the loop roadway.
- Construct the remaining portion of the loop roadway to an intersection with US 101 at 50th Street.
- Widen US 101 to four lanes with a center median from 40th to a point south of 50th. The transition from four lanes to two lanes should be south of 50th so that four lanes of capacity are provided through the intersection.

Traffic signals on US 101 at 40th and at 50th should be installed when traffic volumes meet the traffic signal warrants. Turn lanes at the intersections, as specified in this report, should be constructed when needed if they are not built as part of the initial roadway construction.

Access to property southeast of the intersection of US 101 and 50th Street

The development of about 14 acres of commercially zoned land at the southeast intersection of US 101 and 50th Street is identified as a possible area for future commercial development if the property owner decides to pursue a change from the current Industrial designation to a Commercial designation. To avoid safety and congestion issues on US 101, it is recommended that primary access to that area be from 50th Street rather than US 101. Depending on the layout of future development, it may be possible to include a right-in right-out access to US 101 near the south end of that area.

Locating the primary access on 50th Street will allow development traffic to use the future signal at the 50th/101 intersection. To assure that all trips within that area will have access to the 50th Street signal, it will be necessary to have a master plan for the area so that all parcels within that area will have access to 50th Street.

C. Utilities Plan

In addition to the transportation improvements, the Neighborhood Plan also encourages more efficient use of public infrastructure. The existing water reservoir and wastewater treatment plant are located immediately adjacent to the land proposed for addition to the UGB and near the land proposed for conversion from industrial to other uses. This proximity will result in lower construction and maintenance costs, benefiting the City as a whole. The Land Use Plan proposes additional water and sewer infrastructure, along with storm drainage enhancements.

1. Sanitary Sewer

Expansion of the sewer system is required to provide wastewater service to areas proposed by the South Beach Land Use Plan. The recommended capital improvements identified as Phase I are necessary for providing service to the expanded UGB area east of Mike Miller Park. Phase II improvements address expansion of the sewer system to Idaho Point and the development areas located directly north of the airport. Future improvements for areas south of the South Beach Development and west of the airport and south to the Thiel Creek area have not been incorporated into this Plan but are identified in the existing Wastewater Facility Plan. The Phase I and Phase II improvements are discussed below. **See Exhibit 12.**

- ***Project #1 – 10” Sewer Trunk Line Urban Growth Boundary Road – Phase I***

Sewer service to the new UGB expansion area above Mike Miller Park will consist of 4,800 LF of new 10-inch and potentially 12-inch gravity main running north to 40th Street and 4,000 LF of new 8-inch gravity main running south to the south beach lift station. Routing of both mains should generally follow the alignment of the proposed UGB expansion area road. Each gravity main should also be designed to a depth that allows future developments to connect extensions of the collection system from the proposed residential, commercial, and community college development areas. The 10-inch line running north should flow by gravity to the existing 36-inch gravity interceptor which will allow collected flows to discharge to the influent pump station on Highway 101. The 8-inch line running south should flow by gravity directly to the south beach lift station. A small pump station may need to be constructed at the treatment plant to lift the flows received from the south interceptor into the headworks or the sewer should be extended down Mike Miller Road to connect into the influent pump station.

- ***Project #2 – 8-inch PVC Sewer -From Upper Idaho Point - Phase I***

Wastewater collected from the proposed 105 acre upper Idaho Point residential development should be collected through 3,800 LF of new 8-inch gravity main running west below the ridge line to the proposed north UGB road where it can be connected to the 10-inch UGB area sewer main. Portions of this development area on the north and westerly slopes of Idaho Point may require small pump stations or grinder pumping equipment with small diameter sewers to lift wastewater to the ridge line main collector sewer.

Exhibit 12

- ***Projects #4 – #5 - Idaho Point Sewer System – Phase II***

As development progresses east along the hilltop of the expanded UGB area, the Idaho Point area (Basin S 6) can be expected to experience development pressure. Expansion of sewer service into this area will be required to allow this growth to occur.

Sewer service could be provided to the Idaho Point area by routing 3,200 LF of 8-inch gravity main east along the ridge to the end of Idaho Point then west along 35th Street. A 350 gpm lift station and 3,800 LF of 6-inch force main running along 35th street should be constructed to convey flows collected from Idaho Point into the existing sewer system in Basin S5.

- ***Projects #6 - #8 – North Airport Sewer System – Phase II***

The South Beach Land Use Plan identifies the potential for development of residential property east of Highway 101 and north of the airport. Development of a sewer system in this area will be difficult, due to the steep terrain, deep canyons, and Henderson Creek tributaries. Onsite systems and lower density developments may be more appropriate for this development area.

If a public sewer system is extended into this development area, then approximately 4,100 lineal feet of 8-inch gravity main should be constructed to serve the north half of the 100-acre area. A 250 gpm lift station and 1,450 LF of 6-inch force main running along the old railroad right of way should also be constructed to lift flows up to the wastewater treatment plant. The remaining acreage proposed for development to the south will also require 8-inch gravity main and one or possibly two additional lift stations.

2. Water

Improvements to the South Beach water system are identified according to short-term and long-term goals. The capital improvements recommended for the South Beach Development Lands Plan are summarized below. **See Exhibit 13.**

- ***Project #1. King Ridge 1.0 MG Reservoir (EL 320')***

The proposed South Beach developments will require construction of a new high level water system. This system will provide fire flows and potable water for human and commercial consumption. In order to service the recommended urban growth boundary additions and the airport, a new 1.0 MG water tank should be constructed on King Ridge (elevation = 320-ft +/-) according to the guidance provided by the City's Water System Master Plan. The King Ridge water tank should be constructed at an elevation of 320 feet to provide complete coverage of all areas proposed for development.

According to preliminary calculations, the proposed new development will require a minimum of approximately 750,000 gallons of storage to maintain the minimum fire flow requirement of 3,000-gpm for 3-hours at the community college, commercial, and industrial sites. An additional 250,000 gallons of storage is also necessitated by the need to provide storage for subsequent phases of new development that may occur during the life of the new water storage tank.

Exhibit 13

- ***Project #2. 16" Water Main to New High Water Tank***

Preliminary calculations and water modeling indicate that 5,500 lineal feet (LF) of 16-inch diameter water main should be constructed from the King Ridge tank to the new South Beach development areas. This water main is sized to maintain minimum fire flow requirements for the proposed commercial and institutional developments at the UGB expansion areas and the airport as discussed below.

- ***Project #3. 12" PVC Water Main Loop New Development***

Within the new UGB expansion area, approximately 9800 LF of 12-inch PVC water main should be constructed along the main road for the new development. This water main will connect to the existing 16" HDPE water main from the King Ridge tank to the existing 12-inch PVC water main located on Highway 101 to the north and the Mike Miller Park reservoir to the south. The 12-inch main will provide fire flows to the proposed new development including commercial, residential and the proposed community college. Pressure relieving valves will also need to be installed on the north and south ends of the loop.

- ***Project #4 - 12" PVC Water Main Loop New Development***

According to preliminary calculations, the approximately 3700 LF of 12" PVC water main through the proposed residential development west of King Slough and south of Idaho Point. Construction of this main will provide fire flows and residential pressures to new residential developments proposed for this area. In the long term, this water main should be extended to Idaho Point and then loop back along 35th Street on the North end of Idaho Point before connecting to the existing 12" water main at SE Chestnut and 35th Street.

- ***Project #5 – King Ridge pump station, 350 gpm***

Water from the existing Mike Miller Park reservoir will need to be pumped up to the King Ridge reservoir to create the new pressure zone recommended for these high elevation development areas. The Pump Station will be constructed to deliver water to the proposed King Ridge Tank while the tank floats on the system. Preliminary analysis indicates that a pump station should be capable of pumping 350 gpm at 120' of total dynamic head.

- ***Project #6 – 2-12" PRVs***

With the addition of the new high water tank at King Ridge, 2-12" PRVs will be required to back feed the lower pressure zone in the existing South Beach development area. The pressure reducing valves will need to be located on both the north and south ends of the UGB expansion loop road at an elevation of approximately 150-feet +. These valves will supplement the lower pressure zones during protracted (greater than 3-hour) fire fighting events.

- ***Project #7 – Newport Airport Water Main***

Approximately 5500 LF of 16" water main will be required to supply water to the

Newport Airport. According to preliminary calculations, this water main will provide the minimum required fire flows at the airport (3,000 gpm) plus potential consumptive use for developments around the airport. As part of Phase II, this water main will be looped back to the system with the construction of a 12" water main through the 100-acre residential development area just north of the airport.

- ***Project #8 – Miscellaneous South Beach Water System Improvements***

As indicated in Exhibit 13, some areas of South Beach are still served with 2", 3", and 4" water service lines. In these areas there is insufficient fire flow and likely degraded levels of water service due to losses in system pressure. Water modeling indicates that areas west of Highway 101 would have sufficient fire flow with the addition of a proposed 12-inch PVC water main located along Highway 101 connecting the existing 12" PVC South Beach State Park Loop to the new 6" PVC water main on SW 30th Street east of SW Coho Street (approximately 1300 LF of new 12" water main). However, adequate fire flow could also be obtained by replacing the existing 2" water line on SW 27th Street with a new 6" PVC water main (approximately 650 LF of new 6" water main).

3. Storm Sewer

The proposed changes to the urban growth boundary will increase the percent of impervious area at build out in basins 2, 5, & 6, as well as sub-basins 13-E and 15-E of basin 3. The percent of impervious area in the proposed residential areas in basin 2 was increased to 38% (assuming ¼ acre residential lots). The percent of impervious area in basins 3, 5, 6 and was increased to 25% (assuming ½ acre lots due to the steep terrain in these areas). The percent of impervious area for the proposed commercial and institutional areas in basins 5 & 6 was increased to 55% impervious. These run-off factor were developed in the storm water master plan based on existing development patterns.

The increased percent impervious area will increase the runoff, resulting in the following recommended changes to the existing storm water master plan:

- ***Project #2 – Culvert Replacement, Ditch Renovation (east of 35th Street)***

This project involves upsizing the existing 24-inch culvert under SE 35th Street and expanding the ditch that runs along side SE 35th Street.

Based upon preliminary calculations, the proposed Idaho Point residential area will increase flow to the culvert from an estimated 105 cfs to an estimated 135 cfs. The recommended culvert should therefore be upsized from a 42-inch culvert to an 54-inch culvert. The recommended ditch improvements should also be expanded accordingly.

The estimated economic impact of this change is that the project cost nearly doubles from \$60,000 to \$80,000.

- ***Project #5a - Alt 1 Redirect Drainage to Basin #7***

This project involves construction of a series of channels and culverts parallel to, and along the west side of the highway to convey flow south from the proposed box culvert under Highway 101 (ODOT #144) to the existing natural channel in Basin 7(4) (See Sub-

basin Figures 4.1.1 and 4.1.2 in the South Beach SWMP).

Based upon preliminary calculations, the proposed development will increase the flow under Highway 101 from 129 cfs to 237 cfs. The recommended culverts and adjoining ditches should therefore be upsized. The recommended box culvert under the highway should likely be upsized from a 3'x6' (57-inch equivalent) box culvert to a 4' x 7' (71-inch equivalent) box culvert.

The estimated economic impact of these design changes is to increase the cost of Project #5a from approximately \$1.2 million to \$1.5 million.

On the June 2004 Storm Water Master Plan capital improvement project list, several changes would need to be made in relationship to proposed changes in land use designations as part of the proposed South Beach Neighborhood Plan. Specifically, Project #2 (Culvert Replacement/Ditch Renovation on SE 35th Street – at an estimated increase of \$20,000 from the \$60,000 originally estimated) and #5a (Alternate 1 – Redirect Flow – an estimated increase of \$300,000 from the \$1.2 million originally estimated) proposed would need to be upsized to accommodate additional storm drainage from the proposed changes in the Comprehensive Plan as explained above. Project #6 (Airport Drainage Improvements – estimated at \$1.426 million), however, would likely not be required as a project as the proposed improvements were necessary to serve an area of High-Density Residential east of the Airport (the proposed South Beach Neighborhood Plan adjusts the Urban Growth Boundary by moving the residential area to the north to abut the Idaho Point area and removes that property east of the Airport from the Urban Growth Boundary). The increase in the storm water capital improvement estimated costs to accommodate the proposed South Beach Neighborhood Concept Plan would be \$320,000. With Project #6 likely not needed in the current planning horizon, however, the overall impact on the proposed storm water capital improvements would be a reduction of approximately \$1.106 million in projected capital costs.

D. Urban Design Concepts

As part of the South Beach Neighborhood Plan development process, an analysis of existing urban design opportunities and recommendations for the South Beach area was completed and is included in the Appendix material. Based on the analysis completed and the public input received from the public and from the Ad Hoc Advisory Committee, the Plan includes a policy identifying general urban design goals that should be considered and encouraged in the South Beach neighborhood for new and infill development.

Gateways identifying entry into the South Beach area of Newport were also considered to be an urban design feature lacking at both the north and south end of the South Beach area. For the purposes of this Plan, the Ad Hoc Advisory Committee focused on the north gateway. The U.S. Highway 101 Urban Gateway Design Concept for the north entrance into the South Beach area is included as **Exhibit 14**. The City should work with the Oregon Department of

Transportation and should pursue funding and implementation of the proposed U.S. Highway 101 Urban Gateway Design Concept identified in Exhibit 14 as appropriate.

Exhibit 14

Commercial – Small

<p>PARCEL</p> <p><u>Area:</u> 0.60 acres <u>Street Frontage:</u> Shown-130’ on a local public street <u>Density Target:</u> 0.4 –0.5 FAR <u>Lot Coverage:</u> No maximum (Shown: 40%) <u>Open space:</u> Approx. 80% of open space shall be treated for use by pedestrians or for outdoor dining. Shown: 2,000sf approx. covered dining terrace adjacent to the sidewalk, and 500sf approx. landscaped court adjacent to building. <u>Surface water management:</u> Not shown on site-common off-site facility is assumed.</p>	<p>LANDSCAPING</p> <p><u>Space between building & Sidewalk :</u> shall be appropriately landscaped for use and enjoyment by pedestrians. Enhanced materials encouraged. <u>Trees:</u> Install 4-5 coast appropriate trees in planter strips along public streets (as shown). Install additional 4-5 coast appropriate trees. <u>Conservation Areas:</u> Per City standards <u>Fences and Walls:</u> Shall be Min. 18” and this space shall be landscaped with trees or shrubs. <u>Buffers / Screens:</u> Per City standards. <u>Signs:</u> Shall be pedestrian-oriented; directional signs are encouraged.</p>
<p>BUILDINGS</p> <p><u>Location:</u> Setback-Front: 0-10’ (Shown –2’, landscaped) Setback-Rear: 0 Setback-Sides: 10’ <u>Building Orientation:</u> The building shall be oriented to the public street (as shown). <u>Max Height:</u> 35’ <u>Height Transition:</u> YES-adjacent to existing SF <u>Entrance Door:</u> The entrance door shall be oriented to and directly accessible from the public sidewalk. <u>Ground Floor Design:</u> Min 80% of ground floor along public streets shall incorporate windows with clear glass. (As shown: Glazed Porch) <u>Other Architectural Design:</u> The following architectural features are encouraged: Corner entry (at a street intersection); cornice, roof projection; cupola, skylight, bay windows.</p>	<p>PARKING</p> <p><u>Off-street Auto parking:</u> Shall be behind or on side of building (not between building and public street). <u>Deliveries / Loading:</u> Off-street loading area is preferred; some street parking may be time designated for delivery vehicles. <u>Bike parking:</u> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building main entrance, typically in the street furniture zone between the sidewalk and travelway. <u>Shared parking:</u> Some of the off-street parking may be shared with complementary uses nearby. <u>On-street parking:</u> Shall be incorporated on the adjacent public (City) street. (shown: 5 parallel parking stalls).</p>
<p>SITE ACCESS & CIRCULATION</p> <p><u>Vehicle Access & Circulation:</u> As shown: A shared driveway from public street; a rear alley, lane or road, connecting to the cross street. <u>Pedestrian Access & Circulation:</u> As shown</p> <p>Street Connectivity: Required</p> <p><u>Block Formation:</u> Max block 2.5. ac. approx.; shall include an alley, lane or internal road connection between two streets forming the block.</p>	<p>SPECIAL FEATURES</p> <p>The SMALL Commercial Prototype Design has good potential to be the primary use in a vertical or horizontal Mixed-use development. Eg., part of the ground floor of a lodging facility; Exclusive ground floor use with 2nd floor office, (for local business space or services). Pedestrian amenities shall include 3-4# 12-16’ height street lights, and a couple of benches, and flowers.</p>

See Exhibit 15

Commercial – Medium/Tourist

<p>PARCEL</p> <p><u>Area:</u> 1 acre to 1.25 acres <u>Street Frontage:</u> Parcel fronts on 2 public streets <u>Density Target:</u> 0.50 FAR <u>Lot Coverage:</u> No maximum (Shown: 35%) <u>Open space:</u> Approx. 50% of open space shall be treated for use by pedestrians. Shown: 2,500sf approx. landscaped pedestrian plaza; 2,500sf landscaped courtyard; 5,000sf landscaped pedestrian space adjacent to sidewalks and between buildings. <u>Surface water management:</u> Not shown on site-common off-site facility is assumed.</p>	<p>LANDSCAPING</p> <p><u>Space between building & Sidewalk :</u> shall be appropriately landscaped for use and enjoyment by pedestrians. Enhanced materials encouraged. <u>Trees:</u> Install 8-10 coast appropriate trees in planter strips along public streets (as shown). Install additional 10-15 coast appropriate trees. <u>Conservation Areas:</u> Per City standards <u>Fences and Walls:</u> Shall be setback Min. 18” and this space shall be landscaped with trees or shrubs. <u>Buffers / Screens:</u> Per City standards. <u>Signs:</u> Shall be pedestrian-oriented; directional signs are encouraged.</p>
<p>BUILDINGS</p> <p>(15,000sf retail plus 5,000sf other commercial, plus housing)</p> <p><u>Location:</u> Setback-Front: 0-10’ (5’ shown) Setback-Rear: 0 Setback-Sides: 0 <u>Building Orientation:</u> All buildings shall be oriented to public streets (as shown). <u>Max Height:</u> 45’ <u>Height Transition:</u> YES-adjacent to existing SF <u>Front Door (s):</u> Shall be oriented to and directly accessible from public sidewalk(s). <u>Ground Floor Design:</u> Min 50% of ground floor along public streets shall incorporate windows with clear glass. (As shown: Storefronts with awnings) <u>Other Architectural Design:</u> The following additional architectural features are encouraged: Corner architectural design and treatment (shown); cornice, roof projection; cupola; upper floor projecting balcony and/or window.</p>	<p>PARKING</p> <p><u>Off-street Auto parking:</u> Shall be behind or on side of building (not between building and public street). <u>Deliveries / Loading:</u> Off-street loading area is optional; some street parking may be designated for business / retail use by delivery vehicles. <u>Bike parking:</u> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building and store entrances, typically in the street furniture zone between the sidewalk and travelway. <u>Shared parking:</u> Some of the off-street parking may be shared with complementary uses nearby. <u>On-street parking:</u> Shall be incorporated on public streets. (shown: 23 angle and 8 parallel parking stalls.</p>
<p>SITE ACCESS & CIRCULATION</p> <p><u>Vehicle Access & Circulation:</u> As shown <u>Pedestrian Access & Circulation:</u> As shown</p> <p>Street Connectivity: Required</p> <p><u>Block Formation:</u> Max block 1.5 ac. approx.; shall include an alley connection (shown)</p>	<p>SPECIAL FEATURES</p> <p>The Medium Commercial-Tourist has great potential for vertical Mixed-use development. (Shown-2nd floor office above retail, and 2nd floor housing above retail. Pedestrian amenities shall include 12-16’ height street lights, benches, and business directory.</p>

Commercial – Large

<p>PARCEL</p> <p><u>Area</u>: 5-8 acres <u>Street Frontage</u>: Shown- public streets all around the parcel <u>Density Target</u> : 0.25 FAR <u>Lot Coverage</u>: No maximum <u>Open space</u>: Approx. <u>tbd</u>% of open space shall be treated for use by pedestrians. <u>Surface water management</u>: Required; Not shown on illustration</p>	<p>LANDSCAPING</p> <p><u>Space between building & Sidewalk</u> : shall be appropriately landscaped for use and enjoyment by pedestrians. Enhanced materials encouraged. <u>Trees</u>: Install coast appropriate trees in planter strips along public streets. Install additional coast appropriate trees within the large block. <u>Conservation Areas</u>: Per City standards <u>Fences and Walls</u>: Shall be Min. 18” setback from public streets, landscaped with trees or shrubs. <u>Buffers / Screens</u>: Per City standards. <u>Signs</u>: Shall be pedestrian-oriented; directional signs are encouraged.</p>
<p>BUILDINGS (shown 70,000sf floor area)</p> <p><u>Location</u>: All buildings must be located closet to a public street ROW. Buildings at all street corners are strongly encouraged and is required at the intersection of streets with the highest ADT. <u>Building Orientation</u>: The building shall be oriented to the public street (as shown). <u>Max Height</u>: 35’ <u>Max. Length</u>: 300’; Min Separation 50’ <u>Entrance Door</u>: The entrance door shall be oriented to and directly accessible from the public sidewalk. <u>Ground Floor Design</u>: Min 65% of ground floor along public streets shall incorporate windows with clear glass. <u>Other Architectural Design</u>: The following architectural features are encouraged: Corner entry (at a street intersection); cornice, roof projection; cupola, skylight, bay windows.</p>	<p>PARKING</p> <p><u>Off-street Auto parking</u>: Shall be behind or on side of building (not between building and public street). <u>Deliveries / Loading</u>: Off-street loading area is preferred; some street parking may be time designated for delivery vehicles. <u>Bike parking</u>: Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building main entrance, typically in the street furniture zone between the sidewalk and travelway. <u>Shared parking</u>: Some of the off-street parking may be shared with complementary uses nearby. <u>On-street parking</u>: Shall be incorporated on the adjacent public (City) street.</p>
<p>SITE ACCESS & CIRCULATION</p> <p><u>Vehicle Access & Circulation</u>: As shown: An internal road connecting two public streets; driveway or alley connecting the other streets. <u>Pedestrian Access & Circulation</u>: As shown</p> <p>Street Connectivity: Required</p> <p><u>Block Formation</u>: Max block 4 ac. approx.; shall include pedestrian and road connections through the entire block.</p>	<p>SPECIAL FEATURES</p> <p>Pedestrian amenities shall include raised internal crossings, 12-16’ height street lights, benches, trash cans, flowers, banners and enhanced paving materials including sidewalks, crosswalks and small pedestrian plazas.</p>

Exhibit 15

Industrial – Small

<p>PARCEL</p> <p><u>Area:</u> 0.55acres <u>Street Frontage:</u> Public street on shorter side <u>Density Target:</u> NA <u>Lot Coverage:</u> No maximum <u>Open space:</u> Approx. tbd% of open space <u>Surface water management:</u> Not Required on site; (Assumed off-site / common facility).</p>	<p>LANDSCAPING</p> <p><u>Space between building & Sidewalk :</u> shall be appropriately landscaped for use and enjoyment by pedestrians. <u>Trees:</u> Install 2-3coast appropriate trees in planter strips along public streets. Install 3-5 additional coast appropriate trees within parcel. <u>Conservation Areas:</u> Per City standards <u>Fences and Walls:</u> Shall be Min. 18” setback from public streets, landscaped with trees or shrubs. <u>Buffers / Screens:</u> Per City standards. <u>Signs:</u> per City standards, plus directional signs.</p>
<p>BUILDING (Shown 6,000sf floor area)</p> <p><u>Location:</u> Close to the public street. <u>Building Orientation:</u> As shown: “Showroom” (or front office) is oriented to the public street; “Loading” is oriented to the internal, <u>Max Height:</u> 35’ <u>Max. Length:</u> 100’ <u>Entrance Door:</u> The primary office / public entrance door shall be oriented to and directly accessible from the public sidewalk. <u>Ground Floor Design:</u> Min 65% of ground floor along public street shall incorporate windows with clear glass; Up to 18’ of the Assembly ground floor shall incorporate architectural treatments, including fenestrations, and exterior frontage wall modulation <u>Other Architectural Design:</u> The following architectural features are encouraged); cornice, roof projection; cupola, skylight,</p>	<p>PARKING</p> <p><u>Off-street Auto parking:</u> Shall be behind or on side of building (not between building and public street). <u>Deliveries / Loading:</u> Off-street loading area is optional; some street parking may be time designated for small delivery vehicles. <u>Bike parking:</u> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building entrances, <u>Shared parking:</u> Some of the off-street parking may be shared if the nearby uses are complementary. <u>On-street parking:</u> Incorporated 4-5 stalls on the public street close to the building.</p>
<p>SITE ACCESS & CIRCULATION</p> <p><u>Vehicle Access & Circulation:</u> Off-street parking & loading from rear alley or lane or road. <u>Pedestrian Access & Circulation:</u> As shown</p> <p>Street Connectivity: Required</p> <p><u>Block Formation:</u> Max block 3 ac. approx.; shall include north-south & east-west pedestrian and road connections through the large block.</p>	<p>SPECIAL FEATURES</p> <p>Decorative low wall and landscaped courtyard along the sidewalk. Outdoor or partially covered work area behind the building, oriented to the rear parking lot.</p>

See Exhibit 16

Industrial – Medium

<p>PARCEL</p> <p><u>Area:</u> 1.5acres <u>Street Frontage:</u> Public street on shorter side <u>Density Target :</u> NA <u>Lot Coverage:</u> No maximum <u>Open space:</u> Approx. tbd% of open space <u>Surface water management:</u> Not Required on site; (Assumed off-site / common facility).</p>	<p>LANDSCAPING</p> <p><u>Space between building & Sidewalk :</u> shall be appropriately landscaped for use and enjoyment by pedestrians. <u>Trees:</u> Install 10-12coast appropriate trees in planter strips along public streets. Install additional coast appropriate trees within the large block. <u>Conservation Areas:</u> Per City standards <u>Fences and Walls:</u> Shall be Min. 18” setback from public streets, landscaped with trees or shrubs. <u>Buffers / Screens:</u> Per City standards. <u>Signs:</u> per City standards, plus directional signs for visitors and deliveries.</p>
<p>BUILDING (Shown 15,000sf floor area)</p> <p><u>Location:</u> Close to the public street. <u>Building Orientation:</u> As shown: “Showroom” (or front office) is oriented to the public street; “Loading” is oriented to the internal, shared driveway. <u>Max Height:</u> 35’ <u>Max. Length:</u> 150’ <u>Entrance Door:</u> The primary office / public entrance door shall be oriented to and directly accessible from the public sidewalk. <u>Ground Floor Design:</u> Min 60% of ground floor Office along public street shall incorporate windows with clear glass; Up to 18’ of the Assembly ground floor shall incorporate architectural treatments, including fenestrations, exterior frontage wall modulation and enhanced building materials. <u>Other Architectural Design:</u> The following architectural features are encouraged); cornice, roof projection; cupola, skylight,</p>	<p>PARKING</p> <p><u>Off-street Auto parking:</u> Shall be behind or on side of building (not between building and public street). <u>Deliveries / Loading:</u> Off-street loading area is required; some street parking may be time designated for small delivery vehicles. <u>Bike parking:</u> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building entrances, <u>Shared parking:</u> Some of the off-street parking may be shared if the nearby uses are complementary. <u>On-street parking:</u> Incorporated 25-30stalls (angle and parallel stalls) on the two streets close to the building.</p>
<p>SITE ACCESS & CIRCULATION</p> <p><u>Vehicle Access & Circulation:</u> As shown. <u>Pedestrian Access & Circulation:</u> As shown</p> <p>Street Connectivity: Required</p> <p><u>Block Formation:</u> Max block 6 ac. approx.; shall include north-south & east-west pedestrian and road connections through the large block.</p>	<p>SPECIAL FEATURES</p> <p>Tbd</p>

Industrial – Large

<p>PARCEL</p> <p><u>Area:</u> 3 acres <u>Street Frontage:</u> Public streets on min. two sides <u>Density Target:</u> NA <u>Lot Coverage:</u> No maximum <u>Open space:</u> Approx. tbd% of open space <u>Surface water management:</u> Required; (shown shared with adjacent parcel)</p>	<p>LANDSCAPING</p> <p><u>Space between building & Sidewalk :</u> shall be appropriately landscaped for use and enjoyment by pedestrians. <u>Trees:</u> Install 10-15coast appropriate trees in planter strips along public streets. Install additional 20-30 coast appropriate trees within the large block. <u>Conservation Areas:</u> Per City standards <u>Fences and Walls:</u> Shall be Min. 18” setback from public streets, landscaped with trees or shrubs. <u>Buffers / Screens:</u> Per City standards. <u>Signs:</u> per City standards, plus directional signs</p>
<p>BUILDING (Shown 20,000sf floor area)</p> <p><u>Location:</u> Close to the two public streets. <u>Building Orientation:</u> As shown: “Office” is oriented to one public street; “Assembly” is oriented to the other / cross street; “Warehouse/ Loading” is oriented to the rear parking lot. <u>Max Height:</u> 45’ <u>Max. Length:</u> 200’ <u>Entrance Door:</u> The primary office / public entrance door shall be oriented to and directly accessible from the public sidewalk. <u>Ground Floor Design:</u> Min 60% of ground floor Office along public street shall incorporate windows with clear glass; Up to 18’ of the Assembly ground floor shall incorporate architectural treatments, including fenestrations, exterior frontage wall modulation and enhanced building materials. <u>Other Architectural Design:</u> The following architectural features are encouraged); “Green” roof, cornice, roof projection; cupola, skylight,</p>	<p>PARKING</p> <p><u>Off-street Auto parking:</u> Shall be behind or on side of building (not between building and public street). <u>Deliveries / Loading:</u> Off-street loading area is required; some street parking may be time designated for small delivery vehicles. <u>Bike parking:</u> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building entrances, <u>Shared parking:</u> Some of the off-street parking may be shared if the nearby uses are complementary. <u>On-street parking:</u> Incorporated 30-35 stalls (angle and parallel stalls) on the two public (City) streets.</p>
<p>SITE ACCESS & CIRCULATION</p> <p><u>Vehicle Access & Circulation:</u> As shown: two driveways from public streets; private road connection to the other public street- stubbed. <u>Pedestrian Access & Circulation:</u> As shown</p> <p>Street Connectivity: Required</p> <p><u>Block Formation:</u> Max block 6 ac. approx.; include north-south & east-west connections.</p>	<p>SPECIAL FEATURES</p> <p>Tbd</p>

Exhibit 16

Exhibit 17

E. Comprehensive Plan Policy Amendments

1. Goals and Policies for South Beach Neighborhood Plan

Goal: To foster a sustainable, coastal living environment that will maintain and improve the character of the area by implementing the South Beach Neighborhood Land Use Plan.

Policy 1: To encourage urban level development in an orderly and efficient manner, the City will amend the Urban Growth Boundary (UGB) to remove approximately 309 acres east of the Newport Municipal Airport, as indicated in **Exhibit 6A**, and to add approximately 268 acres south of Idaho Point and east of the existing UGB, as indicated in **Exhibit 6**.

Implementation Measure 1: To ensure orderly and efficient development in conjunction with the provision of urban level services for the area, or portions of the area, included within the UGB amendment, the city may require consents to annex from property owners included within the UGB amendment.

Implementation Measure 2: Until the property included within the UGB amendment is annexed to the City, the existing County map designations shall apply consistent with Policy 2 of the Urbanization Section of the Comprehensive Plan.

Implementation Measure 3: The City shall require that a Master Development Plan (such as that provided for through the Planned Development process) be submitted for Planning Commission review and approval in conjunction with a request for the annexation and development of the 268 acres, or any portion thereof 2 acres or larger, added to the UGB. If separate Master Plans are submitted for portions of the 268 acres, following the approval of the first Master Plan, subsequent Master Plans must be consistent with the previously approved Master Plan(s).

Implementation Measure 4: In considering a request for a Master Development Plan approval, in addition to the criteria that may be specified within the process such as that provided for in the Planned Development process, the City will also consider whether the proposed Master Plan could provide a suitable location for a neighborhood park (at least one neighborhood park should be included within area of the UGB expansion) and also whether appropriate provisions are made within the Master Plan for connections to existing or planned for bicycle and pedestrian trail systems as identified on an adopted City plan.

Implementation Measure 5: The City shall require that utilities and services be in place prior to the issuance of building permits (other than those building permits as necessary to construct utilities and services) in areas included in an annexation request.

Policy 2: The 309 acres to be removed from the UGB will be ranked as a high priority for consideration in the future should the City have a need for additional residential land.

Policy 3: The City will consider the re-designation of some portions of the South Beach area as indicated in **Exhibit 6**.

Implementation Measure 1: The City should undertake the re-designation of property as identified in Exhibit 6 in conjunction with the adoption of the South Beach Neighborhood Land Use Plan.

Policy 4: The City will work to maintain areas of Open Space in South Beach.

Implementation Measure 1: The City shall establish an Open Space designation to allow for the designation of private property as Open Space. The Open Space designation will be available for properties meeting the requirements for an Open Space designation under ORS 308A (which provides tax benefits to private property owners with property subject to an Open Space designation). The City will approve requests by private property owners for designation of their property with the Open Space designation under ORS 308A when such request meets the criteria of the ORS 308A program.

Implementation Measure 2: The City will work with the Oregon Parks and Recreation Department, the OSU Hatfield Marine Science Center, Lincoln County, and other entities to pursue grants and other funding to protect Open Space in the South Beach area through public or private purchase of land or easements.

Implementation Measure 3: If property within the South Beach area which contains a significant amount of wetlands, or other natural features considered to be important for preservation by the City, is acquired by the City or County through donation or through tax foreclosure (or other method for which the City or County did not intentionally acquire the property for a particular purpose), the City should evaluate maintaining the property for use as an Open Space area by rezoning the property to a Public Open Space designation.

Policy 5: The City will work to improve and enhance the appearance of industrial and commercial development in South Beach.

Implementation Measure 1: The City shall adopt design guidelines for use in the development of commercial and industrial uses.

Implementation Measure 2: The City shall adopt standards for when sidewalks are to be provided in conjunction with commercial and industrial uses.

Policy 6: The City will support the development and expansion of institutions of education within the South Beach area.

Implementation Measure 1: The City will provide for an area of land zoned for public use that can accommodate the Oregon Coast Community College.

Implementation Measure 2: The City may support requests for the rezoning of additional property to a public designation, or other such designation as needed by the institution of higher education, when such property is acquired by an institution of higher education as necessary for future growth or expansion of the institution.

Policy 7: The City should consider other potential changes to existing land use designations as follows:

Implementation Measure 1: The City Council should consider initiating the rezoning of areas of R-4 zoned land east of Highway 101 in the vicinity of SE 35th Street to an R-3 zoning designation upon petition of property owners filed within one (1) year of adoption of this plan. The petition should illustrate sufficient support by the property owners in that area of a desire to protect the existing neighborhood from potential conversion of existing residential uses to commercial uses that are allowed within the R-4 zone.

Implementation Measure 2: To encourage a tourist oriented commercial area that allows opportunities for mixed commercial and residential uses as allowed under the Newport Zoning Ordinance, the City should support, where appropriate, the re-designation of existing industrially zoned areas in the area from SE 29th Street south to the current end of SE Ash Street to commercial zoning when requested by property owners.

Implementation Measure 3: To accommodate the forecasted need for additional commercial land, the City should support when appropriate a property owner request to change from an industrial to a commercial designation in the area located southeast of the intersection of Highway 101 and SE 50th Street (Mike Miller Park Road).

Implementation Measure 4: The City Council should consider initiating the rezoning of areas of R-4 zoned land west of Highway 101 in the vicinity of the SW Jetty Road/SW 32nd Street area to an R-3 zoning designation upon petition of property owners filed within one (1) year of adoption of this plan.

The petition should illustrate sufficient support by the property owners in that area of a desire to protect the existing neighborhood from potential conversion of existing residential uses to commercial uses that are allowed within the R-4 zone.

Policy 8: The City shall consider the street, pedestrian and bicycle designs contained in this plan and or the Appendix of the September 2005 Employment Lands and Conceptual Land Use Planning document when building or expanding transportation systems.

Implementation Measure 1. Leeks High Road shall not be used as a collector street for service to or from the Idaho Point area to or from the property added to the Urban Growth Boundary as identified in Exhibit 6 except that a connection with Leeks High Road and the property added to the Urban Growth Boundary for the purposes of emergency access for vehicles should be required to be maintained as part of the approval of a master plan for that area.

Policy 9: The following general urban design goals should be considered and encouraged for use within the South Beach Neighborhood Land Use Plan area for new and infill development where appropriate:

A. Key Characteristics of Land Use:

- Compact development patterns
- Mix of uses including education, cultural, retail, tourist commercial, services lodging, residential, office and certain light industrial uses
- May be tourist-oriented commercial, retail and services, or emphasize a residential character with high density housing or lodging fronting on the corridor
- Many businesses serve the local neighborhoods and tourists, but some may draw from a wider area
- Transitions to lower-density development closer to surrounding single-family neighborhoods
- Reductions in impervious surfaces that would otherwise be created from new development through landscaping and wetland enhancement to help manage storm water and to create attractive development and open space

B. Key Characteristics of Buildings:

- New buildings oriented to the street
- Three-to-four story mixed use buildings
- Buildings generally have neighborhood serving retail and services on the ground floor with lodging, offices or housing in the upper stories
- Buildings along Highway 101 have windows on ground floor and can be three to five stories

C. Key Characteristics of Transportation and Parking:

- Provides alternatives for local travel within the South Beach neighborhood other than Highway 101
- Direct pedestrian connections to/from Oregon Coast Aquarium, visitor oriented attractions, South Beach State Park, and residential neighborhoods
- Potential future regional transit service, local circulator and/or water transportation, i.e. water taxis
- Parking requirements are lower (more walking, biking trips, potential transit trips)
- Structured or "tuck-under" parking is preferred, surface parking is located to the side or rear of buildings
- Adequately serves automobile traffic
- Improved pedestrian and bicycle facilities connecting various uses
- Creation of a direct and distinctive hike/bike gateway to South Beach State Park from Highway 101 near SW 35th Street

F. SUMMARY OF RECOMMENDED TSP AMENDMENTS

To implement the roadway system as recommended, revisions will be required to the Newport Transportation System Plan (TSP).

Some of the recommended roadway improvements are consistent with the current TSP. Widening of US 101 to four lanes from the Yaquina Bay Bridge to 50th and the identification of future capacity deficiencies on the Yaquina Bay Bridge are in the TSP. Also, the proposed connection of Ferry Slip and Ash to form a continuous street from 32nd to 40th on the east side of US 101, and the proposed connection from 40th to 32nd on the west side of US 101, are supportive of the TSP recommendations for access management on US 101, as is the recommendation that the primary access to the area southeast of the intersection of US 101 and SE 50th Street be from 50th.

Several of the proposed roadway improvements are additions or revisions to the TSP:

- It is recommended that the proposed loop roadway through the area added to the UGB be classified as an arterial but designed as a parkway. A connection to the Henderson Creek portion of the area added to the UGB should be classified as a collector.
- Ferry Slip Road is presently classified as an arterial. With completion of a continuous street incorporating Ferry Slip and Ash, it is recommended that the entire street be classified as a collector, but with bicycle facilities. The function of the street will be to provide a connection to US 101 at each end but to also provide access to adjacent land uses. This would include closure of the current connection of Ferry Slip to US 101.

- The current TSP includes combining the present South Beach State Park access with the park management headquarters access. If relocation of the park access to 50th is feasible, this revision should be made to the TSP.
- A connecting street on the west side of US 101 from 32nd (Anchor Way) to 50th should be added as a collector with bicycle facilities.
- Traffic signals should be installed on US 101 at 40th and at 50th when signal warrants are met.

G. Summary of Public Facility Plan Amendments

The additional development land proposed for the South Beach area will necessitate the construction of the afore mentioned water, sanitary and storm system improvements. The following capital improvements and associated costs are adopted to facilitate the proposed land use changes and development recommended in the South Beach Land Use Plan.

**Table 34
WATER SYSTEM IMPROVEMENTS**

Phase 1 Projects		
Project No.	Project	Est. Cost
1	King Ridge 1.0 MG Reservoir (EL 320')	\$ 1,250,000
2	16" Water Main to New High Water Tank	\$ 570,788
3	12" PVC Water Main Loop New Development	\$ 902,860
4	12" Water Main Toward Idaho Point (105 acre Res.)	\$ 360,133
5	King Ridge pump station, 350 gpm	\$ 180,000
6	PRVs 2-12", 1-16"	\$ 60,000
7	Newport Airport Water Main	\$ 550,556
Total Phase 1		
Construction		\$3,323,781
Contingency (20%)		\$660,756
Engineering (18%)		\$594,681
Administration (4%)		\$132,151
Total Phase 1 Project Cost		\$4,691,369
Phase 2 Projects		
Project No.	Project	Est. Cost
8	6" Water Main SW Coho	\$ 44,550
9	8" Extension Ash Street to Elm Street (SE)	\$ 125,250
10	12" Water Main Ferry Slip Road	\$ 150,000
11	12" PVC Water Main Loop Highway 101	\$ 293,450
12	Airport Residential Water Main	\$ 636,000
13	PRVs 1-12", 1-8"	\$ 40,000
Total Phase 2		
Construction		\$1,289,250
Contingency (20%)		\$257,850
Engineering (18%)		\$232,065
Administration (4%)		\$51,570
Total Phase 2 Project Cost		\$1,830,735

* Included in the water main costs is the cost of miscellaneous fittings, connections to the existing system, surfacing, and fire hydrants every 250-ft.

**Table 35
SANITARY SEWER SYSTEM IMPROVEMENTS**

Phase 1 Projects		
Project No.	Project	Est. Cost
1	8-inch & 12-inch PVC Sewer UGB Road	\$1,056,000
2	8-inch PVC Sewer -From 105 acre Res.	\$424,920
3	Manholes	\$148,974
Total Phase 1		
Construction		\$1,629,894
Contingency (20%)		\$325,979
Engineering (18%)		\$293,381
Administration (4%)		\$65,196
Total Phase 1 Project Cost		\$2,314,449
Phase 2 Projects		
Project No.	Project	Est. Cost
4	10" PVC Sewer Main Idaho Point	\$ 492,000
5	8" PVC SSFM Idaho Point	\$ 285,000
6	Idaho Point Lift Station	\$ 250,000
7	8" PVC Sewer Main Airport Residential	\$ 499,200
8	6" PVC SSFM Airport Residential	\$ 100,000
9	Airport Residential Lift Station	\$ 250,000
Total Phase 2		
Construction		\$1,876,200
Contingency (20%)		\$375,240
Engineering (18%)		\$337,716
Administration (4%)		\$75,048
Total Phase 2 Project Cost		\$2,664,204

**Table 36
STORM SEWER SYSTEM IMPROVEMENTS**

SWMP Project #	Project Description	Estimated Cost
2	Culvert Replacement and Ditch Renovation (East of 35 th Street	\$80,000
2a	Hwy 101 crossing and redirection of drainage south to Basin 7	\$1,500,000

D. Summary of Recommended Storm Water Regulations

The South Beach Neighborhood Plan proposes that the Public Facilities Plan be revised to incorporate additional storm water regulations and design standards for commercial and industrial development. These amendments are intended to preserve and enhance the natural and built environments in South Beach.

The proposed development should not alter natural drainage patterns or divert drainage from one existing drainage basin to another. Instead, runoff should be controlled through best management practices that promote infiltration and retention. Ideally peak runoff will be maintained near predevelopment levels and more common storms, such as storms generating less than 1-inch of rainfall in 24 hours will not increase runoff above predevelopment conditions.

The use of best management practices to mitigate the additional run-off resulting from development of natural areas is especially important since much of the proposed development in South Beach is on hillsides with steep slopes. Care must be taken to preserve adequate ground cover and natural vegetation especially in forested areas where clearing may result in erosion from the increased run-off. Regulations requiring that new developments manage storm water discharges to near pre condition levels are strongly recommended. These regulations will be critical to the success of hillside and hilltop developments.

Best management practices (BMPs) recommended in the EPA phase II rules include detention and retention for controlling both volume and quality of run-off. Although the City of Newport is not currently a regulated municipal storm water system, implementing appropriate measures for mitigating increased run off (a) assures compliance with Oregon's drainage law, (b) encourages a favorable attitude in the community toward proposed development, and (c) saves costs in terms of on-site and off-site storm water utilities.

Some recommended structural BMPs are:

- Vegetative BMPs such as constructed wetlands, swales, filter strips, and rain gardens;
- Infiltration BMPs such as basins, trenches, dry wells, sand filters, and porous pavement;
- Treatment controls such as separators, filtration devices, catch-basin inserts, and skimmers

Designing for drainage mitigation may include: skinny streets, open spaces, traffic calming measures to enhance storm water infiltration, and the use of ditches and swales as a preference to hard piped curb and gutter streets.

City of Newport

2022–2042 Housing Capacity Analysis

November 2022

Prepared for: City of Newport



ECONorthwest

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*Section replaced in its entirety by Ordinance No. 2207 (3/6/2023).

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Executive Summary

Newport has changed considerably since the City of Newport last adopted its Housing Element of its Comprehensive Plan in 2011. Newport grew from 9,989 people in 2010 to 10,591 people in 2021, an addition of 602 people or 6% growth. Between 2012 and 2021 the City of Newport permitted 396 new units, of which 45% were for single-family units and 55% were for multifamily units.

Housing has long been unaffordable for many in Newport and the surrounding region and has become harder to afford for many people over the last decade. In 2000, 36% of households in Newport were cost burdened and by 2016-2020, 40% of households were cost burdened. Cost burden was most common among renters, 53% of whom were cost burdened in 2016-2020 and 27% of whom were severely cost burdened.

Homeownership is also becoming less affordable in Newport and the surrounding region. The median sales price of housing in Newport in December 2021 was \$403,500. Between December 2016 to December 2021, the median sales price in Newport increased by \$198,000 (96%).

This report presents Newport's Housing Capacity Analysis for the 2022 to 2042 period. It considers these issues and is intended to comply with statewide planning policies that govern planning for housing and residential development, including Goal 10 (Housing) and OAR 660 Division 8. The methods used for this study generally follow the *Planning for Residential Growth* guidebook, published by the Oregon Transportation and Growth Management Program (1996).

This report focused on the technical analysis to understand Newport's housing needs over the next 20 years. It presents information about buildable land and residential capacity in Newport, as well as expected population and housing growth. It identifies key housing needs and provides information necessary to develop policy responses to Newport's housing needs. The *Newport Housing Production Strategy* proposes policies and actions to meet those housing needs.

The technical analysis, which is the focus of this report, required a broad range of assumptions that influenced the outcomes. The City of Newport and ECONorthwest solicited input about these assumptions from the City's Project Advisory Committee, Planning Commission, City Council, and the public. Local review and community input were essential to developing a locally appropriate and politically viable housing capacity analysis that will feed into the *Newport Housing Production Strategy* report.

How much population growth is Newport planning for?

Newport’s population within its urban growth boundary (UGB) is expected to grow by around 1,348 people between 2022 and 2042, at an average annual growth rate of 0.5%. This is based on Newport’s historical growth rate over the 2000 to 2021 period.¹

Exhibit 1. Forecast of Population Growth, Newport UGB, 2022 to 2042

Source: ECONorthwest based on US Decennial Census 2000, and Portland State University, Population Research Center 2021.

12,010	13,358	1,348	11% increase
Residents in 2022	Residents in 2042	New Residents 2022 to 2042	0.5% AAGR

How much housing will Newport need?

To accommodate the city’s forecasted population growth of 1,348 people, Newport needs to plan for 626 new dwelling units or about 31 new dwelling units per year over the 20-year planning period.² About 50% of new housing will be single-family detached; 10% will be single-family attached; 15% will be duplexes, triplexes, and quadplexes; and 25% will be multifamily housing (with five or more units per structure).

How much buildable residential land does Newport currently have?

Newport has 863 acres of vacant or partially vacant land which can accommodate over 6,800 dwelling units. When removing land included in the Constructability Analysis (which includes land that the City identified as potentially being difficult to serve with infrastructure), Newport still has 413 acres of vacant or partially vacant unconstrained land which can accommodate nearly 3,800 dwelling units. Newport has sufficient land to accommodate population growth. Chapter 6 estimates Newport’s capacity for new housing based on Newport’s unconstrained buildable acres.

¹ Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042, at an annual average growth rate of 0.1%. Newport considered this growth for the official analysis of land sufficiency within the Newport UGB, as required by Goal 10, OAR 660-008, and OAR 660-032.

Given that Newport’s growth rate over the past 20 years has been much greater than the current official forecast, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast, which will allow the City to better prepare for an uncertain future. Even when using the historical growth rate to project future population growth, Newport has sufficient land capacity to accommodate growth.

² Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042. The City would need about 115 new dwelling units to accommodate this growth.

What are the key housing needs in Newport?

- **Newport's existing housing mix is predominately single-family detached.** In the 2015-2019 period, 64% of Newport's housing was single-family detached, 7% was single-family attached, 13% was multifamily housing (with two to four units per structure), and 16% was multifamily housing (with five or more units per structure). Between 2012 and 2021, Newport issued building permits for 396 units, of which 45% were single-family units (both single-family detached and attached) and 55% were multifamily of all types.
- **Demographic changes across Newport suggest increases in demand for single-family attached housing and multifamily housing.** The key demographic and socioeconomic trends that will affect Newport's future housing needs are an aging population, increasing housing costs, and housing affordability concerns for millennials, Generation Z, and Latino populations. The implications of these trends are increased demand from smaller, older (often single-person) households and increased demand for affordable housing for families, both for ownership and rent.
- **Newport needs more affordable housing types for homeowners.** Housing sales prices increased in Newport over the last four years. Between 2016 and 2021, the median sales price in Newport increased by \$198,000 (96%).

A household earning 100% of Newport's median household income (\$57,400) could afford a home valued between about \$201,000 and \$230,000, which is less than Newport's median home sales price of \$403,500. A household can start to afford median home sales prices in Newport at about 186% of Newport's median household income.
- **Newport needs more affordable housing types for renters.** To afford the average asking rent of \$1,360 (which does not include basic utility costs), a household would need to earn about \$54,400 or 95% of MFI. About 54% of Newport's households earn less than \$54,000 and cannot afford these rents. In addition, about 16% of Newport's households have incomes of less than \$17,220 (30% of MFI) and are at risk of becoming homeless.

What are the key findings of the Housing Capacity Analysis?

The key findings and conclusions of the Newport's Housing Capacity Analysis are that:

- **Newport may grow faster than the official population forecast from Portland State University.** According to Newport's official population forecast from Portland State University, Newport's UGB is forecast to grow by 248 people between 2022 and 2042, resulting in the demand for 115 new dwelling units over the 20-year planning period. However, if Newport grew at the same pace it did between 2000 and 2021, it would add 1,348 new people and 626 new dwelling units. Given that Newport's growth rate over the past 20 years has been much greater than current projections, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast.
- **Newport has sufficient land to accommodate population growth over the 20-year planning period.** Even using the historical growth rate which is greater than the official population forecast from Portland State University, Newport has sufficient land to accommodate population growth. The barriers to growth in Newport are more about infrastructure deficiencies, ability to build housing that is affordable, and other issues discussed below.
- **Newport's needed housing mix is for an increase in housing affordable to renters and homeowners, with more attached and multifamily housing types.** Historically, about 64% of Newport's housing was single-family detached. While 50% of new housing in Newport is forecast to be single-family detached, the City will need to provide opportunities for the development of new single-family attached housing (10% of new housing); duplexes, triplexes, quadplexes (15% of new housing); and multifamily structures with 5 or more units (25% of new housing).
 - The factors driving the shift in types of housing needed in Newport include changes in demographics and decreases in housing affordability. The aging of baby boomers and the household formation of millennials and Generation Z will drive demand for renter and owner-occupied housing, such as single-family detached housing, accessory dwelling units, townhouses, cottage housing, duplexes, triplexes, quadplexes, and multifamily structures. These groups may prefer housing in walkable neighborhoods, with access to services.
 - Newport complied with the requirements of House Bill 2001 to allow duplexes on lots where single-family detached housing is allowed. Newport also allows other missing middle housing types, such as cottage housing, townhouses, duplexes, triplexes, and quadplexes. Allowing this wider range of housing in more areas will likely result in a change in mix of housing developed over the next 20 years, especially in areas with large areas of vacant buildable land.
 - Without diversification of housing types and policies to support development of housing affordable to households with incomes below 80% of MFI (\$57,400), lack of

affordability will continue to be a problem, possibly growing in the future if incomes continue to grow at a slower rate than housing costs. About 40% of Newport's households are cost burdened (paying more than 30% of their income on housing), including a cost burden rate of 53% for renter households.

- **Newport has a need for additional housing affordable to lower and middle-income households.** Newport has a need for additional housing affordable to households with extremely low incomes and very low incomes, people experiencing homelessness, and households with low and middle incomes. These needs include existing unmet housing needs and likely housing needs for new households over the 20-year planning period.
 - About 33% of Newport's households have extremely low incomes or very low incomes, with household incomes below \$28,700. At most, these households can afford \$720 in monthly housing costs. Median gross rent in Newport was \$896 in the 2015-2019 period and has increased since, but rents were generally closer to \$1,360 (or more) for currently available rental properties. Development of housing affordable to these households (either rentals or homes for sale) rarely occurs without government subsidy or other assistance. Meeting the housing needs of extremely low-income and very low-income households will be a significant challenge to Newport.
 - About 33% of Newport's households have low or middle incomes, with household incomes between \$28,700 and \$68,900. These households can afford between \$720 to \$1,720 in monthly housing costs. Households at the lower end of this income category may struggle to find affordable rental housing, especially with growing costs of rental housing across Oregon. Some of the households in this group are likely part of the 40% of all households that are cost burdened. Development of rental housing affordable to households in this income category (especially those with middle incomes) can occur without government subsidy.
 - The need for these types of affordable housing have impacts on Newport's economy if people who live in Newport cannot find housing, much less affordable housing, to locate in Newport. People working in Newport frequently commute from places like Toledo, Lincoln City, Waldport, Corvallis, and unincorporated areas of Lincoln County.
- **Housing for people experiencing homelessness is an increasingly pressing problem.** The Point-in-Time count for Lincoln County in 2021 estimated 460 people experiencing homelessness, up from 260 people in 2019. The Point-in-Time count is acknowledged to be an undercount of homelessness, suggesting that the number of people in Lincoln County is higher, not lower, than the 2021 estimate.

- **Newport’s housing market is affected by groups of people who live part of the year in Newport.** These include:

- **Second homeowners.** Second homes are likely to continue to grow in Newport. It is reasonable to expect that Newport may add about 100 new second homes over the 20-year period. Possibly more if Newport attracts more second homeowners. In addition, some existing housing may convert to second homes over time. Second homes are most likely to be in areas with views of the ocean, especially in areas with lower development densities.
- **Vacation rentals.** Newport regulates vacation rentals, requiring conditional use permits to authorize vacation rentals and regulating where they are allowed to locate. Newport caps the number of vacation rentals to 176 throughout the city. As a result, there should not be growth in the number of new, legal vacation rentals in Newport.
- **Student housing.** OSU expects the number of students present in Newport to grow from 100 students in summer (when most students are present) to between 200 and 250 students. OSU owns land in the Wilder area and plans to build 50 to 80 dwelling apartment units, with a mix of studios to four-bedroom units. OSU expects to have two students per dwelling unit and that development of this housing will be completed in 2023.
- **Seasonal employees.** The number of seasonal employees who need housing increases substantially in the summer with increased tourism and the summer fishing season. Seasonal employees in tourism-related industries typically need to seek out their own lower-cost housing during their time in Newport. Seasonal employees in the fishing/seafood processing industries often rely on employer-provided workforce housing. However, employers have struggled to acquire property in Newport that is affordable and meets their workforce housing needs, instead renting rooms for their seasonal workforce in local hotels.

Temporary housing that could meet the needs of seasonal workers includes smaller shared units, such as dormitory housing, studio apartments, accessory dwelling units, student housing, and other small, less costly housing. Some of these types of development could be employer-supplied workforce housing.

- **Newport has sufficient land to accommodate growth but there are key barriers to growth in Newport.** The constructability analysis examined the financial feasibility of different development types given costs of development and the estimated costs of building infrastructure necessary for housing. This analysis found:

- **Infrastructure deficiencies.** Many areas within Newport have significant infrastructure deficiencies, such as the need for collector and local roads, bridges, culverts, water pipes and pump stations, water storage tanks, wastewater pipes and lift stations, and other types of infrastructure. The areas with the highest costs and largest infrastructure deficiencies were in northern Newport to the east of Highway

101 and areas around Highway 20 above the Bay Front. Infrastructure cost limitations could impact close to 300 acres of buildable land, which has capacity for more than 2,000 dwelling units.

- **Development costs.** Development costs are higher in Newport. Local developers report that lack of local contractors for certain types of work, limited suppliers for building materials, requirements for deep foundations and special materials and design to meet building code, the need for geotechnical reports, and the need for more extensive grading and retaining walls in hilly areas all contribute to higher development costs. Builders and developers estimated roughly 10-20% higher construction costs than in the mid-Willamette Valley.
- **Areas of greater development feasibility.** Areas in South Beach, such as the Wilder area or the adjacent land south of the Oregon Coast Community College, appear to have greater financial feasibility for development. In these areas, a mix of housing types appears financially feasible. These areas may provide better opportunities for development over the next 5 to 10 years, including for development of housing affordable to people who live and work in Newport.
- **There is potential for infill, but costs can still be problematic.** The smaller infill areas studied in the constructability analysis did not have major infrastructure needs, but with small sites, even the need for extending local streets, making frontage improvements, or upgrading existing pump capacity could make development challenging.
- **Challenges in other areas.** The constructability analysis did not include all land in Newport. It is probable that lands not included in the constructability analysis also have a range of developability status and similar issues with infrastructure deficiencies in some places.
- **Addressing the infrastructure gap.** Given the estimated cost of infrastructure development from the constructability analysis (over \$100 million, excluding the cost of local roads, across the nine areas examined), Newport is not going to be able to address the infrastructure gap without outside assistance.

The *Newport Housing Production Strategy* will include recommendations for a wide range of policies to support the development of housing for people experiencing homelessness and housing for extremely low to middle-income households. The *Housing Production Strategy* will also include recommendations that are intended to improve equitable outcomes for housing development, as well as strategies to support the development of all types of housing.

1. Introduction

Newport has long had a housing affordability problem. Newport is home to many industries, from fisheries to research to services for visitors and residents of Newport. The people working at these businesses need affordable places to live. Newport is also home to retirees, students, and many other long-term residents. In addition, Newport has second homes and housing used for short-term rentals by visitors.

Housing has become increasingly difficult for many residents in Newport to afford. Rental costs increased by 27% between 2011 and 2021, while household income changed little during that 10-year period. Homeownership is also becoming less affordable in Newport. The median sales price of housing in Newport in December 2021 was \$482,000. Between December 2016 to December 2021, the median sales price in Newport increased by \$198,000 (96%).

Increases in housing costs along with limited income growth is driving decreasing housing affordability. In 2000, 36% of households in Newport were cost burdened³ and by 2016-2020, 40% of households were cost burdened. Cost burden was most common among renters, 53% of whom were cost burdened in 2016-2020 and 27% of whom were severely cost burdened. Some groups of people have higher rates of cost burden than the average, such as seniors or People of Color.

The City of Newport last updated the Housing Element of its Comprehensive Plan in 2011. Since then, Newport has had several policy changes that affect residential development, including:

- Regulatory changes to allow and encourage development of a wider range of housing types, such as accessory dwelling units, cottage housing, duplexes, and other potentially more affordable housing types.
- Regulated the number of short-term rental units allowed in Newport.
- Updated policies that guide systems development charges (SDCs) to encourage development of smaller, more affordable housing.
- Adopted property tax abatements to support development of affordable housing.
- Provided support to partners to create affordable home ownership opportunities and help keep low-income owners in their homes
- Implemented a construction excise tax (CET) to pay for policies that support development of affordable housing.

³ The Department of Housing and Urban Development's guidelines indicate that households paying more than 30% of their income on housing experience "cost burden" and households paying more than 50% of their income on housing experience "severe cost burden."

- Used Urban Renewal financing to catalyze redevelopment in key areas, including supporting new housing development.

These and other policy changes will be discussed in depth in the *Newport Housing Production Strategy* report, which builds on the information in this report.

These changes make this a good time to update Newport's Housing Capacity Analysis (HCA), allowing the City to plan to meet the housing needs of its residents over the next 20 years. This report provides Newport with a factual basis to update the Housing Element of the City's Comprehensive Plan and zoning code, as well as supports future planning efforts related to housing and options for addressing unmet housing needs in Newport. It provides the city with newer information about the housing market in Newport and describes the factors that will affect future housing demand in the city, such as changing demographics.

This report presents Newport's Housing Capacity Analysis (HCA) for the 2022 to 2042 period. It is intended to comply with statewide planning policies that govern planning for housing and residential development, including Goal 10 (Housing) and OAR 660 Division 8.

This analysis will help decision makers understand whether Newport has enough land to accommodate growth over the next 20 years. The HCA includes analysis about need for infrastructure to support housing in selected areas of Newport, which has implications for future development in these areas. In addition, it provides information used in developing the *City of Newport Housing Production Strategy*, which is an action plan intended to support the development of needed housing in Newport over the next eight years.

Framework for a Housing Capacity Analysis

Housing is a bundle of services for which people are willing to pay, shelter certainly, but also proximity to other attractions (employment, shopping, recreation), amenities (type and quality of fixtures and appliances, landscaping, views), prestige, and access to public services (quality of schools). Because it is impossible to maximize all these services and simultaneously minimize costs, households must, and do, make trade-offs. What they can get for their money is influenced both by economic forces and government policy. Moreover, different households will value what they can get differently. They will have different preferences, which in turn are a function of many factors like income, age of household head, number of people and children in the household, number of workers and job locations, number of automobiles, and so on.

Most of the housing in the United States is built by the private market and, therefore, responds to economic and market factors. These economic and market forces have resulted in the production of units that have housed most of our nation's households. But they have consistently left lower-income communities and communities of color with fewer housing options, competing for a limited supply of affordable housing units. The last two decades have seen significant increases in housing costs, with much slower growth in household income, resulting in increasing unmet need for affordable housing.

This report provides information about how the choices of individual households and the housing market in Lincoln County and Newport have interacted, focusing on implications for future housing need in Newport over the 2022 to 2042 period. The *Newport Housing Production Strategy* provides policy options that can influence future housing development, considering opportunities to increase access to affordable housing for lower-income communities and communities of color, as well as housing needs for all residents of Newport.

Statewide Planning Goal 10

Oregon has long been a national leader in planning to accommodate growth. The state mandates local government compliance with 19 statewide planning goals, which include public engagement, planning for natural areas, planning for housing, and planning for adequate land to support economic development and industry growth, among others. Oregon's Goal 10 requires each city to develop a housing capacity analysis, which must tie twenty years of projected household growth to units of varying densities and then determine whether there is adequate land inside the city's urban growth boundary to accommodate those units. Goal 10 directs cities to plan for "housing that meets the housing needs of households of all income levels." Oregon's statewide land use planning system requires one of the most comprehensive approaches to planning for housing in the country.

Goal 10 provides guidelines for local governments to follow in developing their local comprehensive land use plans and implementing policies. At a minimum, local housing policies must meet the requirements of Goal 10 and the statutes and administrative rules that implement it (ORS 197.295 to 197.314, ORS 197.475 to 197.490, and OAR 600-008). Goal 10 requires incorporated cities to complete an inventory of buildable residential lands. Goal 10 also requires cities to encourage the numbers of housing units in price and rent ranges commensurate with the financial capabilities of its households.

Goal 10 defines needed housing types as "all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes, including but not limited to households with low-incomes, very low-incomes and extremely low-incomes." ORS 197.303 defines needed housing types:

- (a) Housing that includes, but is not limited to, attached and detached single-family housing and multifamily housing for both owner and renter occupancy.
- (b) Government-assisted housing.⁴
- (c) Mobile home or manufactured dwelling parks as provided in ORS 197.475 to 197.490.
- (d) Manufactured homes on individual lots planned and zoned for single-family residential use that are in addition to lots within designated manufactured dwelling subdivisions.

⁴ Government-assisted housing can be any housing type listed in ORS 197.303 (a), (c), or (d).

(e) Housing for farmworkers.

Newport must identify needs for all the housing types listed above as well as adopt policies that increase the likelihood that needed housing types will be developed. This Housing Capacity Analysis was developed to meet the requirements of Goal 10 and its implementing administrative rules and statutes.

Public Process

At the broadest level, the purpose of the project was to understand how much Newport will grow over the next 20 years. This project focused on the technical analysis to understand Newport's housing needs over the next 20 years. The *Newport Housing Production Strategy* proposes policies and actions to meet those housing needs. The technical analysis, which is the focus of this report, required a broad range of assumptions that influenced the outcomes; the housing strategy is a series of high-level policy choices that will affect Newport residents.

The intent of the public process was to establish broad public engagement throughout the project as work occurs and to get input from stakeholders and decision makers in Newport. Public engagement was accomplished through various avenues, discussed below.

Project Advisory Committee Engagement

The City of Newport and ECONorthwest solicited public input from the Project Advisory Committee (PAC) to develop both the Housing Capacity Analysis and Housing Production Strategy. The PAC was composed of Newport community members, people involved in development, agency partners, service providers and employees, faith-based organizations, and elected/appointed officials. During the development of the Housing Capacity Analysis, the PAC met four times⁵ to discuss project assumptions, results, and implications. Future PAC meetings will focus on the Housing Production Strategy.

The project relied on the Project Advisory Committee to review draft products and provide input at key points (e.g., before recommendations and decisions were made and before draft work products were finalized).

Broader Public Engagement

During the development of the Housing Capacity Analysis, members of the PAC hosted Community Conversations with community members from different backgrounds. Participants were encouraged to (1) share their perspectives on housing needs and preferences in Newport as well as (2) provide input on potential actions that the City could take to promote the development of needed housing in a fair and equitable way.

⁵ Project Advisory Committee meeting dates: April 7, 2022; May 12, 2022; June 8, 2022; and August 25, 2022.

These conversations are part of a broader public engagement process which includes one-on-one interviews, public events, advisory committee meetings, and public meetings. Many of these engagement processes span the entire Housing Capacity Analysis and Housing Production Strategy project. However, since engagement is primarily focused on understanding housing needs and the actions the City can take to address these housing needs, engagement findings have stronger implications for the development of the Housing Production Strategy.

Planning Commission and City Council Engagement

ECONorthwest will present results of this analysis, in combination with information from the *Newport Housing Production Strategy*, at meetings with the Planning Commission and City Council in 2023.

Organization of This Report

The rest of this document is organized as follows:

- **Chapter 2. Residential Buildable Lands Inventory** presents the methodology and results of Newport's inventory of residential land.
- **Chapter 3. Historical and Recent Development Trends** summarizes the state, regional, and local housing market trends affecting Newport's housing market.
- **Chapter 4. Demographic and Other Factors Affecting Residential Development in Newport** presents factors that affect housing need in Newport, focusing on the key determinants of housing need: age, income, and household composition. This chapter also describes housing affordability in Newport relative to the larger region.
- **Chapter 5. Housing Need in Newport** presents the forecast for housing growth in Newport, describing housing need by density ranges and income levels.
- **Chapter 6. Residential Land Sufficiency in Newport** estimates Newport's residential land sufficiency needed to accommodate expected growth over the planning period.

2. Residential Buildable Lands Inventory

This chapter presents the Buildable Lands Inventory for the City of Newport. The methods used for this study are consistent with many others completed by ECONorthwest that have been acknowledged by DLCDC and LCDC. A detailed discussion of the methodology used in this study is provided in Appendix A.

The BLI for Newport includes all residential land designated in the comprehensive plan within the Newport UGB. From a practical perspective, this means that all lands within tax lots identified by the Lincoln County Assessor’s Office that fall within the UGB were inventoried. ECONorthwest used the most recent tax lot shapefile from Lincoln County for the analysis. The inventory then builds from the tax lot-level database to estimate buildable land by plan designation.

Residential Buildable Lands Inventory Results

Land Base

The land base for the Newport residential BLI includes all tax lots in the urban growth boundary (UGB) in residential plan designations or plan designations where housing development is allowed with clear and objective standards. Exhibit 2 shows the land base by plan designation in the UGB.

Exhibit 2. Land Base by Plan Designation, Newport UGB, 2022

Source: Lincoln County, ECONorthwest analysis.

Note: The number of tax lots represented is greater than the actual total number of tax lots in the analysis due to split plan designations.

Plan Designation	Number of taxlots	Percent	Total taxlot acreage	Percent
Low Density Residential	2905	46%	1,657	48%
High Density Residential	2379	37%	711	21%
Planned Destination Resort Overlay	67	1%	743	22%
Commercial	997	16%	319	9%
Total	6,348	100%	3,430	100%

Development Status

Exhibit 3 shows the total acres of residential tax lots classified by development status. We used a rule-based classification (described in Appendix A) to define an initial development status. We confirmed development status through a series of reviews by ECONorthwest and City staff, based on local knowledge and review of aerial maps.

Exhibit 3. Development Status, Constraints Not Applied by Plan Designation, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

Plan Designation	Total acres	Committed acres	Constrained acres	Buildable unconstrained acres
Low Density Residential	1,657	465	501	691
High Density Residential	711	358	198	155
Planned Destination Resort Overlay	743	25	179	539
Commercial	319	228	32	59
Total	3,430	1,076	911	1,444

Development Constraints

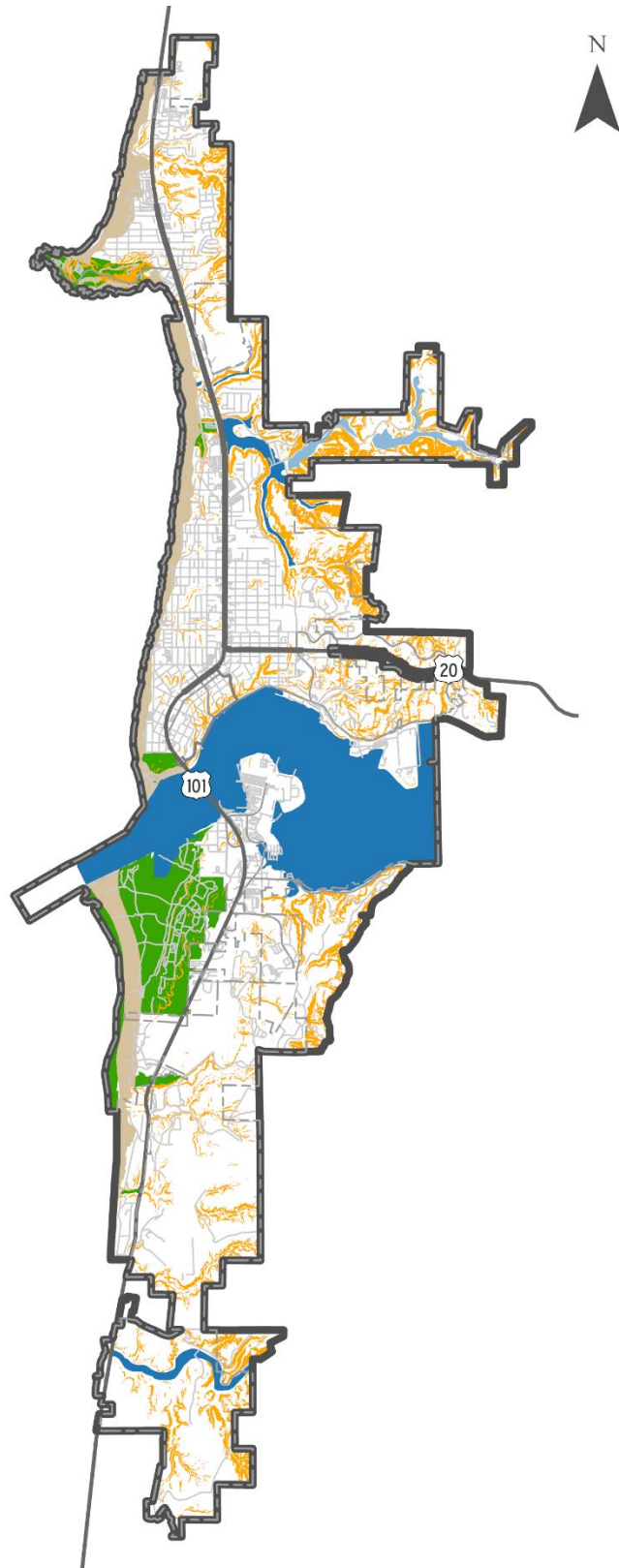
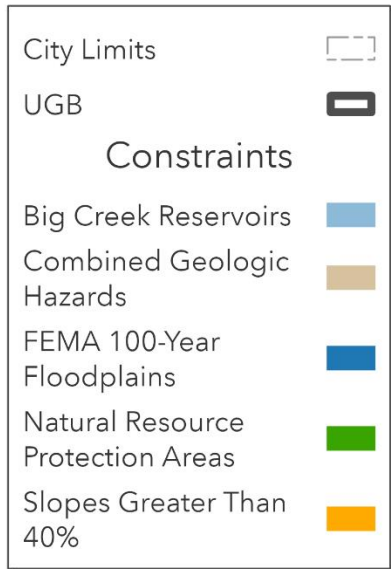
The buildable lands inventory identifies the following conditions as constraints that prohibit development: FEMA 100-Year Floodplains and Regulatory Floodway, slopes greater than 40%, dune and bluff erosion zones identified as Active or High Hazard Zones (Combined Geologic Hazards), parks and natural areas, and significant habitats (Natural Resource Protection Areas). Exhibit 4 shows these constraints for the entire city, with detail shown in areas of the city in Exhibit 5 to Exhibit 7.

Next, we apply the constraints to the development status shown in Exhibit 3, to show areas that are vacant or partially vacant with constraints shown. Exhibit 8 shows development status with constraints applied, with details shown in Exhibit 9 to Exhibit 11. Vacant or partially vacant land with these constraints is considered unavailable for development and removed from the inventory of buildable land.

Exhibit 4. Development Constraints, Newport UGB, 2022
Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

Constraints



Date: August 22, 2022
Source: ECONorthwest
City of Newport
Lincoln County

Exhibit 5. Development Constraints, Northern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

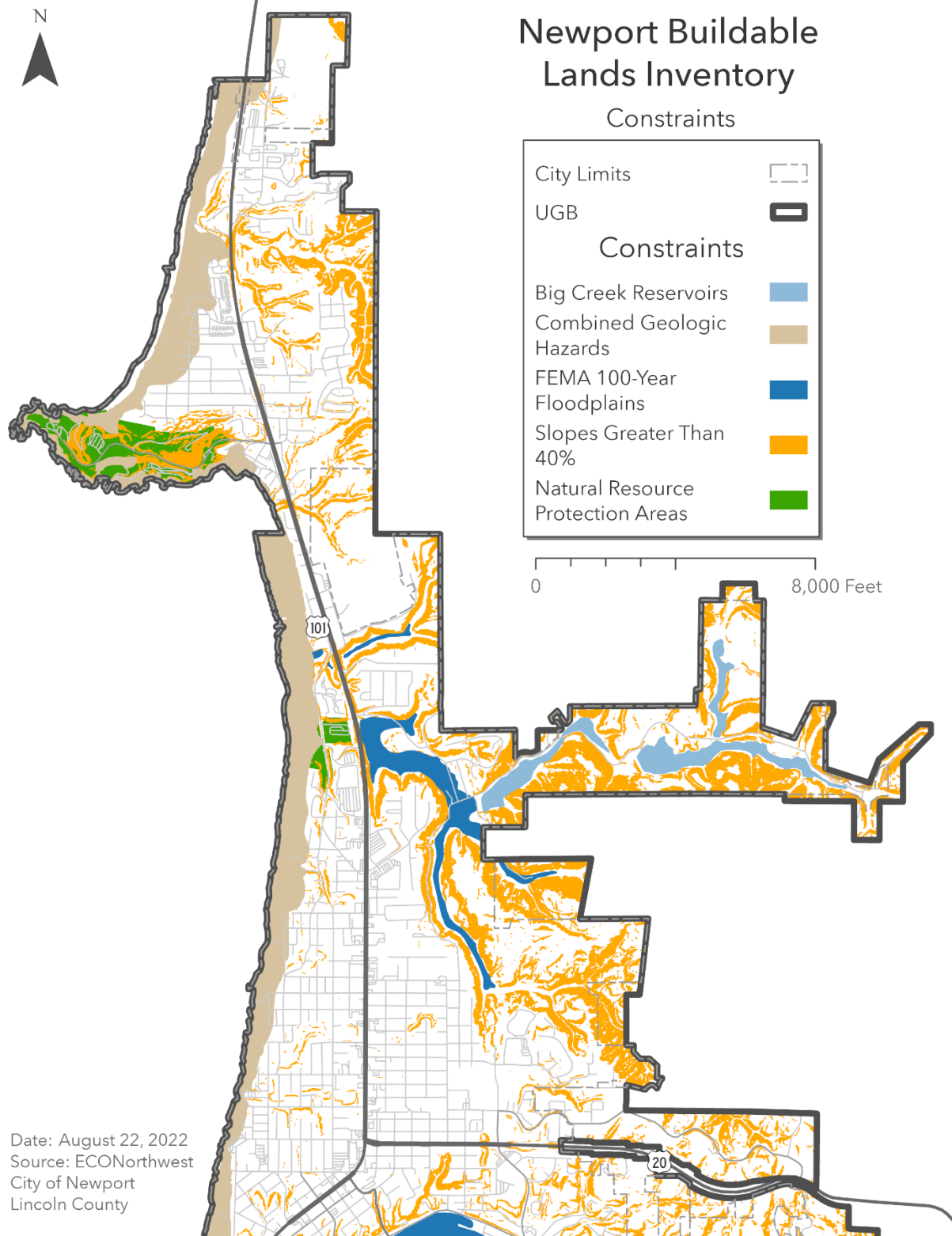
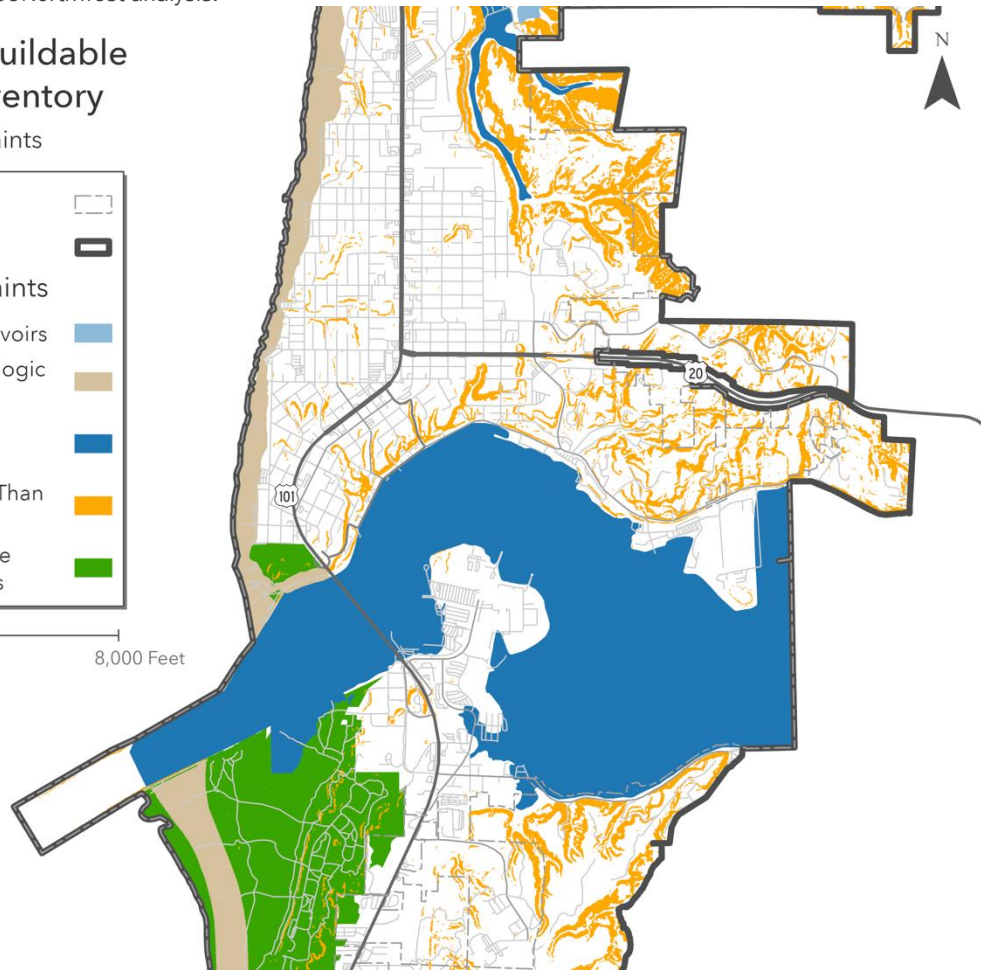
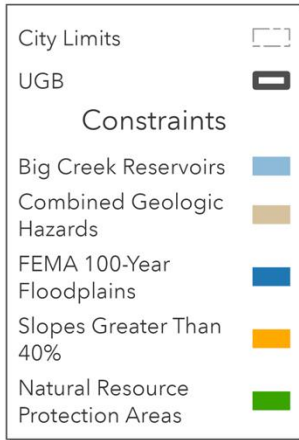


Exhibit 6. Development Constraints, Central Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

Constraints



Date: August 22, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 7. Development Constraints, Southern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

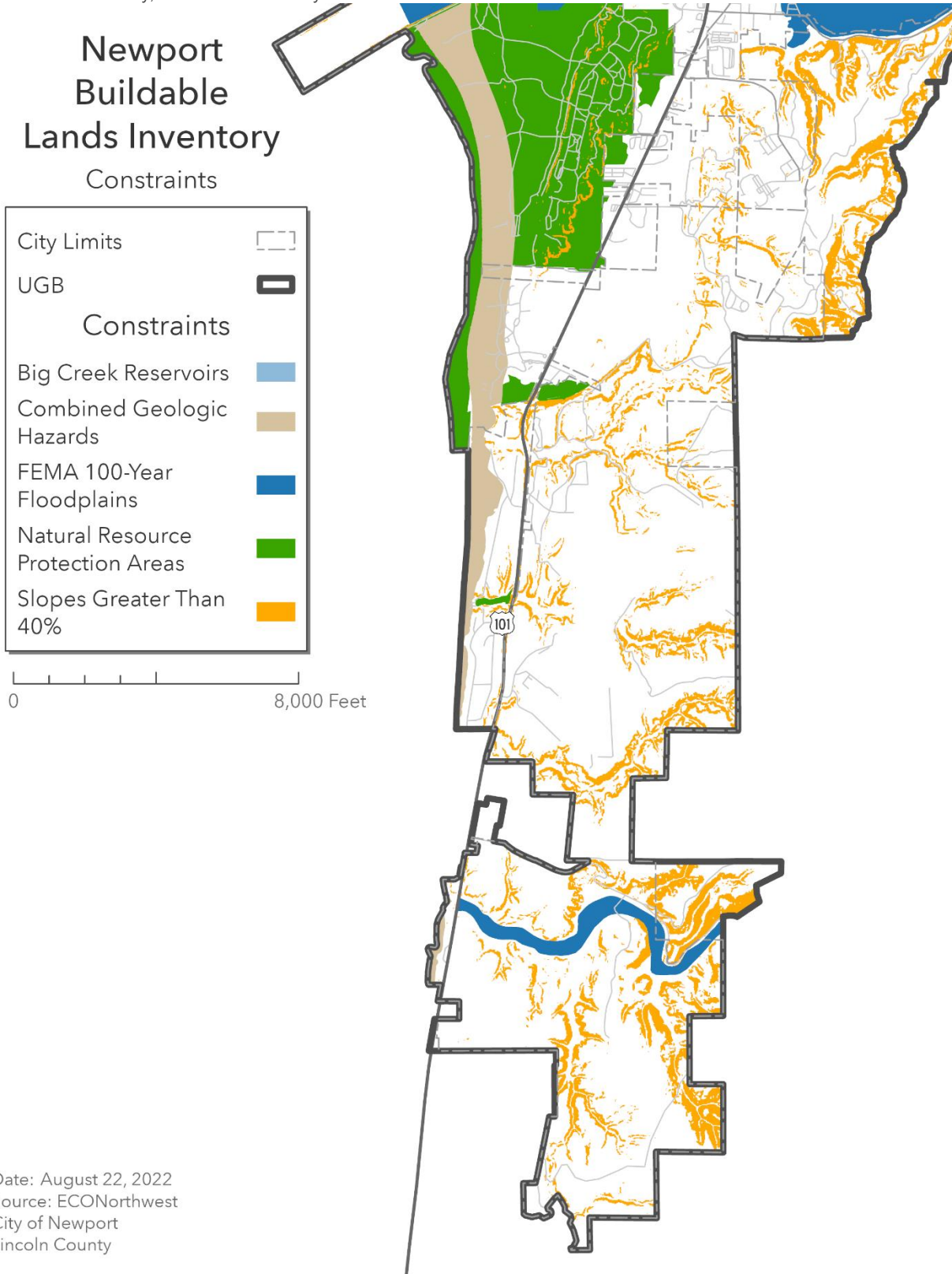
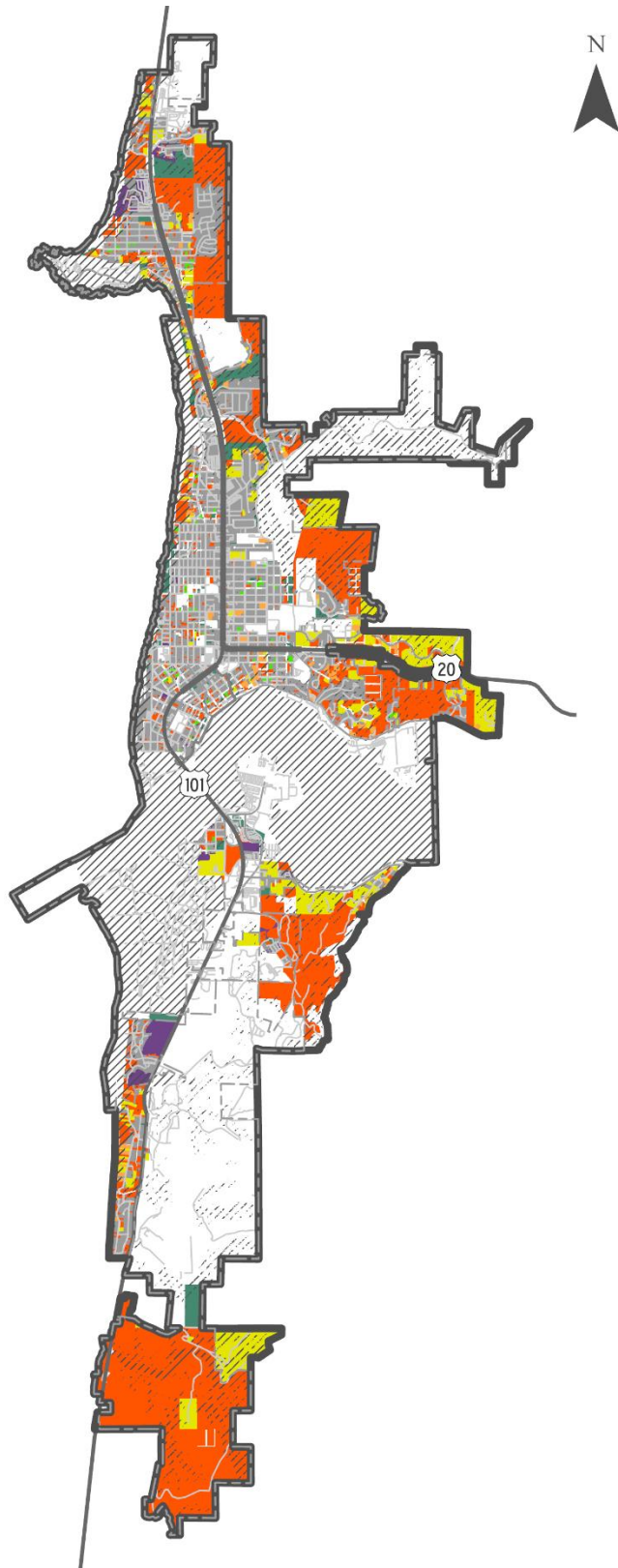
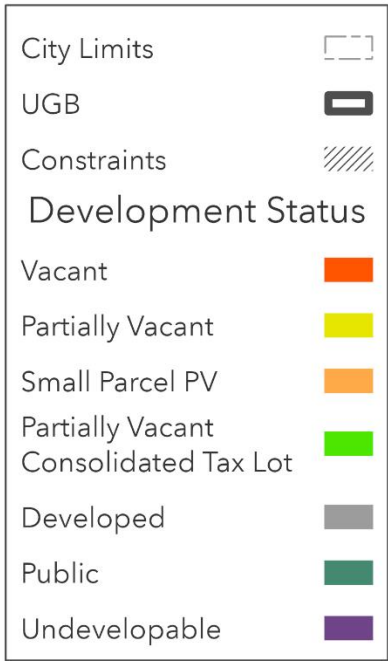


Exhibit 8. Development Status with Constraints, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

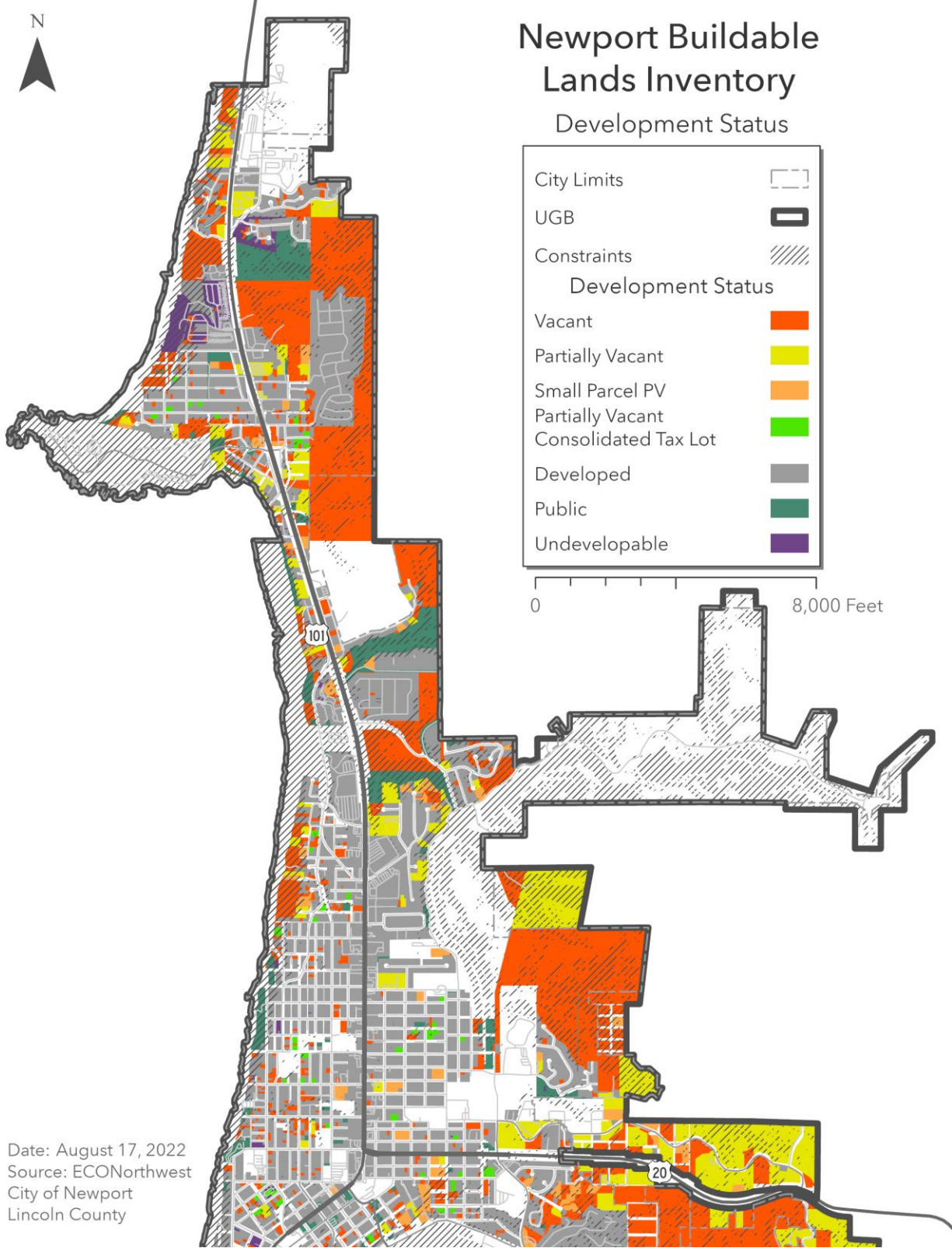
Newport Buildable Lands Inventory

Development Status



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 9. Development Status with Constraints, Northern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

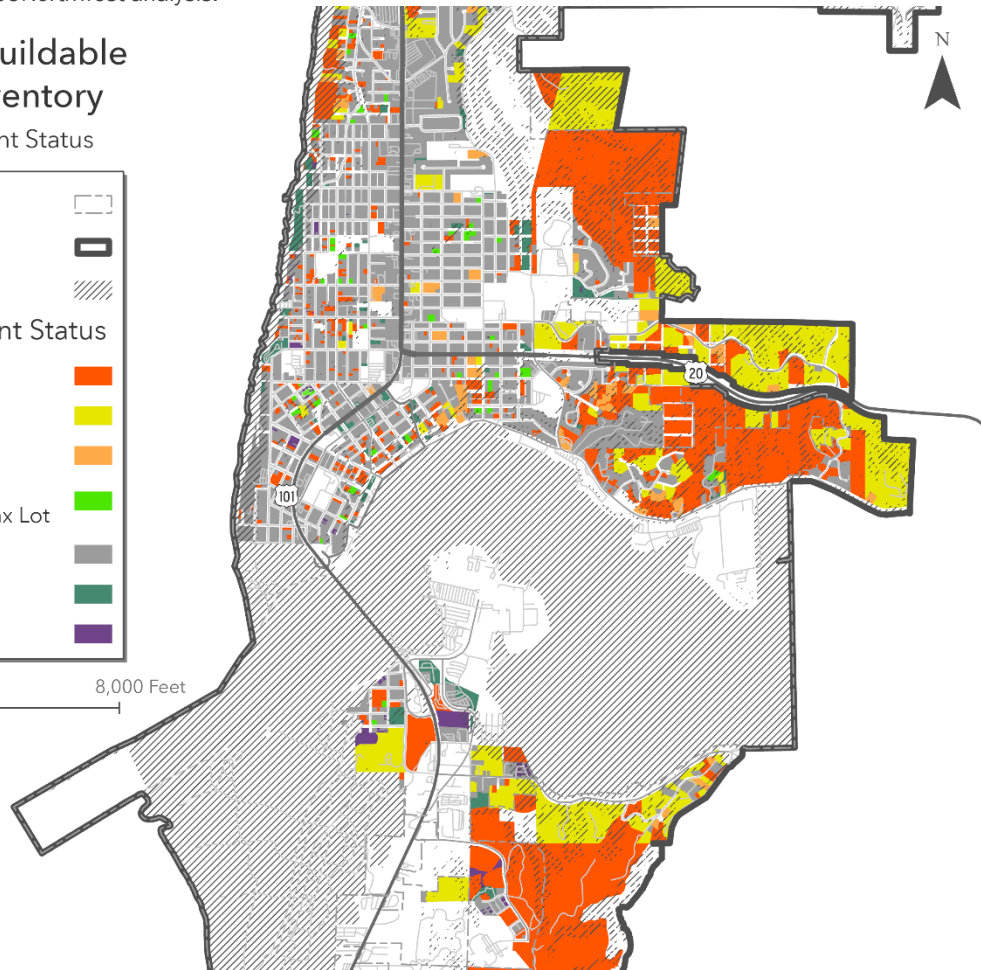
Exhibit 10. Development Status with Constraints, Central Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

Development Status

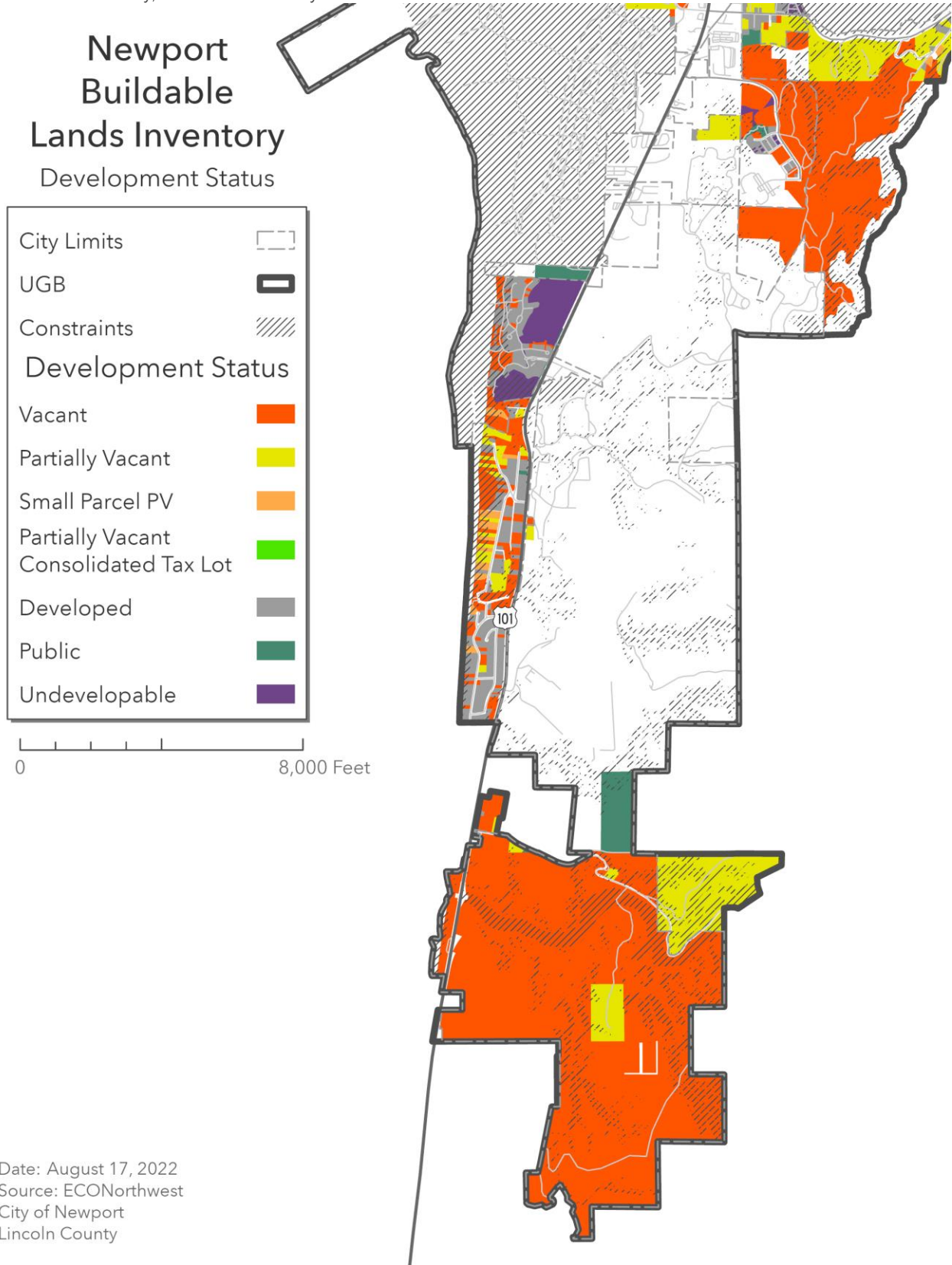
City Limits	
UGB	
Constraints	
Development Status	
Vacant	
Partially Vacant	
Small Parcel PV	
Partially Vacant Consolidated Tax Lot	
Developed	
Public	
Undevelopable	

0 8,000 Feet



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 11. Development Status with Constraints, Southern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Vacant Buildable Land

Exhibit 12 shows buildable acres (i.e., acres in tax lots after constraints are deducted) for vacant and partially vacant land by plan designation.

Note that partially vacant land in the map in Exhibit 8 shows the entire tax lot as being partially vacant, without distinguishing the part of the tax lot that is not available for development. The buildable lands inventory database accounts for the portion of the tax lot that is developed (and considered unavailable for future development) and the portion of the tax lot that is vacant is shown in Exhibit 12.

Exhibit 12. Buildable Acres in Vacant/Partially Vacant Tax Lots by Plan Designation, Newport UGB, 2022

Source: Lincoln County, ECONorthwest analysis.

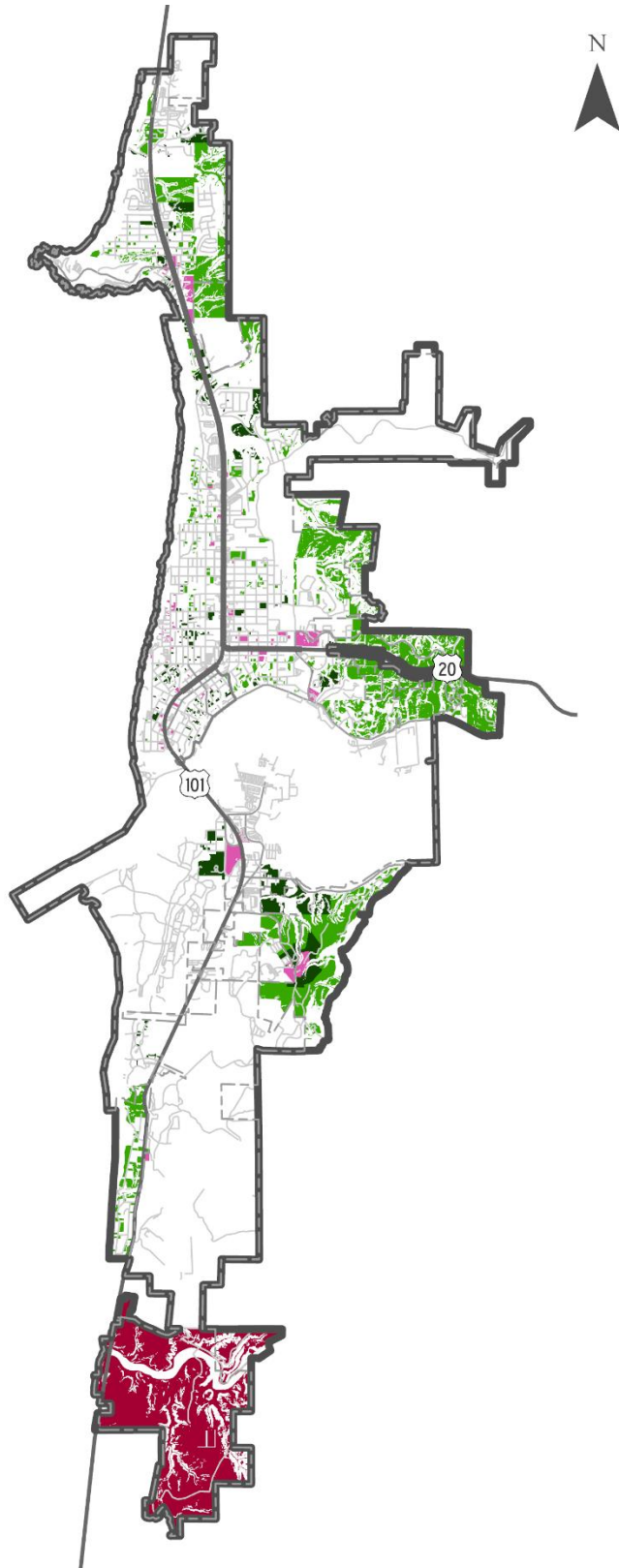
Plan Designation	Total acres	Committed acres	Constrained acres	Buildable unconstrained acres
Low Density Residential	1,657	465	501	691
High Density Residential	711	358	198	155
Planned Destination Resort Overlay	743	25	179	539
Commercial	319	228	32	59
Total	3,430	1,076	911	1,444

Exhibit 13 shows Newport’s buildable vacant and partially vacant residential land, with details shown in Exhibit 14 to Exhibit 16.

Exhibit 13. Unconstrained Vacant and Partially Vacant Residential Land, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

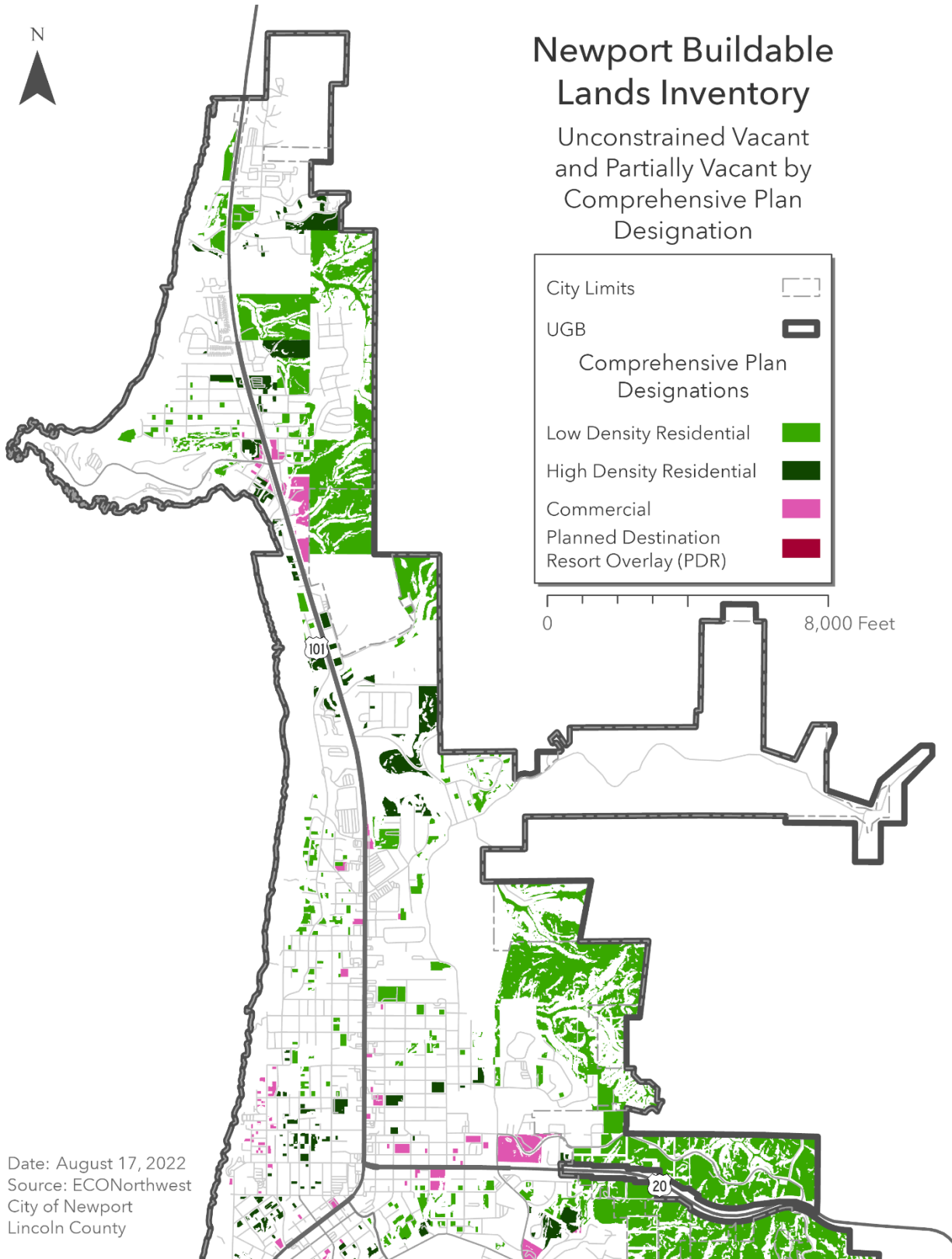
Unconstrained Vacant and Partially Vacant by Comprehensive Plan Designation



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 14. Unconstrained Vacant and Partially Vacant Residential Land, Northern Newport, Newport UGB, 2022

Source: Lincoln County, ECONorthwest analysis.









Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 15. Unconstrained Vacant and Partially Vacant Residential Land, Central Newport, Newport UGB, 2022

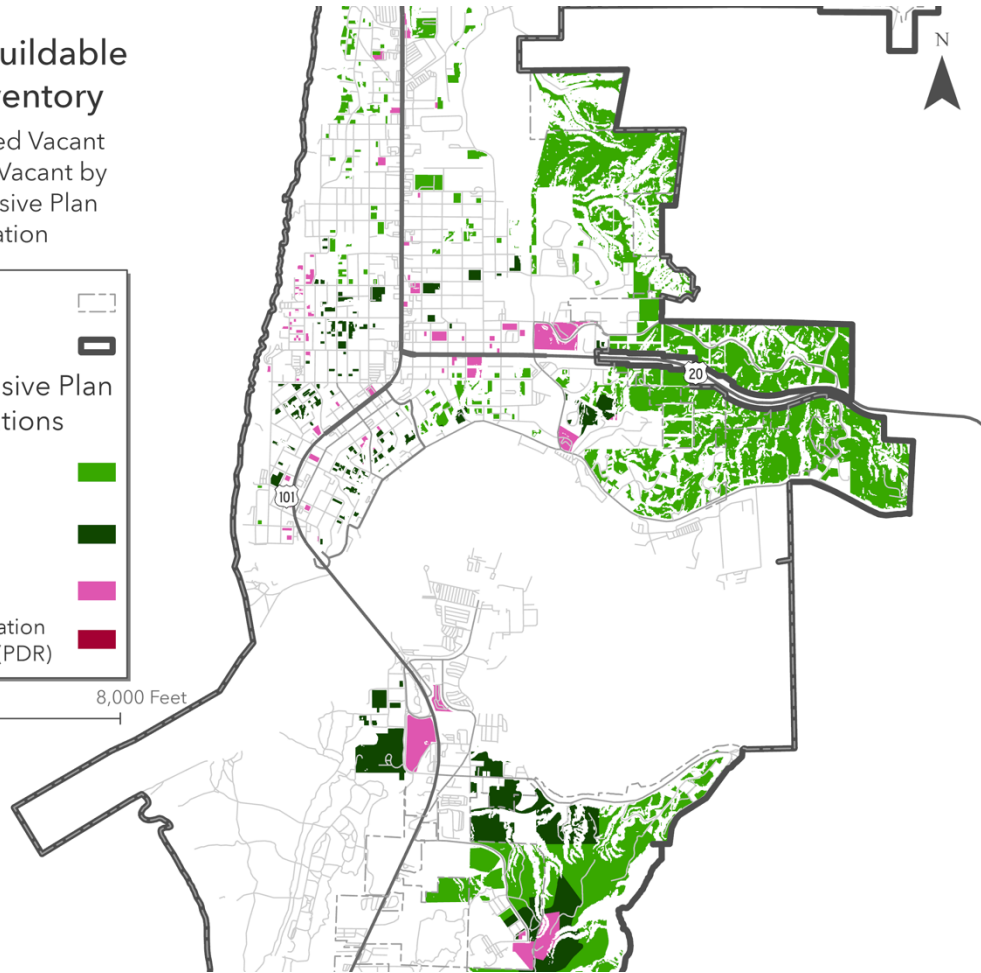
Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

Unconstrained Vacant and Partially Vacant by Comprehensive Plan Designation

City Limits	
UGB	
Comprehensive Plan Designations	
Low Density Residential	
High Density Residential	
Commercial	
Planned Destination Resort Overlay (PDR)	

0 8,000 Feet



Date: August 17, 2022
Source: ECONorthwest
City of Newport
Lincoln County

Exhibit 16. Unconstrained Vacant and Partially Vacant Residential Land, Southern Newport, Newport UGB, 2022

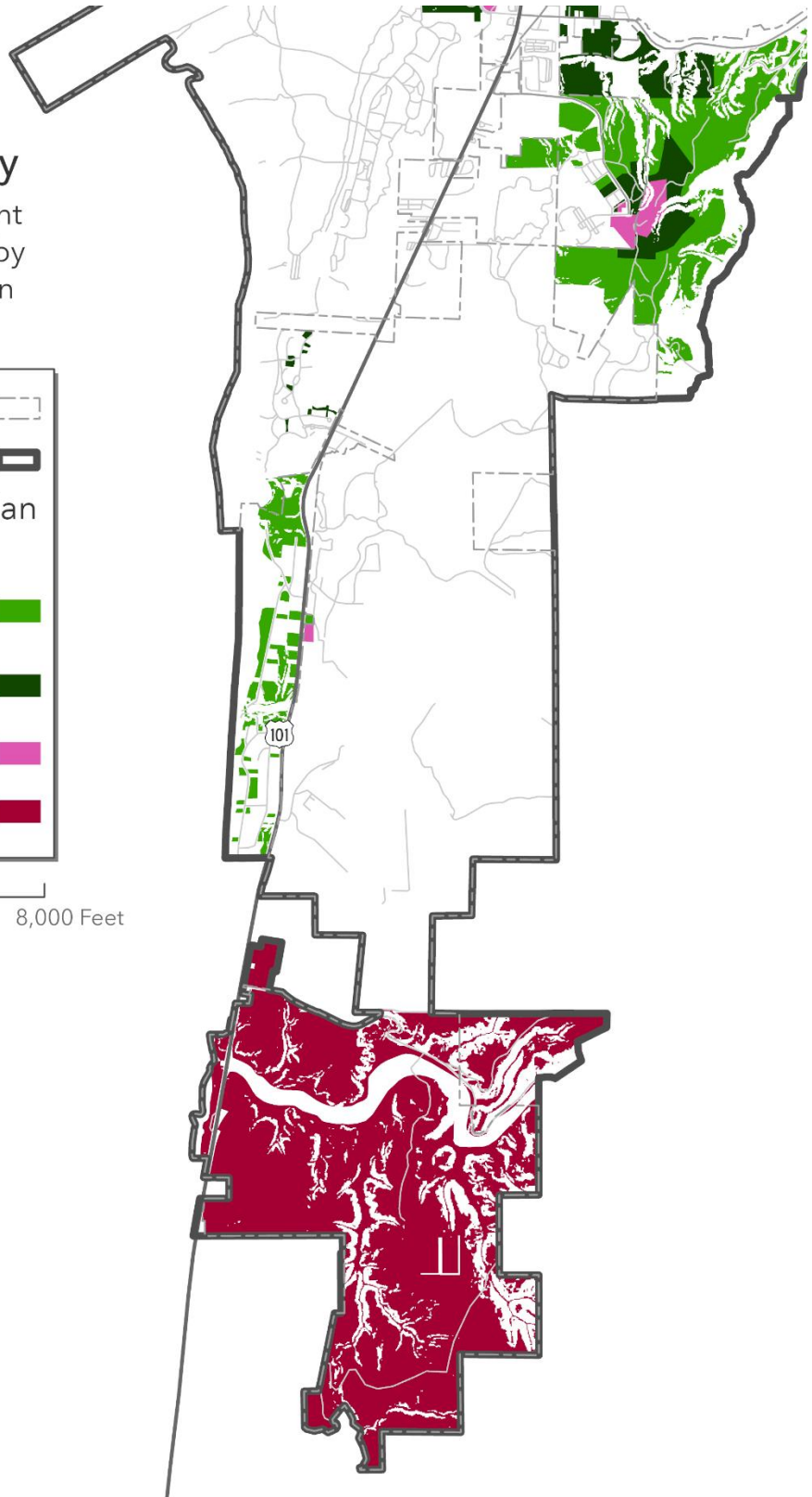
Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

Unconstrained Vacant and Partially Vacant by Comprehensive Plan Designation



0 8,000 Feet



Date: August 17, 2022
Source: ECONorthwest
City of Newport
Lincoln County

Developed Land with Existing Undeveloped Plats

Newport has some lots that have existing development but were platted to allow more housing. City staff identified 56 residential tax lots with a total acreage of 17 acres as consolidated tax lots—lots under the same ownership that have been consolidated for assessment purposes into a single tax lot. These lots all exist and can be sold individually without affecting the other existing development on the lots. ECONorthwest worked with City staff to determine how many vacant units were contained within each consolidated tax lot. These units and their total acreage have been pulled out of the buildable lands inventory. Exhibit 17 shows the acreage and potential unit capacity by plan designation.

Exhibit 17. Potential on Developed Land with Existing Undeveloped Plats

Source: Lincoln County, ECONorthwest analysis.

Plan Designation	Total Acres	Percent	Potential Capacity, Number of Units	Percent
High Density Residential	4	27%	23	31%
Low Density Residential	12	72%	51	68%
Commercial	0	1%	1	1%
Total	17	100%	75	100%

Constructability Analysis

Purpose

There are many large vacant sites included in the BLI that the City has identified anecdotally as potentially being difficult to serve with infrastructure. The City asked ECONorthwest to assist with an evaluation of whether key vacant and partially vacant land is feasible to develop with needed housing, given the anticipated infrastructure needs and costs—an analysis of the “constructability” of these areas. The analysis provides a rough indication of the likelihood that residential development on key vacant and partially vacant land may be financially feasible based on estimated infrastructure costs provided by City staff and estimated development potential and financial assessments by ECONorthwest.

Approach

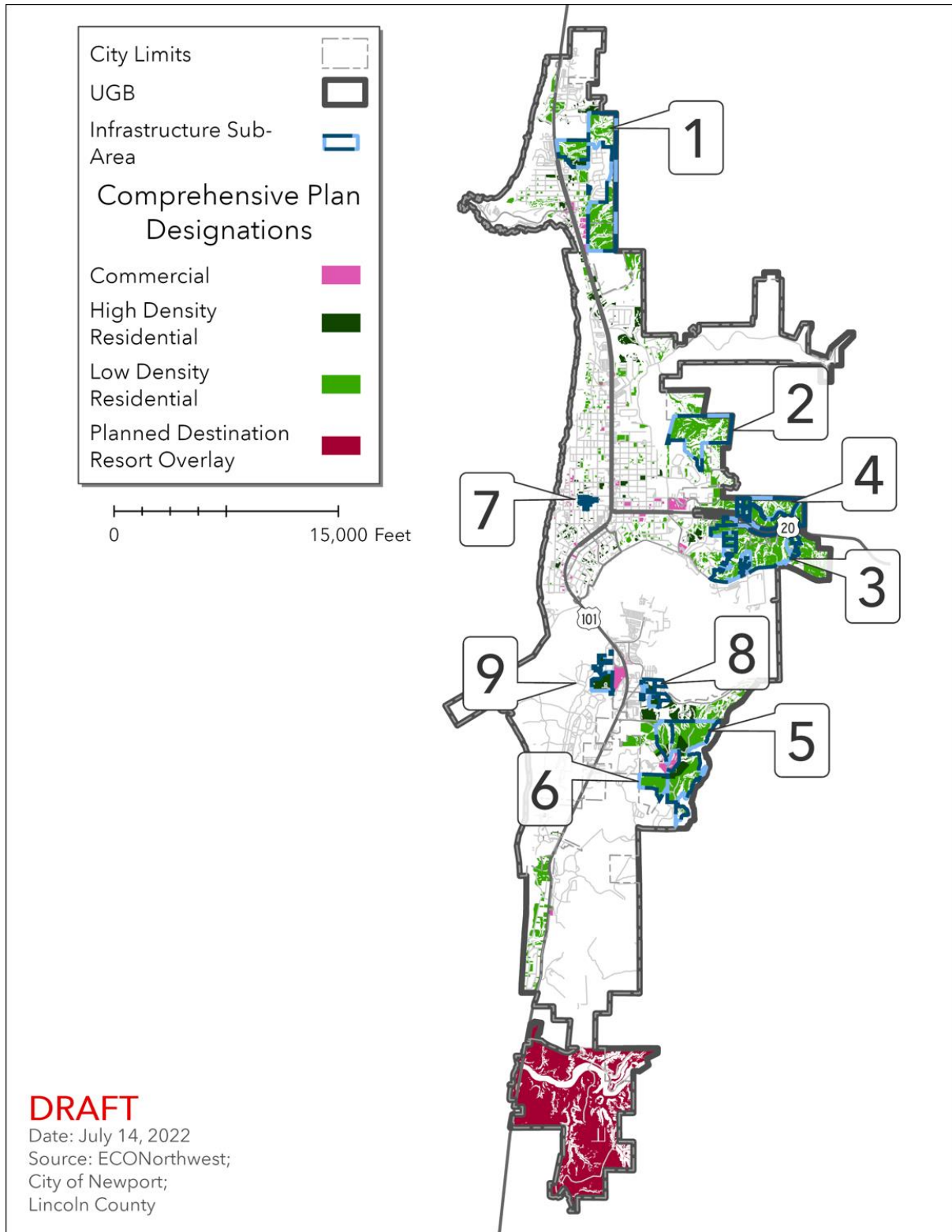
The City identified nine subareas within the Newport urban growth boundary for analysis. These subareas are identified in Exhibit 18 on the following page. Most of the largest blocks of vacant and partially vacant residential land within the UGB were included, along with several clusters of smaller infill parcels.

The analysis brings together three types of information to assess whether development is likely to be financially feasible:

1. **Infrastructure:** What is the anticipated infrastructure needs for each area, and what are the approximate costs to provide that infrastructure? This was based on assessments of infrastructure needs by City staff and planning level unit cost estimates.
2. **Development Potential:** What mix(es) of housing is/are most likely for this area? Given the net buildable areas from the Buildable Lands Inventory (BLI), the likely housing mix(es) for each area, and typical densities for each housing type, how many units could be built? In some subareas, the analysis considers multiple possible housing mix options to see whether different housing mixes could improve financial feasibility.
3. **Residual Value:** Given the estimated costs of building each type of housing on a development-ready site (construction cost to build the structure, fees, design costs, etc.) and the estimated value of the future development, how much is left over to pay for land and infrastructure while allowing a reasonable financial return for the developer?

Exhibit 18. Areas considered in the constructability analysis

Source: ECONorthwest



ECONorthwest tested a range of housing mix scenarios, with the specific mix(es) selected based on the subarea context:

- **Multifamily:** all apartments
- **High Density Residential blend (HDR blend):** a mix of apartments, townhouses, quadplexes, small single-detached houses, and some medium single-detached houses
- **Infill:** a mix of townhouses, quadplexes, small single-detached houses, and medium single-detached houses
- **Low Density Residential blend (LDR blend):** mostly small single-detached houses and medium single-detached houses with small amounts of townhouses, cottage clusters, and quadplexes
- **Hillside Low Density Residential (Hillside LDR):** mostly large single-detached houses and medium single-detached houses with small amounts of small single-detached houses, townhouses, and cottage clusters

Results

The analysis showed some subareas where the estimated “residual value” of the development exceeds the estimated cost of building infrastructure, meaning that there is potential for a developer to pay for both infrastructure and land, and other areas where the infrastructure costs are higher than the development is likely to be able to afford, as shown in Exhibit 19.

- **Subarea 1**, in the Agate Beach area on the north end of the city, and **Subarea 2**, east of Newport Middle School, both have large sections that will be very costly to serve where the topography limits development potential. These areas (identified as 1B, 1C, 1D, and 2A in Exhibit 19) likely are not financially feasible to develop at the infrastructure costs estimated by the City. There are smaller sections of each area (identified as 1A and 2B in Exhibit 19) with lower infrastructure costs where development may potentially be feasible. However, 1A (located close to Highway 101), may or may not be feasible depending on the housing mix and yield on the site. While the area can support multifamily development based on its topography and location, multifamily development has relatively little ability to absorb infrastructure costs. A more balanced housing mix would increase the need for local streets within the development, increasing the infrastructure costs, but would come closer to making development feasible.
- **Subareas 3 and 4**, located on either side of Highway 20 north of Yaquina Bay, are both highly parcelized. In aggregate, the value of future development could potentially support building the needed infrastructure, though Subarea 4 faces higher costs and may not be feasible even considered as a block. Parcelization in these areas will likely reduce development potential and make development less feasible than the overall numbers suggest. In addition, the parcelization could make it more difficult for any single landowner to move forward with development if they would have to front the

cost of much of the needed infrastructure without knowing if and when future development would contribute to the costs. Subarea 4 is also mostly made up of partially vacant land where property owners may have less motivation to sell undeveloped portions of the lot for development.

- **Subarea 5** (future phases of the Wilder development) and **Subarea 6** (adjacent to Subarea 5, and just south of Oregon Coast Community College) show the strongest potential to cover infrastructure costs. For Subarea 6, the fact that the property owner / developer has owned the land for many years can provide an additional cushion because they will not have to pay current market prices for land. These areas appear to be among the most cost-effective to serve with infrastructure out of the subareas included in this analysis and are relatively large sites under common ownership.
- **Subarea 7** (located in Nye Beach), **Subarea 8** (in South Beach east of Highway 101), and **Subarea 9** (in South Beach west of Highway 101) are smaller infill areas with less infrastructure needs. However, all require some street extensions and/or frontage improvements, and Subarea 9 requires water pump upgrades. Subarea 9 costs are relatively high given its small size and may be more than development can afford. Subareas 7 and 8 appear more promising, but the fragmented ownership and potentially higher land value expectations from property owners in more central locations could still make development challenging in these areas.

Exhibit 19. Constructability Analysis Results: Housing Unit Yields and Residual Value (RV) vs. Costs per Buildable Acre by Subarea and Housing Mix Scenario

Source: ECONorthwest

Subarea	Section / Housing Mix Scenario	Buildable Acres	Total Units	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
Area 1	1A: HDR blend	24.92	324	\$373,331	\$370,238	101%
	1A: Multifamily	24.92	560	\$210,545	\$326,145	65%
	1B: Hillside LDR	7.51	48	\$433,602	\$956,312	45%
	1C: Hillside LDR	8.57	55	\$439,089	\$789,424	56%
	1D: Hillside LDR	30.60	203	\$444,498	\$700,100	63%
Area 2	2A: LDR blend	65.55	491	\$434,616	\$779,756	56%
	2B: LDR blend	10.35	76	\$429,790	\$377,074	114%
Area 3	Hillside LDR*	103.98	696	\$448,721	\$375,135	120%
Area 4	Hillside LDR*	55.05	367	\$446,765	\$445,277	100%
Area 5	LDR blend	120.15	902	\$435,210	\$242,983	179%
	HDR blend	120.15	1575	\$376,005	\$185,219	203%
Area 6	LDR blend	22.38	167	\$434,330	\$281,436	154%
	HDR blend	22.38	290	\$370,225	\$223,894	165%
Area 7	Infill	1.90	23	\$492,507	\$410,981	120%
Area 8	HDR blend	9.61	124	\$369,847	\$276,140	134%
	Infill	9.61	103	\$426,302	\$229,083	186%
Area 9	HDR blend	3.86	48	\$360,044	\$491,098	73%
	Infill	3.86	41	\$419,119	\$424,343	99%

* Parcelization in these areas would likely reduce development potential and make development less likely to be feasible than the overall numbers suggest.

Orange highlighting indicates numbers that are less favorable to financial feasibility compared to the average, while teal highlighting indicates numbers that are more favorable to financial feasibility compared to the average.

3. Historical and Recent Development Trends

Analysis of historical development trends in Newport provides insight into the functioning of the local housing market. The mix of housing types and densities, in particular, are key variables in forecasting the capacity of residential land to accommodate new housing and to forecast future land need.

This Housing Capacity Analysis examines changes in Newport’s housing market from 2000 to 2019, as well as residential development from 2012 to 2021. We selected this period because (1) Newport last adopted its Housing Element in 2011; (2) the period provides information about Newport’s housing market before and after the national housing market bubble’s growth, deflation, and the more recent increase in housing costs; and (3) data about Newport’s housing market during this period is readily available from sources such as the Census and the City building permit database.

For the purposes of this study, we grouped housing types based on (1) whether the structure is stand-alone or attached to another structure and (2) the number of dwelling units in each structure. The housing types used in this analysis are consistent with needed housing types as defined in ORS 197.303:⁶

- **Single-family detached** includes single-family detached units, manufactured homes on lots and in mobile home parks, and accessory dwelling units. Single-family detached also includes cottage cluster housing.
- **Single-family attached** are all structures with a common wall where each dwelling unit occupies a separate lot, such as row houses or townhouses.
- **Multifamily with 2 to 4 units** are attached structures such as duplexes, triplexes, and quadplexes.
- **Multifamily with 5 or more units** are attached structures with five or more units per structure.

In Newport, government-assisted housing (ORS 197.303[b]) and housing for farmworkers (ORS 197.303[e]) can be any of the housing types listed above. Analysis within this report discusses housing affordability at a variety of incomes, as required in ORS 197.303.

⁶ ORS 197.303 defines needed housing as “all housing on land zoned for residential use or mixed residential and commercial use that is determined to meet the need shown for housing within an urban growth boundary at price ranges and rent levels that are affordable to households within the county with a variety of incomes.”

Data Used in This Analysis

Throughout this analysis (including the subsequent Chapter 4) we used data from multiple well-recognized and reliable data sources. One of the key sources for housing and household data is the US Census. This report primarily uses data from three Census sources:⁷

- The **Decennial Census**, which is completed every ten years and is a survey of *all* households in the United States. The Decennial Census does not collect more detailed household information, such as income, housing costs, housing characteristics, and other important household information.
- The **American Community Survey (ACS)**, which is completed every year and is a *sample* of households in the United States. The ACS collects detailed information about households, including demographics (e.g., number of people, age distribution, ethnic or racial composition, country of origin, language spoken at home, and educational attainment), household characteristics (e.g., household size and composition), housing characteristics (e.g., type of housing unit, year unit built, or number of bedrooms), housing costs (e.g., rent, mortgage, utility, and insurance), housing value, income, and other characteristics. The most up-to-date ACS data available for this report was for the 2015-2019 period.
- **Comprehensive Housing Affordability Strategy (CHAS)**, which is custom tabulations of American Community Survey (ACS) data from the US Census Bureau for the US Department of Housing and Urban Development (HUD). CHAS data show the extent of housing problems and housing needs, particularly for low-income households. CHAS data are typically used by local governments as part of their consolidated planning work to plan how to spend HUD funds and for HUD to distribute grant funds. The most up-to-date CHAS data covers the 2014-2018 period, which is a year older than the most recent ACS data for the 2015-2019 period.
- **Property Radar**, which provides real estate sales data.

This report primarily uses data from the 2015-2019 ACS for Newport and comparison areas.⁸ Where information is available and relevant, we report information from the 2000 and 2010

⁷ It is worth commenting on the methods used for the American Community Survey. The American Community Survey (ACS) is a national survey that uses continuous measurement methods. It uses a sample of about 3.54 million households to produce annually updated estimates for the same small areas (census tracts and block groups) formerly surveyed via the decennial census long-form sample. It is also important to keep in mind that all ACS data are estimates that are subject to sample variability. This variability is referred to as “sampling error” and is expressed as a band or “margin of error” (MOE) around the estimate.

This report uses Census and ACS data because, despite the inherent methodological limits, they represent the most thorough and accurate data available to assess housing needs. We consider these limitations in making interpretations of the data and have strived not to draw conclusions beyond the quality of the data.

⁸ Five-year 2020 ACS data was not available when this report was compiled.

Decennial Census.⁹ Among other data points, this report also includes data from Oregon’s Housing and Community Services Department, the US Department of Housing and Urban Development, and the City of Newport.

Trends in Housing Mix

This section provides an overview of changes in the mix of housing types in Newport and compares Newport to Lincoln County and to Oregon. These trends demonstrate the types of housing developed in Newport historically. Unless otherwise noted, this chapter uses data from the 2000 and 2010 Decennial Census and the 2015-2019 American Community Survey 5-Year Estimates.

This section shows the following trends in housing mix in Newport:

- **Newport’s housing stock is predominantly single-family detached housing units.** Sixty-four percent of Newport’s housing stock is single-family detached; 16% is multifamily (with five or more units per structure); 13% is duplexes, triplexes, or quadplexes; and 7% is single-family attached (e.g., townhouses).
- **Since 2000, Newport’s housing mix has remained relatively static.** Newport’s housing stock grew by about 15% (about 773 new units) between 2000 and the 2015-2019 period.
- **Single-family detached housing accounted for most of the new housing permitted in Newport between 2012 and 2021.** About 87% of new units permitted were for single-family units and 13% were for multifamily units.

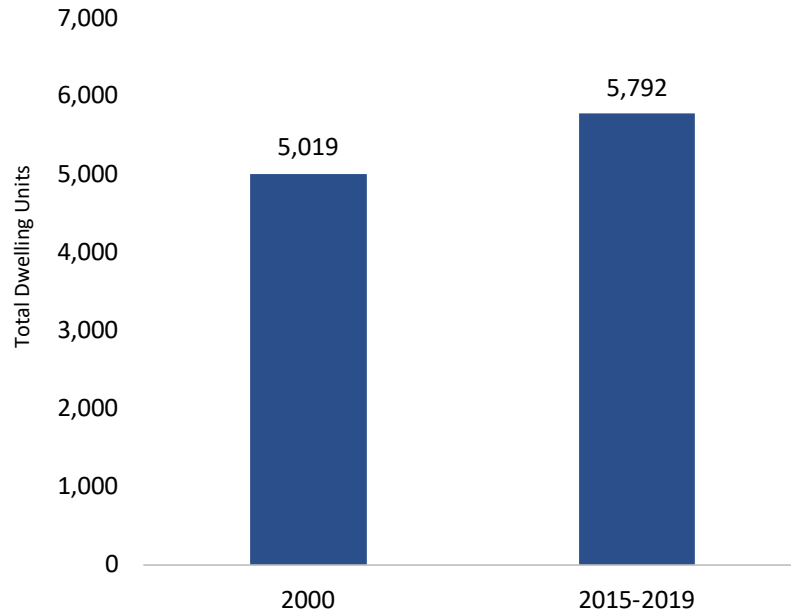
⁹ The 2020 Census was completed at the end of 2020. However, extenuating circumstances brought on by the COVID-19 pandemic have led to some challenges with the data. The 2020 Decennial Census data is more limited than usual because of the COVID-19 pandemic. Where appropriate, this report uses 2015-2019 ACS data, rather than 2020 Decennial Census data, for up-to-date information.

Housing Mix

The total number of dwelling units in Newport increased by 15% from 2000 to 2015-2019.

Newport added 773 new dwelling units during this period.

Exhibit 20. Total Dwelling Units, Newport, 2000 and 2015-2019
Source: US Census Bureau, 2000 Decennial Census, SF3 Table H030, and 2015-2019 ACS Table B25024.

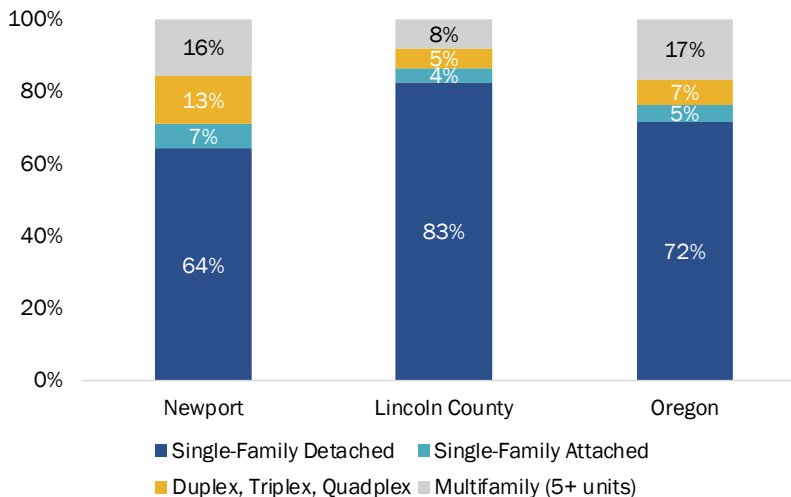


About 64% of Newport's housing stock was single-family detached housing.

Newport had a larger share of multifamily housing types than Lincoln County.

Exhibit 21. Housing Mix, Newport, Lincoln County, and Oregon, 2015-2019

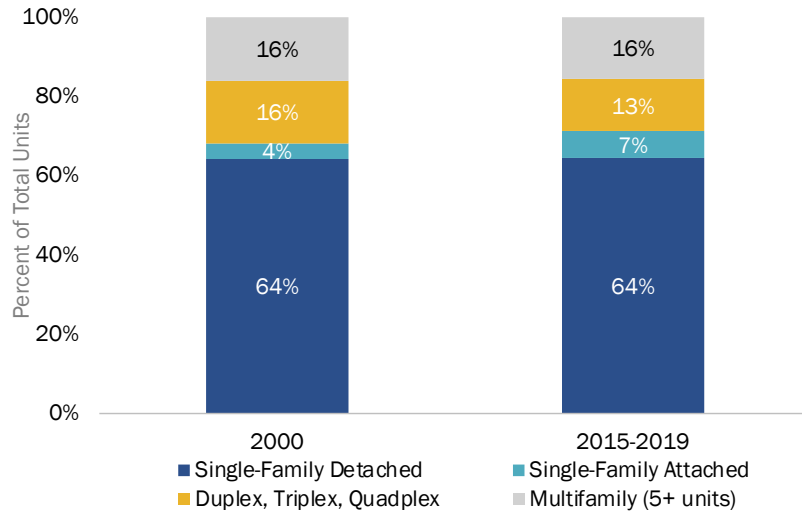
Source: US Census Bureau, 2015-2019 ACS Table B25024.



The mix of housing in Newport stayed relatively stable between 2000 and 2015-2019.

Exhibit 22. Change in Housing Mix, Newport, 2000 and 2015-2019

Source: US Census Bureau, 2000 Decennial Census, SF3 Table H030, and 2015-2019 ACS Table B25024.

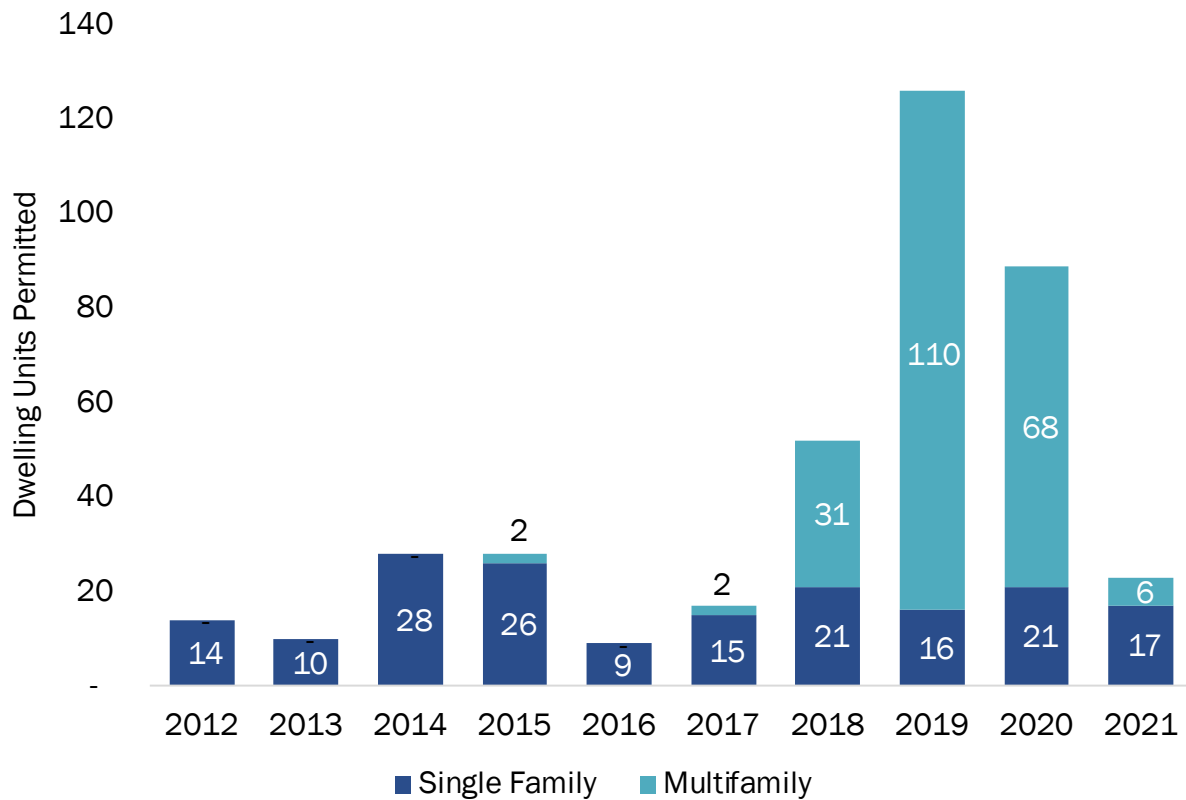


Building Permits

Over the 2012 to 2021 period, Newport issued permits for 396 dwelling units, with an annual average of 40 permits issued. Of the 396 permits, about 45% were for single-family units and 55% were for multifamily units.¹⁰ Twenty-three of these permits or 6% were to replace an existing dwelling unit. The development of new multifamily housing since 2018 is a considerable departure from development trends between 2008 and 2017, a nearly 20-year period when nearly no multifamily housing was developed.¹¹

Exhibit 23. Building Permits Issued for New Residential Construction by Type of Unit, Newport, 2012 through 2021

Source: City of Newport, Permit Database.



¹⁰ This analysis does not differentiate between single-family detached and single-family attached units because Newport's building permit database combines them into one category: single family. Accessory dwelling units (ADUs) are also included in single family.

¹¹ The *Newport Housing Needs Analysis* (2011) documents building permit information for 2008 to 2010.

Trends in Tenure

Housing tenure describes whether a dwelling is owner or renter occupied. This section shows:

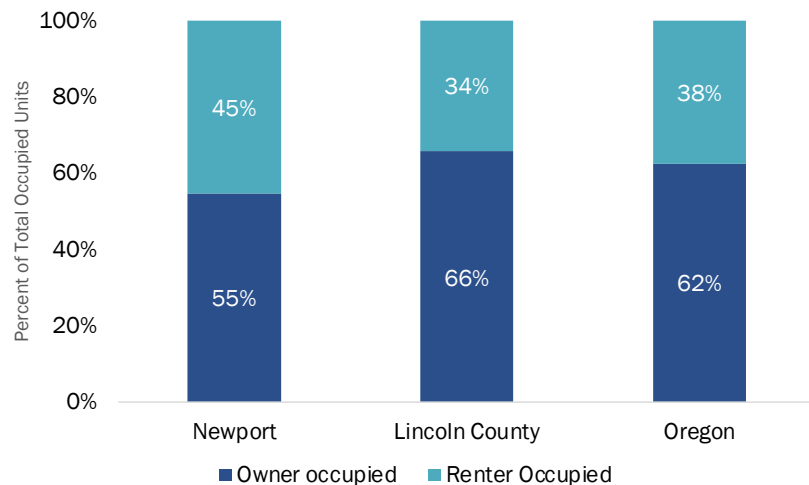
- **Homeownership rates in Newport were lower than Lincoln County's and Oregon's rates.** About 55% of Newport's households own their home. In comparison, 66% of Lincoln County households and 62% of Oregon households are homeowners.
- **Homeownership rates in Newport increased slightly between 2000 and 2015-2019.** In 2000, 52% of Newport households were homeowners, compared to 55% in 2015-2019.
- **Most of Newport's homeowners (90%) live in single-family detached housing, while more than half of renters (55%) lived in multifamily housing** (including units in duplexes, triplexes, quadplexes, and housing with five or more units per structure).
- **Whites were more frequently homeowners than Latino or POC households.**

The implications for the forecast of new housing are that Newport has a balance of opportunities for homeownership and for renting. Relatively few multifamily housing types (including duplexes) were owner occupied, which combined with information about housing affordability in Chapter 4 may suggest a need for homeownership opportunities for a wider range of housing types, such as townhouses, cottage housing, and duplexes, triplexes, and quadplexes.

Newport had a lower homeownership rate than Lincoln County and Oregon.

Exhibit 24. Tenure, Occupied Units, Newport, Lincoln County, and Oregon, 2015-2019

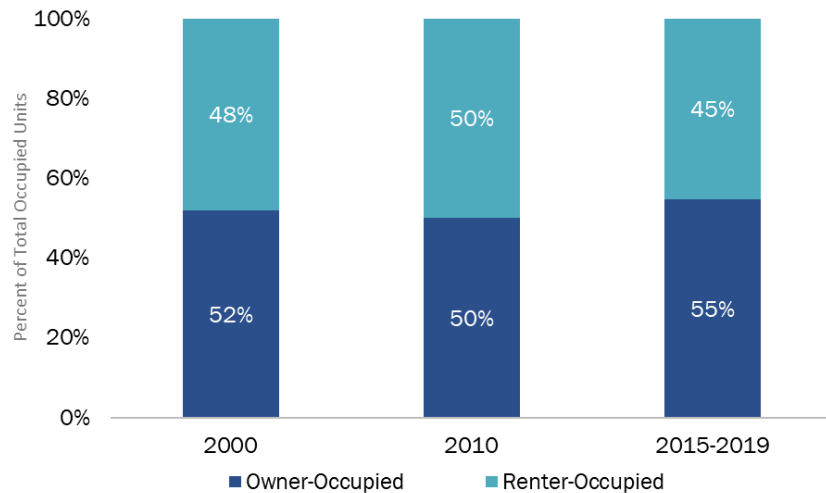
Source: US Census Bureau, 2015-2019 ACS 5-Year Estimates, Table B25003.



The homeownership rate in Newport increased by 3% from 2000 to 2015-2019.

Exhibit 25. Tenure, Occupied Units, Newport, 2000, 2010, 2015-2019

Source: US Census Bureau, 2000 Decennial Census SF1 Table H004, 2010 Decennial Census SF1 Table H4, 2015-2019 ACS Table B25003.



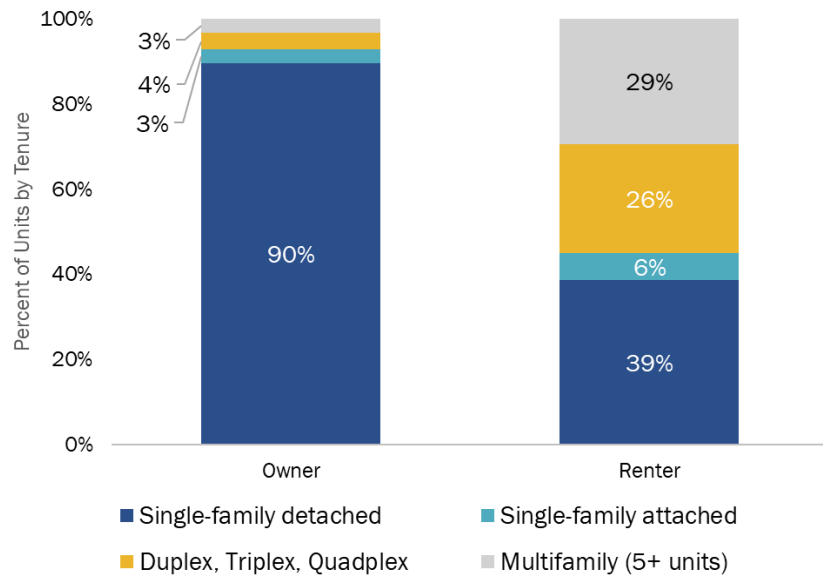
Nearly all of Newport’s homeowners (90%) lived in single-family detached housing.

In comparison, only 39% of Newport households that rent lived in single-family detached housing.

A quarter of renters lived in duplex, triplex, or quadplex housing, and nearly a third of renters lived in multifamily (5+ units) housing.

Exhibit 26. Housing Units by Type and Tenure, Newport, 2015-2019

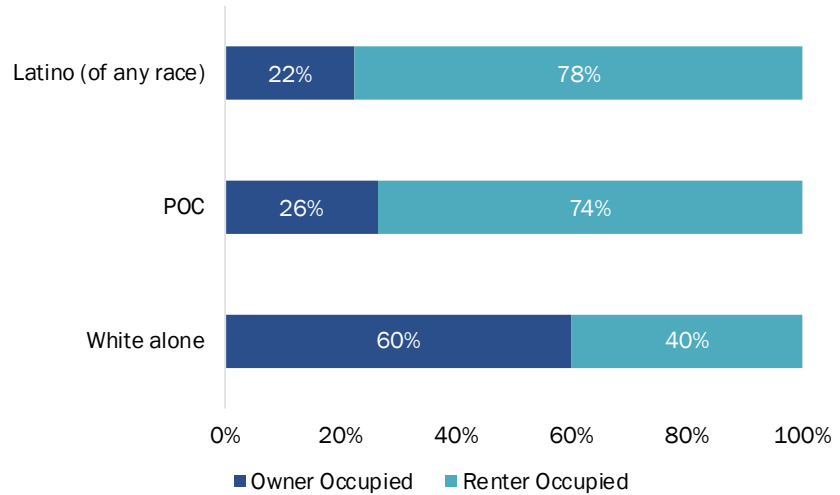
Source: US Census Bureau, 2015-2019 ACS Table B25032.



Latino and POC households were more likely to be renters than white alone households.

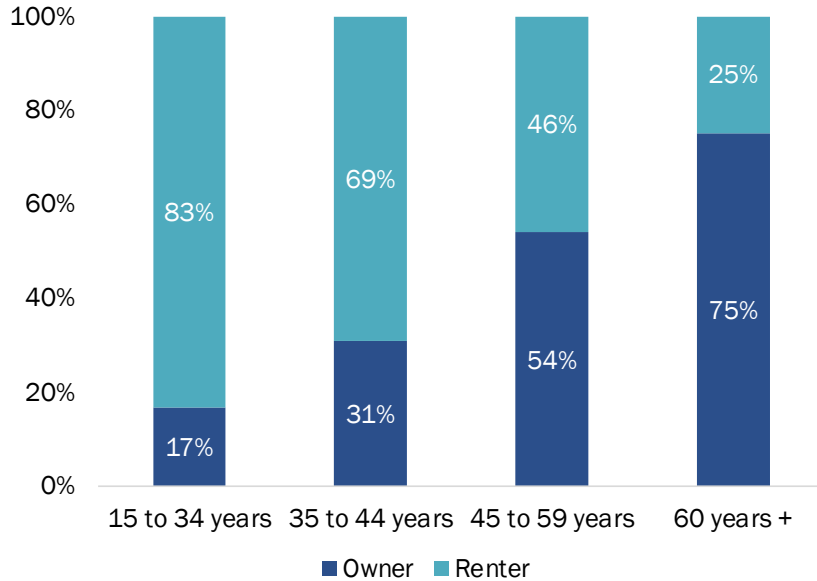
While 60% of white alone households owned their homes, in comparison, fewer than a quarter of POC and about one-fifth of Latinos were homeowners.

Exhibit 27. Tenure by Race and by Ethnicity, Newport, 2015-2019
Source: US Census Bureau, 2015-2019 ACS Table B25003A-I.



The homeownership rate in Newport increased with age. In Newport, about 68% of householders 45 years or older owned their homes (2,255 homeowners vs 1,085 renters). This pattern is consistent with statewide trends in homeownership.

Exhibit 28. Tenure by Age of the Head of Household, Newport, 2015-2019
Source: US Census Bureau, 2015-2019 ACS Table B25007.



Vacancy Rates

Housing vacancy is a measure of housing that is available to prospective renters and buyers. It is also a measure of unutilized housing stock. The Census defines vacancy as "unoccupied housing units . . . determined by the terms under which the unit may be occupied, e.g., for rent, for sale, or for seasonal use only." The Census identified vacancy through an enumeration, separate from (but related to) the survey of households. Enumerators are obtained using information from property owners and managers, neighbors, rental agents, and others.

According to the 2015-2019 American Community Survey, the vacancy rate in Newport was 19.9%, compared to 32.4% for Lincoln County and 8.9% for Oregon. Most vacant housing in Newport was vacant for seasonal, recreational, or occasional use, which is consistent with vacancies in coastal communities, which have a larger share of second homes and short-term rentals.

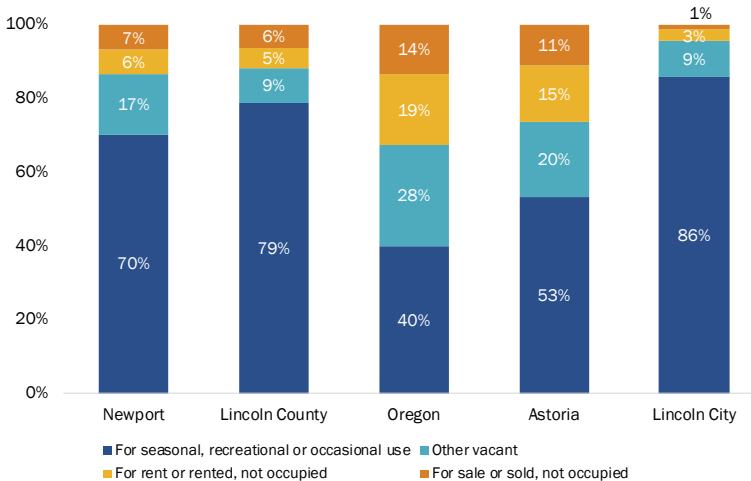
About 2.6% of Newport’s existing units (153 units) were vacant for rent or for sale in 2015-2019. About 14% of Newport’s existing units (811 units) were vacant for seasonal, recreational, or occasional use.

Newport had 1,155 vacant units in the 2015-2019 period or a nearly 20% vacancy rate for all dwellings in Newport.

Of the 1,155 vacant units, 70% were for seasonal, recreational, or occasional use (e.g., short-term rentals or vacation homes). About 17% were classified as “other.”¹²

Exhibit 29. Vacancy by Reason, as a percent of total vacant units, Newport 2015-2019

Source: ACS 2015-2019 5 Year Estimates, Table B25004



¹² According to the Census, a housing unit is classified as “other vacant” when it does not fit into any other year-round vacant category. Common reasons a housing unit is labeled as “other vacant” includes when a unit is vacant for repairs or renovations, a unit is being held for settlement of an estate, an owner does not want to rent or sell, a unit is being used for storage, or the owner is elderly and living elsewhere. This category can also include foreclosed properties.

As of 2015-2019, about 14% of Newport’s vacant dwelling units were vacant for seasonal, recreational, or occasional use (e.g., short-term rentals or vacation homes) compared to 8.7% in 2000.

Exhibit 30. Vacancy for Seasonal, Recreational, or Occasional Use, Newport, 2000 and 2015-2019

Source: U.S. Census Bureau, 2000 Decennial Census SF1 Table H005¹³, 2015-2019 ACS Table B25004.

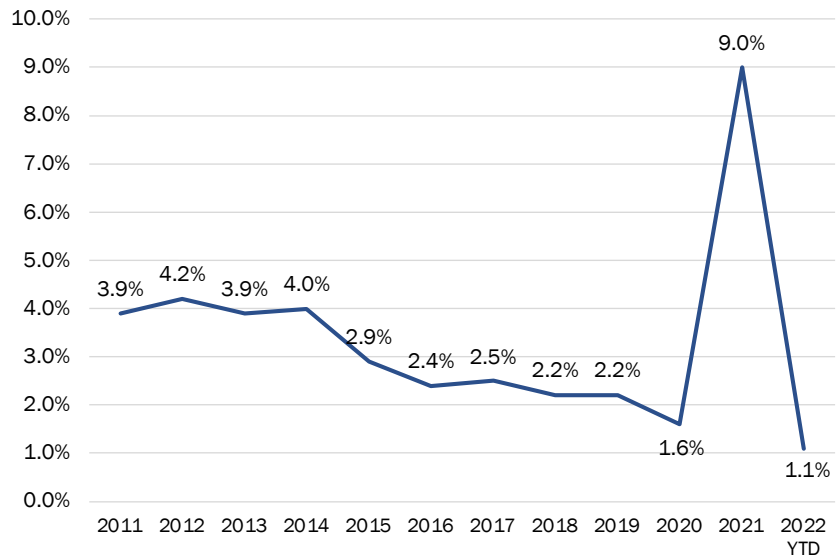
2000	437 Units	8.7% Share of Total Dwelling Units
2015-2019	811 Units	14.0% Share of Total Dwelling Units

Newport’s multifamily vacancy rate was 1.6% in 2020, down from 3.8% in 2010. In 2021 it spiked to 9.0% before coming back down to 1.1% at the beginning of 2022.

In 2020 and 2021, 176 multifamily units were completed and newly available for occupancy. The increased vacancy rate in 2021 was likely the result of absorption of the new units. This is the typical pattern for absorption of a relatively large number of new multifamily units.

Exhibit 31. Average Multifamily Vacancy Rate, Newport, 2011–2022 YTD

Source: CoStar. March 2022.



¹³ Census Table SF1 H005 is reported in the 2000 Decennial Census, but not in the 2010 Decennial Census.

Government-Assisted Housing

Governmental agencies and nonprofit organizations offer a range of housing assistance to low and moderate-income households in renting or purchasing a home. There are 9 government-assisted housing developments in Newport with a total of 359 dwelling units.

Exhibit 32. Government-Assisted Housing, Newport, 2020

Source: Oregon Department of Health and Human Services, Affordable Housing Inventory in Oregon, July 2019

Note: City of Newport provided information on Surfview Village which was completed in 2020

Note: bedroom size data not available for Agate Heights Apts.

Development Name	Total Units	Unit Size					
		SRO	Studio	1-bd	2-bd	3-bd	4-bd
Agate Heights Apts	44	-	-	-	-	-	-
Big Creek Point Apts	47	-	-	41	6	-	-
Mariner Heights Apts	16	-	-	16	-	-	-
Newport North & South Apts	20	-	-	-	4	10	6
Ocean Spray Homes	28	-	8	16	2	2	-
Pinewood Manor	45	-	19	20	6	-	-
Surfview Village	110	-	-	24	42	44	-
Salmon Run	40	-	-	-	22	18	-
Yaquina Breeze	9	-	-	9	-	-	-
Total	359	-	27	126	82	74	6

Just over a third (35%) of the 359 dwelling units are units with one bedroom. About 162 of Newport's rent-restricted dwelling units (46%) were larger units with two, three, or four bedrooms. Newport had approximately 5,792 dwelling units in the 2015-2019 period. Rent-restricted units accounted for about 6% of Newport's total housing stock.

Exhibit 33. Government-Assisted Housing, Newport, 2020

Source: Oregon Department of Health and Human Services, Affordable Housing Inventory in Oregon, July 2019. City of Newport

Note: SRO means single-room occupancy.

	Unit Size							Total
	Unknown	SRO	Studio	1-bd	2-bd	3-bd	4-bd	
Rent-Restricted Units	44	-	27	126	82	74	6	359
Share of Total Units	12%	0%	8%	35%	23%	21%	2%	100%

Manufactured Homes

Manufactured homes provide a source of affordable housing in Newport. They provide a form of homeownership that can be made available to low and moderate-income households. Cities are required to plan for manufactured homes—both on lots and in parks (ORS 197.475-492).

Generally, manufactured homes in parks are owned by the occupants who pay rent for the space. Monthly housing costs are typically lower for a homeowner in a manufactured home park for several reasons, including the fact that property taxes levied on the value of the land are paid by the property owner, rather than the manufactured homeowner. The value of the manufactured home generally does not appreciate in the way a conventional home would, however. Manufactured homeowners in parks are also subject to the mercy of the property owner in terms of rent rates and increases. It is generally not within the means of a manufactured homeowner to relocate to another manufactured home to escape rent increases. Homeowners living in a park is desirable to some because it can provide a more secure community with on-site managers and amenities, such as laundry and recreation facilities.

OAR 197.480(4) requires cities to inventory the mobile home or manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial, or high-density residential development.

Exhibit 34 presents the inventory of mobile and manufactured home parks within Newport as of 2021. Newport has 5 manufactured home parks within its UGB. Within these parks, there are a total of 294 spaces.

Exhibit 34. Inventory of Mobile/Manufactured Home Parks, Newport UGB, 2021

Source: Oregon Manufactured Dwelling Park Directory.

Name	Location	Type	Total Spaces	Vacant Spaces	Comprehensive Plan Designation
Longview Hills Manufactured Housing Community - LNC0011	450 NE 58th St	55+	176	2	Low Density Residential
Mulkey's Trailer Park - LNC0012	145 NW 6th St	55+	16	2	Commercial
Surfside Community - LNC0023	392 NW 3rd St	55+	33	4	High Density Residential
Harbor Village RV and Mobile Home Park	923 SE Bay Blvd.	55+	53	Unknown	Commercial/High Density Residential
Surf Sounds Court Mobile Home Park	4263 S Coast Hwy	55+	16	0	Industrial
Total			294	8	

Student Housing

The Hatfield Marine Science Center (HMSC) provides housing for both researchers and professionals as well as enrolled students. The number of students that require housing varies by season. About 15 students reside in Newport in the winter. In the summer the number of students increases to about 100. Most students stay in Newport for one quarter (about three months), but some students and professionals stay up to a year.¹⁴

Over the next 5 to 10 years, HMSC forecasts that they could have between 200 and 250 students in the summer who require housing. Many of HMSC's housing occupants will be non-students. These housing needs are discussed further in Chapter 5.

¹⁴ Email communications with Oregon State University staff, June 2022.

4. Demographic and Other Factors Affecting Residential Development in Newport

Demographic trends are important for a thorough understanding of the dynamics of the Newport housing market. Newport exists in a regional economy; trends in the region impact the local housing market. This chapter documents demographic, socioeconomic, and other trends relevant to Newport at the national, state, and regional levels.

Demographic trends provide a context for growth in a region; factors such as age, income, migration, and other trends show how communities have grown and how they will shape future growth. To provide context, we compare Newport to Lincoln County and Oregon. We also compare Newport to nearby cities where appropriate. Characteristics such as age and ethnicity are indicators of how the population has grown in the past and provide insight into factors that may affect future growth.

A recommended approach to conducting a housing capacity analysis is described in *Planning for Residential Growth: A Workbook for Oregon's Urban Areas*, the Department of Land Conservation and Development's guidebook on local housing needs studies. As described in the Workbook, the specific steps in the Housing Capacity Analysis are:

1. Project the number of new housing units needed in the next 20 years.
2. Identify relevant national, state, and local demographic and economic trends and factors that may affect the 20-year projection of structure type mix.
3. Describe the demographic characteristics of the population and, if possible, the housing trends that relate to demand for different types of housing.
4. Determine the types of housing that are likely to be affordable to the projected households based on household income.
5. Determine the needed housing mix and density ranges for each plan designation and the average needed net density for all structure types.
6. Estimate the number of additional needed units by structure type.

This chapter presents data to address steps 2, 3, and 4 in this list. Chapter 5 presents data to address steps 1, 5, and 6 in this list.

Demographic and Socioeconomic Factors Affecting Housing Choice¹⁵

Analysts typically describe housing demand as the preferences for different types of housing (e.g., single-family detached or apartment) and the ability to pay for that housing (the ability to exercise those preferences in a housing market by purchasing or renting housing; in other words, income or wealth).

Many demographic and socioeconomic variables affect housing choice. However, the literature about housing markets finds that age of the householder, size of the household, and income are most strongly correlated with housing choice.

- **Age of householder** is the age of the person identified (in the Census) as the head of household. Households make different housing choices at different stages of life. This chapter discusses generational trends, such as housing preferences of baby boomers (people born from about 1946 to 1964), millennials (people born from about 1980 to 2000), and Generation Z (people born after 1997).
- **Size of household** is the number of people living in the household. Younger and older people are more likely to live in single-person households. People in their middle years are more likely to live in multi-person households (often with children).
- **Household income** is probably the most important determinant of housing choice. Income is strongly related to the type of housing a household chooses (e.g., single-family detached housing, duplexes, or buildings with more than five units) and to household tenure (e.g., rent or own).

This chapter focuses on these factors, presenting data that suggests how changes to these factors may affect housing need in Newport over the next 20 years.

National Trends¹⁶

This summary on national housing trends builds on previous work by ECONorthwest as well as Urban Land Institute (ULI) reports, conclusions from *The State of the Nation's Housing* report from the Joint Center for Housing Studies of Harvard University, and other research cited in this section. *The State of the Nation's Housing* report (2021) summarizes the national housing outlook as follows:

Even as the US economy continues to recover, the inequalities amplified by the COVID-19 pandemic remain front and center. Households that weathered the crisis

¹⁵ The research in this chapter is based on numerous articles and sources of information about housing and adapted to Newport's unique circumstances from prior housing capacity analysis conducted by ECONorthwest.

¹⁶ These trends are based on information from (1) the Joint Center for Housing Studies of Harvard University's publication "The State of the Nation's Housing 2021," (2) Urban Land Institute, "2021 Emerging Trends in Real Estate," and (3) the US Census.

without financial distress are snapping up the limited supply of homes for sale, pushing up prices and further excluding less affluent buyers from homeownership. At the same time, millions of households that lost income during the shutdowns are behind on their housing payments and on the brink of eviction or foreclosure. A disproportionately large share of these at-risk households are renters with low incomes and people of color. While policymakers have taken bold steps to prop up consumers and the economy, additional government support will be necessary to ensure that all households benefit from the expanding economy.

The domestic housing market sees many, interlocking challenges remaining as the world transitions from the COVID-19 pandemic. An extremely limited inventory of entry-level homes make housing unaffordable for many Americans, especially younger Americans. However, the conditions for homebuying are ripe for many Americans, resulting in strong demand in the market and increasing home sales prices to record levels. Furthermore, the costs of labor and materials to build new homes increased steeply. While current amount of new housing starts is robust, newly built homes will not make up the shortfall in residential housing in the near term, especially for single-family homes. The challenges and trends shaping the housing market are summarized below.

- **A continued bounce back in residential construction was led by an increase in single-family and multifamily housing starts.** After a sharp comeback in summer 2020 led by single-family construction, single-family housing starts fell below a 700,000-unit annual rate in April 2020 due to the COVID-19 pandemic. Following that dip, housing starts nearly doubled to a high of 1,315,000 new housing units in December 2020—marking it as the strongest month for single-family homebuilding in over 13 years—with a consistent annual rate of production since then ranging from 1,061,000 to 1,255,000 units: most recently hitting 1,215,000 in February 2022. Multifamily unit starts followed similar trends, reaching a 33-year high in January 2020 of more than half a million buildings with 5 units or more, then hitting a 6-year low in April 2020 of a quarter million. Since that low, multifamily starts have increased 47%, reaching 501,000 units in February 2022.
- **Strong construction numbers did not alleviate the shortage of existing homes for sale.** Inventories fell from 3 months in December 2019 to just under 2 months in December 2020, well below what is considered balanced (six months), with lower-cost and moderate-cost homes experiencing the tightest inventories. While *The State of the Nation's Housing* report cited the COVID-19 pandemic as sharing some blame for these tight conditions, the larger cause was the result of underproduction of new homes since mid-2000s. Restrictive land use regulations, the cost and availability of labor, and the cost of building materials were also cited as constraints on residential development.
- **Homeownership rates slowly, but consistently, increased.** After years of decline, the national homeownership rate increased slightly from 64.4% in 2018 to 65.5% in late 2021. Trends suggest the recent homeownership increases are among householders of all age groups, with households under age 35 making up the largest proportions of this increase. About 88% of net new growth (2013 to 2019) was among households with

incomes of \$150,000 or more. Significant disparities also still exist between households of color and white households, with the Black-white homeownership gap at 28.1 percentage points in early 2021 and the Hispanic-white gap at 23.8 percentage points, though this latter percentage was a 1.8 percentage point decrease from 2019.

- **Housing affordability.** Despite a recent downward trend, 37.1 million American households spent more than 30% of their income on housing in 2019, which is 5.6 million more households than in 2001. Renter households experienced cost burden at more than double the rate of homeowners (46% versus 21%) with the number of cost-burdened renters exceeding cost-burdened homeowners by 3.7 million in 2019. Affordability challenges were mostly likely to affect households with low incomes, as three-fifths of renters and nearly half of homeowners earning less than \$25,000 were reported to be severely cost-burdened in 2019, as well as one in six renters and one in eight homeowners earning between \$25,000 and \$49,999. Households under the age of 25 and over the age of 85 had the highest rates of housing cost burden, as well as households of color.
- **Long-term growth and housing demand.** The Joint Center for Housing Studies forecasts that, nationally, demand for new homes could total as many as 10 million units between 2018 and 2028 if current low immigration levels continue. Much of the demand will come from baby boomers, millennials, Generation Z,¹⁷ and immigrants. The Urban Land Institute cites an increased acceptance of working from home as increasing demand in more suburban or rural environments over closer-in markets.
- **Growth in rehabilitation market.**¹⁸ Aging housing stock and poor housing conditions are growing concerns for jurisdictions across the United States. With the median age of the US housing stock rising to 41 years in 2019 from 34 years in 2009, Americans are spending more than \$400 billion per year on residential renovations and repairs. As housing rehabilitation becomes the go-to solution to address housing conditions, the home remodeling market has grown nearly \$20 billion in 2017, topping out at \$433 billion in 2021.

Despite trends showing growth in the rehabilitation market, rising construction costs and complex regulatory requirements pose barriers to rehabilitation. Lower-income households (who are more likely to live in older housing than higher-income households) or households on fixed incomes may defer maintenance for years due to limited financial means, escalating rehabilitation costs. At a certain point, the cost of improvements may outweigh the value of the structure, which may necessitate new responses such as demolition or redevelopment. Regardless, there is a rising urgency

¹⁷ According to the Pew Research Center, millennials were born between the years of 1981 to 1996 and Generation Z were born between 1997 and 2012 (inclusive). Read more about generations and their definitions here: <http://www.pewresearch.org/fact-tank/2018/03/01/defining-generations-where-millennials-end-and-post-millennials-begin/>.

¹⁸ These findings are copied from the Joint Center for Housing Studies. (2021). Improving America's Housing, Harvard University. Retrieved from: https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_Improving_Americas_Housing_2019.pdf

with the aging housing stock, particularly regarding increased disaster events caused by climate change. In 2019 spending on disaster repairs hit a record high of 10% of total rehabilitation spending and 2020 saw a record number of billion-dollar climate-related disasters.

- **Declining residential mobility.**¹⁹ Residential mobility rates have declined steadily since 1980. Nearly one in five Americans moved every year in the 1980s, compared to one in ten Americans between 2018 and 2019. While residential mobility took a further dip in the initial stages of the COVID-19 pandemic, soon conditions emerged that encouraged homebuying, such as historically low mortgage rates, moves toward and the ensuing normalization of working from home, and a growing number of first-time millennial buyers. Due to such conditions, existing home sales rose by more than 20% year over year from September 2020 through January 2021. These optimal buying conditions have created competition that puts an additional squeeze on the nationwide housing shortage, likely further dampening residential mobility.

Other reasons for decline in residential mobility include factors such as demographic, housing affordability, and labor-related changes. For instance, as baby boomers and millennials age, mobility rates are expected to fall, as people typically move less as they age. Harvard University's Research Brief (2020) also suggests that increasing housing costs could be preventing people from moving if they are priced out of desired neighborhoods or if they prefer to stay in current housing as prices rise around them. Other factors that may impact mobility include the rise in dual-income households (which complicates job-related moves), the rise in work-from-home options, and the decline in company-funded relocations. While decline in mobility rates span all generations, they are greatest among young adults and renters, two of the more traditionally mobile groups.

- **Changes in housing preference.** Housing preference will be affected by changes in demographics, most notably the aging of baby boomers, housing demand from millennials and Generation Z, and growth of immigrants.
 - *Baby boomers.* In 2020, the oldest members of this generation were in their seventies and the youngest were in their fifties. The continued aging of the baby boomer generation will affect the housing market. In particular, baby boomers will influence housing preference and homeownership trends. Preferences (and needs) will vary for boomers moving through their sixties, seventies, and eighties (and beyond). They will require a range of housing opportunities. For example, "aging baby boomers are increasingly renters-by-choice, [preferring] walkable, high-energy, culturally evolved communities."²⁰ Many seniors are also moving to planned retirement destinations earlier than expected, as they experience the benefits of work-from-home trends (accelerated by COVID-19). Additionally, the supply of caregivers is

¹⁹ Frost, R. (2020). "Are Americans stuck in place? Declining residential mobility in the US." Joint Center for Housing Studies of Harvard University's Research Brief.

²⁰ Urban Land Institute. Emerging Trends in Real Estate, United States and Canada. 2019.

decreasing as people in this cohort move from giving care to needing care, making more inclusive, community-based congregate settings more important. Senior households earning different incomes may make distinctive housing choices. For instance, low-income seniors may not have the financial resources to live out their years in a nursing home and may instead choose to downsize to smaller, more affordable units. Seniors living in proximity to relatives may also choose to live in multigenerational households.

Research shows that “older people in western countries prefer to live in their own familiar environment as long as possible,” but aging in place does not only mean growing old in their own homes.²¹ A broader definition exists, which explains that aging in place means “remaining in the current community and living in the residence of one’s choice.”²² Some boomers are likely to stay in their home as long as they are able, and some will prefer to move into other housing products, such as multifamily housing or age-restricted housing developments, before they move into to a dependent-living facility or into a familial home. Moreover, “the aging of the US population, [including] the continued growth in the percentage of single-person households, and the demand for a wider range of housing choices in communities across the country is fueling interest in new forms of residential development, including tiny houses.”²³

- *Millennials.* Over the last several decades, young adults have increasingly lived in multigenerational housing—more so than older demographics.²⁴ However, as millennials move into their early to mid-thirties, postponement of family formation is ending, and millennials are more frequently becoming homeowners, frequently of detached, single-family homes.

At the beginning of the 2007–2009 recession, millennials only started forming their own households. The number of millennial homeowners has seen an uptick over the past few years. While the overall US homeownership rate slowly decreased from 2009 to 2019, the millennial homeownership rate increased from 33% in 2009 to 43% in 2019, with 6% of that growth since 2016. The age group of 35 years old and younger accounted for about 15% of the annual household growth in 2019, up from about 10% in 2018. Older millennials (those age 35-44) also accounted for a growing share of growth in homeownership.²⁵ However, racial disparities also exist in

²¹ Vanleerberghe, Patricia, et al. (2017). The quality of life of older people aging in place: a literature review.

²² *Ibid.*

²³ American Planning Association. Making Space for Tiny Houses, Quick Notes.

²⁴ According to the Pew Research Center, in 1980, just 11% of adults aged 25 to 34 lived in a multigenerational family household, and by 2008, 20% did (82% change). Comparatively, 17% of adults aged 65 and older lived in a multigenerational family household, and by 2008, 20% did (18% change).

²⁵ The Joint Center for Housing Studies of Harvard University’s publication “The State of the Nation’s Housing 2021”

millennial homeownership rates, with Non-Hispanic white homeowners accounting for 53%, Hispanic homeowners for 35%, and Black homeowners for 21%.²⁶

As this generation continues to progress into their homebuying years, they will seek out affordable, modest-sized homes. This will prove challenging as the market for entry-level single-family homes has remained stagnant. Although construction of smaller homes (< 1,800 sq. ft.) increased in 2019, it only represented 24% of single-family units.

Millennials' average wealth may remain far below boomers and Gen Xers, and student loan debt will continue to hinder consumer behavior and affect retirement savings. As of 2022, millennials comprised 43% of home buyers, while Gen Xers comprised 22% and boomers 29%.²⁷ "By the year 2061, it is estimated that \$59 trillion will be passed down from boomers to their beneficiaries," presenting new opportunities for millennials (as well as Gen Xers).²⁸

- *Generation Z.* In 2020, the oldest members of Generation Z were in their early twenties and the youngest in their early childhood years. By 2040, Generation Z will be between 20 and 40 years old. While they are more racially and ethnically diverse than previous generations, when it comes to key social and policy issues, they look very much like millennials. Generation Z enters adulthood with a strong economy and record-low unemployment, despite the uncertainties of the long-term impacts of COVID-19 Pandemic.²⁹

Gen Z individuals have only just started entering the housing market in the past few years, and with a maximum age range of 23 as of 2022, this age cohort is the smallest so far in terms of home buyers and sellers, accounting for 2% of each type. While researchers do not yet know how Generation Z will behave in adulthood, many expect they will follow patterns of previous generations.³⁰ A segment is expected to move to urban areas for reasons similar to previous cohorts (namely, the benefits that employment, housing, and entertainment options bring when they are in close proximity). However, this cohort is smaller than millennials (67 million vs. 72 million), which may lead to slowing real estate demand in city centers.

²⁶ "Millennials and Housing: Homeownership Demographic Research." Freddie Mac Single-Family, 2021. https://sf.freddie.com/content/assets/resources/pdf/fact-sheet/millennial-playbook_millennials-and-housing.pdf.

²⁷ National Association of Realtors. (2020). 2020 Home Buyers and Sellers Generational Trends Report, March 2020. Retrieved from: <https://www.nar.realtor/research-and-statistics/research-reports/home-buyer-and-seller-generational-trends>

²⁸ PNC. (n.d.). Ready or Not, Here Comes the Great Wealth Transfer.

²⁹ Parker, K. & Igielnik, R. (2020). On the cusp of adulthood and facing an uncertain future: what we know about gen Z so far. Pew Research Center. Retrieved from: <https://www.pewsocialtrends.org/essay/on-the-cusp-of-adulthood-and-facing-an-uncertain-future-what-we-know-about-gen-z-so-far/>

³⁰ "2021 Home Buyers and Sellers Generational Trends Report." National Association of Realtors, 2021. <https://www.nar.realtor/sites/default/files/documents/2021-home-buyers-and-sellers-generational-trends-03-16-2021.pdf>.

- *Immigrants.* Research on foreign-born populations shows that immigrants, more than native-born populations, prefer to live in multigenerational housing. Still, immigration and increased homeownership among minorities could also play a key role in accelerating household growth over the next 10 years. Current Population Survey estimates indicate that the number of foreign-born households rose by nearly 400,000 annually between 2001 and 2007, and they accounted for nearly 30% of overall household growth. Beginning in 2008, the influx of immigrants was stanchied by the effects of the Great Recession. After a period of declines, the foreign-born population again began contributing to household growth, despite decline in immigration rates in 2019. The Census Bureau’s estimates of net immigration in 2021 indicate that just 247,000 immigrants moved to the United States from abroad, down from a previous high of 1,049,000 between 2015 and 2016.³¹ As noted in *The State of the Nation’s Housing 2020* report, “because the majority of immigrants do not immediately form their own households upon arrival in the country, the drag on household growth from lower immigration only becomes apparent over time.”
- *Diversity.* The growing diversity of American households will have a large impact on the domestic housing markets. Over the coming decade, minorities will make up a larger share of young households and constitute an important source of demand for both rental housing and small homes. The growing gap in homeownership rates between whites and Blacks, as well as the larger share of minority households that are cost burdened, warrants consideration. White households had a 74.4% homeownership rate in 2021 compared to a 43.1% rate for Black households.³² This 30-percentage point gap is the largest disparity since 1983. Although homeownership rates are increasing for some minorities, Black and Hispanic households are more likely to have suffered disproportionate impacts of the pandemic and forced sales could negatively impact homeownership rates. This, combined with systemic discrimination in the housing and mortgage markets and lower incomes relative to white households, leads to higher rates of cost burden for some groups of people. For example, Black renters account for 29% of cost burdened households and Hispanic renters for 21%, compared to white renters at 11%. Additionally, for low-income renters earning less than \$25,000, Hispanic and Black renters faced higher cost burden rates (86 and 8 %respectively) than white renters at 80%. For low-income homeowners, 72% of Hispanics, 74% of Blacks, and 84% of Asians faced cost burdens, compared to 68% of white households. As noted in *The State of the Nation’s Housing (2020)* report, “the impacts of the pandemic have shed light on the growing racial and income disparities in the nation between the nation’s

³¹ Jason Schachter, Pete Borsella, and Anthony Knapp (US Census, December 21, 2021), <https://www.census.gov/library/stories/2021/12/net-international-migration-at-lowest-levels-in-decades.html>.

³² “Federal Reserve Economic Data: Fred: St. Louis Fed,” Federal Reserve Economic Data (Federal Reserve Bank of St. Louis), accessed April 18, 2022, <https://fred.stlouisfed.org/>.

haves and have-nots are the legacy of decades of discriminatory practices in the housing market and in the broader economy.”

- **Changes in housing characteristics.** The US Census Bureau’s Characteristics of New Housing Report (2020) presents data that show trends in the characteristics of new housing for the nation, state, and local areas. Several long-term trends in the characteristics of housing are evident from the New Housing Report:³³
 - *Larger single-family units on smaller lots.* Between 2000 and 2020, the median size of new single-family dwellings increased by nearly 10% nationally, from 2,057 sq. ft. to 2,261 sq. ft., and 14% in the western region from 2,014 sq. ft. in 1999 to 2,242 sq. ft. in 2020. Moreover, the percentage of new units smaller than 1,400 sq. ft. nationally decreased by half, from 14% in 2000 to 7% in 2020. The percentage of units greater than 3,000 sq. ft. increased from 18% in 2000 to 23% of new single-family homes completed in 2020. In addition to larger homes, a move toward smaller lot sizes was seen nationally. Between 2010 and 2020, the percentage of lots less than 7,000 sq. ft. increased from 25.5% to 34.8% of lots.

Based on a national study about home buying preferences that differ by race/ethnicity, African American home buyers wanted a median unit size of 2,664 sq. ft. compared to 2,347 sq. ft. for Hispanic buyers, 2,280 sq. ft. for Asian buyers, and 2,197 sq. ft. for white buyers.³⁴ This same study found that minorities were less likely to want large lots.
 - *Larger multifamily units.* Between 2000 and 2020, the median size of new multifamily dwelling units increased by 4.6% nationally. In the western region, the median size increased by 3.6%. Nationally, the percentage of new multifamily units with more than 1,200 sq. ft. increased from 29.5% in 2000 to 32.8% in 2020 and increased from 23.3% to 25.2% in the western region.
 - *Household amenities.* Across the United States since 2013, an increasing number of new units had air-conditioning (fluctuating year by year at over 90% for both new single-family and multifamily units). In 2000, 93% of new single-family houses had two or more bathrooms, compared to 96.8% in 2020. The share of new multifamily units with two or more bathrooms decreased from 55% of new multifamily units to 42.6%. As of 2020, 92% of new single-family houses in the United States had garages for one or more vehicles (from 88% in 2000). Additionally, if work-from-home dynamics remain a more permanent option, then there may be rising demand for different housing amenities such as more space for home offices or larger yards for recreation.
 - *Shared amenities.* Housing with shared amenities grew in popularity, as it may improve space efficiencies and reduce per-unit costs/maintenance costs. Single-room

³³ US Census Bureau, Highlights of Annual 2020 Characteristics of New Housing. Retrieved from: <https://www.census.gov/construction/chars/highlights.html>

³⁴ Quint, Rose. (April 2014). *What Home Buyers Really Want: Ethnic Preferences*. National Association of Home Builders.

occupancies (SROs),³⁵ cottage clusters, cohousing developments, and multifamily products are common housing types that take advantage of this trend. Shared amenities may take many forms and include shared bathrooms, kitchens, other home appliances (e.g., laundry facilities, outdoor grills), security systems, outdoor areas (e.g., green spaces, pathways, gardens, rooftop lounges), fitness rooms, swimming pools, tennis courts, and free parking.³⁶

State Trends

In August 2019, the State of Oregon passed statewide legislation—Oregon House Bill 2001 and 2003. **House Bill 2001 (HB2001)** required many Oregon communities to accommodate middle housing within single-family neighborhoods. “Medium cities”—those with 10,000 to 25,000 residents outside the Portland metro area—are required to allow duplexes on each lot or parcel where a single-family home is allowed. “Large cities”—those with over 25,000 residents and nearly all jurisdictions in the Portland metro urban growth boundary (UGB)—must meet the same duplex requirement, in addition to allowing single-family homes and triplexes, fourplexes, townhomes, and cottage clusters in all areas that are zoned for residential use. Note that the middle housing types (other than duplexes) do not have to be allowed on *every* lot or parcel that allows single-family homes, which means that larger cities maintain some discretion.

Middle housing is generally built at a similar scale as single-family homes but at higher residential densities. It provides a range of housing choices at different price points within a community.

House Bill 2003 (HB2003) envisions reforming Oregon’s housing planning system from a singular focus (on ensuring adequate available land) to a more comprehensive approach that also achieves these critical goals: (1) support and enable the construction of sufficient units to accommodate current populations and projected household growth and (2) reduce geographic disparities in access to housing (especially affordable and publicly supported housing). In that, HB 2003 required the development of a methodology for projecting *regional* housing need and required allocating that need to local jurisdictions. It also expanded local government responsibilities for planning to meet housing need by requiring cities to develop and adopt housing production strategies.

Oregon developed its *2021-2025 Consolidated Plan*, which includes a detailed housing needs analysis as well as strategies for addressing housing needs statewide. The plan concluded that the “state’s performance in accomplishing past goals has been very strong, and project areas of

³⁵ Single-room occupancies are residential properties with multiple single-room dwelling units occupied by a single individual. From: US Department of Housing and Urban Development. (2001). *Understanding SRO*. Retrieved from: <https://www.hudexchange.info/resources/documents/Understanding-SRO.pdf>

³⁶ Urbsworks. (n.d.). Housing Choices Guidebook: A Visual Guide to Compact Housing Types in Northwest Oregon. Retrieved from: https://www.oregon.gov/lcd/Publications/Housing-Choices-Booklet_DIGITAL.pdf

Saiz, Albert and Salazar, Arianna. (n.d.). Real Trends: The Future of Real Estate in the United States. Center for Real Estate, Urban Economics Lab.

focus remain consistent with the current needs identified in this new five-year plan. Tenant based rental assistance, in particular, has demonstrated strong demand, as has the ongoing need for rental units (including those newly developed) which meet fair market rent standards, and community facilities. The unusual events during 2020—the COVID-19 pandemic and historical wildfire activity—tilt current needs and priorities toward housing stability efforts, as well as community health care projects and access to telehealth services.” It identified the following top needs in its Needs Assessment:³⁷

- The most common housing problem in Oregon is cost burden. Nearly 390,000 households pay more than 30% of their incomes in housing costs, up by 7% since the last five-year Consolidated Plan. Renters are more likely to be cost burdened. About 27% of Oregon renters households were found to be severely cost burdened. This proportion increased significantly from 2000 (19%) and disproportionately falls on persons of color in the state: more than 50% of households with persons of color are cost burdened compared to 34% of white households.
- Cost burden largely affects those with lower incomes—especially extremely low and very low-income renters, who have cost burden rates of 70 and 76%, respectively.
- According to Oregon’s Statewide Housing Plan for 2019-2023, more than 85,000 units affordable to extremely low-income households (making less than 30% AMI) are needed to meet demand and more than 26,000 units affordable to moderate income households, making 50% to 80% AMI are needed to meet demand. This is down from the previous gap of 102,500 units in the 2016-2021 Plan.

By income range and special need, the estimated needs of Oregon households include the following:

- Extremely low-income families—those earning incomes below the poverty level—total nearly 182,000 households in Oregon. Those with unmet housing needs will grow by 10,000 over the next five years.
- Low-income families—those earning incomes between the poverty level and the median income—total 261,000 in Oregon. Their needs will grow by much less (8,300 additional households) over the next five years.
- Elderly residents (62+) total nearly 905,381 and live in 526,675 households. Of these households, 23% have unmet housing needs. Those with unmet housing needs are expected to grow by 7,000 households by 2025. Many of these needs will take the form of home accessibility modifications, home repairs, and home health care, as seniors make up a large share of residents who live alone and who have disabilities. Frail elderly (defined as an elderly person who requires assistance with three or more activities of daily living) total 61,518 residents.

³⁷ These conclusions are copied directly from the report, Oregon’s 2021–2025 Consolidated Plan. Retrieved from: <https://www.oregon.gov/ohcs/development/Documents/conplan/2021-2025%20Action%20Plan/State-of-Oregon-2021-2025-Consolidated-Plan-Final-with-appendices.pdf>

- Oregon residents with disabilities total 581,000 and occupy 428,000 households. By 2025, these households with needs will grow by nearly 12,000.
- More than 300,000 persons in Oregon struggled with substance abuse challenges before the COVID-19 pandemic occurred, and these needs have grown during the pandemic. Oregonians who have ever had mental health challenges total 757,000 with 172,000 having serious mental health challenges.
- Approximately 178,000 residents 18 and older in Oregon have experienced some type of domestic violence, dating violence, and sexual assault and/or stalking by an intimate partner in the previous year. In the most severe cases, these victims must leave their homes—an estimated 4,200 residents who are victims of domestic violence in Oregon require housing services each year.
- Nearly 16,000 people were identified as experiencing homelessness in Oregon in 2019, an increase of 13% since 2017. Two in three are unsheltered.
- Nearly 17,000 households live in substandard housing, based on Census surveys of housing units lacking complete plumbing or kitchen facilities. The number of households in substandard housing decreased by 4% compared to the 2021-2025 plan.
- Approximately 29,000 households live in units that are either overcrowded or severely overcrowded. The number of households in overcrowded conditions increased by 19% since the last plan. For housing to be considered affordable, a household should pay up to one-third of their income toward rent, leaving money left over for food, utilities, transportation, medicine, and other necessities.

As part of the Consolidated Plan’s Stakeholder perspective, activities to address urgent housing needs selected by the greatest number of respondents were:

- Housing activities that result in more rental units for households with incomes below 60% of AMI and households with incomes between 60% and 80% of AMI; emergency shelters for people who are homeless; and transitional housing for people moving out of homelessness.
- Repurposing vacant buildings for affordable housing; and
- Affordable and accessible housing for people with disabilities.
- In 2022, the minimum wage in Oregon³⁸ was \$12.75, compared to \$14.00 in the Portland metro and \$12.00 for nonurban counties.

Oregon, like many other states, has systematically underproduced housing over the last decades. Underproduction refers to units that have not been built but are needed to accommodate the current population without overcrowding. Based on a statewide analysis, a region that includes Lincoln County (also including Yamhill, Polk, Marion, Benton, Linn, and

³⁸ The 2016 Oregon Legislature, Senate Bill 1532, established a series of annual minimum wage rate increases beginning July 1, 2016, through July 1, 2022. Retrieved from: <https://www.oregon.gov/boli/whd/omw/pages/minimum-wage-rate-summary.aspx>

Lane Counties) is estimated to have underproduction of about 21,854 units.³⁹ The reasons for underproduction are complex and may vary from place to place. Key factors in underproduction include lack of easily developable land with services, high costs of extending infrastructure to developable land, land use policies that artificially restrict housing production, and economic and social inequalities that make it difficult for many households to afford housing.

Oregon developed its *Statewide Housing Plan 2019-2023* in 2019.⁴⁰ The Plan identified six housing priorities to address in communities across the state over the 2019 to 2023 period (summarized below). In January 2022, Oregon Housing and Community Services (OHCS) released a summary of their progress.⁴¹ The following section includes summaries and excerpts from their status report:

- **Equity and Racial Justice.** *Advance equity and racial justice by identifying and addressing institutional and systemic barriers that have created and perpetuated patterns of disparity in housing and economic prosperity.*

OHCS continued to build relationships, tools, and connections to further its equity and racial justice focus. OHCS continued to update the Culturally Specific Organization (CSO) list, tracking funding received by CSOs. OHCS developed customized tools for equity and racial analysis and got ready to start equity and inclusion training for OHCS staff and committee chairs

- **Homelessness.** *Build a coordinated and concerted statewide effort to prevent and end homelessness, with a focus on ending unsheltered homelessness of Oregon's children and veterans.*

The Homeless Services Section (HSS) made progress in demonstrating increased Housing Stability with 26,940 households paid out via the Oregon Emergency Rental Assistance Program. Additional staffing and funding (\$100 million) were secured to build a program of eviction prevention. OHCS developed a dashboard to provide transparency into processing, equity, and capacity issues related to homelessness. OHCS executed grant agreements with HSS providers to deliver strategic housing stability services for those that have not been able to access supports. Work is ongoing to enter more partnerships with new investments in eviction prevention.

- **Permanent Supportive Housing.** *Invest in permanent supportive housing (PSH), a proven strategy to reduce chronic homelessness and reduce barriers to housing stability.*

³⁹ ECONorthwest Presentation to Oregon Housing Needs Analysis Work Group on September 29, 2022, as a part of House Bill 2003 Regional Housing Needs Analysis Implementation Work.

⁴⁰ This section uses many direct excerpts from the OHCS Statewide Housing Plan 2019-2023. Oregon Statewide Housing Plan. <https://www.oregon.gov/ohcs/Documents/swhp/SWHP-Report-Y1-Summary.pdf>

⁴¹ This section uses many direct excerpts from the OHCS Statewide Housing Plan, Year 3 Quarter 1 Update September 2021 Report to HSC. Oregon Statewide Housing Plan, Status Reports. <https://www.oregon.gov/ohcs/Documents/swhp/01-07-2022-JAN-SWHP-Quarterly-Summary.pdf>

OHCS funded and/or created 915 of their 1,000 PSH-unit targets. In addition, 416 of the 916 supportive home units were funded with PSH resource. Other accomplishments were developing a compliance and monitoring plan for PSH, distribution of service funds, outreach to partners to ensure PSH resource information is reaching tribal and rural partners, and a hiring staff to support the PSH program.

- **Affordable Rental Housing.** *Work to close the affordable rental housing gap and reduce housing cost burden for low-income Oregonians.*

OHCS funded and/or created 18,329 affordable rental homes of their 25,000-home target. OHCS developed internal tools such as a reporting matrix for analysis of sub-contracts and an incorporated Compliance Policy and conducted community outreach with a tribal housing workgroup rules committee. OHCS also conducted a survey to get initial feedback on key program topics and projected changes, along with additional outreach on related issues.

- **Homeownership.** *Provide more low and moderate-income Oregonians with the tools to successfully achieve and maintain homeownership, particularly in communities of color.*

OHCS assisted 1,187 households in becoming successful homeowners, part of its target to assist a total of 6,500 homes. OHCS made strides in doubling the number of homeowners of colors in its homeownership programs. OHCS launched new programs to support homeownership, including lending programs. To align programs with the needs of communities of color, OHCS developed relationships with underrepresented organizations, maintained addressing the needs of Communities of Color as a focus in its programmatic frameworks, and regularly shared and encouraged training opportunities with its team.

- **Rural Communities.** *Change the way OHCS does business in small towns and rural communities to be responsive to the unique housing and service needs and unlock the opportunities for housing development.*

OHCS focused on developing a better understanding of rural community needs and increasing rural capacity to build more affordable housing. OHCS hired a program manager for rural communities and delivered funding for multiple direct awards, increased funding for CSOs, and updated its Land Acquisition Program to include new funding amounts and set asides. OHCS funded and/or created 2,158 units in rural communities out of a total of 2,543 units in the 5-year goal, or 85% of its target.

Regional and Local Demographic Trends May Affect Housing Need in Newport

Demographic trends that might affect the key assumptions used in the baseline analysis of housing need are (1) the aging population, (2) changes in household size and composition, and (3) increases in diversity.

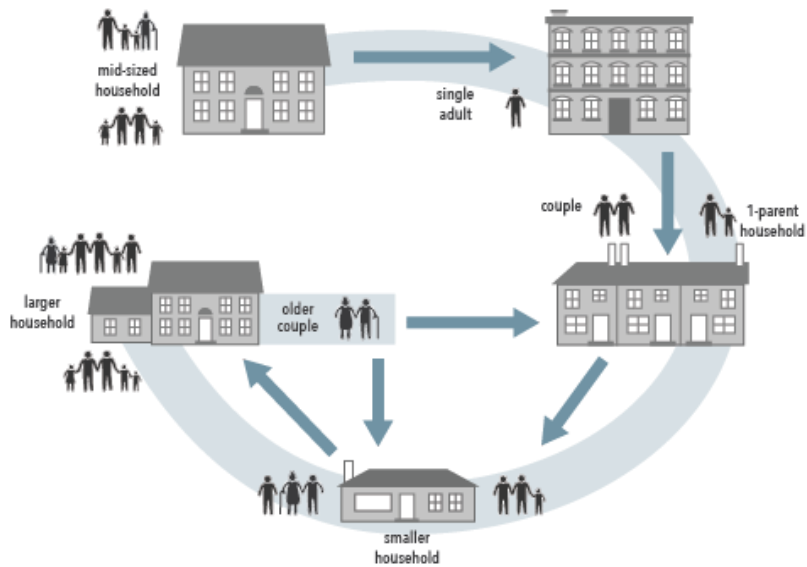
An individual's housing needs change throughout their life, with changes in income, family composition, and age. The types of housing needed by a 20-year-old college student differ from the needs of a 40-year-old parent with children, or an 80-year-old single adult. As Newport's population ages, different types of housing will be needed to accommodate older residents. The housing characteristics by age data below reveal this cycle in action in Newport.

Housing needs and preferences change in predictable ways over time, such as with changes in marital status and size of family.

Families of different sizes need different types of housing.

Exhibit 35. Effect of Demographic Changes on Housing Need

Source: ECONorthwest, adapted from Clark, William A.V. and Frans M. Dieleman. 1996. Households and Housing. New Brunswick, NJ: Center for Urban Policy Research.



Growing Population

Newport’s population growth will drive future demand for housing in the city over the planning period. Exhibit 36 shows that Newport’s population grew by 11% between 2000 and 2021. Newport added 1,059 new residents, at an average annual growth rate of 0.5%. Between 2000 and 2021, Newport grew at a similar rate to Lincoln County, and at a slower rate than Oregon.

Exhibit 36. Population, Newport (city limits), Lincoln County, Oregon, 2000, 2010, 2021

Source: US Decennial Census 2000 and 2010, and Portland State University, Population Research Center 2021.

	2000	2010	2021	Change 2000 to 2021		
				Number	Percent	AAGR
Newport	9,532	9,989	10,591	1,059	11%	0.5%
Lincoln County	44,479	46,034	50,903	6,424	14%	0.6%
Oregon	3,421,399	3,831,074	4,266,560	845,161	25%	1.1%

The population forecasts in Exhibit 37 are based on Newport’s historical growth rate over the 2000 to 2021 period. The forecast projects that Newport will increase at an average annual growth rate of 0.5% between 2022 and 2042.⁴²

Newport’s population within its UGB is projected to grow by about 1,350 people between 2022 and 2042, at an average annual growth rate of 0.5%.

Exhibit 37. Forecast of Population Growth, Newport UGB, 2022 to 2042

Source: ECONorthwest based on US Decennial Census 2000, and Portland State University, Population Research Center 2021.

12,010	13,358	1,348	11% increase
Residents in 2022	Residents in 2042	New Residents 2022 to 2042	0.5% AAGR

⁴² Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042, at an annual average growth rate of 0.1%. Newport considered this growth for the official analysis of land sufficiency within the Newport UGB, as required by Goal 10, OAR 660-008, and OAR 660-032.

Given that Newport’s growth rate over the past 20 years has been much greater than current official forecast, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast, which will allow the City to better prepare for an uncertain future. Even when using the historical growth rate to project future population growth, Newport has sufficient land capacity to accommodate growth.

Aging Population

This section shows two key characteristics of Newport's population, with implications for future housing demand in Newport:

- **Newport's senior population grew between 2000 and 2019 and is expected to continue to increase.** By 2040, people 60 years and older are expected to account for 42% of the population in Lincoln County. As Newport's senior population grows, it will have increasing demand for housing that is suitable for elderly residents.

The impact of growth in seniors in Newport will depend, in part, on whether older people already living in Newport continue to reside there as they retire. National surveys show that, in general, most retirees prefer to age in place by continuing to live in their current home and community as long as possible.⁴³ In addition, Newport is attractive to retirees who want to live in a coastal community with amenities such as restaurants.

Growth in the number of seniors will result in demand for housing types specific to seniors, such as small and easy-to-maintain dwellings, assisted-living facilities, or age-restricted developments. Senior households will make a variety of housing choices, including remaining in their homes as long as they are able, downsizing to smaller single-family homes (detached and attached) or multifamily units, or moving into group housing (such as assisted-living facilities or nursing homes) as their health declines. The challenges aging seniors face in continuing to live in their community include changes in health-care needs, loss of mobility, the difficulty of home maintenance, financial concerns, and increases in property taxes.⁴⁴

- **Newport has a slightly larger proportion of younger people than Lincoln County but less than Oregon.** About 20% of Newport's population is under 20 years old, compared to 18% of Lincoln County and 23% of Oregon. The forecast for population growth in Lincoln County shows the share of people under 20 years old decreasing from 18% of the population in the 2015-2019 period to 16% of the population by 2040.

People roughly aged 20 to 40 are referred to as the millennial generation and account for the largest share of population in Oregon. By 2040, they will be about 40 to 60 years of age and Generation Z will be between 25 and 40 years old. The forecast for Lincoln County shows that the Lincoln County's population between the ages of 20 to 60 is forecast to grow by 14% while maintaining a similar share of the total population as in 2015-2019.

⁴³ A survey conducted by the AARP indicates that 90% of people 50 years and older want to stay in their current home and community as they age. See <http://www.aarp.org/research>.

⁴⁴ "Aging in Place: A toolkit for Local Governments" by M. Scott Ball.

Newport's ability to retain and attract people in this age group will depend, in large part, on whether the city has opportunities for housing that both appeal to and are affordable to millennials and Generation Z, as well as jobs that allow younger people to live and work in Newport.

In the near term, millennials and Generation Z may increase demand for rental units. Research suggests that millennials' housing preferences may be similar to baby boomers, with a preference for smaller, less-costly units. Surveys about housing preference suggest that millennials want affordable single-family homes in areas that offer transportation alternatives to cars, such as suburbs or small cities with walkable neighborhoods.⁴⁵ Recent growth in homeownership among millennials proves that millennials prefer to become homeowners, with the millennial homeownership rate increasing from 33% in 2009 to 43% in 2019.⁴⁶ While researchers do not yet know how Generation Z will behave in adulthood, many expect they will follow patterns of previous generations.⁴⁷

A survey of people living in the Portland region shows that millennials prefer single-family detached housing. The survey finds that housing price is the most important factor in choosing housing for younger residents.⁴⁸ The survey results suggest millennials are more likely than other groups to prefer housing in an urban neighborhood or town center. While this survey is for the Portland region, it shows similar results to national surveys and studies about housing preference for millennials.

If the number of millennials and Generation Z grows in Newport, it will result in increased demand for both affordable single-family detached housing (such as small single-family detached units like cottages), as well as increased demand for affordable townhouses and multifamily housing. Growth in this population will result in increased demand for both ownership and rental opportunities, with an emphasis on housing that is comparatively affordable. There is potential for attracting new residents to housing in Newport's commercial areas, especially if the housing is relatively affordable and located in proximity to services.

⁴⁵ The American Planning Association, "Investing in Place; Two generations' view on the future of communities." 2014.

"Access to Public Transportation a Top Criterion for Millennials When Deciding Where to Live, New Survey Shows," Transportation for America.

"Survey Says: Home Trends and Buyer Preferences," National Association of Home Builders International Builders

⁴⁶ "Millennials and Housing: Homeownership Demographic Research." Freddie Mac Single-Family, 2021.

https://sf.freddiemac.com/content/assets/resources/pdf/fact-sheet/millennial-playbook_millennials-and-housing.pdf.

⁴⁷ "2021 Home Buyers and Sellers Generational Trends Report." National Association of Realtors, 2021.

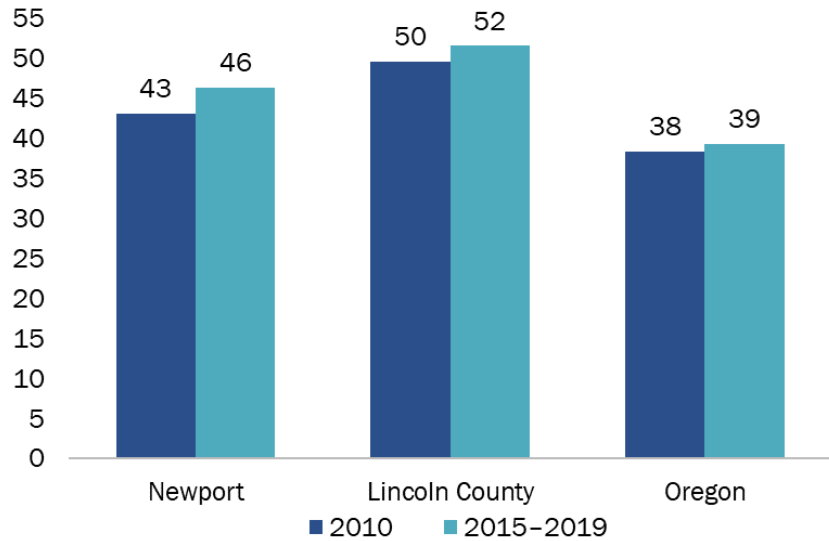
<https://www.nar.realtor/sites/default/files/documents/2021-home-buyers-and-sellers-generational-trends-03-16-2021.pdf>.

⁴⁸ Davis, Hibbits, & Midghal Research, "Metro Residential Preference Survey," May 2014.

From 2000 to 2015-2019, Newport's median age increased at a faster rate than both Lincoln County and Oregon.

Exhibit 38. Median Age, Newport, Lincoln County, and Oregon, 2000 to 2015-2019

Source: US Census Bureau, 2000 Decennial Census Table B01002, 2015-2019 ACS, Table B01002.

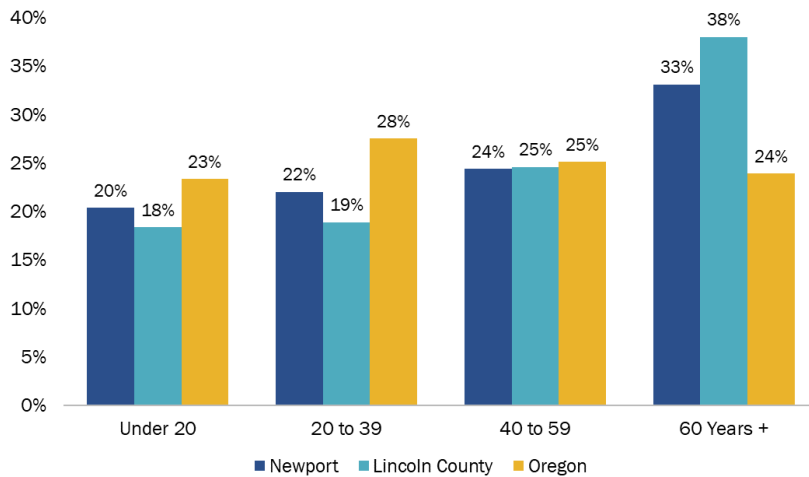


In the 2015-2019 period, about 46% of Newport's residents were between the ages of 20 and 59 years.

Newport had a smaller share of people over the age of 60 than Lincoln County but a greater share than Oregon.

Exhibit 39. Population Distribution by Age, Newport, Lincoln County, and Oregon, 2015-2019

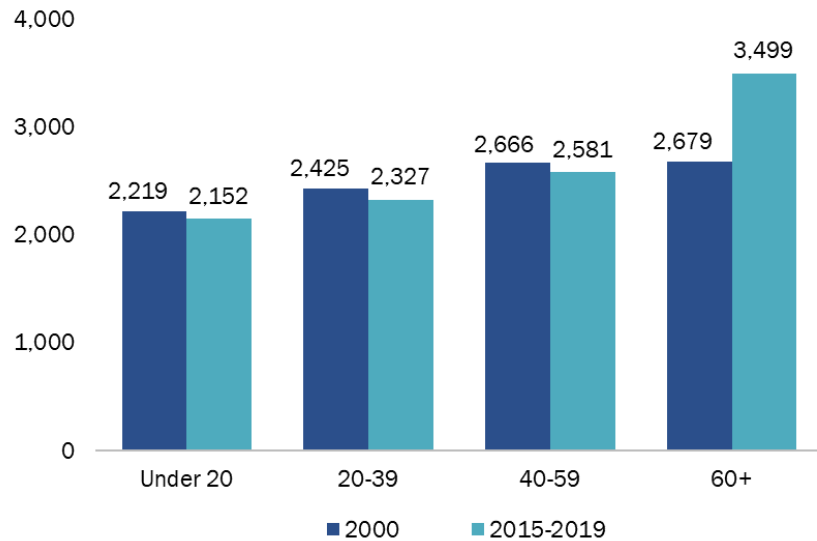
Source: US Census Bureau, 2015-2019 ACS, Table B01001.



Between 2000 and 2015-2019, all age groups in Newport decreased in size except for those aged 60 and older.

The largest increase in residents were those aged 60 and older, with growth of 820 people.

Exhibit 40. Population Growth by Age, Newport, 2000, 2015–2019
 Source: US Census Bureau, 2000 Decennial Census Table P012 and 2015–2019 ACS, Table B01001.



By 2040, Lincoln County’s population over the age of 60 is forecast to grow 19%.

This is consistent with historical change in population by age group since 2000.

Exhibit 41. Forecast for Population Growth by Age Group, Lincoln County, 2020 to 2040

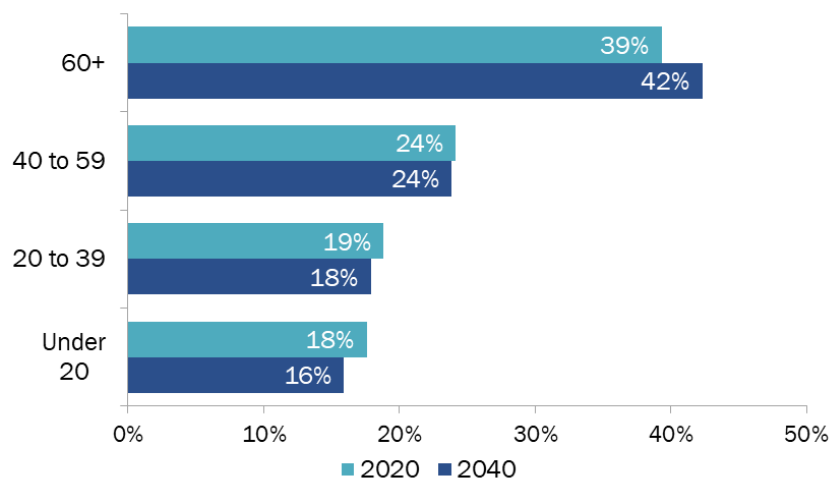
Source: PSU Population Research Center, Lincoln County Forecast, June 2021

Age Group	2020	2040
Under 20	-10 People	0%
20-39 Yrs	466 People	5%
40-59 Yrs	1,075 People	9%
60+ Yrs	3,593 People	19%

By 2040, it is forecasted that Lincoln County residents aged 60 and older will make up 42% of the county’s total population, a 3% increase in the size of this age group.

Exhibit 42. Population Growth by Age Group, Lincoln County, 2020 and 2040

Source: PSU Population Research Center, Lincoln County Forecast, June 2021.



Increased Ethnic Diversity

The number of residents that identified as Latino increased in Newport by 621 people, from 1,525 people in 2010 to 2,146 people in the 2015-2019 period. The US Census Bureau forecasts that at the national level, the Latino population will continue growing faster than most other non-Latino populations between 2020 and 2040. The Census forecasts that the Latino population will increase 93%, from 2016 to 2060, and foreign-born Latino populations will increase by about 40% in that same time.⁴⁹

Continued growth in the Latino population will affect Newport's housing needs in a variety of ways. Growth in first and, to a lesser extent, second and third-generation Latino immigrants will increase demand for larger dwelling units to accommodate the, on average, larger household sizes for these households. In that Latino households are twice as likely to include multigenerational households than the general populace.⁵⁰ As Latino households change over generations, household size typically decreases, and housing needs become similar to housing needs for all households.

According to the *State of Hispanic Homeownership* report from the National Association of Hispanic Real Estate Professionals, the Latino population accounted for 29.2% of the nation's new household formation between 2017 and 2021.⁵¹ The rate of homeownership for Latino households increased from 45.6% in 2015 to 48.4% in 2021. Latino homeownership growth has remained steady over the last decade and is at its highest rates since 2009.

⁴⁹ US Census Bureau, *Demographic Turning Points for the United States: Population Projections for 2020 to 2060*.

⁵⁰ Pew Research Center. (2013). *Second-Generation Americans: A Portrait of the Adult Children of Immigrants*.

National Association of Hispanic Real Estate Professionals (2021). *2021 State of Hispanic Homeownership Report*.

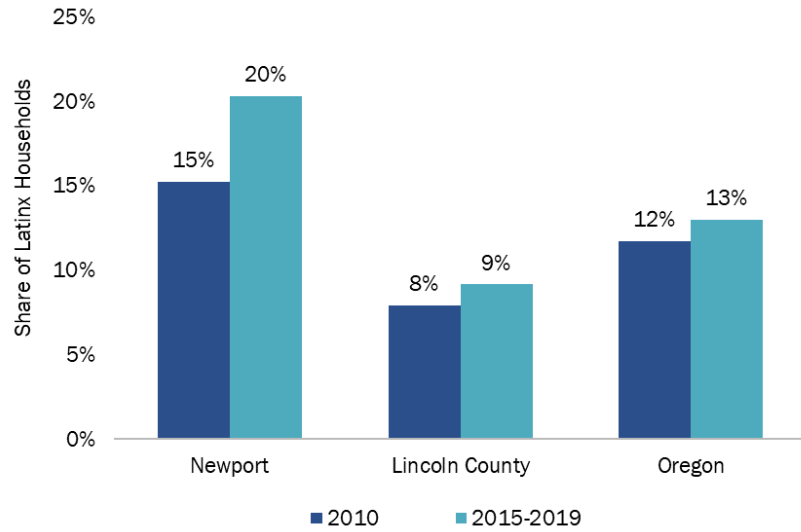
⁵¹ National Association of Hispanic Real Estate Professionals (2021). *2021 State of Hispanic Homeownership Report*.

The share of Newport's households that identified as Latino increased between 2000 and 2015-2019 at a faster rate than both the county and the state.

Newport was more ethnically diverse than both Lincoln County and Oregon in the 2015-2019 period.

Exhibit 43. Latino Population as a Percent of the Total Population, Newport, Lincoln County, Oregon, 2000 and 2015-2019

Source: US Census Bureau, 2000 Decennial Census Table P008, 2015-2019 ACS Table B03002.



Race and Ethnicity

Understanding the race and ethnicity characteristics⁵² in Newport is important for understanding housing needs because people of color often face discrimination when looking for housing.

In the 2015–2019 period, Newport was more racially diverse than Lincoln County and Oregon.

Exhibit 44. Population by Race as a Percent of Total Population, Newport, Lincoln County, Oregon, 2015–2019

Source: US Census Bureau, 2015–2019 ACS Table B02001.

	Newport	Lincoln Co.	Oregon
White Alone	71%	82%	76%
Two or More Races	5%	4%	5%
Some Other Race Alone	0%	0%	0%
Asian Alone	2%	1%	4%
American Indian and Alaska Native Alone	1%	2%	1%
Black or African American Alone	1%	0%	2%
Native Hawaiian and Other Pacific Islander Alone	0%	0%	0%

⁵² The U.S. Census Bureau considers race and ethnicity as two distinct concepts. Latino is an ethnicity and not a race, meaning individuals who identify as Latino may be of any race.

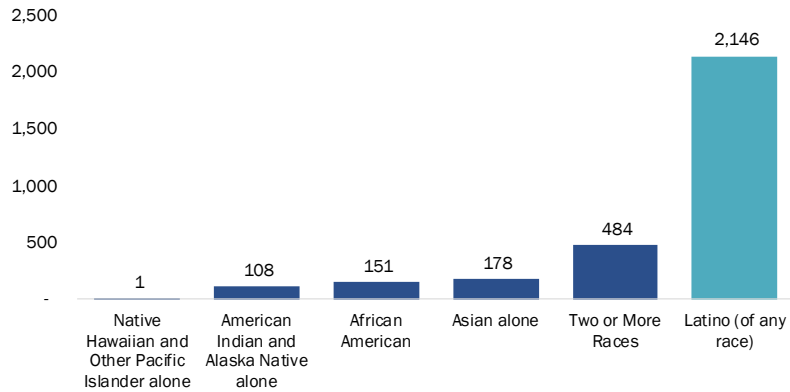
In Newport, about 992 people identified as a race other than White Alone and over 2,100 people identified as Latino (of any race).

Not shown in the exhibit are the 7,491 people identifying as white in Newport.

Exhibit 45. Number of People by Race and Ethnicity, People of Color, Newport, 2015-2019

Source: US Census Bureau, 2015-2019 ACS, Table B03002.

Note: Some Other Race Alone removed as there were 0 people who identified as such in Newport.

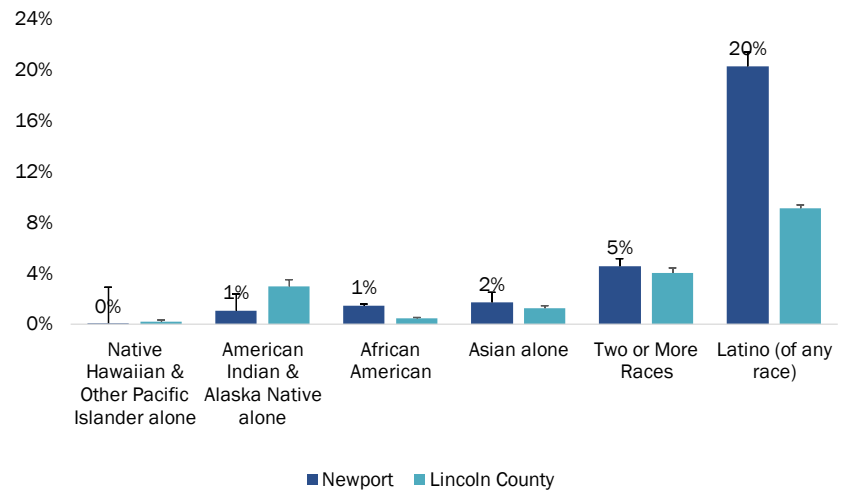


Residents who identified as Latino (of any race) account for 20% of Newport’s population. The largest racial group in Newport was Two or More Races, who accounts for 5% of Newport’s population.

Not shown in the exhibit is about 71% of Newport’s population and 82% of the Lincoln County’s population identifying as white.

Exhibit 46. Population Distribution by Race and Ethnicity, People of Color, Newport, 2015-2019

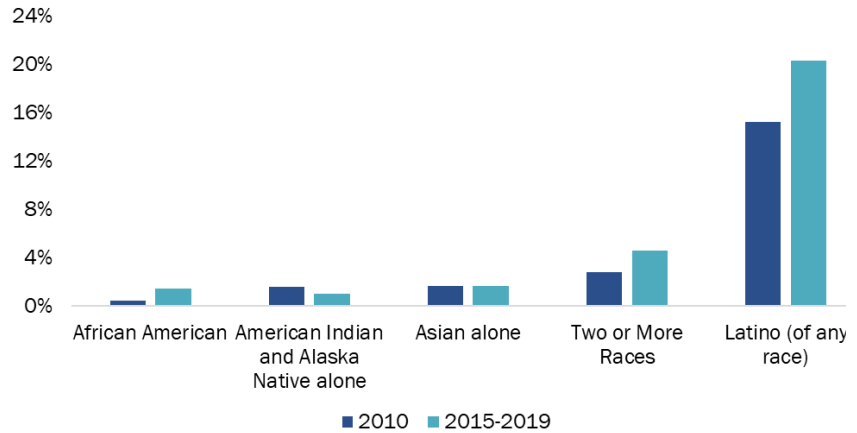
Source: U.S. Census Bureau, 2000 Decennial Census Table B01002, 2015-2019 ACS, Table B01002. Black bars denote the potential upper and lower bound of the estimate using the margin of error reported by the Census.



The share of Newport's households that identified as Latino (of any race) increased by 5% between 2010 and 2019 from 1,525 people to 2,146 people, consistent with regional trends.

Exhibit 47. Change in Population by Race and Ethnicity (People of Color) as a Percent of the Total Population, Newport, 2000 and 2015–2019

Source: U.S. Census Bureau, 2000 Decennial Census Table P008, 2015–2019 ACS Table B03002.



Household Size and Composition

Newport has a larger share of one-person households than Lincoln County or Oregon. On average, Newport's households are smaller than Oregon's households, possibly as a result of the larger share of population aged 60 years and older (who are more likely to live in 1- or 2-person households).

Newport's average household size was smaller than Lincoln County's and Oregon's.

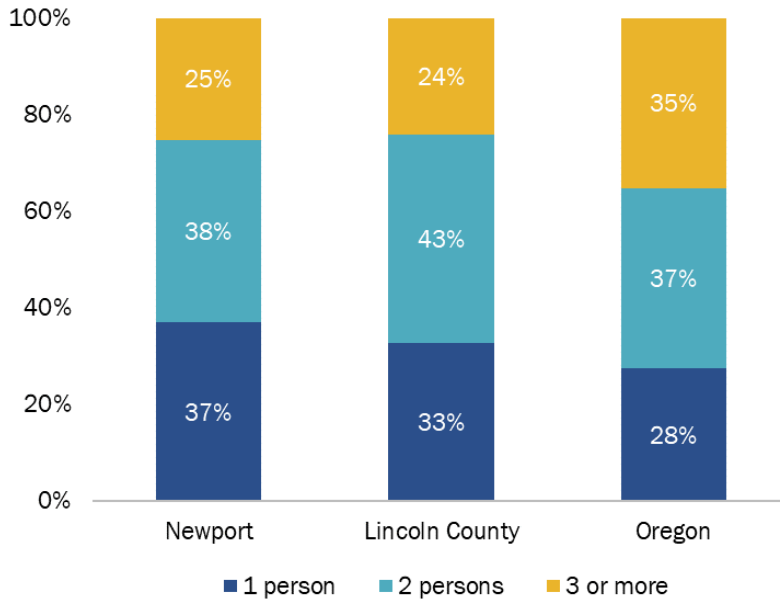
Exhibit 48. Average Household Size, Newport, Lincoln County, Oregon, 2015-2019

Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B25010.



About 75% of Newport's households were one and two-person households.

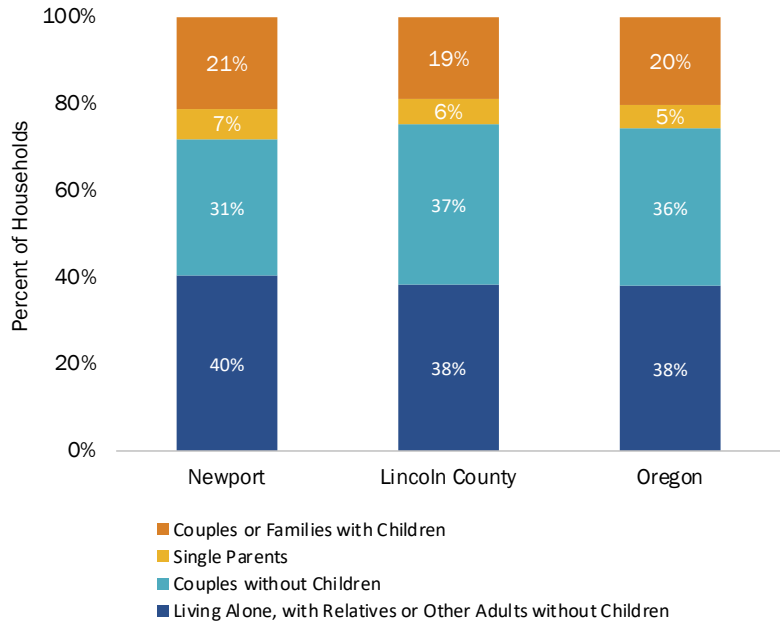
Exhibit 49. Household Size, Newport, Lincoln County, Oregon, 2015-2019
 Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B25010.



Newport had a slightly larger share of households with children than Lincoln County and Oregon.

About 28% of Newport households have children, compared with 25% of Lincoln County households and 25% of Oregon households.

Exhibit 50. Household Composition, Newport, Lincoln County, Oregon, 2015-2019
 Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table DP02.



Income of Newport Residents

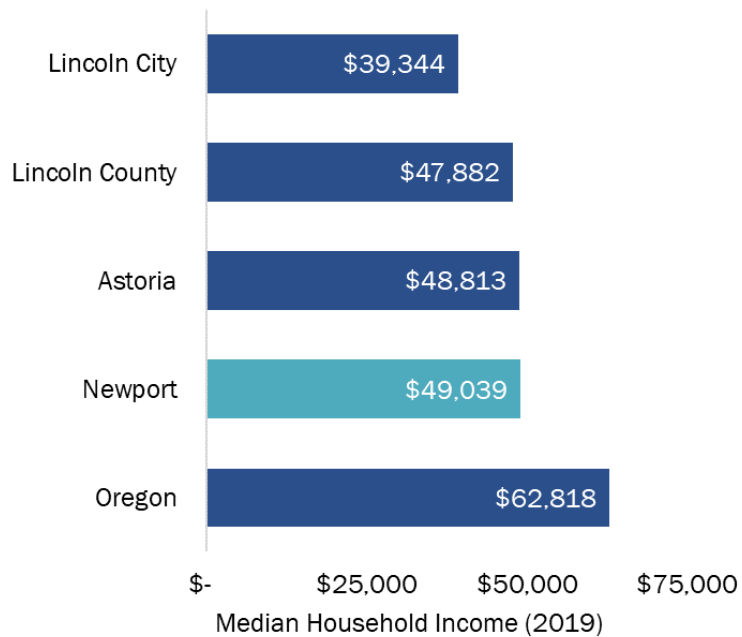
Income is a key determinant in housing choice and households' ability to afford housing. Newport's median household income was about 80% of the State median. Adjusted for inflation, Newport's household income increased by 1% since 2000, similar to statewide trends. The slight increase in household income (adjusted for inflation) occurred at a time when housing prices in Newport (and the whole region) increased substantially.

Newport's median household income was 80% of the state average.

Newport's income was about \$13,780 below the statewide median household income.

Exhibit 51. Median Household Income, Newport, Lincoln County, Oregon, Comparison Cities, 2015-2019

Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B25119.

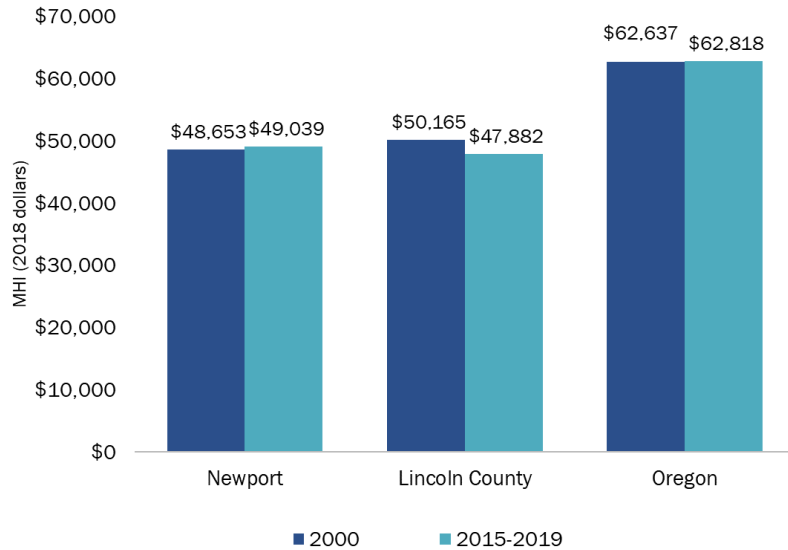


After adjusting for inflation, Newport's median household income increased by 1% from 2000 to 2015-2019.

In contrast, Lincoln County's household income decreased by 5%, while Oregon's median household income remained static.

Exhibit 52. Change in Median Household Income, Newport, Lincoln County, Oregon, 2000 to 2015-2019, Inflation-Adjusted

Source: US Census Bureau, 2000 Decennial Census, Table HCT012; 2015-2019 ACS 5-Year Estimate, Table B25119.

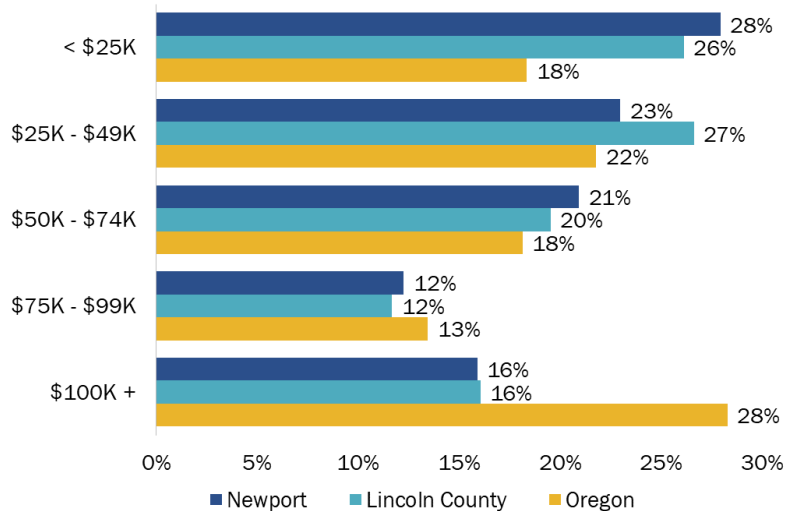


About half of all households in Newport (51%) earned less than \$50,000, compared to 53% of Lincoln County households and 40% of Oregon households.

Newport has a similar share of households earning more than \$75,000 as Lincoln County, but less than Oregon.

Exhibit 53. Household Income, Newport, Lincoln County, Oregon, 2015-2019

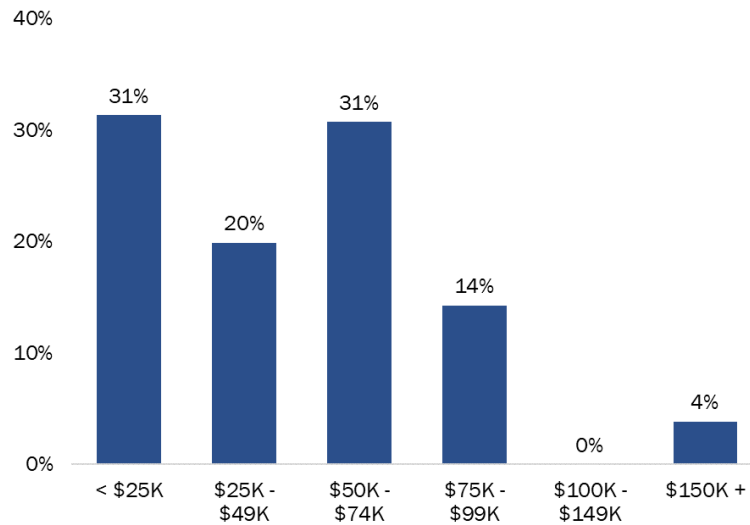
Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B19001.



Just over half of Latino households earned less than \$50,000 per year, similar to the citywide average.

Exhibit 54. Household Income by Latino Head of Household, Newport, 2015-2019

Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B19001I.

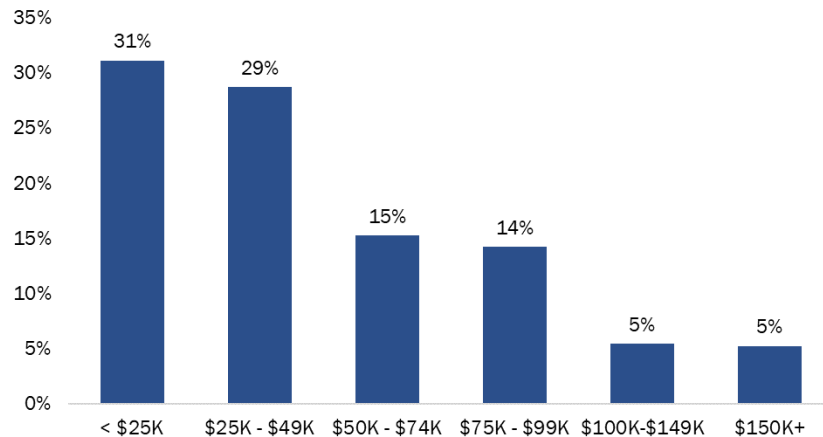


Senior households were more likely to have incomes at or below the city average.

Sixty percent of households with a head of household aged 65 or older earned less than \$50,000 per year, compared to the citywide average of 51% of households.

Exhibit 55. Household Income by Age of Householder (Aged 65 Years and Older), Newport, 2015-2019

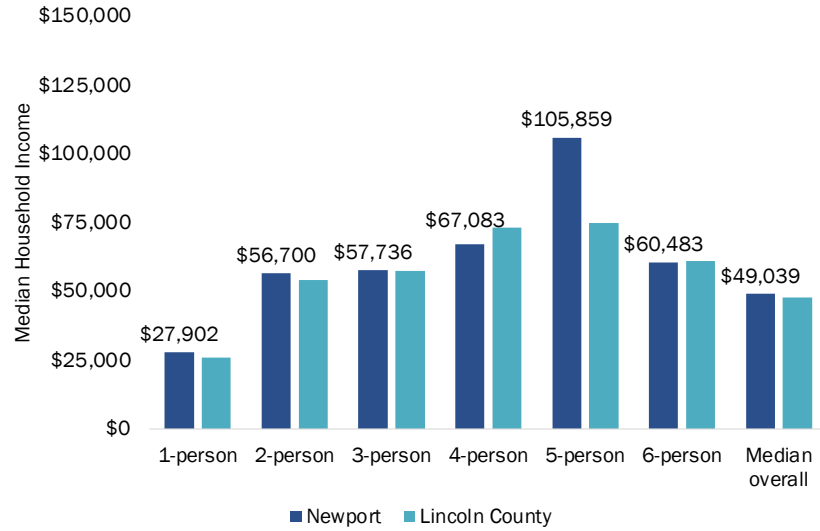
Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B19037. Note: Median Family Income for Lincoln County was \$57,400 (US Department of Housing and Urban Development).



Median household incomes tend to increase with average household sizes, peaking with households with five people.

Exhibit 56. Median Household Income by Household Size, Newport, 2015-2019

Source: U.S. Census Bureau, 2015-2019 ACS 5-year estimate, Table B19019
Note: Exhibit 56 displays median household income for households in Newport, with Lincoln County information providing additional context.



Commuting Trends

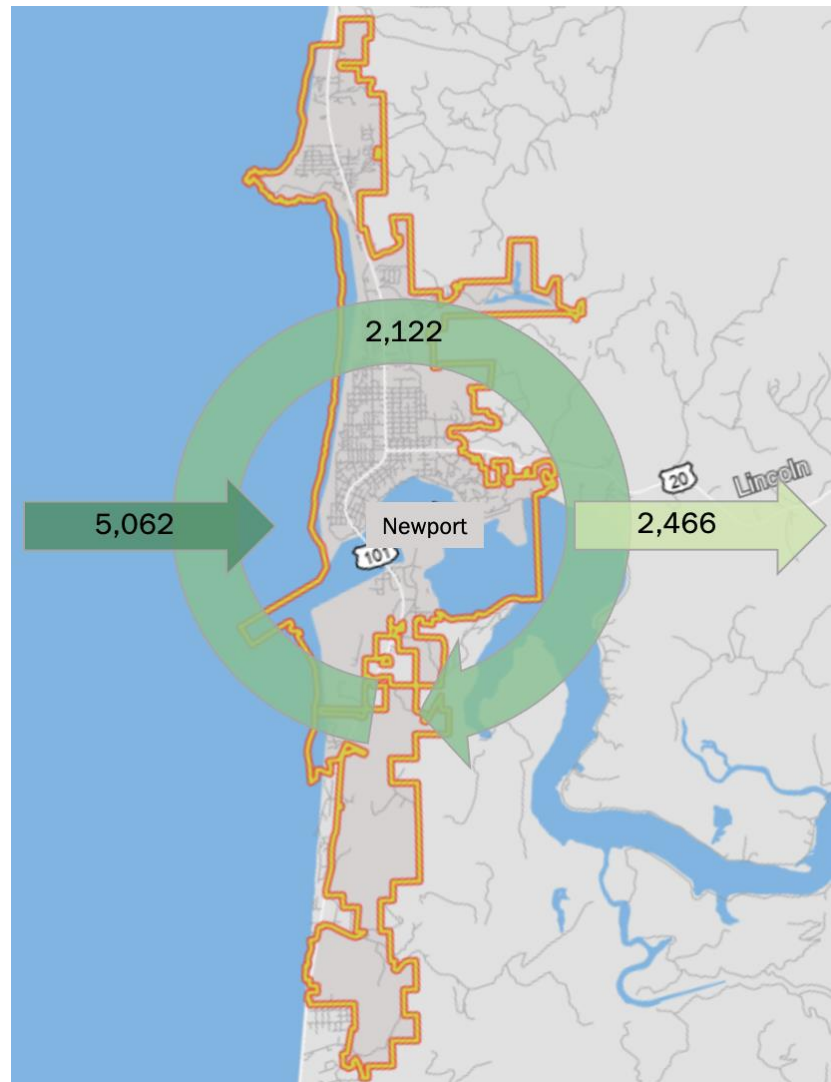
Newport is part of the interconnected economy of the mid-coastal area in Oregon. Of the more than 7,184 people who work in Newport, 70% of workers commute into Newport from other areas, most notably from Toledo, Lincoln City, Waldport, Corvallis, and Portland. Almost 2,500 residents of Newport commute out of the city for work, many of them to Portland, Salem, Corvallis, and Toledo.

About 7,184 people work in Newport. Most of these people commute into Newport for work.

About 2,122 people live and work in Newport, accounting for 30% of jobs in Newport.

About 2,466 people live in Newport but commute outside of the city for work.

Exhibit 57. Commuting Flows, Newport, 2019
Source: US Census Bureau, Census on the Map.



About 30% of people who work at businesses located in Newport also live in Newport.

The remainder commute from Toledo and other parts of the Coast and Western Oregon.

Exhibit 58. Places where Workers at Businesses in Newport Lived, 2019

Source: US Census Bureau, Census on the Map.



About 46% of Newport residents worked in Newport.

Exhibit 59. Places where Newport Residents Were Employed, 2019

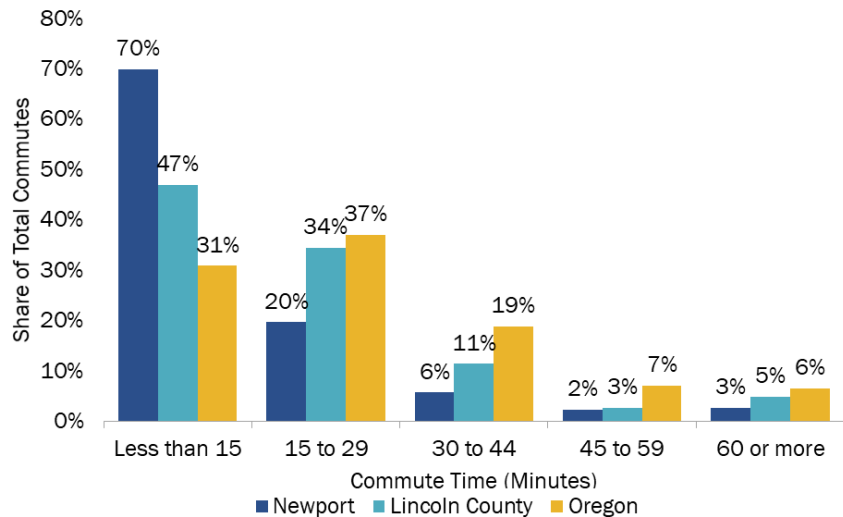
Source: US Census Bureau, Census On the Map.



Almost three-quarters of Newport residents (70%) had a commute time that took less than 15 minutes.

Exhibit 60. Commute Time by Place of Residence, Newport, Lincoln County, Oregon, 2015-2019

Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B08303.



Populations with Special Needs

People Experiencing Homelessness

Gathering reliable data from individuals experiencing homelessness is difficult precisely because they are unstably housed. People can cycle in and out of homelessness and move around communities and shelters. Moreover, the definition of homelessness can vary between communities. Individuals and families temporarily living with relatives or friends are insecurely housed, but they are often neglected from homelessness data. Even if an individual is identified as lacking sufficient housing, they may be reluctant to share information. The COVID-19 pandemic further exacerbated these challenges. As a result, information about people experiencing homelessness in Newport is not readily available and this section presents information about people experiencing homelessness in Lincoln County.

According to HUD’s 2021 Annual Homeless Assessment Report (AHAR), across the United States, the number of people experiencing *sheltered* homelessness has been decreasing since 2015, but the drop between 2020 and 2021 was steeper than in recent years.⁵³ It is likely that some of this decline is due to COVID-related precautions that resulted in fewer beds available (due to the need to have more space between beds). Other factors include people being unwilling to use shelter beds due to health risks as well as eviction moratoria and stimulus payments which may have prevented people from needing emergency shelter.

Pandemic-related disruptions to *unsheltered* homelessness counts made it difficult to determine if this population is increasing or decreasing in communities. Many communities chose not to conduct unsheltered PIT counts due to the risk of increasing COVID-19 transmission. While the communities that conducted unsheltered counts seem to indicate that this population did not increase, trends on unsheltered homelessness are known for only half of communities.

This section uses the following sources of information:

Point-in-Time (PIT) Count: The PIT count is a snapshot of individuals experiencing homelessness on a single night in a community. It records the number and characteristics (e.g., race, age, veteran status) of people who live in emergency shelters, transitional housing, rapid rehousing, Safe Havens, or PSH—as well as recording those who are unsheltered. HUD requires that communities and Continuums of Care (CoC) perform the PIT count during the last ten days of January on an annual basis for sheltered people and on a biennial basis for unsheltered people. Though the PIT count is not a comprehensive survey, it serves as a measure of homelessness at a given point of time and is used for policy and funding decisions.

McKinney Vento Data: The McKinney Vento Homeless Assistance Act authorized, among other programs, the Education for Homeless Children and Youth (EHCY) Program to support the academic progress of children and youths experiencing homelessness. The US Department of Education works with state coordinators and local liaisons to collect performance data on students experiencing homelessness. The data records the number of school-aged children who live in shelters or hotels/motels and those who are doubled up, unsheltered, or unaccompanied. This is a broader definition of homelessness than that used in the PIT.

Although these sources of information are known to undercount people experiencing homelessness, they are consistently available for counties in Oregon.

⁵³ The U.S. Department of Housing and Urban Development (2021). The 2021 Annual Homeless Assessment Report (AHAR) to Congress. Office of Community Planning and Development.

The Oregon Statewide Homelessness Estimates 2021 report from the Oregon Housing and Community Services presented two counts in their report—estimated and reported counts. The estimated counts were developed to address concerns that data limitations imposed by the COVID-19 pandemic resulted in an undercount.⁵⁴ This report uses the estimated count.

Lincoln County’s Point-in-Time Homeless count increased between 2017 and 2021.

Exhibit 61. Number of Persons Homeless, Lincoln County, Point-in-Time Count, 2017, 2019, and 2021

Source: Oregon Housing and Community Services and Annual Homeless Assessment Report (AHAR) data.
 Note: OHCS reported two counts in 2021 – estimated and reported counts. This report uses the estimated counts.

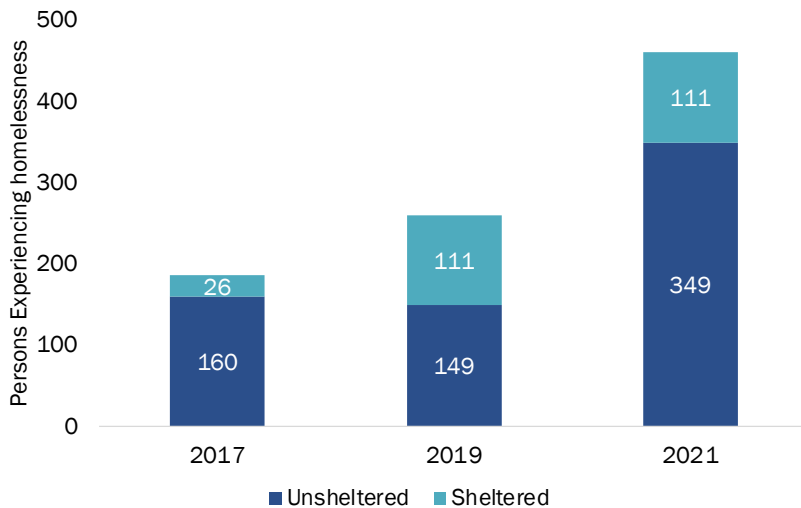


In 2021, an estimated 460 people experienced homelessness in Lincoln County, the majority of which were unsheltered.

Oregon Housing and Community Services presented two counts in 2021 – estimated and reported counts. The estimated counts were developed to address concerns that data limitations imposed by the COVID-19 pandemic resulted in an undercount. This report uses the estimated count.

Exhibit 62. Number of Persons Homeless by Living Situation, Lincoln County, Point-in-Time Count, 2017, 2019, and 2021

Source: Oregon Housing and Community Services and Annual Homeless Assessment Report (AHAR) data.
 Note: OHCS reported two counts in 2021 – estimated and reported counts. This report uses the estimated counts.



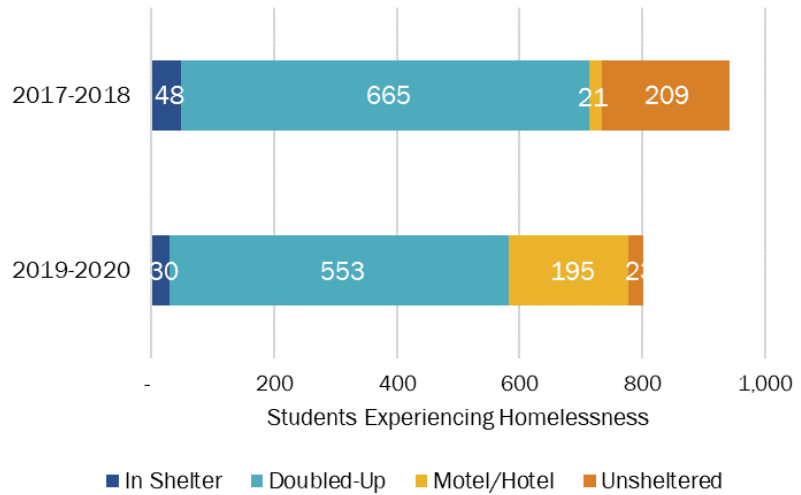
⁵⁴ The *reported* count for sheltered homelessness is what was collected/reported while the *estimated* count is the largest sheltered count reported during 2019-2021 in Josephine County. For unsheltered, the 2021 PIT count is not available for all counties, so the report modeled it by adding the predicted 2019-2021 change, determined through analysis of past trends and other homelessness data, to the 2019 PIT count.

From the 2018-19 school year to the 2019-20 school year, student homelessness decreased by 15% (142 students), from 943 students to 801 students.

Of the 801 students in 2019-20 experiencing homelessness, 112 were unaccompanied.

Exhibit 63. Students Homeless by Living Situation, Lincoln County School District, 2018-2019 and 2019-2020

Source: McKinney Vento, Homeless Student Data.



Based on the Oregon’s Regional Housing Capacity Analysis, Newport will need about 314 housing units to accommodate people experiencing homelessness in the 2020-2040 period.

Exhibit 64. Estimate of Future Housing Need for People Experiencing Homelessness, Newport, 2020 to 2040

Source: From the Report *Implementing a Regional Housing Capacity Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.

314 Dwelling Units

New Units Needed for People Experiencing Homelessness (2020-2040)

16 Dwelling Units

Annual Average

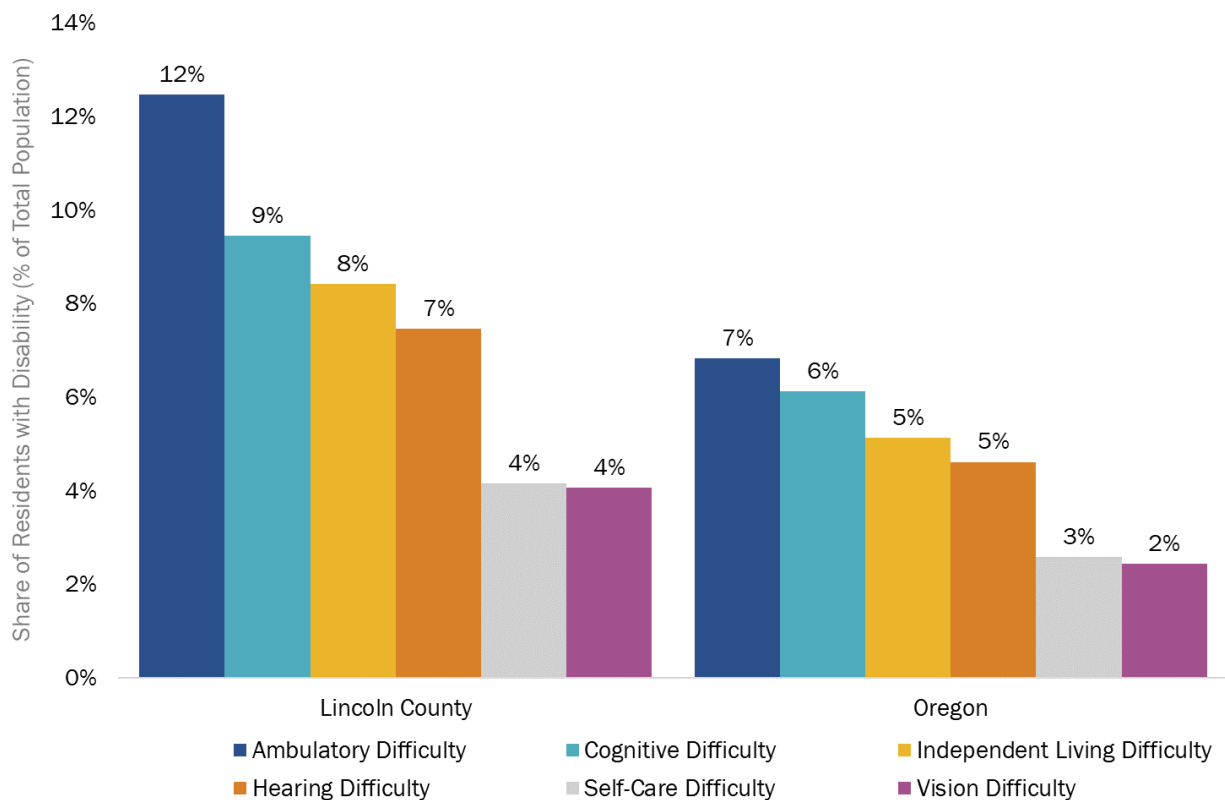
People with Disabilities

Exhibit 65 presents data on the share of residents living with disabilities in Lincoln County and Oregon.⁵⁵ Persons with disabilities often require housing accommodations such as single-story homes or ground floor dwelling units, unit entrances with no steps, wheel-in showers, widened doorways, and other accessibility features. Limited supply of these housing options poses additional barriers to housing access for these groups.

Unfortunately, the sample size for Newport is too small to have accurate disabilities data, so instead Exhibit 65 shows Lincoln County and Oregon disability data. Nearly a quarter of Lincoln County's population has one or more disabilities (about 11,298 people). It is reasonable to assume that Newport's share of population with disabilities is more similar to Lincoln County than Oregon's. That suggests that Newport has a larger share of households with all types of disabilities than the state average.

Exhibit 65. Persons Living with a Disability by Type and as a Percent of Total Population Lincoln County, Oregon, 2019

Source: US Census Bureau 2019 ACS, Table K201803.



⁵⁵ Data was not available for Newport city.

Seasonal workers and students

Newport has a seasonal economy, with more tourism in the summer. During the summer, businesses that cater to tourists need to add employees in businesses like hotels, restaurants, and stores. Newport is also home to a fishing and seafood processing industry which has two primary seasons. The summer season runs from May to October and requires a greater number of seasonal employees. The winter season (crab season) takes place between January and February and requires fewer seasonal employees than in the summer. In addition, the student population studying at OSU's HMSC increases substantially in the summer.

Seasonal employees and students compete with year-round residents and visitors for available, inexpensive housing. The wages of people employed in retail and accommodations and food services are about \$37,000 and \$29,000 respectively, below the Lincoln County average (\$46,000 in 2021).⁵⁶ Students also have low to no income but have access to loans and other funds to support them. However, they are typically seeking lower-cost housing. Most seasonal workers in the seafood processing industry rely on company-supplied, lower-cost workforce housing.

Regional and Local Trends Affecting Affordability in Newport

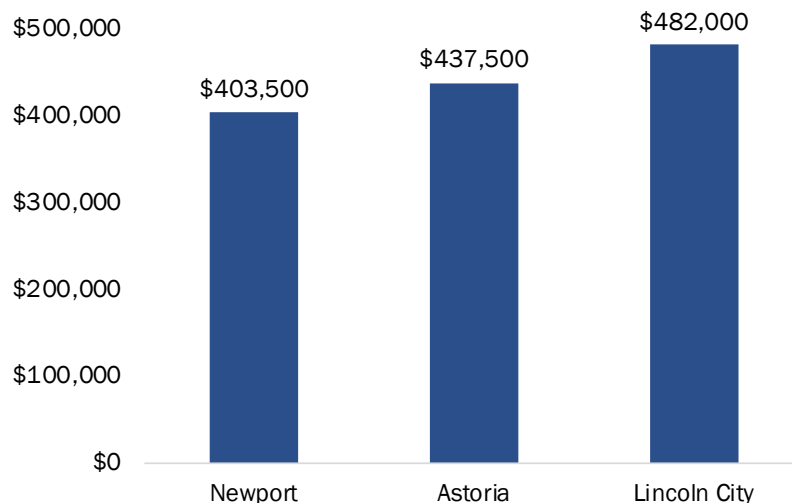
This section describes changes in sales prices, rents, and housing affordability in Newport, compared to other geographies in the region. Newport's median home sales price was about \$403,500 (Exhibit 66) in December 2021.

Changes in Housing Costs

Newport's median home sales price was less than both Astoria's and Lincoln City's in December 2021.

Exhibit 66. Median Home Sales Price, Newport and Comparison Cities, December 2021

Source: Property Radar



⁵⁶ Oregon Employment Department, Quarterly Census of Employment and Wages, 2021.

Newport's median home sales price was generally in line with other comparison coastal cities.

Between December of 2016 to December of 2021, the median sales price in Newport increased by \$198,000 (96%) from \$205,500 to \$403,500

Exhibit 67. Median Sales Price, Newport and Comparison Cities, Dec 2016 through Dec 2021

Source: Property Radar

Note: We omitted the median sales in Newport for April 2019, which was an outlier of \$895,000.

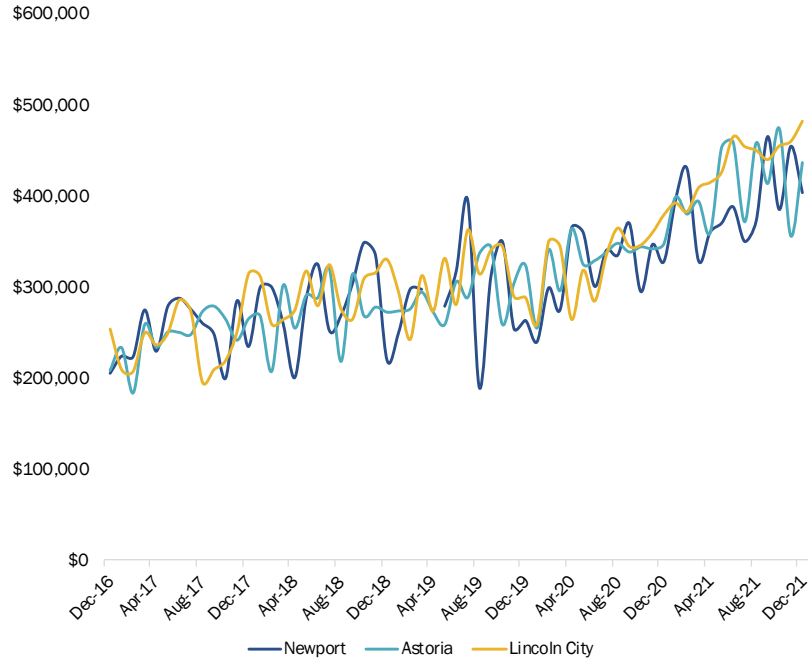
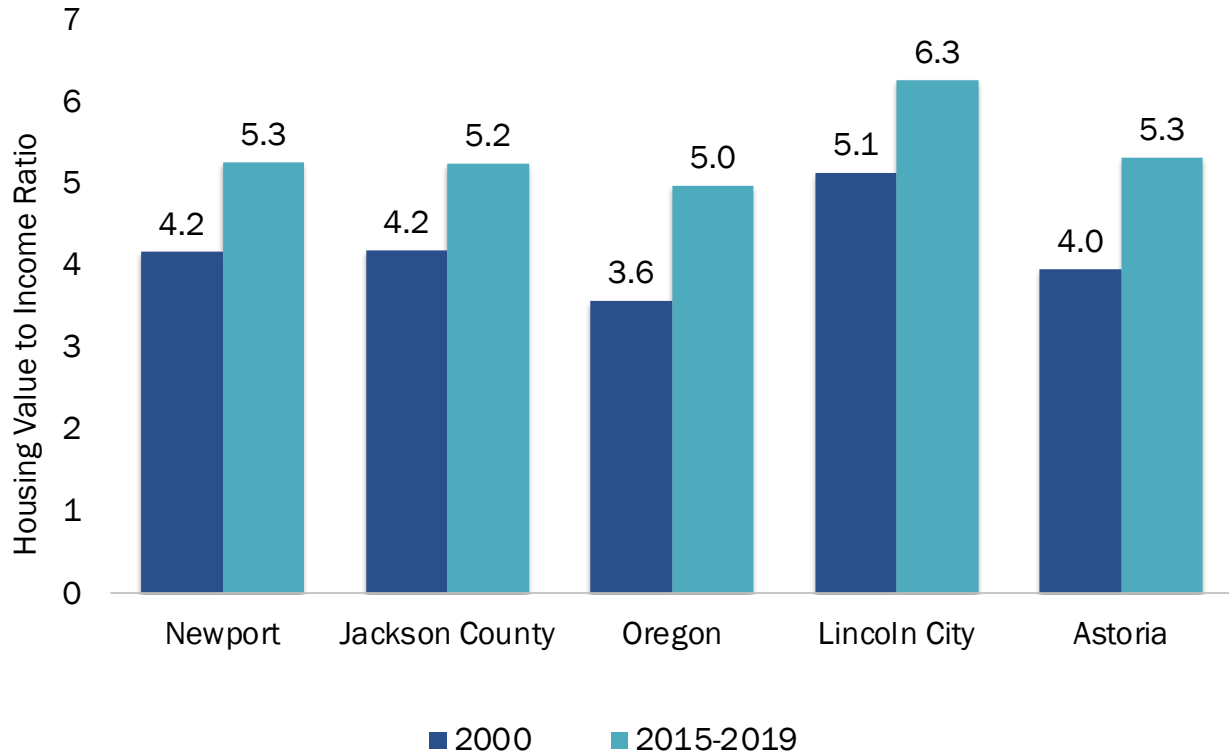


Exhibit 68 shows that, since 2000, housing costs in Newport increased faster than incomes. The household-reported median value of a house in Newport was 4.2 times the median household income in 2000 and 5.3 times the median household income in the 2015-2019 period.

Exhibit 68. Ratio of Median Housing Value to Median Household Income, Newport, Lincoln County, Oregon, and Comparison Cities, 2000 to 2015-2019⁵⁷

Source: US Census Bureau, 2000 Decennial Census (Table HCT012, H085); 2015-2019 ACS (Table B19013, B25077).



⁵⁷ This ratio compares the median value of housing in Newport (and other places) to the median household income. Inflation-adjusted median owner values in Newport increased from \$202,715 in 2000 to \$258,000 in 2015-2019. Over the same period, inflation-adjusted median income increased from \$48,653 to \$49,039.

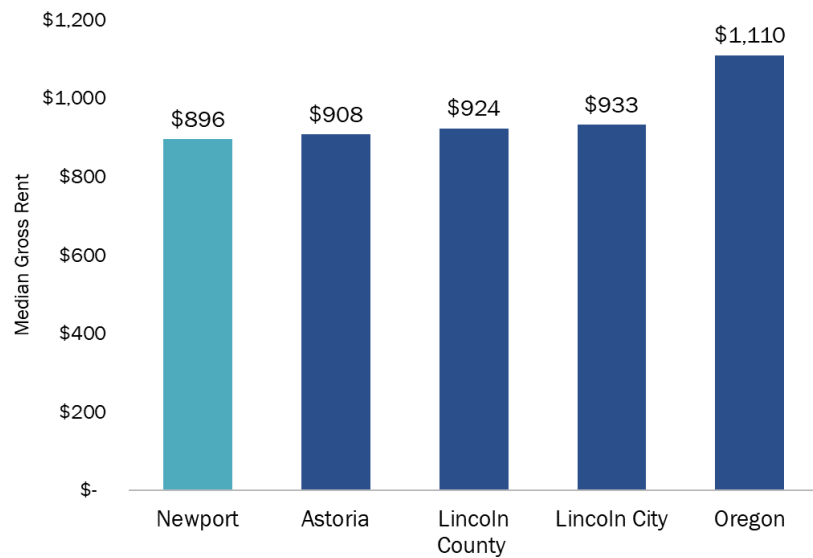
Rental Costs

Median rental costs in Newport were lower than Lincoln County and the state. The charts below show gross rent (which includes the cost of rent plus utilities) based on Census data.

The median gross rent in Newport was \$896 in the 2015-2019 period.

Exhibit 69. Median Gross Rent, Newport, Lincoln County, Oregon, and Comparison Cities, 2015-2019

Source: US Census Bureau, 2015-2019 ACS 5-Year Estimate, Table B25064.

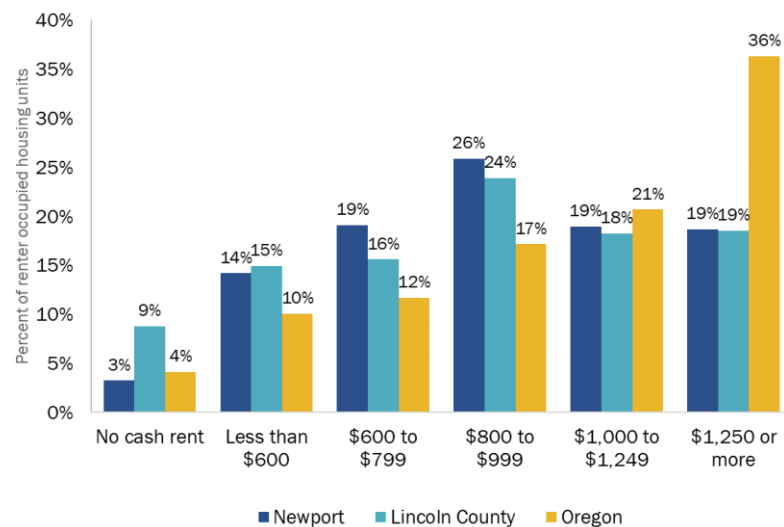


About 62% of renters in Newport pay less than \$1,000 per month, compared to 63% of renters in Lincoln County and 43% of renters in Oregon.

About 19% of Newport's renters pay \$1,250 or more in gross rent per month, a similar share to Lincoln County but far lower than that of the state.

Exhibit 70. Gross Rent, Newport, Lincoln County, and Oregon, 2015-2019

Source: US Census Bureau, 2015-2019 ACS Table B25063.

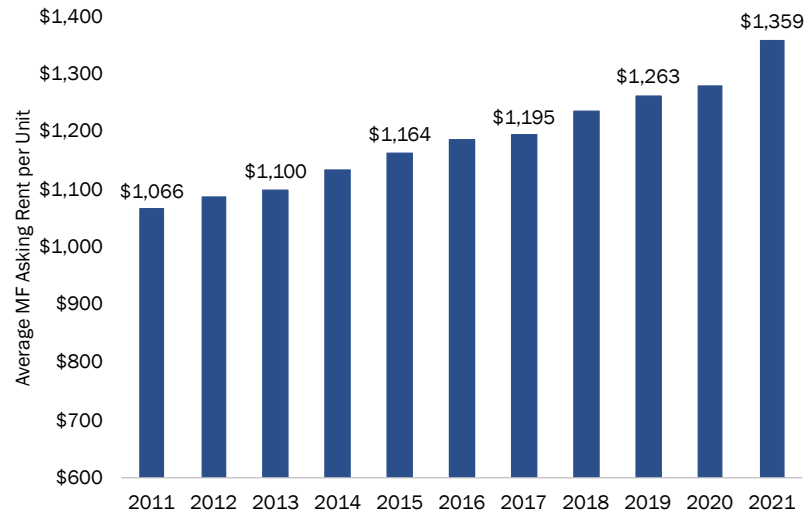


The average asking price per multifamily unit in Newport has increased steadily over the past decade.

Between 2011 and 2021, Newport's average multifamily asking rent increased by about \$293, from \$1,066 per month to \$1,359 per month.

Exhibit 71. Average Multifamily Asking Rent per Unit, Newport, 2011 through 2021

Source: CoStar.

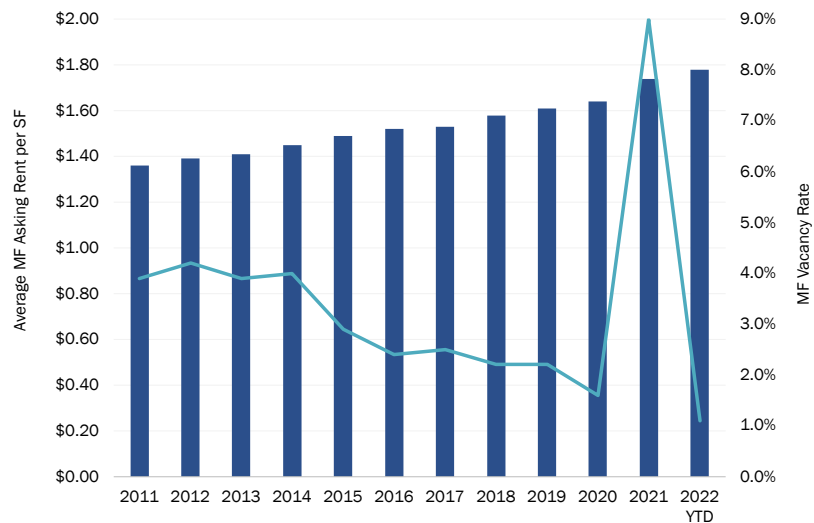


In 2021, Newport's average multifamily asking rent was \$1.78 per square foot at the beginning of 2022, up from \$1.36 per square foot in 2011.

In 2020 and 2021, 176 multifamily units were completed. The increased vacancy rate in 2021 was likely the result of absorption of the new units.

Exhibit 72. Average Multifamily Asking Rent per Square Foot and Average Multifamily Vacancy Rate, Newport, 2011 through 2022 YTD

Source: CoStar. March 2022



Housing Affordability

A typical standard used to determine housing affordability is that a household should pay no more than a certain percentage of household income for housing, including payments and interest or rent, utilities, and insurance. The Department of Housing and Urban Development’s guidelines indicate that households paying more than 30% of their income on housing experience “cost burden” and households paying more than 50% of their income on housing experience “severe cost burden.” Using cost burden as an indicator is one method of determining how well a city is meeting the Goal 10 requirement to provide housing that is affordable to all households in a community.

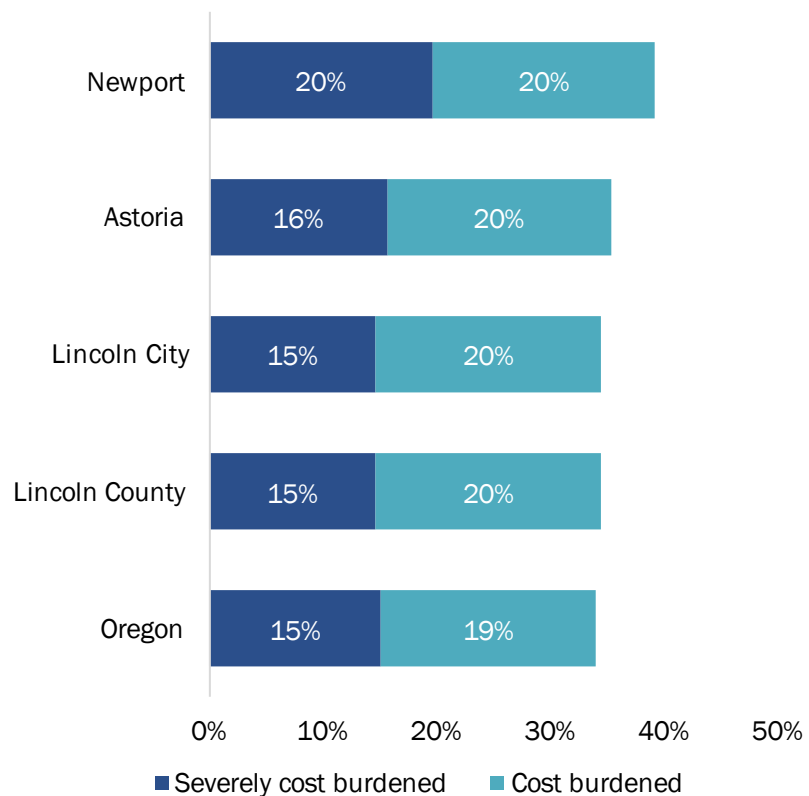
About 40% of Newport’s households were cost burdened in the 2016-2020 period and 20% were severely cost burdened. In this period, about 53% of renter households were cost burdened or severely cost burdened, compared with 28% of homeowners. Overall, a larger share of households in Newport experienced cost burden, compared to households in Lincoln County and Oregon.

Overall, about 40% of all households in Newport were cost burdened.

Newport had a higher share of cost-burdened households than Lincoln County and the state.

Exhibit 73. Housing Cost Burden, Newport, Lincoln County, Oregon, Other Comparison Cities, 2016-2020

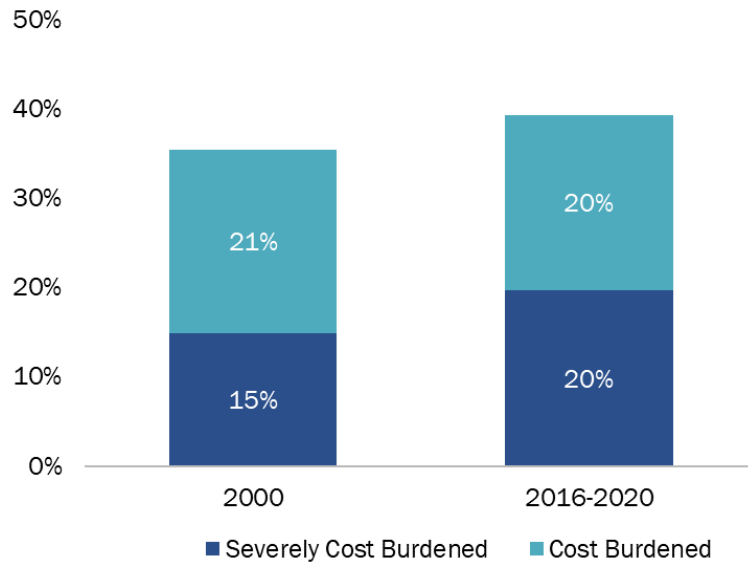
Source: US Census Bureau, 2016-2020 ACS Tables B25091 and B25070.



From 2000 to the 2016-2020 period, the share of cost-burdened households grew by 4% in Newport.

Exhibit 74. Change in Housing Cost Burden, Newport, 2000 to 2016-2020

Source: US Census Bureau, 2000 Decennial Census, Tables H069 and H094 and 2016-2020 ACS Tables B25091 and B25070.



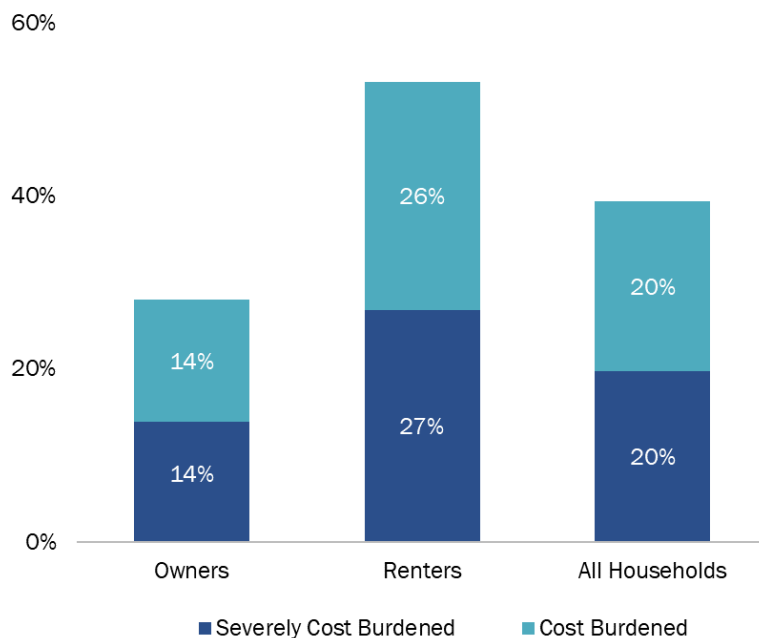
Renters are much more likely to be cost burdened than homeowners.

In the 2016-2020 period, about 53% of Newport’s renters were cost burdened or severely cost burdened, compared to 28% of homeowners.

About 27% of Newport’s renters were severely cost burdened (meaning they paid more than 50% of their income on housing costs).

Exhibit 75. Housing Cost Burden by Tenure, Newport, 2016-2020

Source: US Census Bureau, 2016-2020 ACS Tables B25091 and B25070.

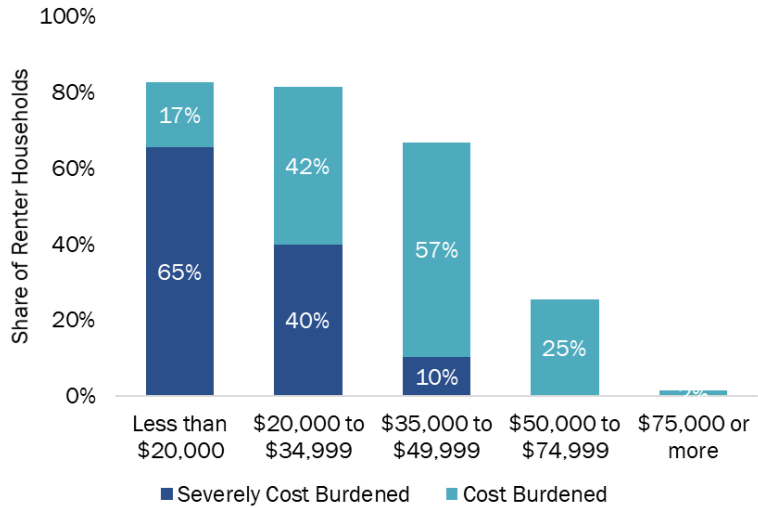


Cost burden is highest for the households with the lowest incomes.

Most households earning less than \$35k are cost burdened.

Exhibit 76. Cost-Burdened Renter Households, by Household Income, Newport, 2016-2020

Source: US Census Bureau, 2016-2020 ACS Table B25074.



About 49% of POC households were cost burdened or severely cost burdened compared to 41% of white households.

About 26% of POC households were severely cost burdened, spending 50% or more of their gross income on housing.

Exhibit 77. Cost Burdened Households by Race and Ethnicity, Newport, 2014-2018

Source: CHAS Table 9. 2014-2018.

Note: POC category includes Hispanic or Latino (all races)

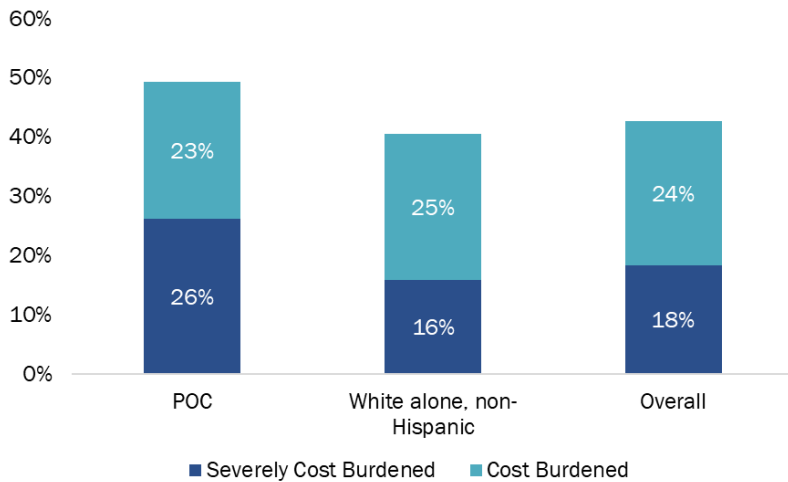


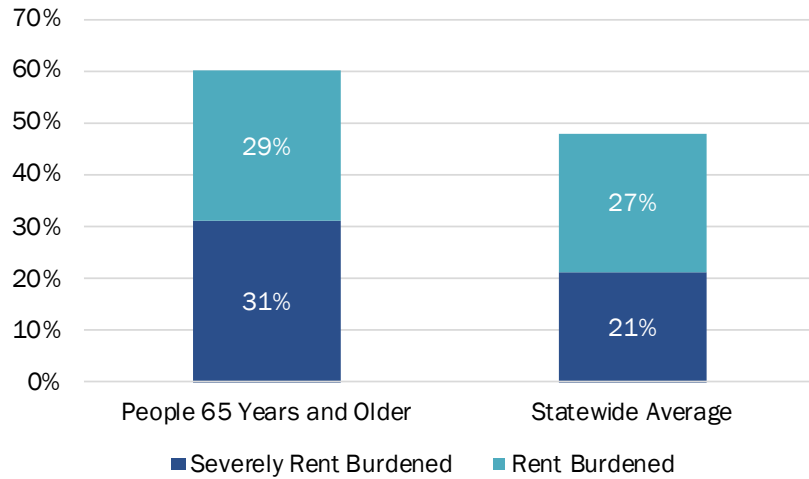
Exhibit 78 through Exhibit 80 show cost burden in Oregon for renter households for seniors, people of color, and people with disabilities.⁵⁸ This information is not readily available for a city with a population as small as Newport, which is why we present statewide information. These exhibits show that these groups experience cost burden at higher rates than the overall statewide average.

Renters 65 years of age and older were disproportionately rent burdened compared to the state average.

About 60% of renters aged 65 years and older were rent burdened, compared with the statewide average of 48% of renters.

Exhibit 78. Cost-Burdened Renter Households, for People 65 Years of Age and Older, Oregon, 2018

Source: US Census, 2018 ACS 1-Year PUMS Estimates. From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.

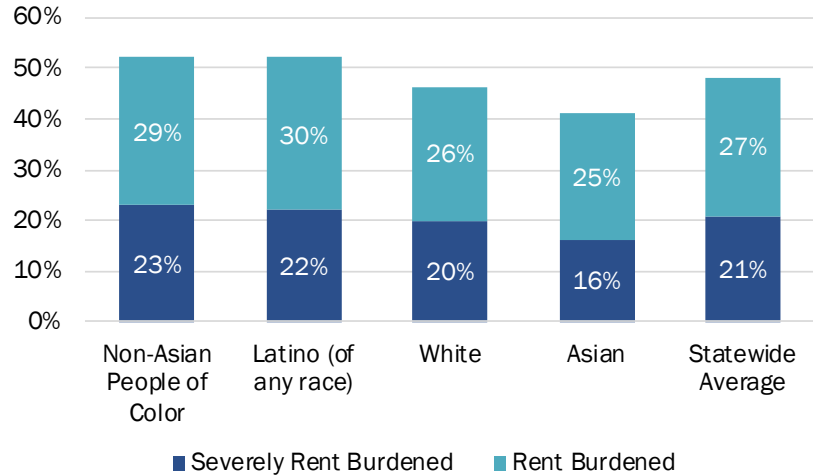


⁵⁸ From the report *Implementing a Regional Housing Needs Analysis Methodology in Oregon*, prepared for Oregon Housing and Community Services by ECONorthwest, March 2021.

Compared to the average renter household in Oregon, those that identified as a non-Asian person of color or as Latino were disproportionately rent burdened.

Exhibit 79. Cost-Burdened Renter Households, by Race and Ethnicity, Oregon, 2018

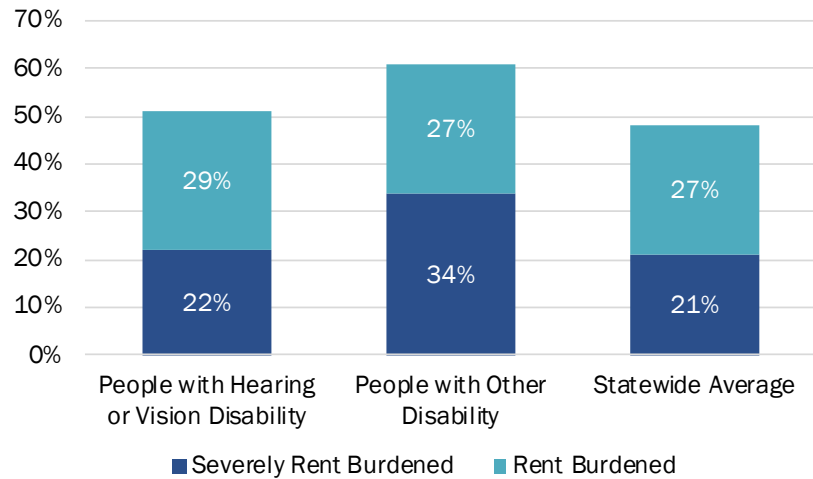
Source: US Census, 2018 ACS 1-Year PUMS Estimates. From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.



Renters with a disability in Oregon were disproportionately cost burdened.

Exhibit 80. Cost-Burdened Renter Households, for People with Disabilities, Oregon, 2018

Source: US Census, 2018 ACS 1-Year PUMS Estimates. From the Report *Implementing a Regional Housing Needs Analysis Methodology in Oregon: Approach, Results, and Initial Recommendations* by ECONorthwest, August 2020.



While cost burden is a common measure of housing affordability, it does have some limitations. Two important limitations are:

- A household is defined as cost burdened if the housing costs exceed 30% of their income, regardless of actual income. The remaining 70% of income is expected to be spent on nondiscretionary expenses, such as food or medical care, and on discretionary expenses. Households with higher incomes may be able to pay more than 30% of their income on housing without impacting the household’s ability to pay for necessary nondiscretionary expenses.
- Cost burden compares income to housing costs and does not account for accumulated wealth. As a result, the estimate of how much a household can afford to pay for housing does not include the impact of a household’s accumulated wealth. For example, a household of retired people may have relatively low income but may have accumulated assets (such as profits from selling another house) that allow them to purchase a house that would be considered unaffordable to them based on the cost-burden indicator.
- Cost burden does not account for debts, such as college loans, credit card debt, or other debts. As a result, households with high levels of debt may be less able to pay up to 30% of their income for housing costs.

Another way of exploring the issue of financial need is to review housing affordability at varying levels of household income.

Fair Market Rent for a 2-bedroom apartment in Lincoln County is \$1,040.

Exhibit 81. HUD Fair Market Rent (FMR) by Unit Type, Lincoln County, 2021

Source: US Department of Housing and Urban Development.

\$686	\$835	\$1,040	\$1,488	\$1,801
Studio	1-Bedroom	2-Bedroom	3-Bedroom	4-Bedroom

A household must earn at least \$20.00 per hour to afford a two-bedroom unit at Fair Market Rent (\$1,040) in Lincoln County.

Exhibit 82. Affordable Housing Wage, Lincoln County, 2021

Source: US Department of Housing and Urban Development; Oregon Bureau of Labor and Industries.

\$20.00 per hour

Affordable housing wage for two-bedroom unit in Lincoln County

The Median Family Income (MFI) in Lincoln County in 2021 was \$57,400 for a household of four people. MFI is a standard used (and defined) by US Department of Housing and Urban Development on a county-by-county basis. It is used to estimate affordable rental costs for income-restricted housing based on household size. A household earning Lincoln County’s MFI (\$57,400) can afford a monthly rent of about \$1,440 or a home roughly valued between \$201,000 and \$230,000. As Exhibit 84 shows, about 33% of Newport’s households have an income less than \$28,700 (50% or less of MFI) and cannot afford a two-bedroom apartment at Lincoln County’s Fair Market Rent (FMR) of \$1,040.

To afford the average asking rent of \$1,360 (which does not include basic utility costs), a household would need to earn about \$54,400 or 95% of MFI. About 54% of Newport’s households earn less than \$54,000 and cannot afford these rents. In addition, about 16% of Newport’s households have incomes of less than \$17,220 (30% of MFI) and are at risk of becoming homeless.

To afford the median home sales price of \$403,500, a household would need to earn about \$107,000 or 186% of MFI. About 12% of Newport’s households have income sufficient to afford this median home sales price.

Exhibit 83. Financially Attainable Housing, by Median Family Income (MFI) for Lincoln County (\$57,400) 2021

Source: US Department of Housing and Urban Development, Lincoln County, 2021. Oregon Employment Department.

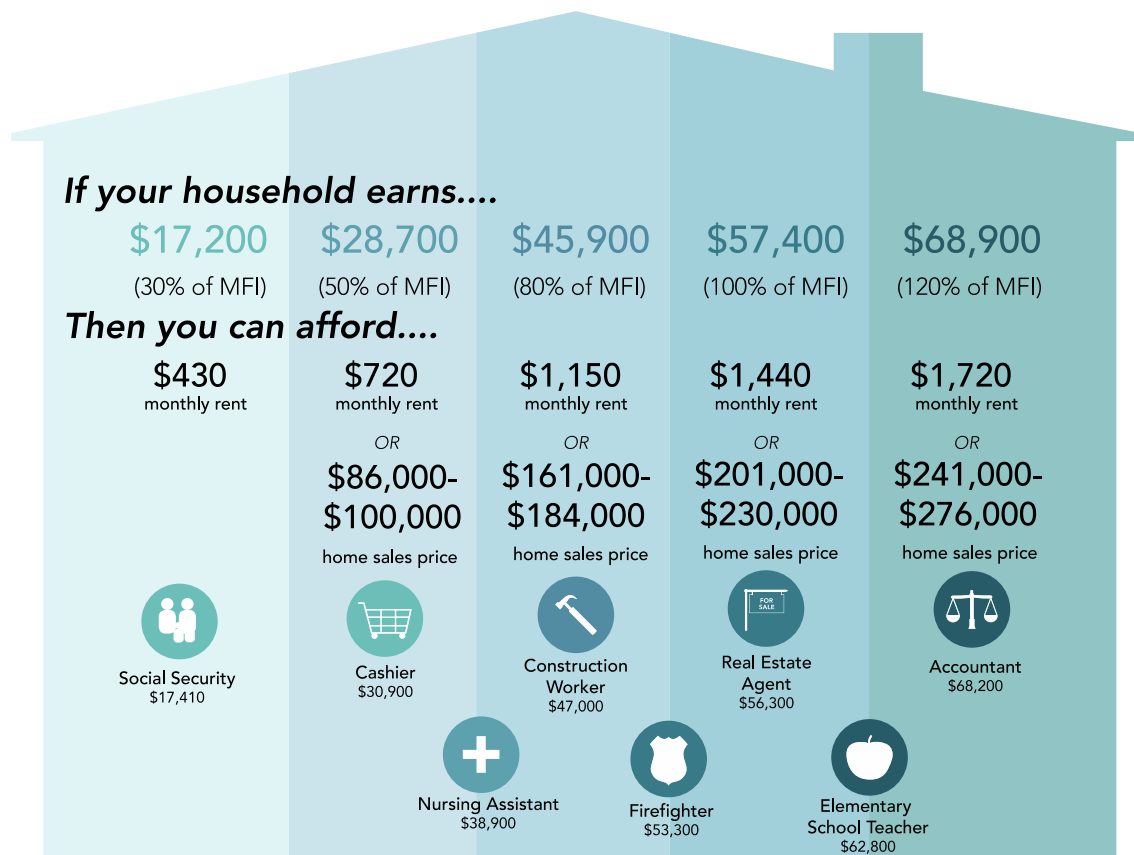


Exhibit 84 shows that 33% of Newport’s households are extremely low or very low income, with incomes below \$28,700 (below 50% of MFI). These households can afford monthly rents of \$720 or less, which is below the HUD Fair Market Rent of \$1,040 and below the average market rent of \$1,360. Private housing developers generally cannot build housing affordable to households in these income groups because the rents are too low to pay for the cost of development. Newly built housing for households with these incomes is generally income-restricted affordable housing, built with government subsidy.

About 15% of households in Newport are low income, with incomes between \$29,000 and \$46,000 (50%-80% of MFI). These households can afford rents of \$720 to \$1,150. The lowest-income households in this group cannot afford the HUD Fair Market Rent of \$1,040 for a two-bedroom apartment. None in this income group can afford the average market rent of \$1,360. Private housing developers generally cannot build housing affordable to households in this income group because the rents are too low to pay for the cost of development. Newly built housing for households in this income group is less commonly built and generally has some form of government subsidy to make the development financially feasible.

About 18% of Newport’s households are middle income (with incomes between \$46,000 and \$69,000) and 33% are high income (with incomes above \$69,000). Most of these households can afford rental housing in Newport, and some can afford the cost of homeownership (generally households with incomes above \$69,000). Private housing developers can build most types of housing affordable to these income groups without government subsidy.

Exhibit 84. Share of Households by Median Family Income (MFI) for Lincoln County, Newport, 2019
 Source: US Department of HUD, Lincoln County, 2021. US Census Bureau, 2015-2019 ACS Table B19001.

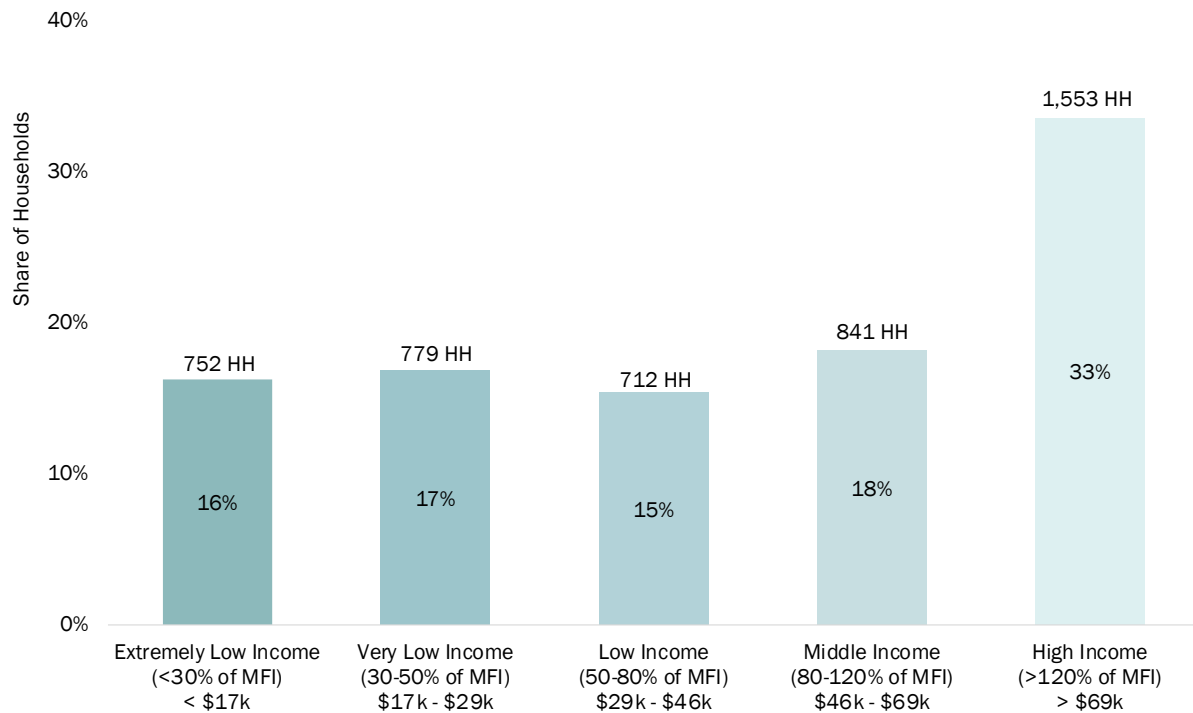


Exhibit 85 compares the number of households by income category with the number of units affordable to those households in Newport. Newport currently has a deficit of 664 housing units for households earning 0-50% of the MFI (less than \$28,700 per year) and a deficit of 258 units for households earning 50-80% of the MFI (\$28,700 to \$45,921 per year), resulting in cost burden of these households. This indicates a deficit of more affordable housing types (such as government-subsidized housing, existing lower-cost apartments, and manufactured housing).

In contrast, some households in Newport are renting or buying down, which means that they are occupying units affordable to lower-income households. About 116 households earning 50-80% of the MFI (\$28,700 to \$45,920 per year) and 753 earning more than 80% of the MFI (more than \$45,921 per year) are renting or buying down. These households could afford more costly housing but either choose to live in less costly housing or cannot find higher-cost housing that meets their needs.

Exhibit 85. Unit Affordability by Household Income, Newport, 2014-2018

Source: CHAS, 2014-2018, Table 18.

Unit Affordability	Household Income			Total
	0-50% MFI \$0 to \$28,700	50-80% MFI \$28,701 to \$45,920	80% MFI \$45,921 +	
0-50% (Monthly housing costs of \$29,000 or less)	378	116	193	687 *Renting/
50-80% (Monthly housing costs of \$29,000-\$46,000)	384 Cost	340	560	1,284 Buying Down*
+80% (Monthly housing costs of \$46,000 or more)	280 Burdened	258	2,047	2,585

Summary of the Factors Affecting Newport's Housing Needs

The purpose of the analysis thus far has been to provide background on the kinds of factors that influence housing choice. While the number and interrelationships among these factors ensure that generalizations about housing choice are difficult to make and prone to inaccuracies, it is a crucial step to informing the types of housing that will be needed in the future.

There is no question that age affects housing type and tenure. Mobility is substantially higher for people aged 20 to 34. People in that age group will also have, on average, less income than people who are older, and they are less likely to have children. These factors mean that younger households are much more likely to be renters, and renters are more likely to be in multifamily housing.

The data illustrates what more detailed research has shown and what most people understand intuitively: life cycle and housing choice interact in ways that are predictable in the aggregate, age of the household head is correlated with household size and income, household size and age of household head affect housing preferences, and income affects the ability of a household to afford a preferred housing type. The connection between socioeconomic and demographic factors and housing choice is often described informally by giving names to households with certain combinations of characteristics: the "traditional family," the "never-marrieds," the "dinks" (dual income, no kids), and the "empty nesters." Thus, simply looking at the long wave of demographic trends can provide good information for estimating future housing demand.

Still, one is ultimately left with the need to make a qualitative assessment of the future housing market. The following is a discussion of how demographic and housing trends are likely to affect housing in Newport over the next 20 years:

- **Growth in housing will be driven by growth in population.** Between 2000 and 2019, Newport's population grew by 1,027 people (11%). The population in Newport's UGB is forecasted to grow from 12,010 to 13,358, an increase of 1,348 people (11%) between 2022 and 2042.⁵⁹
- **Housing affordability is a growing challenge in Newport.** Housing affordability is a challenge in most coastal communities in Oregon, and Newport is affected by these regional trends. Housing prices continue to increase faster than incomes in Newport and Lincoln County, which is consistent with state and national challenges. About 29% of

⁵⁹ Newport's official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042, at an annual average growth rate of 0.1%. Newport considered this growth for the official analysis of land sufficiency within the Newport UGB, as required by Goal 10, OAR 660-008, and OAR 660-032.

Given that Newport's growth rate over the past 20 years has been much greater than current official forecast, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast, which will allow the City to better prepare for an uncertain future (shown in Exhibit 37). Even when using the historical growth rate to project future population growth, Newport has sufficient land capacity to accommodate growth.

Newport's housing stock is multifamily housing (about 29% of the city's housing stock) and over half of renter households are cost burdened (53%). Newport's key challenge over the next 20 years is providing opportunities for the development of relatively affordable housing of all types, such as lower-cost single-family housing, townhomes, cottage housing, duplexes, triplexes, quadplexes, market-rate multifamily housing, and government-subsidized affordable housing. Recent development trends show that substantially more multifamily housing has been built in Newport between 2018 and 2021 than in the preceding decade.

- **Without continued changes in housing policy, on average, future housing will look a lot like past housing.** That is the assumption that underlies any trend forecast, and one that is important when trying to address demand for new housing.

The City's residential policies can impact the amount of change in Newport's housing market, to some degree. Newport adopted policies that support development of more multifamily housing, including income-restricted affordable housing in recent years. These changes begin to address the city's unmet housing needs. Newport will consider opportunities for additional policy changes in development of the *Housing Production Strategy* report.

- **If the future differs from the past, it is likely to move in the direction, on average, of smaller units and more diverse housing types.** Most of the evidence suggests that the bulk of the change will be in the direction of smaller average house and lot sizes for single-family housing. This includes providing opportunities for the development of smaller single-family detached homes, accessory dwelling units, cottage housing, townhomes, duplexes through quadplexes, and multifamily housing. However, the continued impact of the COVID-19 pandemic may trigger a reversal of these trends, if more working-aged persons transition to permanent work-from-home situations.

Key demographic and economic trends that will affect Newport's future housing needs are (1) the aging of baby boomers, (2) the aging of millennials and Generation Z, and (3) the continued growth in the Hispanic and Latino population.

- *The baby boomer population is continuing to age.* Household sizes decrease as this population ages. Most baby boomers are expected to remain in their homes as long as possible, downsizing or moving when illness or other issues cause them to move. Demand for specialized senior housing, such as age-restricted housing or housing in a continuum of care from independent living to nursing home care, may grow in Newport.
- *Millennials and Generation Z will continue to form households and make a variety of housing choices.* As millennials and Generation Z age, generally speaking, their household sizes will increase, and their homeownership rates will peak by about age 55. Between 2022 and 2042, millennials and Generation Z will be a key driver in demand for housing for families with children. The ability to attract millennials and Generation Z will depend on the City's availability of renter and ownership housing that is large enough to accommodate families while still being relatively affordable.

Homeownership is becoming increasingly common among millennials but financial barriers to homeownership remain for some millennials and Generation Z, resulting in need to rent housing, even if they prefer to become homeowners. Housing preferences for Generation Z are not yet known but are expected to be similar to millennials, with the result that they will also need affordable housing, both for rental and later in life for ownership. Some millennials and Generation Z households will occupy housing that is currently occupied but becomes available over the planning period, such as housing that is currently owned or occupied by baby boomers. The need for housing large enough for families may be partially accommodated by these existing units.

- *Hispanic and Latino population will continue to grow.* Hispanic and Latino population growth will be an important driver in growth of housing demand, both for owner and renter-occupied housing. Growth in the Hispanic and Latino population will drive demand for housing for families with children. Given the lower income for Hispanic and Latino households, especially first-generation immigrants, growth in this group will also drive demand for affordable housing, both for ownership and renting.
- **Newport's housing market is impacted by the seasonality of its economy.** Newport's economy is highly seasonal, with more tourism and student activity and therefore housing demand during the summer months. The housing needs for these groups increase the demand for affordable housing, which is in short supply as it is. The fishing and seafood processing industry creates demand for short-term workforce housing twice a year in line with the fishing seasons. The housing needs of these workers also increases the demand for affordable housing options that employers can maintain and manage cost effectively. Limited availability of housing limits employers' ability to attract seasonal (and permanent) employees to the area.

People who live part year in Newport could also benefit from the types of housing described above, especially smaller units. Solutions for temporary housing will come from different sources but could include development of smaller shared units, such as dormitory housing, studio apartments, accessory dwelling units, student housing, and other small, less costly housing.

In summary, an aging population; increasing housing costs; housing affordability concerns for millennials, Generation Z, and Latino populations; need for seasonal housing; and other variables are factors that support the need for smaller and less expensive units and a broader array of housing choices.

5. Housing Need in Newport

Projected New Housing Units Needed in the Next 20 Years

The results of the Housing Capacity Analysis are based on (1) a population forecast for growth in Newport over the 20-year planning period (based on historical growth rate), (2) information about Newport's housing market relative to Lincoln County, Oregon, and nearby cities, and (3) the demographic composition of Newport's existing population and expected long-term changes in the demographics of Lincoln County.

Forecast for Housing Growth

This section describes the key assumptions and presents an estimate of new housing units needed in Newport between 2022 and 2042. The key assumptions are based on the best available data.

- **Population.** A 20-year population forecast (in this instance, 2022 to 2042) is the foundation for estimating needed new dwelling units. Based on the historical growth rate from 2000 to 2021, Newport's UGB is projected to grow from 12,010 persons in 2022 to 13,358 persons in 2042, an increase of 1,348 people.⁶⁰
- **Household Size.** According to the 2015-2019 American Community Survey, the average household size in Newport was 2.21 people. **Thus, for the 2022 to 2042 period, we assume an average household size of 2.21 persons.**
- **Vacancy Rate.** The Census defines vacancy as "unoccupied housing units [that] are considered vacant. Vacancy status is determined by the terms under which the unit may be occupied, e.g., for rent, for sale, or for seasonal use only." The 2010 Census identified vacancy through an enumeration, separate from (but related to) the survey of households. The Census determines vacancy status and other characteristics of vacant units by enumerators obtaining information from property owners and managers, neighbors, rental agents, and others.

⁶⁰ Newport's official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042, at an annual average growth rate of 0.1%. Newport considered this growth for the official analysis of land sufficiency within the Newport UGB, as required by Goal 10, OAR 660-008, and OAR 660-032.

Given that Newport's growth rate over the past 20 years has been much greater than current official forecast, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast, which will allow the City to better prepare for an uncertain future. Even when using the historical growth rate to project future population growth, Newport has sufficient land capacity to accommodate growth.

Vacancy rates are cyclical and represent the lag between demand and the market’s response to demand for additional dwelling units. Vacancy rates for rental and multifamily units are typically higher than those for owner-occupied and single-family dwelling units.

According to the 2015-2019 American Community Survey, Newport’s vacancy rate was 19.9%. To establish a more accurate housing need forecast that does not include second homes and units used for vacation rentals or infrequently, we removed the seasonal, recreational, and occasional use category from the calculation of vacancy rate. **For the 2022 to 2042 period, we assume a vacancy rate of 2.6%.**

Newport will have demand for 626 new dwelling units over the 20-year period, with an annual average of 31 dwelling units.⁶¹

Exhibit 86. Forecast of Demand for New Dwelling Units, Newport UGB, 2022 to 2042

Source: Calculations by ECONorthwest.

Variable	New Dwelling Units (2022-2042)
Change in persons	1,348
Average household size	2.21
New occupied DU	610
<i>times</i> Vacancy rate	2.6%
<i>equals</i> Vacant dwelling units	16
Total new dwelling units	626
Annual average of new dwelling units	31

⁶¹ Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) projects that Newport will increase by 248 people between 2022 and 2042. The City would need about 115 new dwelling units to accommodate this growth.

Housing Units Needed Over the Next 20 Years

Exhibit 86 presents a forecast of new housing in Newport's UGB for the 2022 to 2042 period. This section determines the needed mix and density for the development of new housing developed over this 20-year period in Newport.

Over the next 20 years, the need for new housing developed in Newport will generally include a wider range of housing types and housing that is more affordable. This conclusion is based on the following information, found in Chapter 3 and 4:

- Newport's existing housing mix is predominately single-family detached but more multifamily has been permitted (and developed) in recent years. In the 2015-2019 period, 64% of Newport's housing was single-family detached, 7% was single-family attached, 13% was duplex through quadplex, and 16% was multifamily housing (with five or more units per structure). Between 2009 and 2020, Newport issued building permits for 396 units, of which 45% were single-family units (both single-family detached and attached) and 55% were multifamily of all types.
- Demographic changes across Newport suggest increases in demand for single-family attached housing and multifamily housing. The key demographic and socioeconomic trends that will affect Newport's future housing needs are an aging population, increasing housing costs, and housing affordability concerns for millennials, Generation Z, and Latino populations. The implications of these trends are increased demand from smaller, older (often single person) households and increased demand for affordable housing for families, both for ownership and rent. In addition, demand for housing among seasonal workers increases demand for affordable housing.
- Newport's median household income was \$49,039, nearly \$14,000 less than the state's median income. Since 2000, housing costs in Newport increased faster than incomes, with inflation-adjusted incomes growing by 1% since 2000. In comparison, housing sales prices increased by 96% since December 2016 and average asking rents for multifamily housing increasing by 27% since 2011. The median value of a house in Newport was 4.2 times the median household income in 2000 and 5.3 times the median household income in the 2015-2019 period, illustrating the fact that housing costs grew faster than incomes.
- About 40% of Newport's households are cost burdened (paying 30% or more of their household income on housing costs). About 53% of Newport's **renters** are cost burdened (27% severely cost burdened) and about 28% of Newport's **homeowners** are cost burdened (14% severely cost burdened). Cost-burden rates in Newport are slightly higher than those in Lincoln County.
- Newport needs more affordable housing types for renters. To afford the average asking rent of \$1,360, a household would need to earn about \$54,400 or 95% of MFI. About 54% of Newport's households earn less than \$54,000 and cannot afford these rents. In addition, about 16% of Newport's households have incomes of less than \$17,220 (30% of MFI) and are at risk of becoming homeless.

- Newport needs more affordable housing types for homeowners. Housing sales prices increased in Newport over the last five years. Between December 2016 and December 2021, the median sales price in Newport increased by \$198,000 (96%).

A household earning 100% of Newport’s median family income (\$57,400) could afford a home valued between about \$201,000 and \$230,000, which is less than Newport’s median home sales price of \$403,500. A household can start to afford median home sales prices in Newport at about 186% of Newport’s median family income. About 12% of Newport’s households have incomes sufficient to afford this median home sales price.

These factors suggest that Newport needs a broader range of housing types with a wider range of price points than are currently available in Newport’s housing stock. This includes providing opportunity for the development of housing types across the affordability spectrum, such as single-family detached housing (e.g., small-lot single-family detached units, cottages, accessory dwelling units, and “traditional” single-family homes), townhouses, duplexes, triplexes, quadplexes, and multifamily buildings with five or more units.

Exhibit 87 shows the forecast of needed housing in the Newport UGB during the 2022 to 2042 period. The projection is based on the following assumptions:

- Newport’s forecast for population growth shows that the city will add 1,348 people over the 20-year period. Exhibit 86 shows that the new population will result in the need for 626 new dwelling units over the 20-year period.⁶²
- The assumptions about the mix of housing (based on the discussion above) in Exhibit 87 are as follows. This represents Newport’s needed housing mix:
 - **About 50% of new housing will be single-family detached**, a category which includes manufactured housing. About 64% of Newport’s housing was single-family detached in the 2015-2019 period.
 - **About 10% of new housing will be single-family attached**. About 7% of Newport’s housing was single-family attached in the 2015-2019 period.
 - **About 15% of new housing will be duplexes, triplexes, and quadplexes**. About 13% of Newport’s housing was duplex, triplex, and quadplex housing in the 2015-2019 period.

⁶² Newport’s official population forecast from the Oregon Population Forecast Program through Portland State University (PSU) results in a projection of 115 new dwelling units for the 2022 and 2042 period. Newport considered this growth for the official analysis of land sufficiency within the Newport UGB, as required by Goal 10, OAR 660-008, and OAR 660-032.

Given that Newport’s growth rate over the past 20 years has been much greater than current official forecast, it is reasonable to assume that the official forecast may be under projecting the future population and housing. For planning purposes, this report relies on the historical growth rate for population as described elsewhere in the report. Even when using the historical growth rate to project future population growth, Newport has sufficient land capacity to accommodate growth.

- **About 25% of new housing will be multifamily housing (with five or more units per structure).** About 16% of Newport’s housing was multifamily housing (with five or more units per structure) in the 2015-2019 period.

Newport will have demand for 626 new dwelling units over the 20-year period, 50% of which is expected to be single-family detached housing.

Exhibit 87. Forecast of Demand for New Dwelling Units, Newport UGB, 2022 to 2042

Source: Calculations by ECONorthwest.

Variable	Preliminary Needed Mix
Needed new dwelling units (2022-2042)	626
Dwelling units by structure type	
Single-family detached	
Percent single-family detached DU	50%
Total new single-family detached DU	313
Single-family attached	
Percent single-family attached DU	10%
Total new single-family attached DU	63
Duplex, Triplex, Quadplex	
Percent duplex, triplex, quadplex	15%
Total new duplex, triplex, quadplex	94
Multifamily (5+ units)	
Percent multifamily (5+ units)	25%
Total new multifamily (5+ units)	157
Total new dwelling units (2022-2042)	626

Exhibit 88 allocates needed housing to plan designations in Newport. The allocation is based, in part, on the types of housing allowed in the zoning districts of each plan designation.

- **Low Density Residential (R-1 and R-2)** land will accommodate single-family detached housing (including manufactured homes on lots and in manufactured home parks), duplexes, townhomes, and accessory dwelling units.
- **High Density Residential (R-3 and R-4)** land will accommodate single-family detached housing (including manufactured homes on lots and in manufactured home parks), single-family attached housing, accessory dwelling units, cottage cluster housing, duplexes, triplexes, quadplexes, and multifamily housing.
- **Commercial** land will develop with housing on floors other than street grade.

Exhibit 88. Allocation of Needed Housing by Housing Type and Plan Designation for Forecast of Growth, Newport UGB, 2022 to 2042

Source: ECONorthwest.

Housing Type	Plan Designations			TOTAL
	Low Density Residential	High Density Residential	Commercial	
Dwelling Units				
Single-family detached	250	63	-	313
Single-family attached	31	31	-	62
Duplex, triplex, quadplex	19	75	-	94
Multifamily (5+ units)	-	107	50	157
Total	300	276	50	626
Percent of Units				
Single-family detached	40%	10%	0%	50%
Single-family attached	5%	5%	0%	10%
Duplex, triplex, quadplex	3%	12%	0%	15%
Multifamily (5+ units)	0%	17%	8%	25%
Total	48%	44%	8%	100%

Exhibit 89 shows the development densities in net and gross acres for Newport’s residential and commercial plan designations.⁶³ It converts between net acres and gross acres to account for land needed for rights-of-way based on empirical analysis of existing rights-of-way by plan designation in Newport.

- **Low Density Residential:** The densities in the R-1 and R-2 zones, which are in the Low-Density Plan Designation, allow for maximum density of 5.8 dwelling units per net acre (a lot as small as 7,500 square feet) to 8.7 dwelling units per net acre (a lot as small as 5,000 square feet) respectively. Much of Newport’s recent development has been at densities consistent with the R-2 allowed density. This analysis assumes that future development in Low Density Residential will occur at about 80% of the maximum density allowed in R-2, about 7.0 dwelling units per net acre. In developed areas in the Low-Density Residential designation, an average of 20% of land is in rights-of-way. Converted to gross densities, Exhibit 89 shows an average density of 5.6 dwelling units per gross acre.
- **High Density Residential:** The R-3 and R-4 zone allow densities up to nearly 35 dwelling units per net acre. Recent development in High Density Residential areas has averaged around 20 dwelling units per acre. In developed areas in the High-Density Residential designation, an average of 21% of land is in rights-of-way. Converted to gross densities, Exhibit 89 shows an average density of 15.8 dwelling units per gross acre.
- **Commercial: Commercial areas do not have a maximum density and have been developing with densities of about 30 dwelling units per net acre.** In developed Commercial areas, an average of 15% of land is in rights-of-way. Converted to gross densities, Exhibit 89 shows an average density of 25.6 dwelling units per gross acre.

Future planned residential densities vary by plan designation. For example, Newport will plan for an average of 5.6 dwelling units per gross acre in Low Density Residential and 15.8 dwelling units per gross acre in High Density Residential

Exhibit 89. Future Density for Housing Built in the Newport UGB, 2022 to 2042
Source: ECONorthwest. Note: DU is dwelling unit.

Plan Designation	Avg. Net Density (DU/net acre)	% for Rights-of-Way	Avg. Gross Density (DU/gross)
Low Density Residential	7.0	20%	5.6
High Density Residential	20.0	21%	15.8
Commercial	30.0	15%	25.6

⁶³ OAR 660-024-0010(6) uses the following definition of net buildable acre. Net buildable acre “consists of 43,560 square feet of residentially designated buildable land after excluding future rights-of-way for streets and roads.” While the administrative rule does not include a definition of a gross buildable acre, using the definition above, a gross buildable acre will include areas used for rights-of-way for streets and roads. Areas used for rights-of-way are considered unbuildable.

Needed Housing by Income Level

The next step in the Housing Capacity Analysis is to develop an estimate of need for housing by income and housing type. This analysis requires an estimate of the income distribution of current and future households in the community. Estimates presented in this section are based on secondary data from the Census and analysis by ECONorthwest.

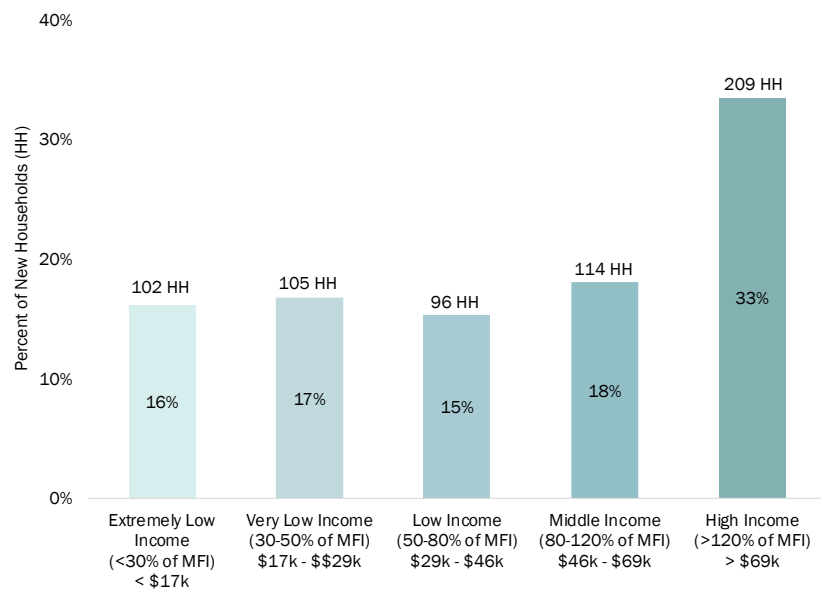
The analysis in Exhibit 90 is based on Census data about household income levels for existing households in Newport (see Exhibit 84 for current households). Income is distributed into market segments consistent with HUD income level categories, using Lincoln County’s 2021 median family income (MFI) of \$57,400. The exhibit assumes that approximately the same percentage of households will be in each market segment in the future.

About 33% of Newport’s future households will have income below 50% of Lincoln County’s median family income (less than \$28,700 in 2019 dollars).

About 33% will have incomes between 50% and 120% of the county’s MFI (between \$28,700 and \$68,880).

This graph shows that, as Newport’s population grows, Newport will continue to have demand for housing across the affordability spectrum.

Exhibit 90. Future (New) Households, by Median Family Income (MFI) for Lincoln County (\$57,400), Newport, 2022 to 2042
Source: US Department of HUD, Lincoln County, 2021. US Census Bureau, 2015-2019 ACS Table 19001.



Other Housing Needs

ORS 197.303, 197.307, 197.312, and 197.314 require cities to plan for government-assisted housing, farmworker housing, manufactured housing on lots and in parks, and housing for people with disabilities and people experiencing homelessness.

- **Income-restricted and government-subsidized housing.** Government subsidies can apply to all housing types (e.g., single-family detached, apartments, etc.). Newport allows development of government-assisted housing in all residential plan designations, with the same development standards for market-rate housing. This analysis assumes that Newport will continue to allow government housing in all its residential plan designations. Because government-assisted housing is similar in character to other housing (with the exception being the subsidies), it is not necessary to develop separate forecasts for government-subsidized housing.
- **Farmworker housing.** Farmworker housing can also apply to all housing types, and the City allows development of farmworker housing in all residential zones, with the same development standards as market-rate housing. This analysis assumes that Newport will continue to allow farmworker housing in all its residential zones. Because it is similar in character to other housing (with the possible exception of government subsidies, if population restricted), it is not necessary to develop separate forecasts for farmworker housing.
- **Manufactured housing on lots.** Newport allows manufactured homes in all its residential plan designations and zoning districts.
- **Manufactured housing in parks.** Newport allows manufactured homes in parks in the R-2, R-3, and R-4 zones. OAR 197.480(4) requires cities to inventory the mobile home or manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial, or high-density residential development. According to the Oregon Housing and Community Services' Manufactured Dwelling Park Directory,⁶⁴ Newport has 5 manufactured home parks within the city, with 294 spaces.
 - ORS 197.480(2) requires Newport to project need for mobile home or manufactured dwelling parks based on (1) population projections, (2) household income levels, (3) housing market trends, and (4) an inventory of manufactured dwelling parks sited in areas planned and zoned or generally used for commercial, industrial, or high-density residential development.
 - Exhibit 86 shows that Newport will grow by 626 dwelling units over the 2022 to 2042 period.
 - Analysis of housing affordability shows that about 33% of Newport's new households will be considered very low or extremely low income, earning 50% or

⁶⁴ Oregon Housing and Community Services, Oregon Manufactured Dwelling Park Directory.

less of the region's median family income. One type of housing affordable to these households is manufactured housing.

- Manufactured housing accounts for about 8% (about 463 dwelling units) of Newport's current housing stock.
- National, state, and regional trends since 2000 showed that manufactured housing parks are closing, rather than being created. For example, between 2000 and 2015, Oregon had 68 manufactured parks close, with more than 2,700 spaces. Discussions with several stakeholders familiar with manufactured home park trends suggest that over the same period, few to no new manufactured home parks have opened in Oregon.
- The households most likely to live in manufactured homes in parks are those with incomes between \$17,200 and \$28,700 (30% to 50% of MFI), which includes 17% of Newport's households. However, households in other income categories may live in manufactured homes in parks.
- National and state trends for manufactured home park closures, and the fact that no new manufactured home parks have opened in Oregon in the last 15 years, demonstrate that the development of new manufactured home parks in Newport is unlikely. However, manufactured home parks provide an important opportunity for affordable housing for homeownership. Preserving existing manufactured home parks and allowing smaller manufactured units in manufactured home parks are important ways to provide opportunities for affordable, lower-cost homeownership opportunities.
- If the City had the need for a new manufactured home park over the 2022-2042 period, it would be for 50 new units (8% of new units) on about an acre of land, with 8 dwelling units per acre. If a new manufactured home park were developed in Newport, the City would have sufficient capacity to accommodate it in zones where manufactured housing is allowed. The housing forecast includes new manufactured homes on lots and in parks in the category of single-family detached housing.
- Over the next 20 years (or longer), one or more manufactured home parks may close in Newport. This may be a result of manufactured home park landowners selling or redeveloping their land for uses with higher rates of return, rather than lack of demand for spaces in manufactured home parks. Manufactured home parks contribute to the supply of low-cost affordable housing options, especially for affordable homeownership.
- Four of Newport's five manufactured home parks are in High Density Residential, Commercial, or Industrial Plan Designations, accounting for 118 dwelling units (40% of Newport's manufactured homes in manufactured home parks). If one or more of these manufactured home parks closed, Newport has sufficient capacity to accommodate a new manufactured home park in either the Low Density or the High-Density Plan Designations.

- While there is statewide regulation of manufactured home park closures designed to lessen the financial difficulties of closures for park residents,⁶⁵ the City has a role to play in ensuring that there are opportunities for housing for the displaced residents. The City's primary roles are to ensure that there is sufficient land zoned for new multifamily housing and to reduce barriers to residential development to allow for the development of new, relatively affordable housing. In addition, the City can support preservation of manufactured home parks in a variety of ways, which is discussed in the *Housing Production Strategy*.

In addition to these required housing types, this section also addresses housing for people with disabilities and housing for people experiencing homelessness.

- **Student Housing.** The Hatfield Marine Science Center (HMSC) hosts students and researchers/professionals year-round with seasonal variability. Current student housing is in the Wilder neighborhood. Oregon State University (OSU) plans to build additional apartments (mostly studios with some 1-bedrooms) in this area to meet future student demand which is expected to increase from 100 students in the summer to between 200 and 250 students in the summer. OSU anticipates needing some larger units (1 and 2 bedrooms) as well to accommodate non-students, including visiting scientists, agency professionals, and graduate students, some of which will have families. OSU owns land in the Wilder area and plans to build 50 to 80 dwelling apartment units, with a mix of studios to four-bedroom units. OSU expects to have two students per dwelling unit and that development of this housing will be completed in 2023.
- **Seasonal employees.** Meeting the housing needs of seasonal employees in the tourism and fishing/seafood processing industries as well as the housing needs of seasonal students means increasing the supply of affordable housing. Temporary housing could include development of smaller, shared units, such as dormitory housing, studio apartments, accessory dwelling units, student housing, and other small, less costly housing. Some of these types of development could be employer-supplied workforce housing. Limited availability of housing is limiting employers' ability to attract seasonal (and permanent) employees to the area.
- **Housing for People with Disabilities.** Housing for people with disabilities can apply to all housing types, with the same development standards as market-rate housing. It can also apply to other residential/group living uses (such as nursing homes, residential care homes or facilities, or room and boarding facilities) as well as government-subsidized housing (including units that are population restricted). Broadly, housing options for people with disabilities include (1) living in housing independently (alone or with roommates/family), (2) living in housing with supportive services (e.g., with help from a live-in or visiting caregiver), or (3) living in housing in a supervised residential setting.

⁶⁵ ORS 90.645 regulates rules about the closure of manufactured dwelling parks. It requires that the landlord must give at least one year's notice of park closure and pay tenants between \$5,000 and \$9,000 for each manufactured dwelling park space, in addition to not charging tenants for demolition costs of abandoned manufactured homes.

Meeting the housing needs for people with disabilities will require addressing affordability issues, as well as ensuring that people with disabilities have access to housing that addresses their disability and that they have access to housing without discrimination.

- **Housing for People Experiencing Homelessness.** Meeting the housing needs of people experiencing homelessness ranges from emergency shelter, transitional housing, and permanent supportive housing (including supportive housing with services) and improved access to an affordable unit (including rent and utility assistance). Persons experiencing homelessness or those at risk of becoming homeless will require assistance with addressing individual, complex barriers to improve long-term housing stability.

6. Residential Land Sufficiency in Newport

This chapter evaluates the sufficiency of vacant residential land in Newport to accommodate expected residential growth over the 2022 to 2042 period. It ends with conclusions of the Housing Capacity Analysis.

Capacity Analysis

The buildable lands inventory summarized in Chapter 2 provides a *supply* analysis (buildable land by type), and Chapter 5 provided a *demand* analysis (population and growth leading to demand for more residential development). The comparison of supply and demand allows the determination of land sufficiency.

There are two ways to calculate estimates of supply and demand into common units of measurement for comparison: (1) housing demand can be converted into acres, or (2) residential land supply can be converted into dwelling units. A complication of either approach is that not all land has the same characteristics. Factors such as zone, slope, parcel size, and shape can affect the ability of land to accommodate housing. Methods that recognize this fact are more robust and produce more realistic results. This analysis uses the second approach: it estimates the ability of vacant residential lands within the UGB to accommodate new housing. This analysis, sometimes called a “capacity analysis,”⁶⁶ can be used to evaluate different ways that vacant residential land may build out by applying different assumptions.

Newport’s UGB contains more residential land than is likely to develop over the next 20 years. Most notably, the Plan Destination Resort Overlay area is unlikely to develop over the next 20 years, given the requirement that it develop as a Destination Resort and given the lack of urban infrastructure (especially water and sanitary sewer services) to the area. We exclude the Plan Destination Resort Overlay area from the estimate of capacity for residential land in Newport.

In addition, Newport has a substantial amount of land that may be more difficult to develop because of infrastructure deficiencies, as discussed in the constructability analysis in Chapter 2 (and Appendix B). The analysis in this chapter considers capacity in two ways:

⁶⁶ There is ambiguity in the term *capacity analysis*. It would not be unreasonable for one to say that the “capacity” of vacant land is the maximum number of dwellings that could be built based on density limits defined legally by plan designation or zoning and that development usually occurs—for physical and market reasons—at something less than full capacity. For that reason, we have used the longer phrase to describe our analysis: “estimating how many new dwelling units the vacant residential land in the UGB is likely to accommodate.” That phrase is, however, cumbersome, and it is common in Oregon and elsewhere to refer to that type of analysis as “capacity analysis,” so we use that shorthand occasionally in this memorandum.

- **Capacity for all land where residential development is allowed as permitted use with clear and objective standards.** That includes Low Density Residential, High Density Residential, and Commercial Plan Designations but excludes the Plan Destination Resort Overlay area.
- **Capacity for where residential development is allowed as permitted use with clear and objective standards excluding the areas in the constructability analysis.** This excludes the areas included in the constructability analysis, assuming that some or all these areas may not develop over the planning period.

Capacity Analysis Results for All Residential Land in Newport

The capacity analysis estimates the development potential of vacant residential land to accommodate new housing, based on the needed densities by the housing type categories shown in Exhibit 89.

Exhibit 91 shows that **Newport has 863 acres of vacant or partially vacant land to accommodate dwelling units**, based on the following assumptions:

- **Buildable residential land.** The capacity estimates start with the number of buildable acres in plan designations that allow residential uses outright, as shown in Exhibit 12.
 - Exhibit 91 assumes that the commercial plan designations will be able to accommodate nearly 460 dwelling units on about 30% of buildable commercial land.
 - The 539 buildable acres in the Planned Destination Resort Overlay were not included in the capacity analysis. Land in this designation cannot accommodate housing development due to lack of infrastructure and the high costs of servicing this land.
- **Needed densities.** The capacity analysis assumes development will occur at needed densities. Those densities were derived from the needed densities shown in Exhibit 89.
 - The estimate of capacity on buildable land in Exhibit 91 uses the same average densities by plan designation in Exhibit 89. Based on these assumptions, Newport’s development capacity is at 7.8 dwelling units per gross acre.
- **Capacity on Land with Existing Plats.** Newport has 56 tax lots that have existing plats that are not currently built but could be built. This capacity is not represented elsewhere in the buildable lands inventory. Exhibit 17 shows that these parcels have capacity for about 75 dwelling units, based on estimates by City staff on a parcel-by-parcel basis.

Exhibit 91 shows that Newport has capacity for about 6,840 new dwelling units on unconstrained buildable land and on land with existing plats.

Exhibit 91. Estimate of Capacity on Buildable Land, Newport UGB, 2022 to 2042

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

Note: Does not include the 539 acres of vacant land in the Plan Destination Resort Overlay

Plan Designation	Total Unconstrained Buildable Acres	Density Assumption (DU/Gross Acre)	Capacity (Dwelling Units)	Capacity on Land with Existing Plats	Total Capacity (Dwelling Units)
Low Density Residential	690	5.6	3,864	51	3,915
High Density Residential	155	15.8	2,445	23	2,468
Commercial	18	25.6	456	1	457
Total	863	7.8	6,765	75	6,840

Capacity Analysis Results for Residential Land Excluding that in the Constructability Analysis

The constructability analysis identified nine subareas where development may be more challenging because of infrastructure deficits. These nine subareas include 400 acres of Low-Density Residential land and 48 acres of High-Density Residential land, shown in Exhibit 18. Using the same assumptions as in Exhibit 91, these results exclude land included in the constructability analysis to focus on potential capacity of land that is already serviced or can be serviced relatively easily.

Exhibit 92 shows that Newport has over 413 acres of vacant or partially vacant unconstrained land to accommodate dwelling units **excluding land that was included in the constructability analysis**, based on the following assumptions:

- **Buildable residential land.** The capacity estimates start with the number of buildable acres in plan designations in Exhibit 91 and subtract out land in the constructability analysis, shown in Exhibit 18. The reason this land was excluded is that it is land that has been identified as having infrastructure deficiencies.
- **Needed densities.** The capacity analysis assumes development will occur at needed densities, consistent with those in Exhibit 91.
- **Capacity on Land with Existing Plats.** This assumption is consistent with Exhibit 91.

Exhibit 92. Estimate of Capacity on Buildable Land Excluding Land in the Constructability Analysis, Newport UGB, 2022 to 2042

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

Note: Does not include the 539 acres of vacant land in the Plan Destination Resort Overlay

Plan Designation	Total Unconstrained Buildable Acres	Density Assumption (DU/Gross Acre)	Capacity (Dwelling Units)	Capacity on Land with Existing Plats	Total Capacity (Dwelling Units)
Low Density Residential	290	5.6	1,625	51	1,676
High Density Residential	107	15.8	1,691	23	1,714
Commercial	16	25.6	407	1	408
Total	413	9.0	3,723	75	3,798

Residential Land Sufficiency

The next step in the analysis of the sufficiency of residential land within Newport is to compare the demand for housing by plan designation with the capacity of land by plan designation.

Land Sufficiency for All Residential Land in Newport

Exhibit 93 shows that Newport **has** sufficient land to accommodate housing development in each of its residential plan designations. Newport has capacity for over 6,800 dwelling units and demand for 626 dwelling units. The result is that Newport has a surplus capacity of about 6,200 dwelling units beyond the forecast of housing growth over the next 20 years.

Exhibit 93. Forecast and Comparison of Capacity of Existing Unconstrained Vacant and Partially Vacant Residential Land with Demand for New Dwelling Units, Newport UGB, 2022 to 2042

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

Note: Does not include the 539 acres of vacant land in the Plan Destination Resort Overlay

Plan Designation	Total Capacity (Dwelling Units)	Demand (Dwelling Units)	Capacity less Demand (Dwelling Units)
Low Density Residential	3,915	300	3,615
High Density Residential	2,468	276	2,192
Commercial	457	50	407
Total	6,840	626	6,214

Newport will also have demand for additional land for second homes. According to the American Community Survey, about 14% of Newport's existing units were vacant for seasonal, recreational, or occasional use. If 14% of new units were vacant for these uses, Newport would need about another 100 units in addition to the 625 housing units forecast above.

Land Sufficiency for Residential Land Excluding that in the Constructability Analysis

Exhibit 94 shows that after excluding land in the constructability analysis, Newport **has** sufficient land to accommodate housing development in each of its residential plan designations. Newport has capacity for nearly 3,800 dwelling units on land not included in the constructability analysis and demand for 626 dwelling units. The result is that Newport has a surplus capacity of just under 3,200 dwelling units beyond the forecast of housing growth over the next 20 years.

Exhibit 94. Forecast and Comparison of Capacity of Existing Residential Land (Excluding Land in the Constructability Analysis) with Demand for New Dwelling Units, Newport UGB, 2022 to 2042

Source: Buildable Lands Inventory; Calculations by ECONorthwest.

Note: Does not include the 539 acres of vacant land in the Plan Destination Resort Overlay

Plan Designation	Total Capacity (Dwelling Units)	Demand (Dwelling Units)	Capacity less Demand (Dwelling Units)
Low Density Residential	1,676	300	1,376
High Density Residential	1,714	276	1,438
Commercial	408	50	358
Total	3,798	626	3,172

Conclusions

The key findings and conclusions of the Newport's Housing Capacity Analysis are that:

- **Newport may grow faster than the official population forecast from Portland State University.** According to Newport's official population forecast from Portland State University, Newport's UGB is forecast to grow by 248 people between 2022 and 2042, resulting in the demand for 115 new dwelling units over the 20-year planning period. However, if Newport grew at the same pace it did between 2000 and 2021, it would add 1,348 new people and 626 new dwelling units. Given that Newport's growth rate over the past 20 years has been much greater than current projections, it is reasonable to assume that the official forecast may be under projecting the future population. For planning purposes, this report relies on the historical growth rate rather than the official population forecast.
- **Newport has sufficient land to accommodate population growth over the 20-year planning period.** Even using the historical growth rate, which is greater than the official population forecast from Portland State University, Newport has sufficient land to accommodate population growth. The barriers to growth in Newport are more about infrastructure deficiencies, ability to build housing that is affordable, and other issues discussed below.
- **Newport's needed housing mix is for an increase in housing affordable to renters and homeowners, with more attached and multifamily housing types.** Historically, about 64% of Newport's housing was single-family detached. While 50% of new housing in Newport is forecast to be single-family detached, the City will need to provide opportunities for the development of new single-family attached housing (10% of new housing), duplexes, triplexes, quadplexes (15% of new housing), and multifamily structures with 5 or more units (25% of new housing).
 - The factors driving the shift in types of housing needed in Newport include changes in demographics and decreases in housing affordability. The aging of baby boomers and the household formation of millennials and Generation Z will drive demand for renter and owner-occupied housing, such as single-family detached housing, accessory dwelling units, townhouses, cottage housing, duplexes, triplexes, quadplexes, and multifamily structures. These groups may prefer housing in walkable neighborhoods, with access to services.
 - Newport complied with the requirements of House Bill 2001 to allow duplexes on lots where single-family detached housing is allowed. Newport also allows other missing middle housing types, such as cottage housing, townhouses, duplexes, triplexes, and quadplexes. Allowing this wider range of housing in more areas will likely result in a change in mix of housing developed over the next 20 years, especially in areas with large areas of vacant buildable land.

- Without diversification of housing types and policies to support development of housing affordable to households with incomes below 80% of MFI (\$57,400), lack of affordability will continue to be a problem, possibly growing in the future if incomes continue to grow at a slower rate than housing costs. About 40% of Newport’s households are cost burdened (paying more than 30% of their income on housing), including a cost burden rate of 53% for renter households.
- **Newport has a need for additional housing affordable to lower and middle-income households.** Newport has a need for additional housing affordable to households with extremely low incomes and very low incomes, people experiencing homelessness, and households with low and middle incomes. These needs include existing unmet housing needs and likely housing needs for new households over the 20-year planning period.
 - About 33% of Newport’s households have extremely low incomes or very low incomes, with household incomes below \$28,700. At most, these households can afford \$720 in monthly housing costs. Median gross rent in Newport was \$896 in the 2015-2019 period and has increased since, but rents were generally closer to \$1,360 (or more) for currently available rental properties. Development of housing affordable to these households (either rentals or homes for sale) rarely occurs without government subsidy or other assistance. Meeting the housing needs of extremely low-income and very low-income households will be a significant challenge to Newport.
 - About 33% of Newport’s households have low or middle incomes, with household incomes between \$28,700 and \$68,900. These households can afford between \$720 and \$1,720 in monthly housing costs. Households at the lower end of this income category may struggle to find affordable rental housing, especially with growing costs of rental housing across Oregon. Some of the households in this group are likely part of the 40% of all households that are cost burdened. Development of rental housing affordable to households in this income category (especially those with middle incomes) can occur without government subsidy.
 - The need for these types of affordable housing has impacts on Newport’s economy if people who live in Newport cannot find housing, much less affordable housing, to locate in Newport. People working in Newport frequently commute from places like Toledo, Lincoln City, Waldport, Corvallis, and unincorporated areas of Lincoln County.
- **Housing for people experiencing homelessness is an increasingly pressing problem.** The Point-in-Time count for Lincoln County in 2021 estimated 460 people experiencing homelessness, up from 260 people in 2019. The Point-in-Time count is acknowledged to be an undercount of homelessness, suggesting that the number of people in Lincoln County is higher, not lower, than the 2021 estimate.

- **Newport’s housing market is affected by groups of people who live part of the year in Newport.** These include:

- **Second homeowners.** Second homes are likely to continue to grow in Newport. It is reasonable to expect that Newport may add about 100 new second homes over the 20-year period. Possibly more if Newport attracts more second homeowners. In addition, some existing housing may convert to second homes over time. Second homes are most likely to be in areas with views of the ocean, especially in areas with lower development densities.
- **Vacation rentals.** Newport regulates vacation rentals, requiring conditional use permits to authorize vacation rentals and regulating where they are allowed to locate. Newport caps the number of vacation rentals to 176 throughout the city. As a result, there should not be growth in the number of new, legal vacation rentals in Newport.
- **Student housing.** OSU expects the number of students present in Newport to grow from 100 students in summer (when most students are present) to between 200 and 250 students. OSU owns land in the Wilder area and plans to build 50 to 80 dwelling apartment units, with a mix of studios to four-bedroom units. OSU expects to have two students per dwelling unit and that development of this housing will be completed in 2023.
- **Seasonal employees.** The number of seasonal employees who need housing increases substantially in the summer with increased tourism and the summer fishing season. Seasonal employees in tourism-related industries typically need to seek out their own lower-cost housing during their time in Newport. Seasonal employees in the fishing/seafood processing industries often rely on employer-provided workforce housing. However, employers have struggled to acquire property in Newport that is affordable and meets their workforce housing needs, instead renting rooms for their seasonal workforce in local hotels.

Temporary housing that could meet the needs of seasonal workers includes smaller shared units, such as dormitory housing, studio apartments, accessory dwelling units, student housing, and other small, less costly housing. Some of these types of development could be employer-supplied workforce housing.

- **Newport has sufficient land to accommodate growth but there are key barriers to growth in Newport.** The constructability analysis examined the financial feasibility of different development types given costs of development and the estimated costs of building infrastructure necessary for housing. This analysis found:

- **Infrastructure deficiencies.** Many areas within Newport have significant infrastructure deficiencies, such as the need for collector and local roads, bridges, culverts, water pipes and pump stations, water storage tanks, wastewater pipes and lift stations, and other types of infrastructure. The areas with the highest costs and largest infrastructure deficiencies were in northern Newport to the east of Highway

101 and areas around Highway 20 above the Bay Front. Infrastructure cost limitations could impact close to 300 acres of buildable land, which has capacity for more than 2,000 dwelling units.

- **Development costs.** Development costs are higher in Newport. Local developers report that lack of local contractors for certain types of work, limited suppliers for building materials, requirements for deep foundations and special materials and design to meet building code, the need for geotechnical reports, and the need for more extensive grading and retaining walls in hilly areas all contribute to higher development costs. Builders and developers estimated roughly 10-20% higher construction costs than in the mid-Willamette Valley.
- **Areas of greater development feasibility.** Areas in South Beach, such as the Wilder area or the adjacent land south of the Oregon Coast Community College, appear to have greater financial feasibility for development. In these areas, a mix of housing types appears financially feasible. These areas may provide better opportunities for development over the next 5 to 10 years, including for development of housing affordable to people who live and work in Newport.
- **There is potential for infill, but costs can still be problematic.** The smaller infill areas studied in the constructability analysis did not have major infrastructure needs, but with small sites, even the need for extending local streets, making frontage improvements, or upgrading existing pump capacity could make development challenging.
- **Challenges in other areas.** The constructability analysis did not include all land in Newport. It is probable that lands not included in the constructability analysis also have a range of developability status and similar issues with infrastructure deficiencies in some places.
- **Addressing the infrastructure gap.** Given the estimated cost of infrastructure development from the constructability analysis (over \$100 million, excluding the cost of local roads, across the nine areas examined), Newport is not going to be able to address the infrastructure gap without outside assistance.

The *Newport Housing Production Strategy* will include recommendations for a wide range of policies to support the development of housing for people experiencing homelessness and housing for extremely low to middle-income households. The *Housing Production Strategy* will also include recommendations that are intended to improve equitable outcomes for housing development, as well as strategies to support the development of all types of housing.

Appendix A: Residential Buildable Lands Inventory

The buildable lands inventory uses methods and definitions that are consistent with Goal 10/OAR 660-008. This appendix describes the methodology that ECONorthwest used for this report, based on 2020 data. The results of the BLI are discussed in Chapter 2.

Overview of the Methodology

Following are the statutes and administrative rules that provide guidance on residential BLIs:

OAR 660-008-0005(2):

“Buildable Land” means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available, and necessary for residential uses. Publicly owned land is generally not considered available for residential uses. Land is generally considered “suitable and available” unless it:

- (a) Is severely constrained by natural hazards as determined under Statewide Planning Goal 7;*
- (b) Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;*
- (c) Has slopes of 25 percent or greater;*
- (d) Is within the 100-year flood plain; or*
- (e) Cannot be provided with public facilities.*

Inventory Steps

The BLI consists of several steps:

1. Generating UGB “land base”
2. Classifying land by development status
3. Identify constraints
4. Verify inventory results
5. Tabulate and map results

Step 1: Generate “land base”

Per Goal 10 this involves selecting all the tax lots in the Newport UGB with residential and other nonemployment plan designations. Plan designations included in the residential inventory include:

- Low Density Residential
- High Density Residential
 - Planned Destination Resort (PDR) Overlay
- Commercial

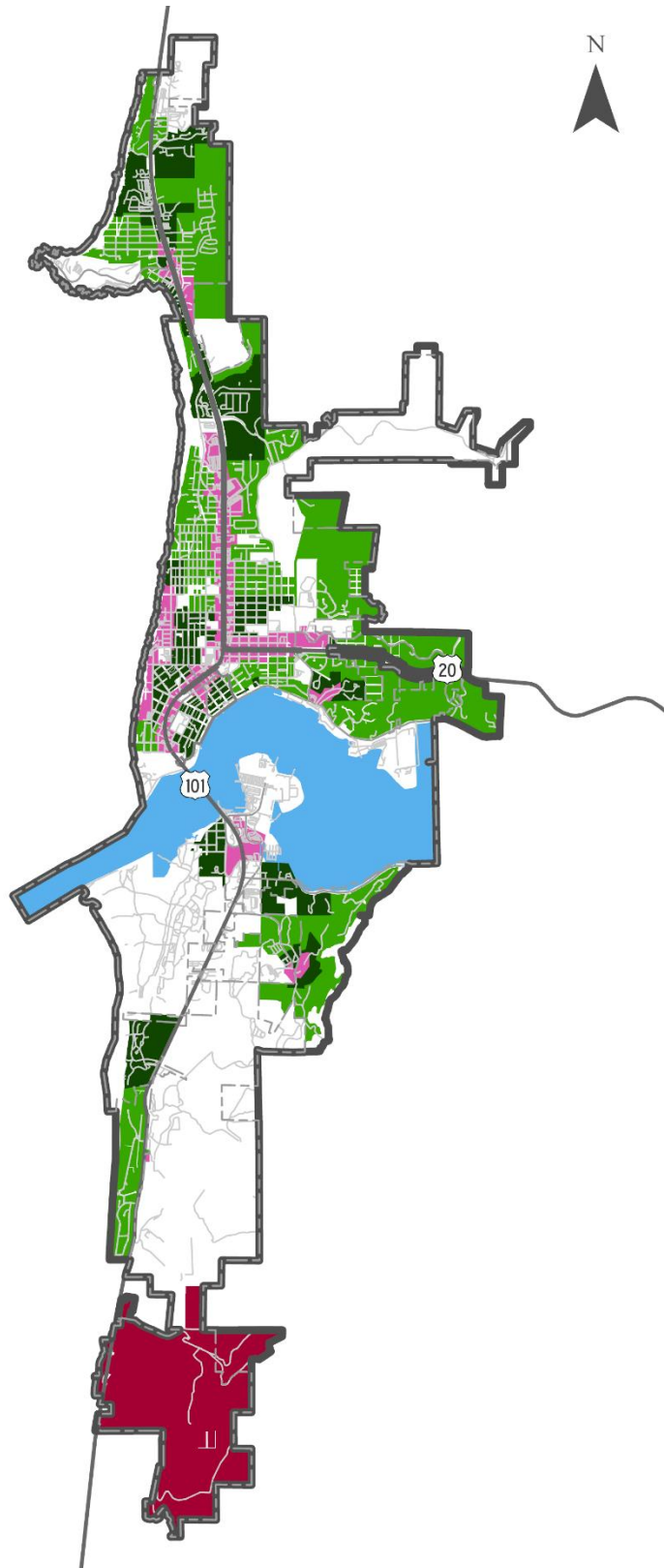
It should be noted that the PDR Overlay is not an official comprehensive plan designation for the City of Newport; instead, this area is identified in the Newport Municipal Code and has been separated from the other comprehensive plan designations, as it can only be a full package resort that includes a waste treatment plant or nothing at all. Thus, housing in this area relies on special considerations.

Exhibit 95 shows the residential plan designations included in the BLI, with details in Exhibit 96 to Exhibit 98.

Exhibit 95. Residential Land Base by Plan Designation, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

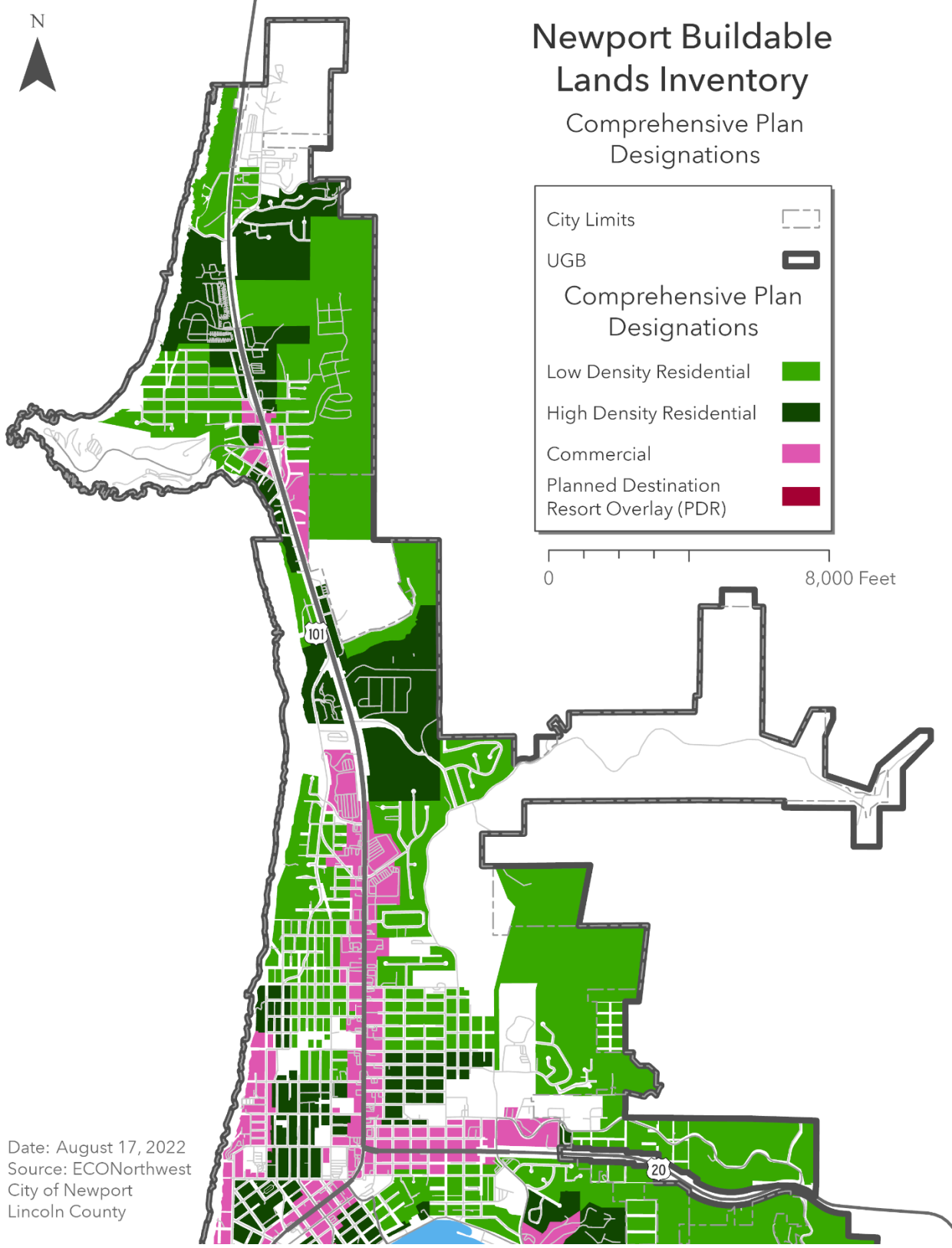
Newport Buildable Lands Inventory

Comprehensive Plan Designation



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 96. Residential Land Base by Plan Designation, Northern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.



Date: August 17, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 97. Residential Land Base by Plan Designation, Central Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

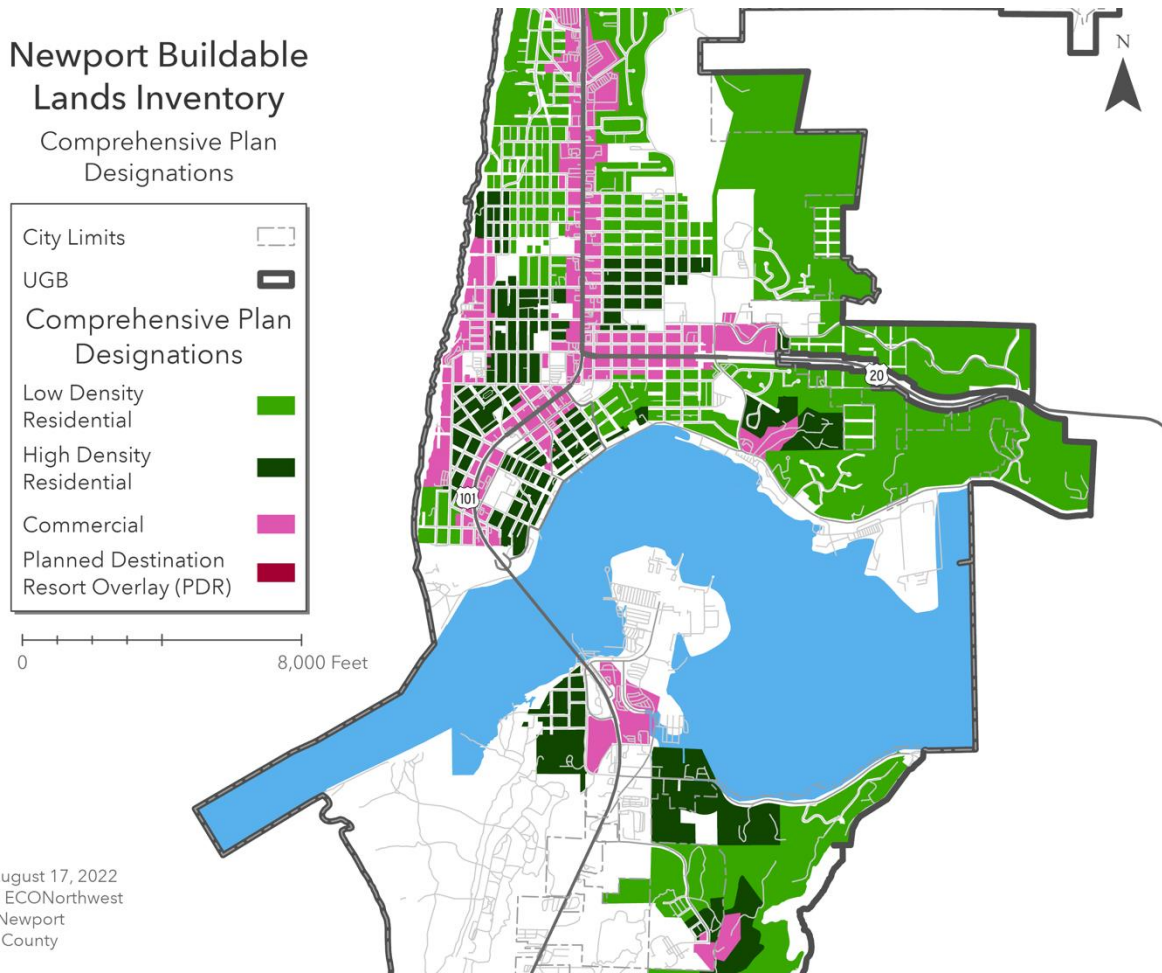
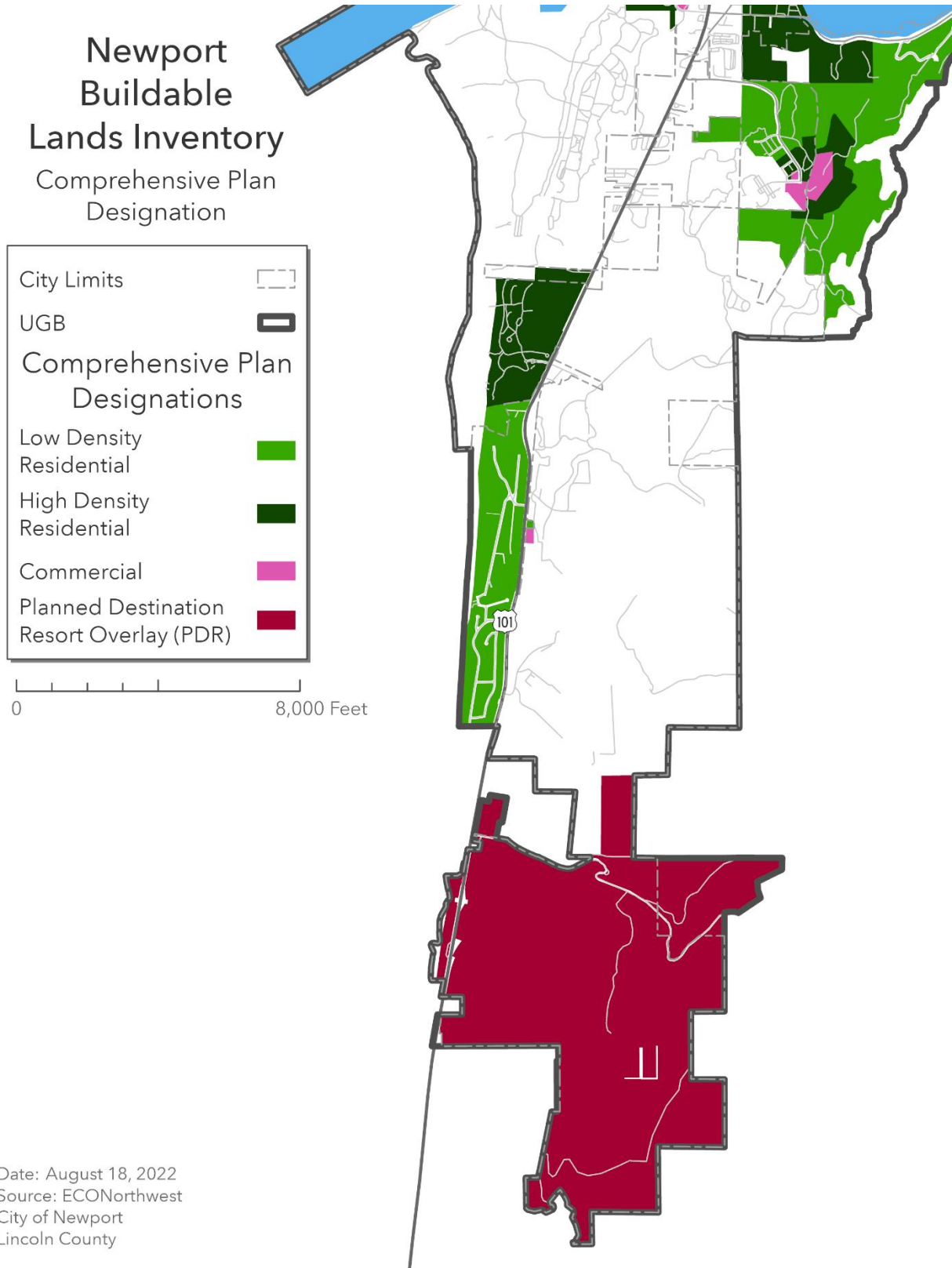


Exhibit 98. Residential Land Base by Plan Designation, Southern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.



Step 2: Classify lands

In this step, ECONorthwest classified each tax lot with a plan designation that allows residential uses into one of five mutually exclusive categories based on development status:

- Vacant land
- Partially vacant land
- Undevelopable land
- Public land
- Developed land

ECONorthwest initially identified buildable land and classified development status using a rule-based methodology, as described below in Exhibit 99.

Exhibit 99. Rules for Development Status Classification

Development Status	Definition	Statutory Authority
Vacant Land	Tax lots that have no structures or have buildings with very little improvement value. For this inventory, lands with improvement values of less than \$10,000 will be considered vacant (not including lands that are identified as having mobile homes).	OAR 660-008-0006(2) (2) "Buildable Land" means residentially designated land within the urban growth boundary, including both vacant and developed land likely to be redeveloped, that is suitable, available, and necessary for residential uses. Publicly owned land is generally not considered available for residential uses.
Partially Vacant Land	Partially vacant tax lots can use safe harbor established in State statute: <i>The infill potential of developed residential lots or parcels of one-half acre or more may be determined by subtracting one-quarter acre (10,890 square feet) for the existing dwelling and assuming that the remainder is buildable land;</i>	OAR 660-024-0050 (2)(a)
Undevelopable Land	Vacant tax lots less than 3,000 square feet in size are considered undevelopable.	No statutory definition
Public Land	Lands in public are considered unavailable for residential development. This includes lands in Federal, State, County, or City ownership. In addition, we recommend including land for cemeteries in this category.	OAR 660-008-0005(2) - Publicly owned land is generally not considered available for residential uses.

Development Status	Definition	Statutory Authority
Developed Land	Land that is developed at densities consistent with zoning and improvements that make it unlikely to redevelop during the analysis period. Lands not classified as vacant, partially vacant, undevelopable, or public or exempt are considered developed.	No statutory definition

Step 3: Identify constraints

Consistent with OAR 660-008-0005(2) guidance on residential buildable lands inventories, ECONorthwest deducted certain lands with development constraints from the BLI. We used the following constraints, as listed in Exhibit 100.

Exhibit 100. Constraints to be included in BLI

Constraint	Statutory Authority	Threshold	Source
Goal 5 Natural Resource Constraints			
Natural Resource Protection Areas	OAR 660-015-0000(2)	Areas within Newport’s Parks and Natural Areas, and Significant Habitats overlays	City of Newport
Natural Hazard Constraints			
Regulatory Floodway	OAR 660-008-0005(2a)	Lands within FEMA FIRM identified floodway	FEMA via National Map
100-Year Floodplain	OAR 660-008-0005(2d)	Lands within FEMA FIRM 100-year floodplain	FEMA via National Map
Steep Slopes	OAR 660-008-0005(2c)	Slopes greater than 40%	Oregon Department of Geology and Mining Industries
Combined Geologic Hazards	OAR 660-008-0005(2)	Bluff and Dune Erosion areas identified as “Active” or “High” Hazard Zones	City of Newport
Big Creek Reservoirs	OAR 660-008-0005(2)	Lands within reservoir body of waters	City of Newport

We treated these areas as prohibitive constraints (unbuildable) as shown in Exhibit 101. All constraints were merged into a single constraint file, which was then used to identify the area of each tax lot that is constrained. These areas were deducted from lands that are identified as vacant or partially vacant.

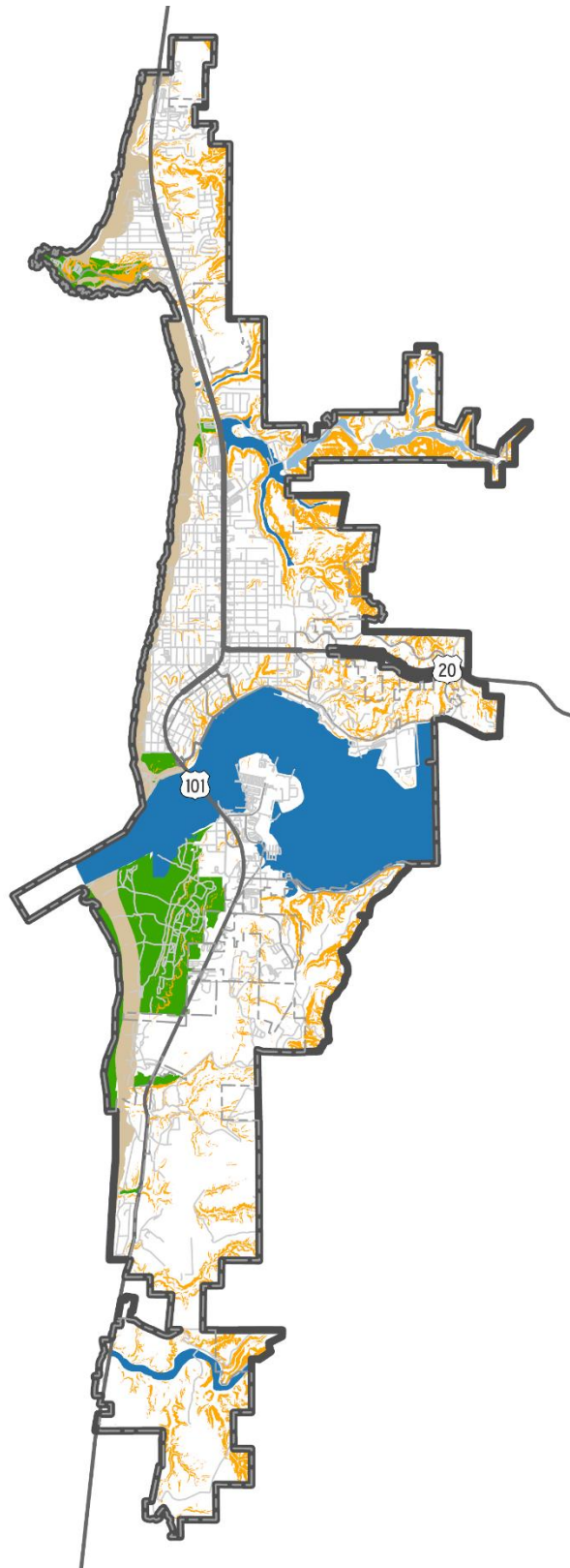
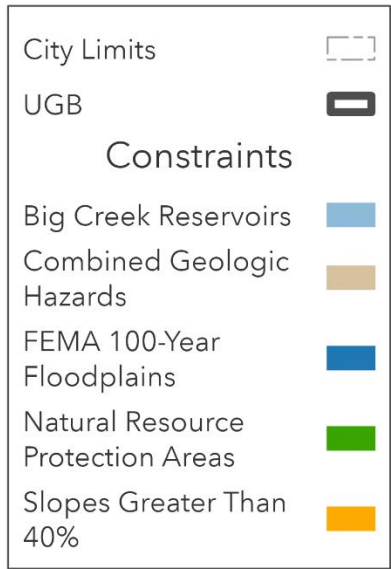
It should be noted that tax lots adjacent to the ocean were clipped at the vegetation line (data provided by the City of Newport) due to land existing under public ownership below that line. This clipping occurred early in the BLI process, so while the vegetation line is not being displayed or utilized as the other constraints are above, it is a de facto constraint.

Lack of access to water, sewer, power, road, or other key infrastructure cannot be considered a prohibitive constraint unless it is an extreme condition. This is because tax lots that are currently unserved could potentially become serviced over the 20-year planning period.

Exhibit 101. Residential Development Constraints, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

Newport Buildable Lands Inventory

Constraints



Date: August 22, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 102. Residential Development Constraints, Northern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

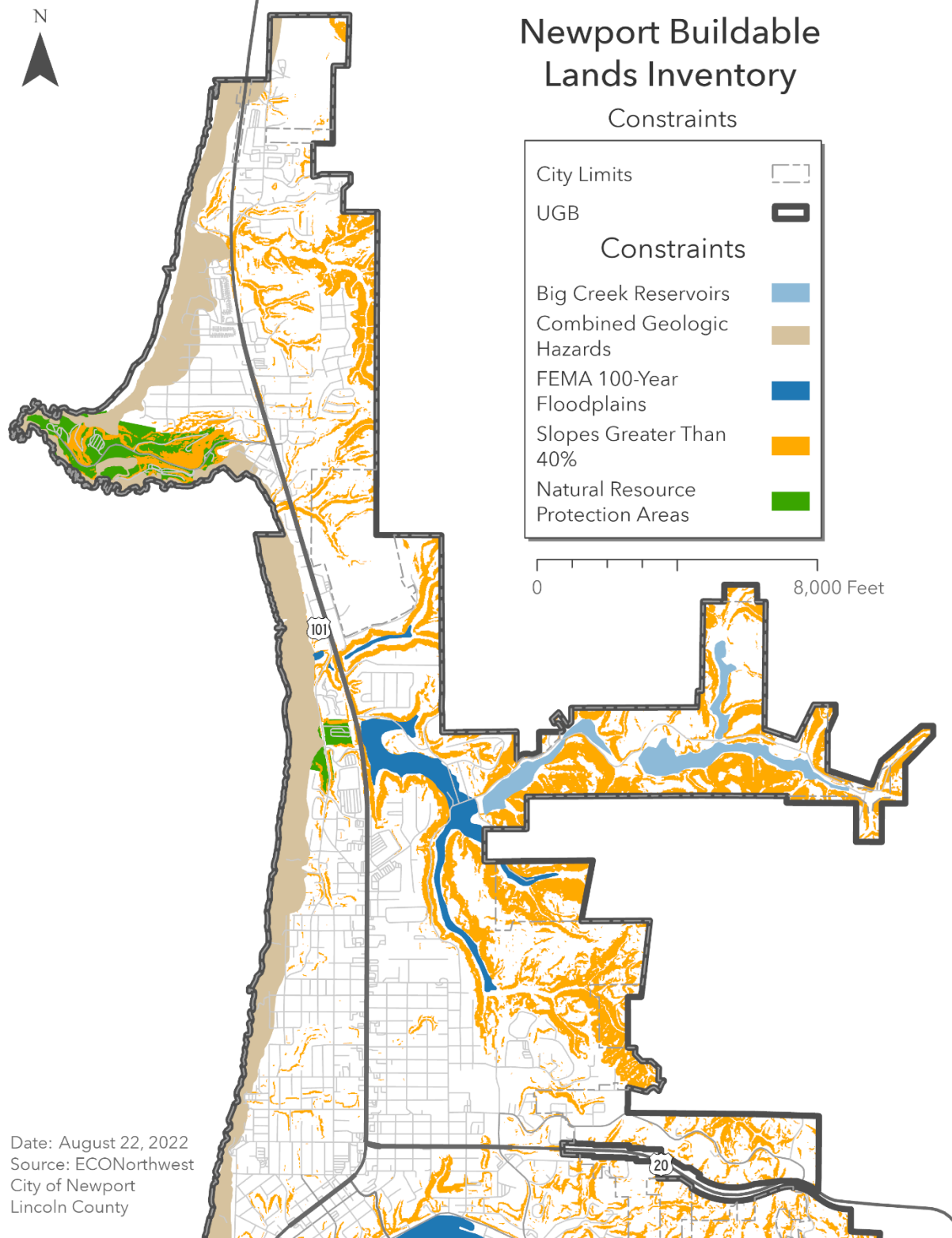
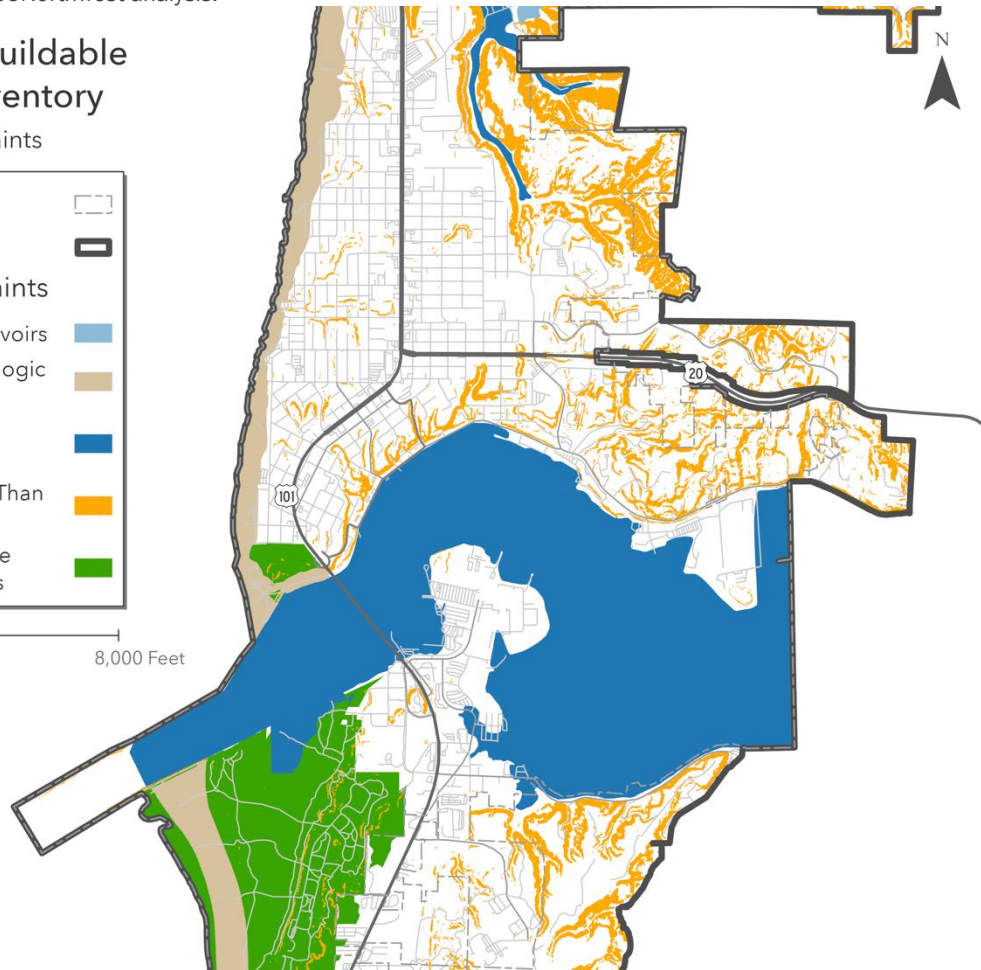
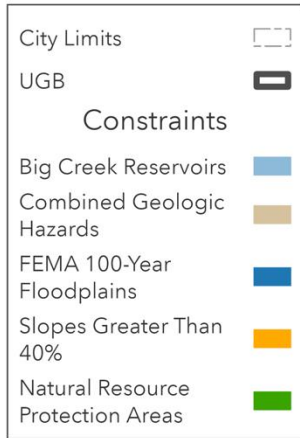


Exhibit 103. Residential Development Constraints, Central Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.

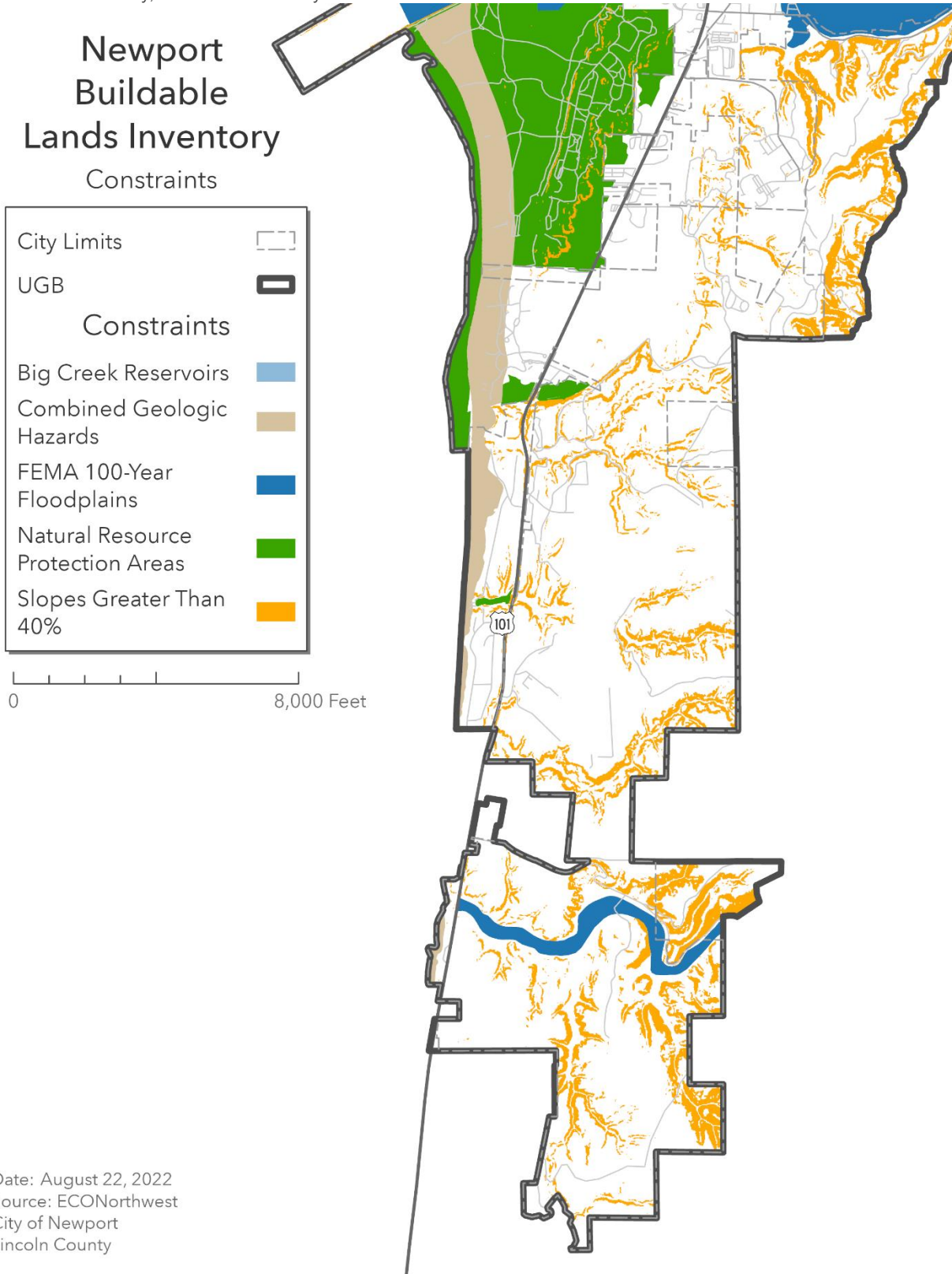
Newport Buildable Lands Inventory

Constraints



Date: August 22, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 104. Residential Development Constraints, Southern Newport, Newport UGB, 2022
 Source: Lincoln County, ECONorthwest analysis.



Step 4: Verification

ECONorthwest used a multistep verification process. The first verification step involved a “rapid visual assessment” of land classifications using GIS and recent aerial photos. The rapid visual assessment involves reviewing classifications overlaid on recent aerial photographs to verify uses on the ground. ECONorthwest reviewed all tax lots included in the inventory using the rapid visual assessment methodology.

City staff and ECONorthwest performed multiple additional rounds of verification, such as the verification about partially vacant land described in Exhibit 99, which involved verifying the development status determination and the results of the rapid visual assessment.

ECONorthwest amended the BLI based on City staff review and a discussion of the City’s comments.

Step 5: Tabulation and mapping

The results are presented in tabular and map format. We included a comprehensive plan map, the land base by classification, vacant and partially vacant lands by plan designation, and vacant and partially vacant lands by plan designation with constraints showing.

Appendix B: Constructability Analysis

Purpose

The City of Newport has many vacant properties, including several large vacant sites that the City has identified anecdotally as potentially being difficult to serve with infrastructure. The City asked ECONorthwest to assist with an evaluation of whether key vacant and partially vacant land is feasible to develop with needed housing, given the anticipated infrastructure needs and costs—an analysis of the “constructability” of these areas. The analysis provides a rough indication of the likelihood that residential development on key vacant and partially vacant land may be financially feasible based on estimated infrastructure costs provided by City staff and estimated development potential and financial assessments by ECONorthwest.

Overview of Subareas

The City identified nine subareas within the Newport urban growth boundary for analysis. These subareas are identified on Exhibit 105 (by development status) and Exhibit 106 (by Comprehensive Plan designation). Most of the largest blocks of vacant and partially vacant land within the UGB were included, along with several clusters of smaller infill parcels. A large vacant area at the southern end of Newport’s UGB was excluded from this analysis because it is designated for (and may only be developed with) a destination resort, which does not provide needed housing per state rules.

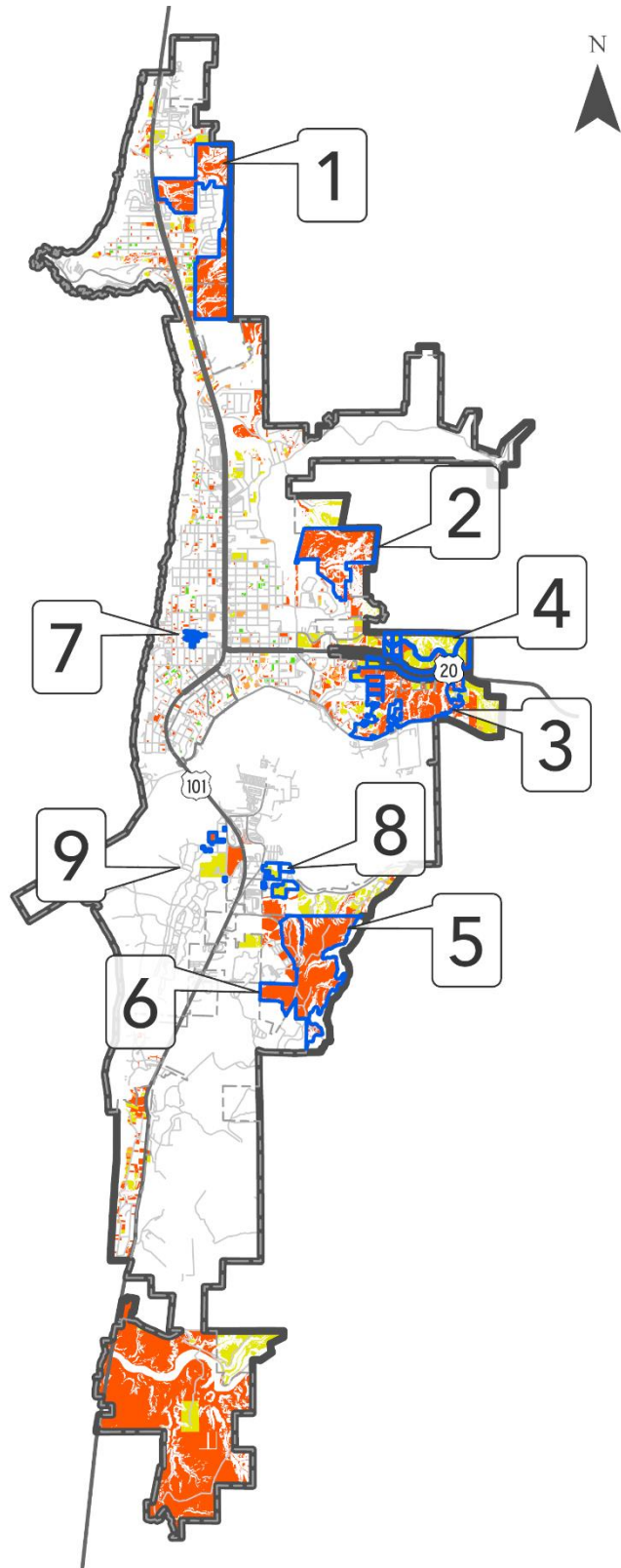
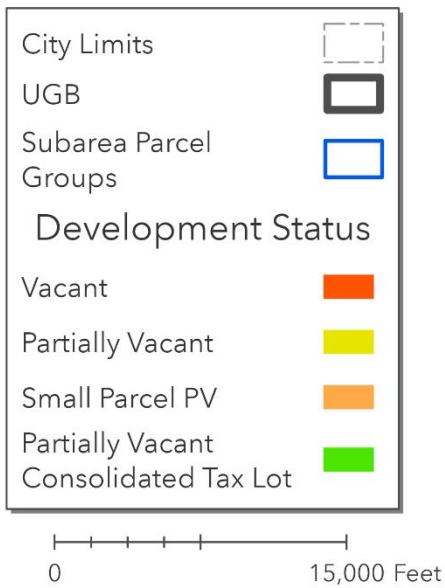
Overview of Approach

The analysis brings together three types of information to assess whether development is likely to be financially feasible:

4. **Infrastructure:** What are the anticipated infrastructure needs for each area, and what are the approximate costs to provide that infrastructure? This was based on assessments of infrastructure needs by City staff and planning level unit cost estimates.
- **Development Potential:** What mix(es) of housing is/are most likely for this area? Given the net buildable areas from the Buildable Lands Inventory (BLI), the likely housing mix, and typical densities for each housing type, how many units could be built?
5. **Residual Value:** Given the estimated costs of building each type of housing on a development-ready site (construction cost to build the structure, fees, design costs, etc.) and the estimated value of the future development, how much is left over to pay for land and infrastructure while allowing a reasonable financial return for the developer?

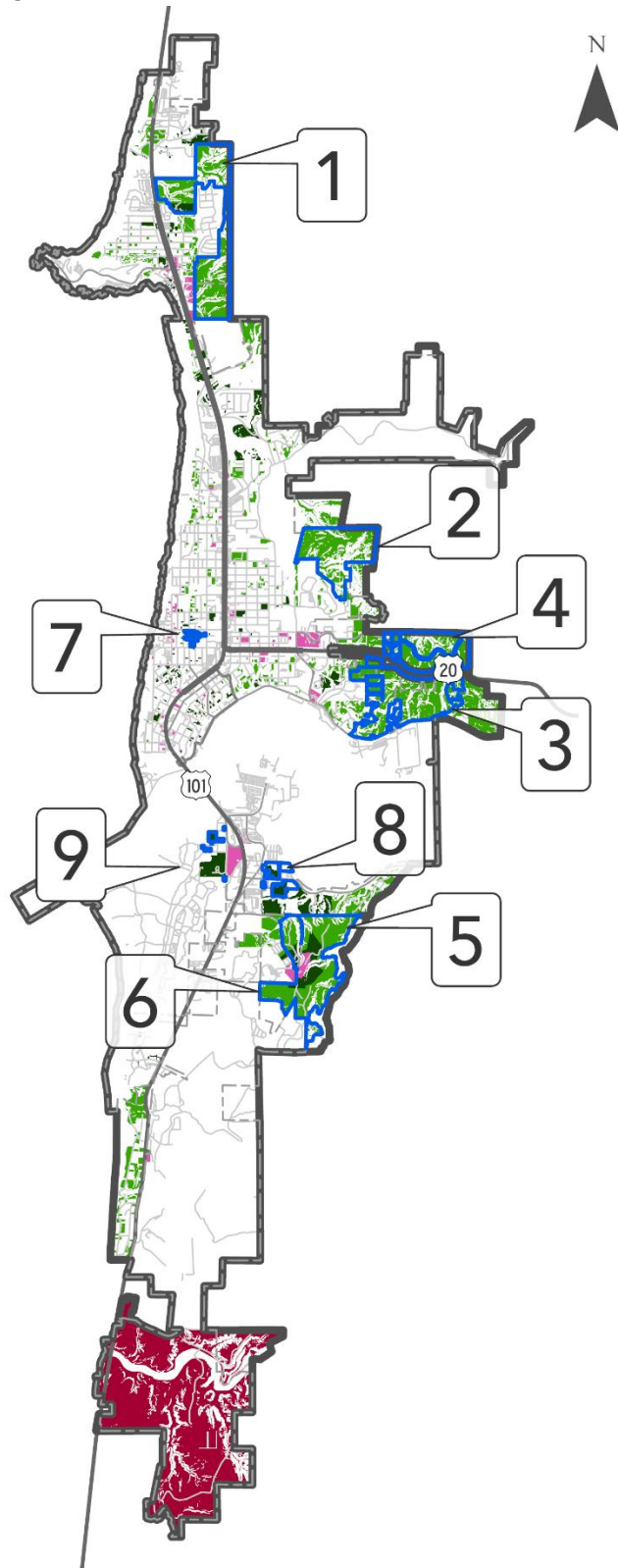
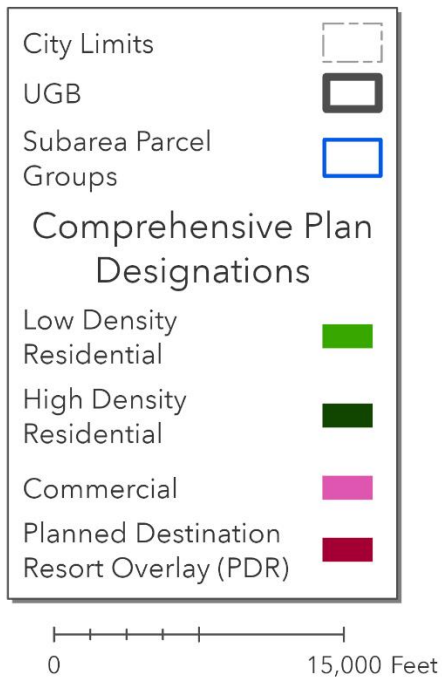
The assumptions for each component of the analysis are discussed in greater detail in the following sections.

Exhibit 105. Development Status



Date: November 2, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Exhibit 106. Comprehensive Plan Designations



Date: November 2, 2022
 Source: ECONorthwest
 City of Newport
 Lincoln County

Housing Assumptions

Housing Types

The analysis included seven types of housing (listed below), using prototypical development examples calibrated to align with recent development in and around Newport.

- Multifamily: Apartments
- Middle Housing:
 - Quadplex
 - Cottage Cluster
 - Townhouse
- Single-Detached Housing:
 - Small Single-Detached House
 - Medium Single-Detached House
 - Large Single-Detached House (hillside only)

Details about the assumed unit size, density/lot size, parking, and rents/sales prices for each housing type are included in Appendix A.

Housing Mix

ECONorthwest established a range of housing mix scenarios for use in different types of contexts:

- **Multifamily** (all apartments)
- **High Density Residential blend** (a mix of apartments, townhouses, quadplexes, small single-detached houses, and some medium single-detached houses)
- **Infill** (a mix of townhouses, quadplexes, small single-detached houses, and medium single-detached houses)
- **Low Density Residential blend** (mostly small single-detached houses and medium single-detached houses with small amounts of townhouses, cottage clusters, and quadplexes)
- **Hillside Low Density Residential** (mostly large single-detached houses and medium single-detached houses with small amounts of small single-detached houses, townhouses, and cottage clusters)

Details about the specific housing mix in each scenario are included in Appendix B.

Relative Ability to Pay for Land and Infrastructure

ECONorthwest's analysis showed that single-detached houses can afford higher land/infrastructure costs on a per unit basis than middle housing or apartments (see Exhibit 107). Even after accounting for differences in density, single-detached housing can likely afford greater land/infrastructure costs per square foot of buildable land (see Exhibit 108).

Exhibit 107. Residual Value Per Unit

Source: ECONorthwest

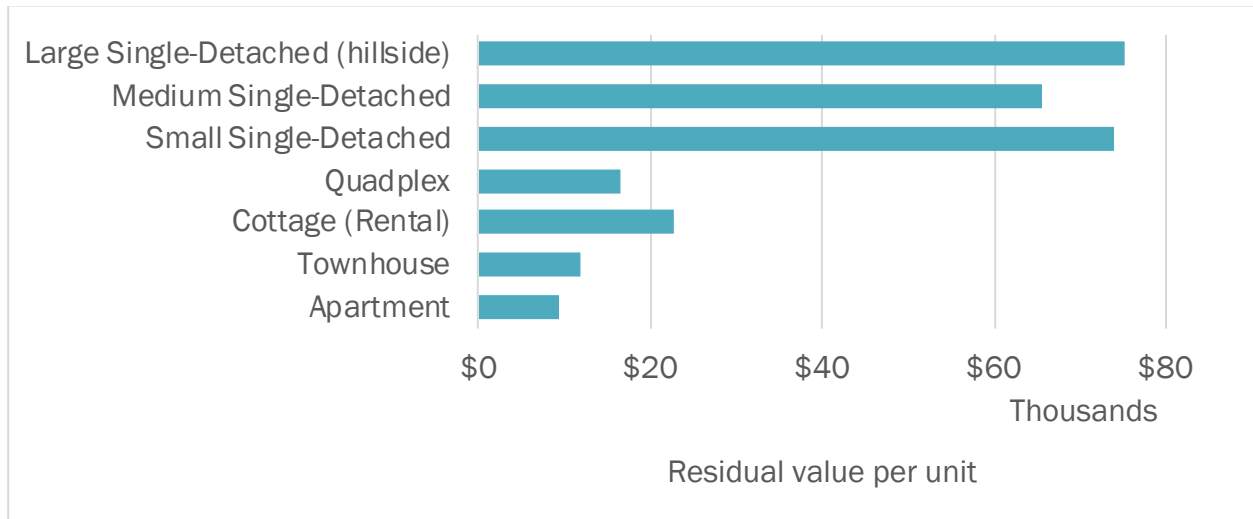
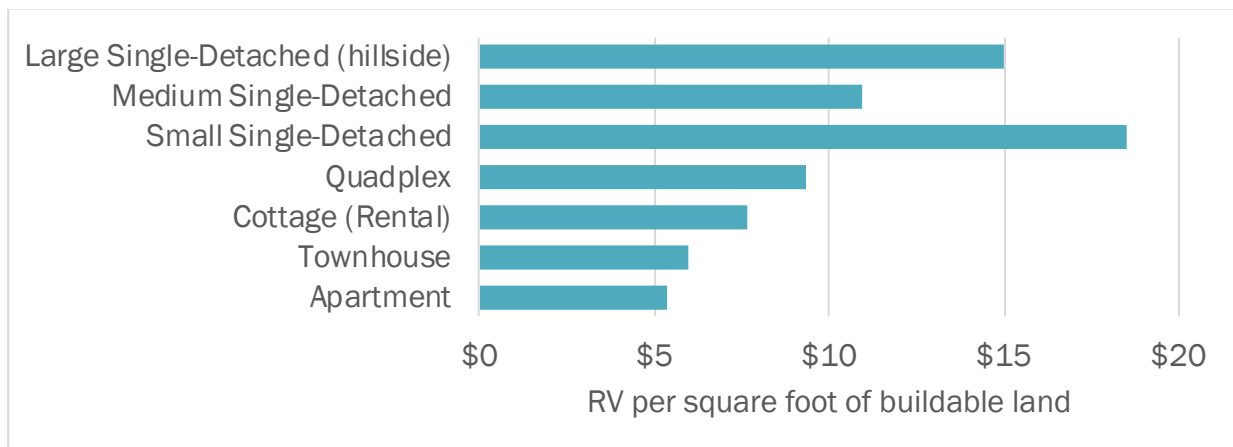


Exhibit 108. Residual Value Per Square Foot of Buildable Land

Source: ECONorthwest



Infrastructure Costs

City of Newport staff reviewed each subarea to identify likely road improvement needs, including access roads to connect to nearby properties, where collector roads are likely to be needed to meet City standards, and where creek crossings will likely require bridges or culverts. Staff also provided unit cost estimates for streets based on typical design requirements per block, with adjustments for hilly areas; typical costs for water and wastewater facilities; estimated costs for site clearing (within future right-of-way); and estimated costs for environmental assessments and design costs. ECONorthwest used the information provided by staff to calculate total infrastructure costs for each subarea.

ECONorthwest also used current System Development Charge (SDC) schedules for Newport to estimate the amount that future development would owe in SDCs and estimate the share of the infrastructure costs that might be eligible for SDC credits based on constructing “qualified public improvements.”⁶⁷ The estimated SDC credit-eligible amount was deducted from the infrastructure costs by system (i.e., water SDCs could be applied to SDC credit-eligible water costs and transportation SDCs could be applied to SDC credit-eligible transportation costs).

Results by Subarea

This section summarizes the analysis for each subarea, including the buildable area and estimated development capacity under specific housing mix scenarios, key infrastructure needs and estimated costs, and a comparison of estimated costs to estimated total residual value for residential development.

A summary of all subarea results is included in Exhibit 154.

⁶⁷ Generally, only the share of costs that accounts for “oversizing” facilities to accommodate demand from other properties is eligible for SDC credits.

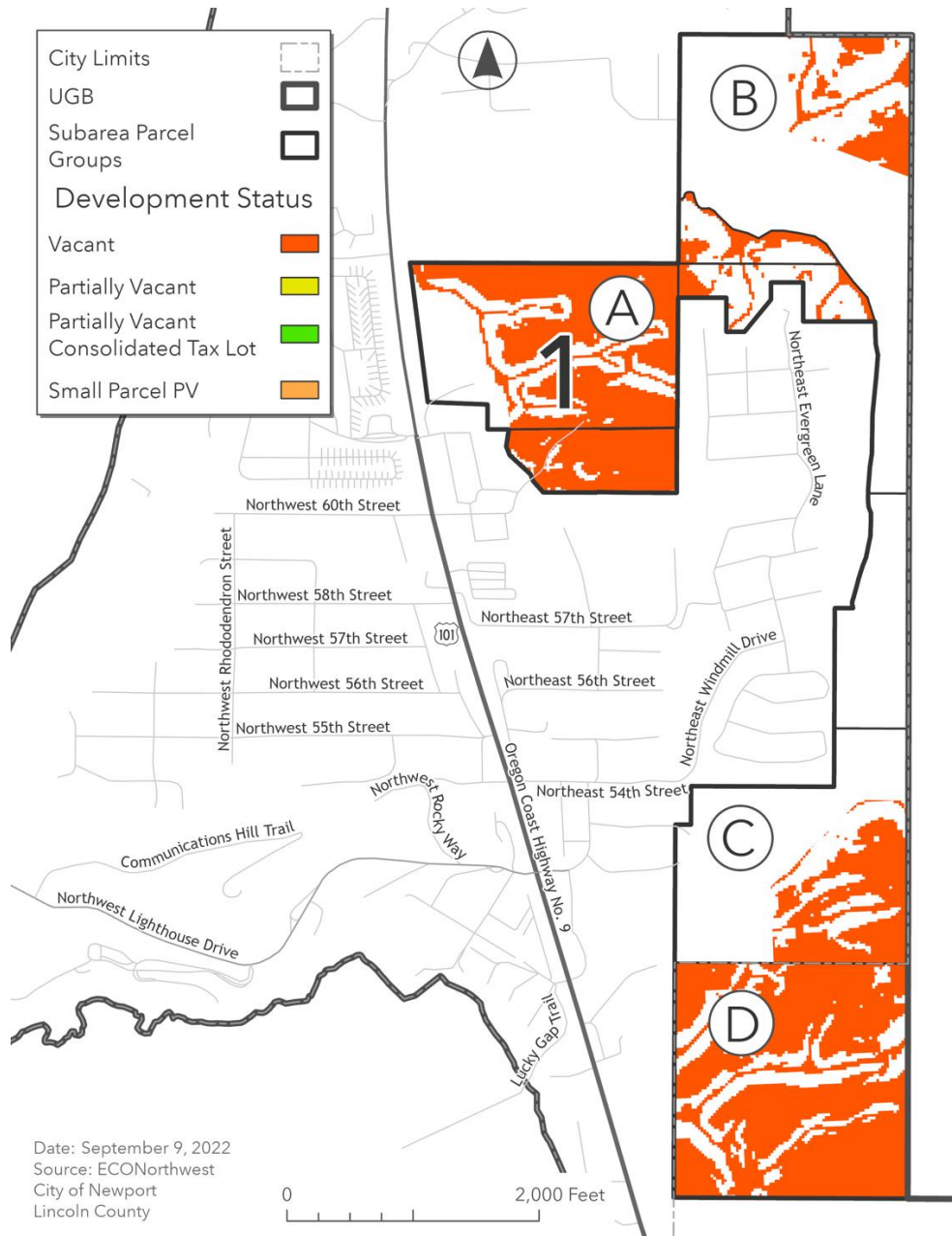
Subarea 1

Overview and Buildable Area

Subarea 1, in the Agate Beach area on the north end of the city, has a total of 71.6 acres of net buildable area and is divided into 4 sections: A, B, C, and D, as shown on Exhibit 109. The buildable land in this area is all vacant and largely under common ownership. Preliminary plans have been developed for the area, which informed the assumptions for road connections and housing mix.

Exhibit 109. Subarea 1 Map and Buildable Land by Development Status

Source: ECONorthwest



Housing Capacity

We tested both a “Multifamily” unit scenario and a “High-Density Residential blend” unit mix scenario for Section 1A based on its proximity to Highway 101, relatively flat topography, and staff’s knowledge of property owner intent for the site. Sections 1B, 1C, and 1D were tested with the “Hillside Low Density Residential” unit mix due to their topography.

Exhibit 110. Subarea 1 Housing Mixes and Estimated Capacity by Section and Housing Mix Scenario
Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
1A: HDR blend	24.92	74	65	57	49	65	14	0	324
1A: Multifamily	24.92	560	0	0	0	0	0	0	560
1B: Hillside LDR	7.51	0	2	2	0	3	12	29	48
1C: Hillside LDR	8.57	0	2	2	0	3	14	34	55
1D: Hillside LDR	30.60	0	10	10	0	12	50	121	203

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 110, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 111.

Exhibit 111: Subarea 1 Residual Value by Housing Type, Section, and Housing Mix Scenario
Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
1A: HDR blend	\$9,303,000	\$373,331
1A: Multifamily	\$5,247,000	\$210,545
1B: Hillside LDR	\$3,256,000	\$433,602
1C: Hillside LDR	\$3,763,000	\$439,089
1D: Hillside LDR	\$13,602,000	\$444,498

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Section 1A:
 - Looped collector road from Highway 101 to NE 60th Street, with additional cost due to sloped terrain in some areas
 - Internal local road network, with additional cost due to sloped terrain in some areas

- Three bridges
- Section 1B:
 - Collector road from NE 71st Street to water tank
 - Local access road extensions to connect to existing streets, with additional cost due to sloped terrain in some areas
 - Internal local roads, with additional cost due to sloped terrain in some areas
 - One bridge
- Section 1C:
 - Collector road from Lighthouse Dr. to NE 52nd, with additional cost due to sloped terrain in some areas
 - Local access road extensions to connect to existing streets
 - Internal local roads
 - Water pump station
 - Small wastewater lift station
- Section 1D:
 - Collector road loop from 47th to 52nd, with additional cost due to sloped terrain and right-of-way acquisition
 - Internal local roads, with additional cost due to sloped terrain
 - Two bridges
 - Water pump station

The estimated infrastructure costs for this area are summarized in Exhibit 112.

Exhibit 112: Subarea 1 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
1A: HDR blend	\$9,763,000	\$0	\$9,763,000	\$9,226,000
1A: Multifamily	\$8,992,000	\$0	\$8,992,000	\$8,128,000
1B: Hillside LDR	\$7,326,000	\$0	\$7,326,000	\$7,182,000
1C: Hillside LDR	\$6,279,000	\$850,000	\$7,129,000	\$6,765,000
1D: Hillside LDR	\$21,601,000	\$663,000	\$22,264,000	\$21,423,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 113.

Exhibit 113: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Section and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
1A: HDR blend	\$ 373,331	\$ 370,238	101%
1A: Multifamily	\$ 210,545	\$ 326,145	65%
1B: Hillside LDR	\$ 433,602	\$ 956,312	45%
1C: Hillside LDR	\$ 439,089	\$ 789,424	56%
1D: Hillside LDR	\$ 444,498	\$ 700,100	63%

Based on this analysis, most of subarea 1 will be difficult to develop due to the high infrastructure costs per buildable acre. Section 1A, closest to Highway 101, may be financially feasible to develop if costs are slightly lower than estimated or if value is slightly higher than estimated, or if the property is already owned by a developer.

Subarea 2

Overview and Buildable Area

Subarea 2, east of Newport Middle School, has 65.55 acres of net buildable area and is divided into two sections: A and B. Both sections A and B are assumed to develop as “Low Density Residential.” The buildable land in this subarea is vacant. Sections A and B are owned by two different property owners.

Exhibit 114. Subarea 2 Map and Buildable Land by Development Status

Source: ECONorthwest

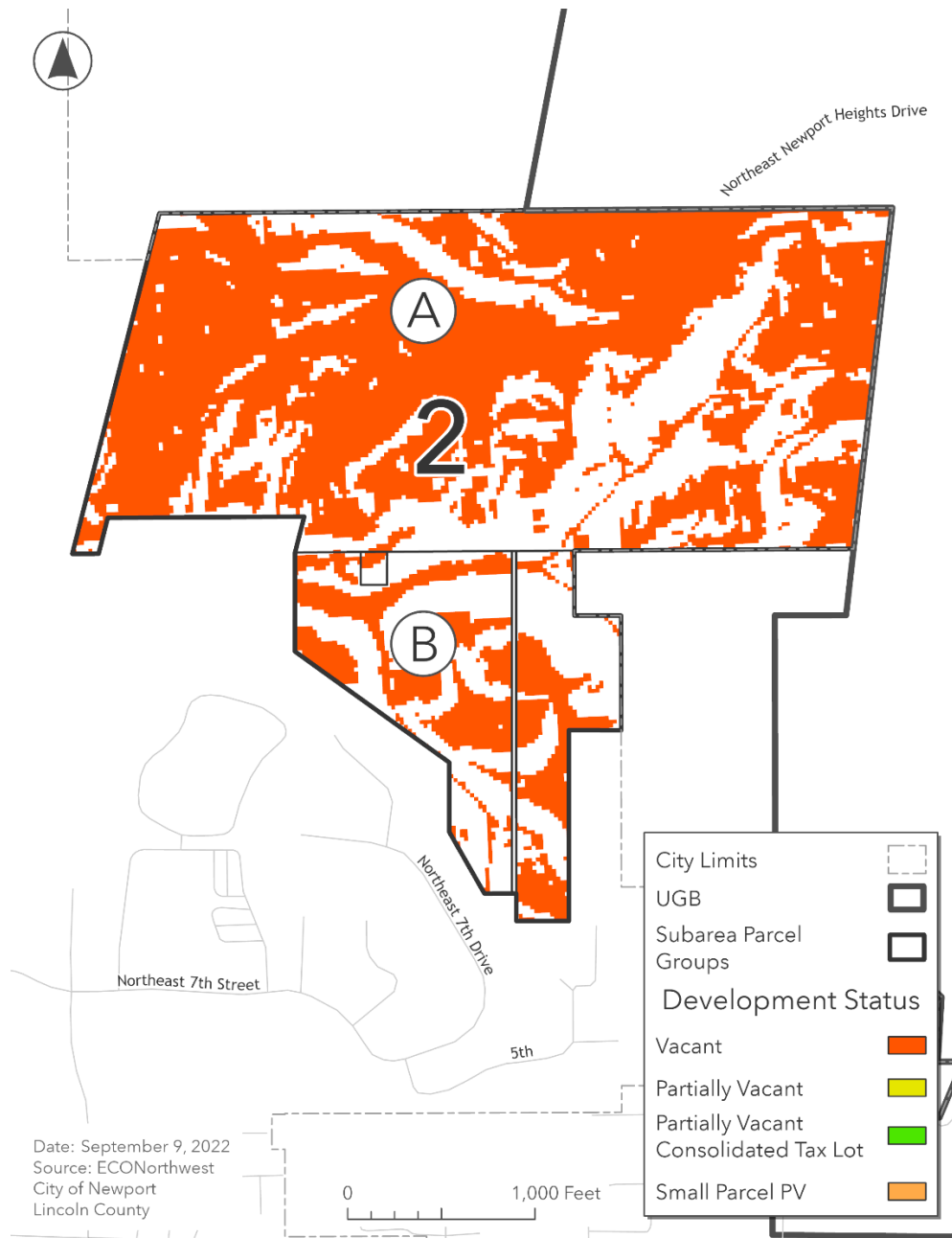


Exhibit 115. Subarea 2 Housing Mixes and Estimated Capacity by Section and Housing Mix Scenario
Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
2A: LDR	65.55	0	55	22	25	167	222	0	491
2B: LDR	10.35	0	8	3	4	26	35	0	76

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 115, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 116.

Exhibit 116. Subarea 2 Residual Value by Housing Type, Section, and Housing Mix Scenario
Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
2A: LDR	\$28,488,000	\$434,616
2B: LDR	\$4,449,000	\$429,790

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Section 2A
 - Access road with additional cost due to difficult terrain from NE 7th to the site and to the northwest of the site
 - Water and wastewater lines from NE 7th to the northwest corner of the site
 - Internal streets, with additional cost due to sloped terrain in some areas
 - Water pump station
 - Wastewater lift stations
- Section 2B
 - Internal looped local roads served from NE Laurel Street, with additional cost due to sloped terrain in some areas

Exhibit 117. Subarea 2 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
2A: LDR	\$38,683,000	\$11,145,000	\$49,828,000	\$47,627,000
2B: LDR	\$3,904,000	\$0	\$3,904,000	\$3,904,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 118.

Exhibit 118: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Section and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
2A: LDR	\$434,616	\$779,756	56%
2B: LDR	\$429,790	\$377,074	114%

Based on this analysis, Section 2A, which accounts for most of subarea 2, will be difficult to develop due to the high infrastructure costs per buildable acre. Section 2B may be financially feasible to develop depending on land value expectations.

Subarea 3

Overview and Buildable Area

Subarea 3, located south of Highway 20 north of Yaquina Bay, has 103.98 acres of net buildable area and is assumed to develop as “Hillside Low Density Residential” given the topography in the area. Much of the area is vacant, though there are several smaller properties included in this subarea, some of which have existing homes on them but are partially vacant.

Exhibit 119. Subarea 3 Map and Buildable Land by Development Status

Source: ECONorthwest

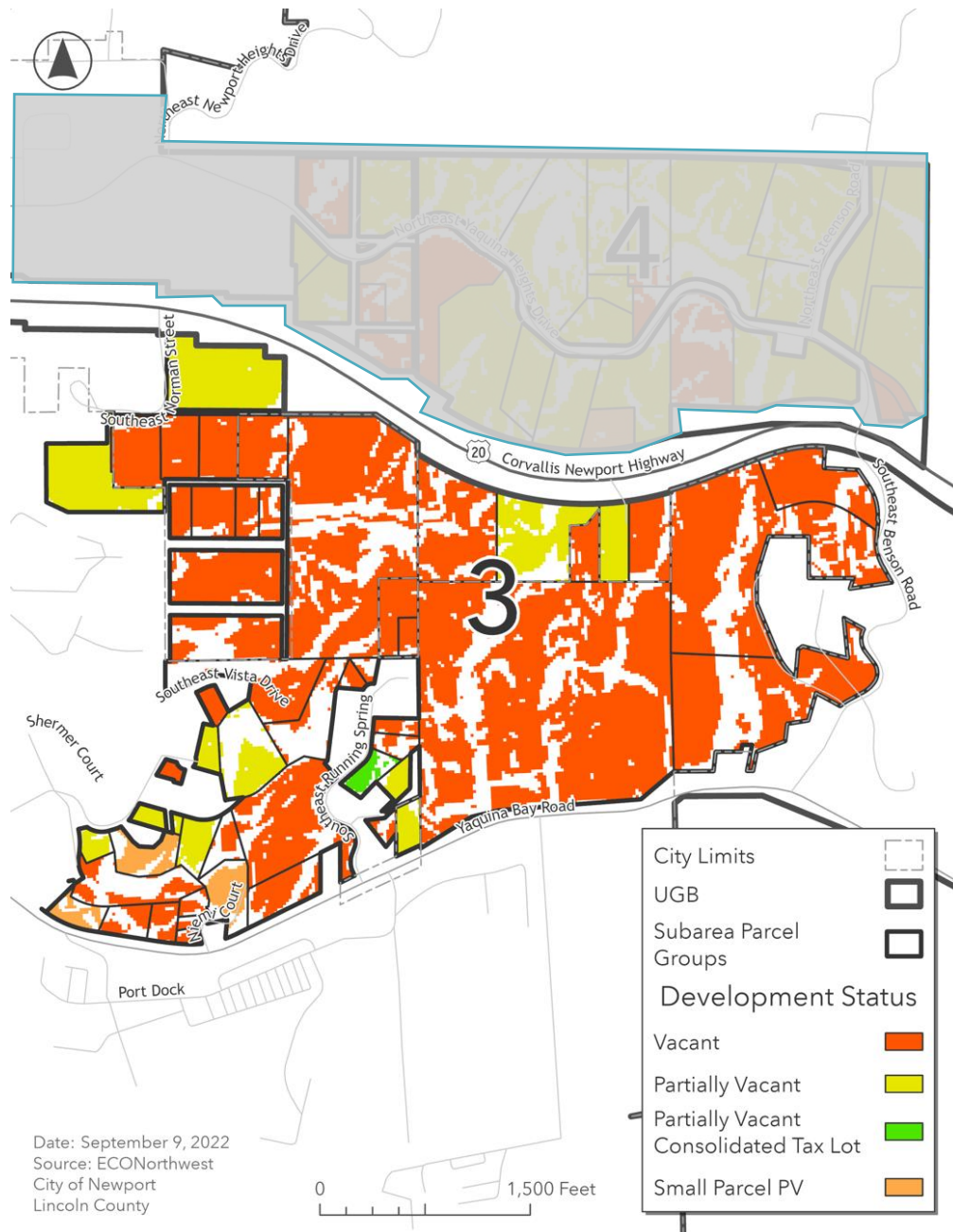


Exhibit 120. Subarea 3 Housing Mixes and Estimated Capacity

Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
Hillside LDR	103.98	0	34	34	0	43	172	413	696

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 120, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 121.

Exhibit 121. Subarea 3 Residual Value by Housing Type and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
Hillside LDR	\$46,660,000	\$448,721

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Internal streets, with additional cost due to sloped terrain in some areas
- Water tank and pump system
- Wastewater lift station with force main

Exhibit 122. Subarea 3 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
Hillside LDR	\$35,725,000	\$6,250,000	\$41,975,000	\$37,443,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 123.

Exhibit 123: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
Hillside LDR*	\$448,721	\$360,087	125%

* Parcelization in these areas would likely reduce development potential and make development less likely to be feasible than the overall numbers suggest.

Based on this analysis, subarea 3 may be financially feasible to develop, but the key challenge will be the parcelization and whether any individual property owner can take on the cost of the larger infrastructure projects needed to enable growth in this area.

Subarea 4

Overview and Buildable Area

Subarea 4, north of Highway 20 and Yaquina Bay, has 55.05 acres of net buildable area and is assumed to develop as “Hillside Low Density Residential” given the topography in the area. The land in this area has fragmented ownership and is mostly partially vacant with existing homes on many of the lots. (The buildable acreage excludes ¼ acre for the existing home on each partially vacant property.)

Exhibit 124. Subarea 4 Map and Buildable Land by Development Status

Source: ECONorthwest

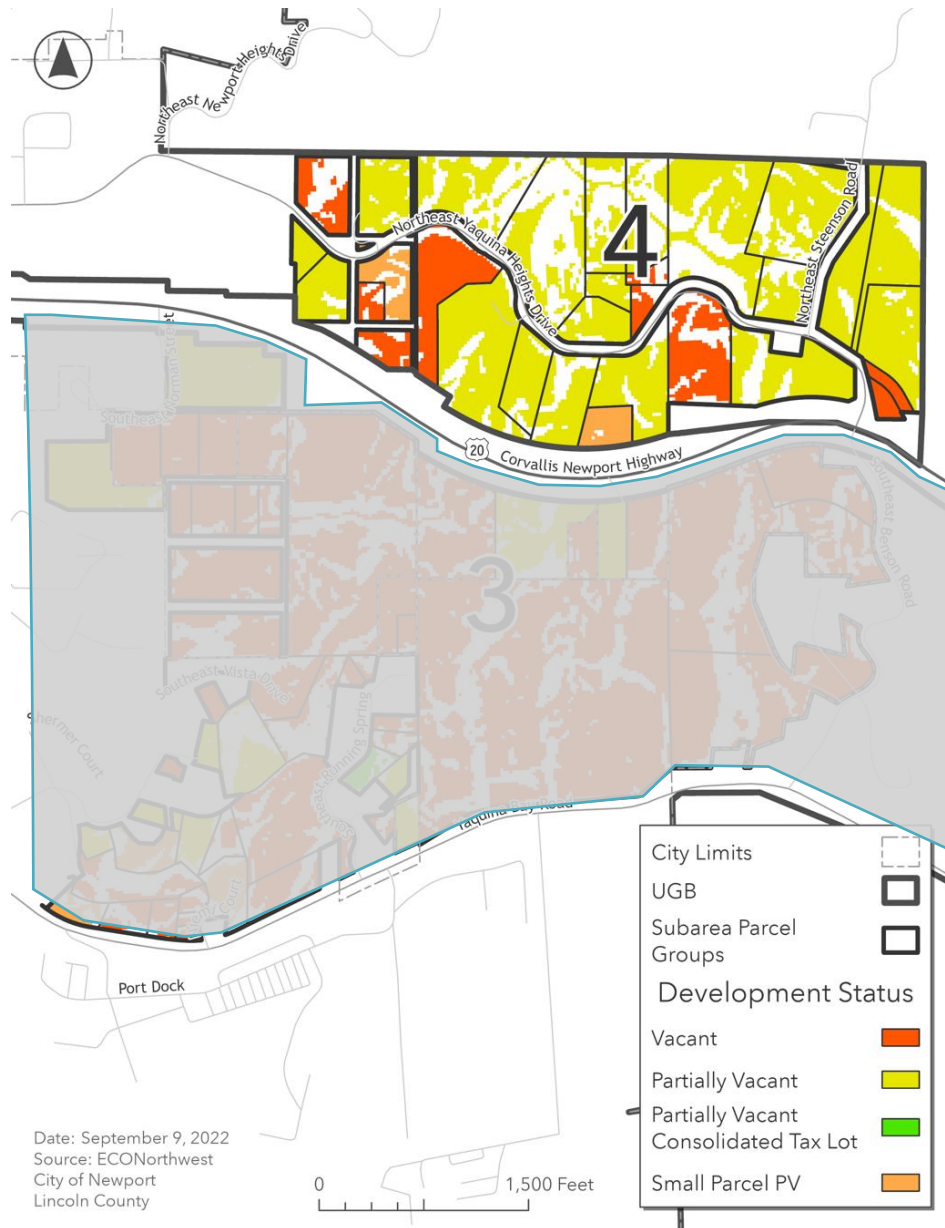


Exhibit 125. Subarea 4 Housing Mixes and Estimated Capacity

Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
Hillside LDR	55.05	0	18	18	0	22	91	218	367

Note: because this area is parcelized, the yield would likely be lower.

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 125, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 126.

Exhibit 126. Subarea 4 Residual Value by Housing Type and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
Hillside LDR	\$24,593,000	\$446,765

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Internal local roads, with additional cost due to sloped terrain
- Water tank and pump station
- Wastewater lift station with force main

Exhibit 127. Subarea 4 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
Hillside LDR	\$18,733,000	\$6,250,000	\$24,983,000	\$23,686,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 128.

Exhibit 128: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
Hillside LDR*	\$446,765	\$430,285	104%

* Parcelization in these areas would likely reduce development potential and make development less likely to be feasible than the overall numbers suggest.

Based on this analysis, subarea 4 is unlikely to be financially feasible to develop unless costs are lower than estimated or value is higher than estimated. However, because the area is already parcelized and many properties have existing homes on them, this area will be less likely to develop, and more challenging for any individual property owner to take on the costs of building the needed infrastructure.

Subarea 5

Overview and Buildable Area

Subarea 5 has 120.15 acres of net buildable area. ECONorthwest tested both a “Low Density Residential” unit mix scenario and a “High Density Residential blend” unit mix scenario. The land is vacant and under common ownership. Preliminary master plans have been developed for the area as future phases of the Wilder development.

Exhibit 129. Subarea 5 Map and Buildable Land by Development Status

Source: ECONorthwest

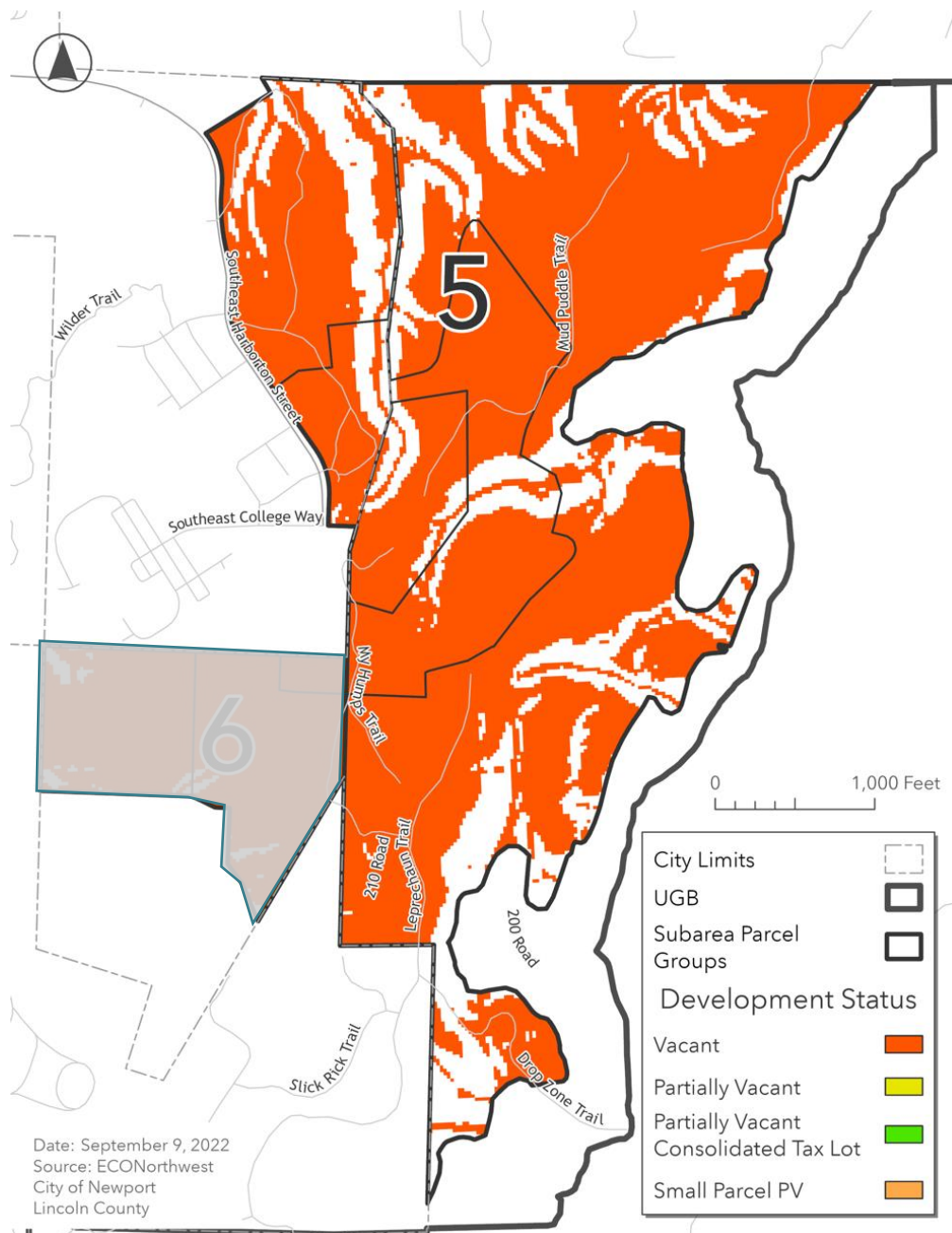


Exhibit 130. Subarea 5 Housing Mixes and Estimated Capacity by Housing Mix Scenario

Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
LDR	120.15	0	102	40	46	306	408	0	902
HDR blend	120.15	360	314	279	239	314	69	0	1575

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 130, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 131.

Exhibit 131. Subarea 5 Residual Value by Housing Type and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
LDR	\$52,290,000	\$435,210
HDR blend	\$45,177,000	\$376,005

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Collector road looped from Highway 101
- Internal local roads

Exhibit 132. Subarea 5 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
LDR	\$31,337,000	\$0	\$31,337,000	\$29,194,000
HDR blend	\$24,863,000	\$0	\$24,863,000	\$22,254,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 133.

Exhibit 133: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
LDR	\$435,210	\$242,983	179%
HDR blend	\$376,005	\$185,219	203%

Based on this analysis, subarea 5 appears to be financially feasible to develop with a range of housing mix options.

Subarea 6

Overview and Buildable Area

Subarea 6, which is adjacent to Subarea 5 and just south of Oregon Coast Community College, has 22.38 acres of net buildable area. ECONorthwest tested this area with both a “Low Density Residential” unit mix scenario and a “High Density Residential blend” unit mix scenario. The area is vacant and under common ownership.

Exhibit 134. Subarea 6 Map and Buildable Land by Development Status

Source: ECONorthwest

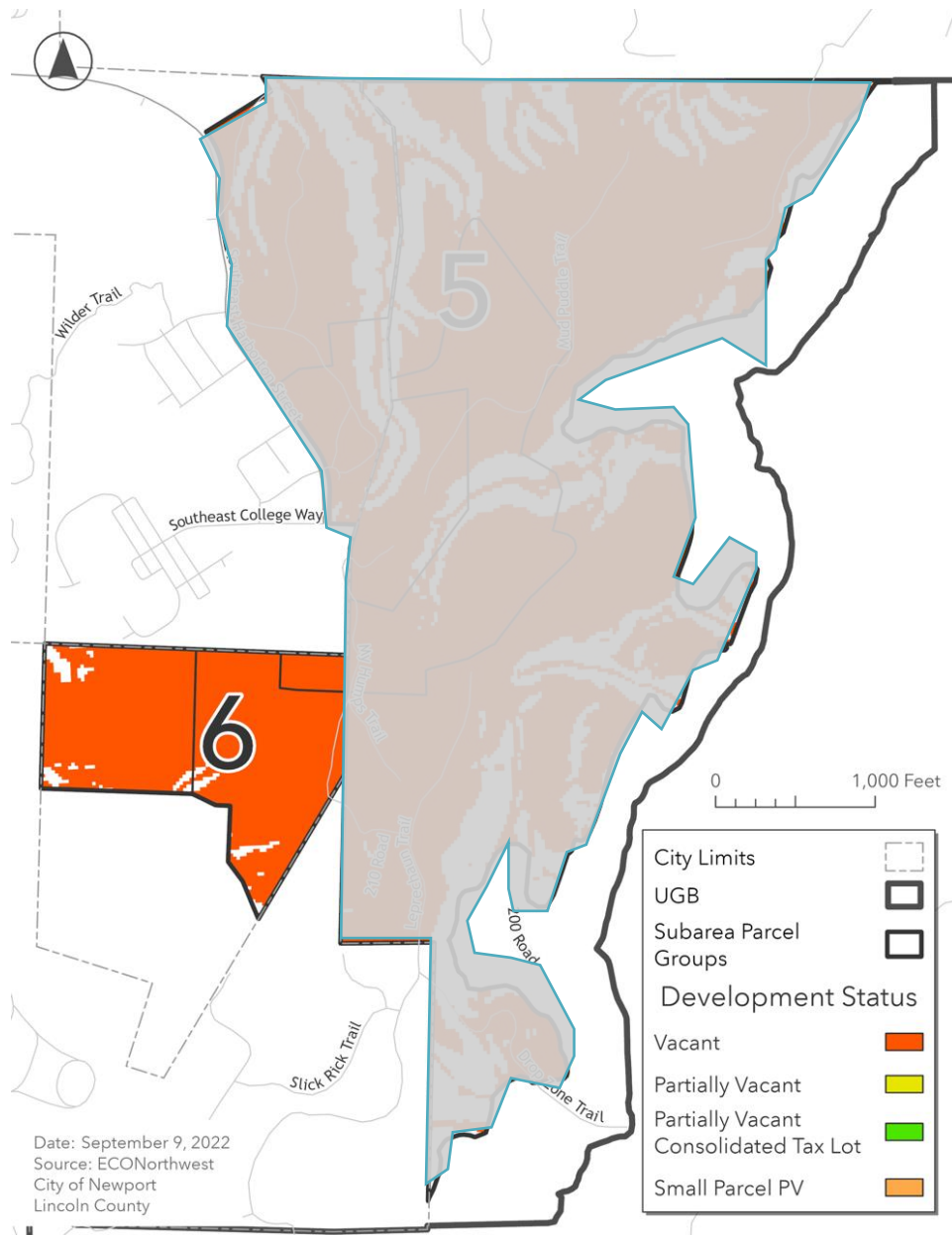


Exhibit 135. Subarea 6 Housing Mixes and Estimated Capacity by Housing Mix Scenario

Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
LDR	22.38	0	19	7	8	57	76	0	167
HDR blend	22.38	67	58	51	44	58	12	0	290

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 135, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 136.

Exhibit 136. Subarea 6 Residual Value by Housing Type and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
LDR	\$9,721,000	\$434,330
HDR blend	\$8,286,000	\$370,225

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Collector road
- Local access extensions to connect to existing streets

Exhibit 137. Subarea 6 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
LDR	\$6,697,000	\$0	\$6,697,000	\$6,299,000
HDR blend	\$5,491,000	\$0	\$5,491,000	\$5,011,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 138.

Exhibit 138: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Section and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
LDR	\$434,330	\$281,436	154%
HDR blend	\$370,225	\$223,894	165%

Based on this analysis, subarea 6 appears financially feasible to develop with a range of housing mix options.

Subarea 7

Overview and Buildable Area

Subarea 7, located in Nye Beach, has 1.9 acres of net buildable area and was tested with an “Infill” unit mix given the close-in location and small parcels. The area has fragmented ownership.

Exhibit 139. Subarea 7 Map and Buildable Land by Development Status



Exhibit 140. Subarea 7 Housing Mix and Estimated Capacity
Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
Infill	1.90	0	4	5	4	6	4	0	23

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 140, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 141.

Exhibit 141. Subarea 7 Residual Value by Housing Type and Housing Mix Scenario
Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
Infill	\$934,000	\$492,507

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Local access road extensions to connect to NW Hurbert St and NW Cottage St, with additional cost due to intersecting creek east of NW Hurbert St
- Sewer extension along NW Hurbert St
- Water main extension along NW Cottage St

Exhibit 142. Subarea 7 Infrastructure Cost Summary
Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
Infill	\$603,000	\$166,000	\$769,000	\$779,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 143.

Exhibit 143: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
Infill	\$492,507	\$410,981	120%

Based on this analysis, subarea 7 appears financially feasible to develop, though the small parcel sizes and fragmented ownership could make development more difficult depending on site-specific infrastructure needs and development potential.

Subarea 8

Overview and Buildable Area

Subarea 8, in South Beach east of Highway 101, has 9.61 acres of net buildable area. ECONorthwest tested both a “High Density Residential blend” unit mix scenario and an “Infill” unit mix scenario for this area. The land is mostly partially vacant, with somewhat fragmented ownership.

Exhibit 144. Subarea 8 Map and Buildable Land by Development Status

Source: ECONorthwest



Exhibit 145. Subarea 8 Housing Mixes and Estimated Capacity by Housing Mix Scenario
Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
HDR blend	9.61	28	25	22	19	25	5	0	124
Infill	9.61	0	17	23	20	26	17	0	103

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 145, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 146.

Exhibit 146. Subarea 8 Residual Value by Housing Type and Housing Mix Scenario
Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
HDR blend	\$3,553,000	\$369,847
Infill	\$4,095,000	\$426,302

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Local access road extension south of SE 35th using SE Elm St ROW and SE Chestnut St and north of SE 35th using SE Ferry Slip Rd or SE 35th St
- Internal local roads

Exhibit 147. Subarea 8 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
HDR blend	\$2,653,000	\$0	\$2,653,000	\$2,653,000
Infill	\$2,201,000	\$0	\$2,201,000	\$2,201,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 148.

Exhibit 148: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Section and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
HDR blend	\$369,847	\$276,140	134%
Infill	\$426,302	\$229,083	186%

Based on this analysis, subarea 4 is most financially feasible to develop with an “Infill” housing mix scenario and may be financially feasible to develop with an “HDR blend” housing mix scenario depending on land value expectations and site-specific factors.

Subarea 9

Overview and Buildable Area

Subarea 9, in South Beach west of Highway 101, has 3.86 acres of net buildable area. ECONorthwest tested both a “High Density Residential blend” unit mix scenario and an “Infill” unit mix scenario. The buildable land in this area is generally vacant, with one larger block of land and several smaller sites with fragmented ownership.

Exhibit 149. Subarea 9 Map and Buildable Land by Development Status

Source: ECONorthwest

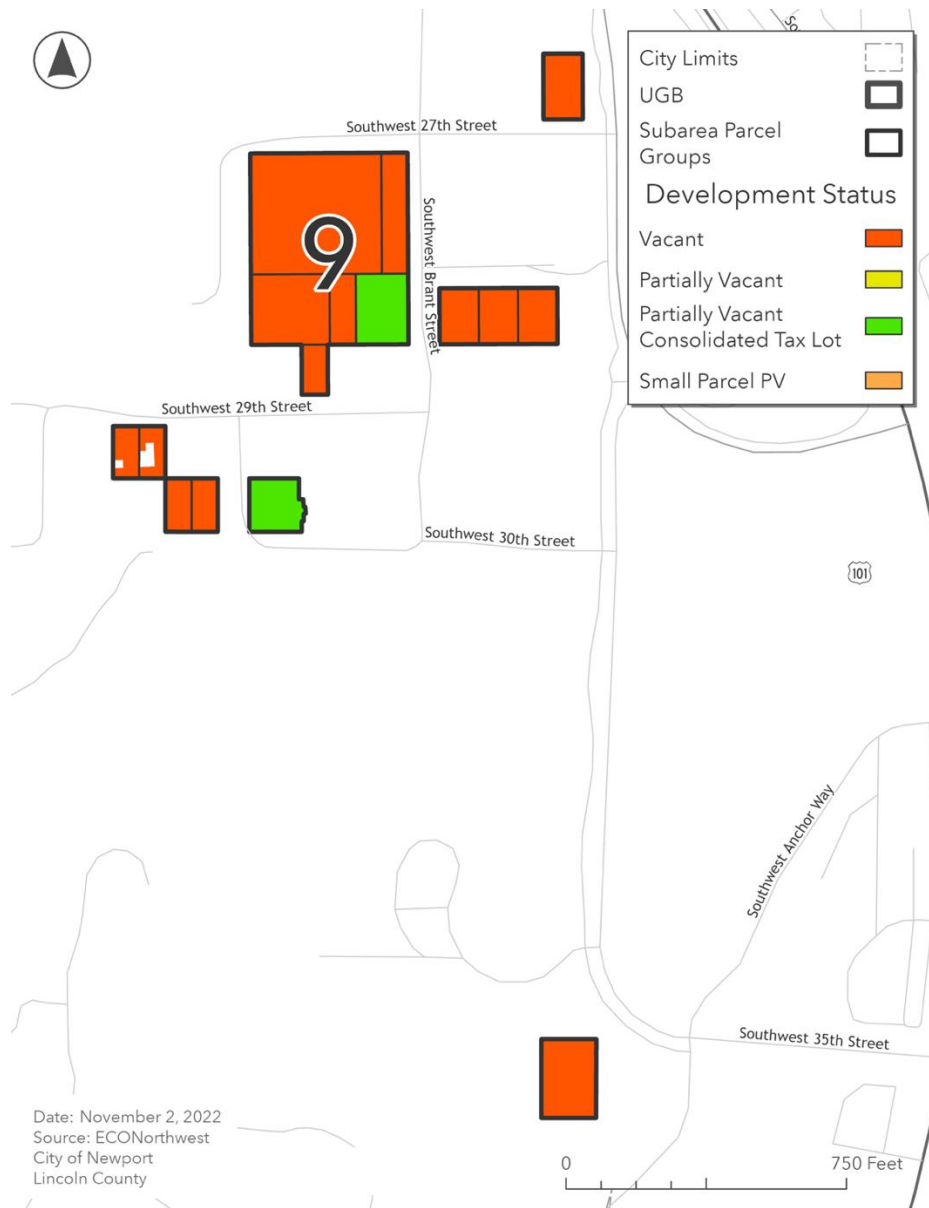


Exhibit 150. Subarea 9 Housing Mixes and Estimated Capacity by Housing Mix Scenario

Source: ECONorthwest calculations

Section / Housing Mix Scenario	Buildable Acres	Apartment Units	Townhouse Units	Cottage Units	Quadplex Units	Small Single-Family Units	Medium Single-Family Units	Large Single-Family (hillside)	Total Units
HDR blend	3.86	11	10	8	7	10	2	0	48
Infill	3.86	0	7	9	8	10	7	0	41

Residual Value

Based on the pro forma analysis for each housing type and the housing capacity by housing type summarized in Exhibit 150, ECONorthwest estimated the residual value by housing type and total for each section, as shown in Exhibit 151.

Exhibit 151. Subarea 9 Residual Value by Housing Type and Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	Total RV (Rounded)	RV Per Buildable Acre
HDR blend	\$1,391,000	\$360,044
Infill	\$1,619,000	\$419,119

Infrastructure Needs and Costs

Key infrastructure needs identified by staff for this subarea include:

- Internal local roads, with additional cost due to sloped terrain
- Upgrade of pumps at 26th Street lift station

Exhibit 152. Subarea 9 Infrastructure Cost Summary

Source: ECONorthwest summary and calculations based on information provided by City of Newport

Section / Housing Mix Scenario	Subtotal for New Roads (rounded)	Subtotal for Water & Wastewater (rounded)	Total (rounded)	Total After SDC Credits (rounded)
HDR blend	\$1,742,000	\$200,000	\$1,942,000	\$1,898,000
Infill	\$1,475,000	\$200,000	\$1,675,000	\$1,640,000

Development Feasibility

Comparing the residual value per buildable acre to the infrastructure costs per buildable acre gives a sense of whether there is value remaining to pay for land. This is shown in Exhibit 153.

Exhibit 153: Residual Value per Buildable Acre Compared to Infrastructure Costs per Buildable Acre by Housing Mix Scenario

Source: ECONorthwest

Section / Housing Mix Scenario	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
HDR blend	\$360,044	\$491,098	73%
Infill	\$419,119	\$424,343	99%

Based on this analysis, subarea 9 may be financially feasible to develop with the “Infill” housing mix if costs are lower than estimated or if value is higher than estimated, or if the property is already owned by a developer. However, with some of the area in fragmented ownership and small parcels, the area is less likely to be able to pay for larger infrastructure costs such as a pump station upgrade or new roads.

Summary of Results and Conclusions

The analysis showed some subareas where the estimated “residual value” of the development exceeds the estimated cost of building infrastructure, meaning that there is potential for a developer to pay for both infrastructure and land, and other areas where the infrastructure costs are higher than the development is likely to be able to afford, as shown in Exhibit 154.

Exhibit 154. Constructability Analysis Results: Housing Unit Yields and Residual Value (RV) vs. Costs per Buildable Acre by Subarea and Housing Mix Scenario

Source: ECONorthwest

Subarea	Section / Housing Mix Scenario	Buildable Acres	Total Units	RV per Buildable Acre	Infrastructure Costs per Buildable Acre	RV compared to costs
Area 1	1A: HDR blend	24.92	324	\$373,331	\$370,238	101%
	1A: Multifamily	24.92	560	\$210,545	\$326,145	65%
	1B: Hillside LDR	7.51	48	\$433,602	\$956,312	45%
	1C: Hillside LDR	8.57	55	\$439,089	\$789,424	56%
	1D: Hillside LDR	30.60	203	\$444,498	\$700,100	63%
Area 2	2A: LDR blend	65.55	491	\$434,616	\$779,756	56%
	2B: LDR blend	10.35	76	\$429,790	\$377,074	114%
Area 3	Hillside LDR*	103.98	696	\$448,721	\$375,135	120%
Area 4	Hillside LDR*	55.05	367	\$446,765	\$445,277	100%
Area 5	LDR blend	120.15	902	\$435,210	\$242,983	179%
	HDR blend	120.15	1575	\$376,005	\$185,219	203%
Area 6	LDR blend	22.38	167	\$434,330	\$281,436	154%
	HDR blend	22.38	290	\$370,225	\$223,894	165%
Area 7	Infill*	1.90	23	\$492,507	\$410,981	120%
Area 8	HDR blend*	9.61	124	\$369,847	\$276,140	134%
	Infill*	9.61	103	\$426,302	\$229,083	186%
Area 9	HDR blend*	3.86	48	\$360,044	\$491,098	73%
	Infill*	3.86	41	\$419,119	\$424,343	99%

* Parcelization in these areas would likely reduce development potential and make development less likely to be feasible than the overall numbers suggest.

Orange highlighting indicates numbers that are less favorable to financial feasibility compared to the average, while teal highlighting indicates numbers that are more favorable to financial feasibility compared to the average.

Subarea 1, in the Agate Beach area on the north end of the city, and **Subarea 2**, east of Newport Middle School, both have large sections that will be very costly to serve where the topography limits development potential. These areas (identified as 1B, 1C, 1D, and 2A in Exhibit 154) likely are not financially feasible to develop at the infrastructure costs estimated by the City. There are smaller sections of each area (identified as 1A and 2B in Exhibit 154) with lower infrastructure costs where development may potentially be feasible. However, 1A (located close to Highway 101), may or may not be feasible depending on the housing mix and yield on the site. While the

area can support multifamily development based on its topography and location, multifamily development has relatively little ability to absorb infrastructure costs. A more balanced housing mix would increase the need for local streets within the development, increasing the infrastructure costs, but would come closer to making development feasible.

Subareas 3 and 4, located on either side of Highway 20 north of Yaquina Bay, are both highly parcelized. In aggregate, the value of future development could potentially support building the needed infrastructure, though Subarea 4 faces higher costs and may not be feasible even considered as a block. Parcelization in these areas will likely reduce development potential and make development less feasible than the overall numbers suggest. In addition, the parcelization could make it more difficult for any single landowner to move forward with development if they would have to front the cost of much of the needed infrastructure without knowing if and when future development would contribute to the costs. Subarea 4 is also mostly made up of partially vacant land where property owners may have less motivation to sell undeveloped portions of the lot for development.

Subarea 5 (future phases of the Wilder development) and **Subarea 6** (adjacent to Subarea 5, and just south of Oregon Coast Community College) show the strongest potential to cover infrastructure costs. For Subarea 6, the fact that the property owner/developer has owned the land for many years can provide an additional cushion because they will not have to pay current market prices for land. These areas appear to be among the most cost effective to serve with infrastructure out of the subareas included in this analysis and are relatively large sites under common ownership.

Subarea 7 (located in Nye Beach), **Subarea 8** (in South Beach east of Highway 101), and **Subarea 9** (in South Beach west of Highway 101) are smaller infill areas with less infrastructure needs. However, all require some street extensions and/or frontage improvements, and Subarea 9 requires water pump upgrades. Subarea 9 costs are relatively high given its small size and may be more than development can afford. Subareas 7 and 8 appear more promising, but the fragmented ownership and potentially higher land value expectations from property owners in more central locations could still make development challenging in these areas.

Overall, infrastructure cost challenges could impact close to 300 buildable acres of residential units, representing over 2,000 potential units of housing capacity. However, this analysis provides only a rough indication of development potential and infrastructure costs, with a high margin of error due to the number of unknowns. Individual properties within these subareas may have higher or lower development potential and infrastructure costs than estimated for this analysis.

Appendix C: Housing Prototype Details

Apartments

The rental apartment prototype contains 50 units, stands three stories tall, and has 75 surface parking stalls (1.5/unit). It requires a minimum of 72,600 square feet of buildable area per 50 units of housing (25 units per net acre). One-bedroom units are assumed to be 728 square feet and rent for \$1,445/month, two-bedroom units are assumed to be 1,005 square feet and rent for \$1,660/month, and three-bedroom units are assumed to be 1,204 square feet and rent for \$2,030/month. These rents are based on recent comparable developments and include roughly 6% rent escalation to account for the time it takes from construction to lease-up.

Exhibit 155. Example of Newport Apartments

Source: ECONorthwest



Quadplex

The quadplex rental prototype (4 units) is assumed to be two stories tall with 4 surface parking stalls (1/unit). It requires a minimum of 7,000 square feet of buildable area (close to 25 units per net acre). One-bedroom units are assumed to be 728 square feet and rent for \$1,445/month, and two-bedroom units are assumed to be 1,005 square feet and rent for \$1,660/month. These rents are based on recent comparable developments and include roughly 6% rent escalation to account for the time it takes from construction to lease-up.

Exhibit 156. Example Development Similar to Quadplex

Source: ECONorthwest



Cottage Cluster

The cottage cluster prototype is assumed to be a rental housing development with a minimum of four units on 12,000 square feet of buildable area (roughly 14.5 units per net acre). Units are assumed to be one story tall with one surface parking stall per unit. Units are assumed to be a mix of one-bedroom units that measure 600 square feet and rent for \$1,290/month, and two-bedroom units that measure 1,000 square feet and rent for \$1,730/month. These rents are based on recent comparable developments and include roughly 6% rent escalation to account for the time it takes from construction to lease-up.

Exhibit 157. Example of Cottage Cluster

Source: <https://www.wildernewport.com/homes/types-of-homes/>



Townhouse

The townhouse prototype is assumed to be built for ownership, with three-bedroom units that measure 1,800 square feet and sell for \$420,000 each based on recent comparable sales. Units are assumed to be three stories tall with 1 garage parking stall and 1 surface parking stall (2/unit) on 2,000 square feet of buildable area per unit (roughly 22 units per net acre).

Exhibit 158. Example of Newport Townhouse

Source: ECONorthwest



Small Single-Detached House

The small single-detached house prototype is assumed to be built for ownership with three-bedroom units that measure 1,782 square feet and sell for \$574,000 based on recent comparable sales. Units are assumed to be two stories tall and have 1 garage parking stall and 1 surface parking stall (2/unit) on 4,000 square feet of buildable area per unit (roughly 11 units per net acre).

Exhibit 159. Example of Newport Small Single-Detached Unit
Source: ECONorthwest



Medium Single-Detached House

The medium single-detached house prototype is assumed to be built for ownership with four-bedroom units that measure 2,173 square feet and sell for \$705,000 based on recent comparable sales. Units are assumed to be two stories tall and have 2 garage parking stalls and 2 surface parking stalls (4/unit) on 6,000 square feet of buildable area per unit (roughly 7 units per net acre).

Exhibit 160. Example of Newport Medium Single-Detached House
Source: ECONorthwest



Large Single-Detached House (Hillside)

The large single-detached hillside house prototype is assumed to be built for ownership with four-bedroom units that measure 2,544 square feet and sell for \$782,000 based on recent comparable sales. Units are assumed to be two stories tall and have 2 garage parking stalls and 2 surface parking stalls (4/unit) on roughly 5,000 square feet of buildable area (roughly 9 units per net acre). While large hillside homes are often on larger lots than this, the balance of the lot is often unbuildable and steeply sloped. Because the steep slopes have already been removed from the buildable area calculations, this prototype uses a smaller buildable area per unit to avoid double counting these constrained areas.

Exhibit 161. Example of Newport Large Single-Detached Hillside Unit

Source: ECONorthwest



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Agate Beach Neighborhood Plan

June 1, 1997

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Vision Statement

The way the Agate Beach Neighborhood functions and develops depends on a multitude of decisions made by individuals, public and private organizations, community groups and governmental agencies. Development however is impossible to predict. The Agate Beach Neighborhood Plan therefore seeks to direct and manage change so as to benefit the entire neighborhood and the whole City.

Consultation with a broad range of interest groups has helped to define a “vision statement” for the Agate Beach Neighborhood Plan. The vision statement also helps to focus on the means of achieving the kind of neighborhood the community wants and to reflect the aspirations of people involved in development of the Plan.

As such, the vision of the Agate Beach Neighborhood Plan is to foster a sustainable urban living environment. New development will be of high quality and have acceptable environmental consequences. The local economy will be encouraged to develop and diversify, providing for new and expanding enterprises and jobs. Housing will be provided in sufficient types and numbers to accommodate future population increases. Transportation systems will benefit from traffic management and will offer alternative mobility based on public transit, bicycling and walking. Overall the Agate Beach Plan will seek to maintain and improve the character of the neighborhood for its people.

Introduction

The Agate Beach Neighborhood Plan

The Agate Beach Neighborhood is a subarea of the City of Newport on the northern edge of the city limits and Urban Growth Boundary (see Figure 1). It is an area in transition in that it is experiencing added development and redevelopment. To provide a framework for the management of change and promotion of growth, the City is preparing the Agate Beach Neighborhood Plan (Plan) to guide development.

Purpose

The Agate Beach Neighborhood Plan will provide a framework in which development can be guided to achieve its objectives. The Plan's main concerns are with land use changes and the physical environment, although social and economic considerations are relevant in justifying policies and proposals. The Plan seeks to promote sustainable development, redevelopment of underutilized properties and appropriate development where these are complementary with enhancing the existing built and open environment. The Agate Beach area has exciting opportunities as the northern gateway to the City of Newport and the Plan should take a positive view of how those opportunities can be realized.

Plan Process

The Plan preparation started in 1995 with a general neighborhood meeting of residents, business owners and property owners. The purpose of the meeting was to solicit issues from people regarding the future of Agate Beach. From the conversation with the community a number of issues were raised that can be categorized into five general topics. They are transportation, livability and the environment, political considerations, zoning and miscellaneous. A complete list of the issues raised is contained in Appendix A.

At the general meeting people were asked to volunteer to serve on an advisory committee to help in the formulation of this Plan. Some 15 people volunteered and nine chosen to serve on the ad hoc group. The advisory committee met on the first or second Thursday of each month to discuss issues and prepare text. Goals and policies of the Plan.

Once a draft plan was complete, another general neighborhood meeting was held to seek input. From the comments received, the draft was amended as a final draft to be processed

through the City's Planning Commission and then on to the city Council for adoption. Public hearings were held at both the Planning Commission and City Council level for more opportunity to comment on the draft plan. Once the Council adopted the Plan, it was made a part of the Comprehensive Plan. The Plan then became the official guiding document.

Existing Conditions

Physical Description

The Agate Beach Neighborhood is defined as that area within the Pacific Ocean on the west, the Urban Growth Boundary (UGB) on the north and east and the Agate Beach Golf Course and N.W. 43rd St. on the south. The total area encompasses about 800 acres or 1.25 square mile. Land within the district is generally rolling ridges punctuated by steep sided ravines. The ravines contain streams some of which are year round and some of which are intermittent. The ocean front is a bluff backed beach with bluffs rising 50 to 150 feet above sea level. In undeveloped parcels, the area is commonly covered with coast type vegetation such as Shore Pine, Sitka Spruce, Douglas Fir, Western Hemlock, Western Red Cedar and Red Alder as the predominant tree species and Vine Maple, Black Cottonwood, willow, blackberry, salmon berry, huckleberry, salal and sword fern comprising the under story. Where development has occurred the native vegetation has been replaced or augmented with typical urban landscaping such as lawns, hedges and decorative trees and shrubs.

Geology

The Agate Beach Neighborhood is characterized by a geology that is basically the Astoria Formation and Nye Mudstone as a base rock overlain by marine terrace deposits. There are exceptions most notably Yaquina Head and Iron Mountain. Those two features consist of Cape Foulweather Basalt and intrusive basalt, respectively.

The Astoria Formation is described as a moderately resistant sandstone and siltstone that can become unstable where beds are inclined in the same direction as a slope. Bedding plane failure are numerous in the bluffs at the back of the beach. There, wave erosion continually removes the support from the foot of the slopes.

The Nye Mudstone unit consists of moderately resistant clayey siltstone and very fine-grained sandstone that is highly unstable where beds are inclined in the same direction as slope.

The Cape Foulweather Basalt on the other hand, is a hard resistant basaltic lava and well-cemented fragmental basalt that forms headlands. The formation stands in steep cliffs up to elevations of about 100 feet above sea level. Landsliding is generally limited to where underlying rocks have failed.

Finally, the intrusive basalts are hard resistant basaltic rock of a variety of ages that was emplaced as magma filled cracks and fissures in the surrounding rocks. A good example of this formation is Iron Mountain. These rocks are similar to the Cape Foulweather Basalts and share similar characteristics.

Depending on many factors regarding the geologic substrate of an area and a particular lot, development may be appropriate, inappropriate or appropriate if precautions are taken. The problem is identifying those areas and placing suitable controls on development. The first step in constructing a program is a more specific inventory of geologic rock types and surficial features such as slumps and landslides. Such an inventory was complete in November, 1994 by the Oregon Department of Geology and Mineral Industries (DOGAMI). Copies of the maps for the Agate Beach area are attached to this plan as Appendix B.

The report done by DOGAMI should not taken as the final word in geologic hazards and processes. As stated in the report, the geologic hazard maps and erosion rate database are generalized planning, not site-specific analysis. The user of the maps should familiarize themselves with the report accompanying the maps especially the section entitled "Interpretation of Error" in Appendix 1 before using the erosion rate data. The mass-movement hazard areas are places where additional work is needed to investigate the nature of the hazard before development occurs. Lack of a mapped mass-movement hazard does not imply that a slope is stable. Detailed geotechnical analysis of development near the shoreline should be performed prior to issuing building permits. A large erosion rate at an active landslide or slide block does not mean that every year a foot or two of the bluff are lost to erosion. When an erosion episode commences, large masses (>40 feet) of land can break away and slide down slope.

Wetlands

No detailed wetland delineation has been done for the Agate Beach area. However, there is a more general map that was prepared by the Fish and Wildlife Service of the U.S. Department of the Interior. The National Wetland Inventory (NWI) maps were prepared primarily by stereoscopic analysis of high altitude aerial photographs. Wetlands were identified on the photographs based on vegetation, visible hydrology, and geography in accordance with the Classification of Wetlands and Deep water Habitats of the United States. The aerial photographs typically reflect conditions during the specific year and season when they were taken. In addition, there is a margin of error inherent in the use of the aerial photographs. Thus, a detailed on the ground and historical analysis of a single site may result in a revision of the wetland boundaries established through photographic interpretation. In addition, some small wetlands and those obscured by dense forest cover may not be included on the maps.

With that in mind, a copy of the NWI map along with a legend of the map symbols is attached as Appendix C. As can be seen on the maps, the identified wetlands tend to occur in the creeks in the bottom of the ravines. That means the identified wetlands fall, for the most part, under either the riverine or palustrine categories of wetlands. They also incline toward

unconsolidated bottoms and are either seasonally or permanently flooded. There are a couple of exceptions. One is the rocky shore intertidal marine environment at Yaquina Head and the other is the unconsolidated shore intertidal marine environment of the sandy beaches. Both are publicly owned and are not expected to have development that will impact those wetland environments.

As with the geologic maps, the NWI maps are only a starting point for the identification of wetlands. If there is a question of whether or not there are wetlands on a particular piece of property, a delineation conducted by a qualified wetlands expert is encouraged. The City of Newport does not regulate wetlands at this time so permits and questions regarding wetlands should be directed to the Oregon State Division of State Lands or the U.S. Army Corps of Engineers.

Other Goal 5 Resources

Historic Resources

There are two identified historic and cultural resource sites in the Agate Beach area. The first is the Yaquina Head Lighthouse located on the western tip of Yaquina Head. Constructed by the U.S. Lighthouse service in 1862, this is the second oldest lighthouse on the Oregon Coast and was built to replace the light at the entrance to Yaquina Bay. The Oregon Coastal Zone Management Association (OCZMA) has classified the site as being of natural historic significance, and it is denoted with a Lincoln County Historical Society marker. The site is also listed on the National Register of Historic Places.

The other site is the Ernest Bloch home located off of Woody Way just west of the Agate Beach wayside parking lot. Ernest Bloch, a well-known composer and orchestra conductor, occupied the house from 1941 to 1959. It has been classified as being of historical importance to the nation by the OCZMA, and a bronze plaque mounted on a boulder located at the junction of Yaquina Head Lighthouse Drive and Highway 101 marks the site. Both sites are identified and discussed further in the Comprehensive Plan under Historical and Archaeological Resources. That element also includes the Goal 5 analysis.

Scenic Views

Although many scenic views exist in Agate Beach, the only one of significance is Yaquina Head. Owned by the U.S. Bureau of Land Management, Yaquina Head has been designated as an Outstanding Natural Area by the U.S. Congress.

Open Space

The Agate Beach area has many areas that are currently not developed and therefore may be considered open space at this time. However, open space does not refer to any parcel that is vacant. Open space means those areas that are targeted to remain open space. An example, is the

ocean beaches. The beaches are publicly owned and cannot be built upon. Another example of an open space is portions of Yaquina Head. Yaquina Head does have some development on it such as the lighthouse, a man-made, handicap accessible tide pool, a visitor center and the infrastructure to serve those uses. The remainder of the Head is considered open space and will most likely remain so.

The City also owns property that will remain as open space. Appendix D shows where those properties are located. One area is an approximately 25 acre piece along schooner Creek east of Hwy. 101 (more specifically defined as Tax Assessor's Map 10-11-20CA, Tax Lots 100 and 4600). The area is characterized as a stream bottom and the slopes surrounding it. Development is unlikely because of the terrain and the ownership by the City.

Another open space that is owned by the City is a proposed park site located on N.W. 60th St. just west of Hwy. 101 (Tax Assessor's Map 10-11-29BB, Tax Lot 5002). The Parks and Recreation Department has developed a park plan for the site which includes play fields, a basketball/tennis court, public restrooms, picnic tables and benches. Although it will not be totally vacant, the site will be developed for recreational purposes and enjoyment of outdoor activities.

Finally, the City owns property north of N.W. 55th St., south of N.W. 57th St. and west of N.W. Pinery Ave. (Tax Assessor's Map 10-11-30AA, Tax Lots 100 and 200). The property is within a geologically hazardous area and is subject to severe erosional problems. It is doubtful that the property will ever be developed with anything other than trails and stairs to the beach due to its unstable nature.

Another environment that tends to remain as open space are areas subject to flooding. There are one type of identified flood areas within the Agate Beach area. The area that experiences flooding problems from ocean activity is called the velocity or V-zone. The V-zone is where ocean flooding occurs due to wave run up association with storms. Because of the association with the ocean, V-zones only occur along the ocean front. Generally, the V-zone is at an elevation of 31 feet above sea level. However, not many areas in Agate Beach have been specifically mapped and an elevation determined on the Federal Emergency Management Agency maps. The V-zone often corresponds to the sandy beach area or the rocky headlands where development is unlikely to occur. Also, since most of the Agate Beach area is bluff backed, most of the developable land is well above the V-zone elevation. An exception is the Schooner Creek area. Any development in that area will have to address the V-zone regulations contained in the Zoning Ordinance. Basically this means that the lowest habitable floor will have to be at least one foot above the base flood height. Although the V-elevation has not been determined for that section of the coast, a meeting with the Department of Land Conservation and Development and discussions with the Federal Emergency Management Agency conservatively places the V-zone at 31 feet.

Other areas may be dedicated as open space as projects develop. It is difficult to identify those areas specifically at the moment. Past actions has shown that areas that are unsuitable for development such as very steep slopes, wetlands or floodplains end up as open space often in public ownership. Those dedications will have to be assessed as development occurs.

Mineral and Aggregate Resources

There are no known mineral or aggregate resources within the study area. However, immediately outside the Urban Growth Boundary to the northeast is Iron Mountain, a significant aggregate quarry owned by the Oregon Department of Transportation. A more detailed description and analysis of the resource can be found in the City's Comprehensive Plan.

Energy Sources

There are not known energy sources within the study area.

Fish and Wildlife Areas and Habitats

The only identified significant habitat is the cliffs and offshore rocks at Yaquina Head. The Head is owned by the U.S. Bureau of Land management and has been classified as an Outstanding Natural Area subject to the limitations established in the planning documents prepared by the Bureau.

Coastal Shorelands

Ocean Shorelands are defined as those areas:

1. Subject to ocean flooding and lands within 100 feet of the ocean shore or within 50 feet of an estuary or a coastal lake;
2. Adjacent areas of geologic instability where the geologic instability is related to or will impact a coastal water body;
3. Natural or man-made riparian resources, especially vegetation necessary to stabilize the shoreline and to maintain water quality and temperature necessary for the maintenance of fish habitat and spawning areas;
4. Areas of significant shoreland and wetland biological habitats whose habitat quality is primarily derived from or related to the association with coastal water areas;
5. Areas necessary for water-dependent and water-related uses, including areas of recreational importance which utilize coastal water or riparian resources, areas

appropriate for navigation and port facilities, dredge material disposal and mitigation sites, and areas having characteristics suitable for aquaculture;

6. Areas of exceptional aesthetic or scenic quality, where the quality is primarily derived from or related to the association with coastal water areas; and
7. Coastal headlands.

Within the Agate Beach neighborhood, numbers 1, 2, 4, 6 and 7 apply. More specifically, the areas subject to ocean flooding as described in the Open Space subsection of this section, the geologically unstable areas defined in the Geologic subsection, the habitat areas identified in the Fish and Wildlife Areas and Habitats subsection, the areas described in the Scenic Views subsection and Yaquina Head. Yaquina Head is the area containing all of the areas listed except for the areas subject to ocean flooding and the geologically unstable areas. The Coastal shoreland boundaries therefore correspond with those areas.

Beaches and Dunes

Because the entire Agate Beach study area is bluff backed beach there are no dunes other than the small dunes that form on the beach due to wind action. The beach area is either owned by the State (basically the wet sand area) or subject to State laws governing sandy areas oceanward of the first vegetation area (the dry sand area). Because of this, the beaches are not an area subject to building activity and will remain open to the public. The only real concern here is existing and potential beachfront protective structures such as seawalls or riprap revetments. As of 1977 there were no identified beachfront protective structures within the study area.

Goal 18 of Oregon's Statewide Planning Goals states that new permits for beachfront protective structures shall be issued only where development existed on January 1, 1977 (see Appendix E). For the purposes of that requirement, development means houses, commercial and industrial buildings and vacant subdivision lots which are physically improved through construction of streets and provision of utilities to the lot. The criteria for review of all shore and beachfront protective structures shall provide that:

1. Visual impacts are minimized;
2. Necessary access to the beach is maintained;
3. Negative impacts on adjacent property are minimized; and
4. Long-term or recurring costs to the public are avoided.

In addition soft approaches to shoreline stabilization such as vegetation management or drainage control are preferred over hard solutions such as seawalls or riprap.

EXISTING LAND USE

The Agate Beach Neighborhood is generally a residential area but large sections of the area are zoned and used for other than residential purposes (see Figure 2 and 3). The land around the Hwy. 101 and 54th St. intersection for example is zoned commercial. The area east of N.E. Avery St. and N.E. 73rd St. is zoned industrial. Also, because of Yaquina Head, many acres of property in Agate Beach is owned and zoned for public use. And finally, the R-4 zone currently conditionally allows a number of uses that are not residential. For example, the zone allows recreational vehicle parks, offices and movie theaters. Because those uses prefer locations on Hwy. 101, the R-4 zoned land on Hwy. 101 tends toward the commercial uses allowed in the R-4 zone rather than the residential zone.

There is also a considerable amount of vacant land especially outside the city limits but within the UGB to the east of the existing city limits. Although that land is vacant and scheduled for development, the property must be looked at in conjunction with the physical constraints outlined in the prior section to ascertain the amount and type of development that will occur. The vacant land is also almost exclusively residentially zoned or designated except for a few acres of industrially zoned land east of N.E. Avery St. off the east end of N.E. 73rd St. There is some vacant commercially designated land east of Hwy. 101 and south of N.E. 50th St.

Transportation

The transportation system in Agate Beach is generally not up to City standards. Appendix D is an inventory of all the streets within the Agate Beach Neighborhood and indicates the development status of those streets. As can be seen by the maps, most of the streets are either gravel or paved without curb, gutters and sidewalks.

Except for Hwy. 101, bicycle facilities are virtually non-existent in Agate Beach. Bicycles are therefore dependent upon the existing street system and must share the roadway with cars. Mass transit is available via the Central Coast Connection along Hwy. 101 as of the date of this writing (April 1996). There is no guarantee that that service will continue into the future. Bus service between Newport and other communities is provided by Greyhound and the Valley Retriever. Greyhound serves communities north and south whereas the Valley Retriever connects Newport with Corvallis 50 miles to the east. Taxis are available to the area. Rail and airline passenger service is not currently available to the City of Newport.

Other Utilities

Sanitary Sewer and Water

Sanitary sewer and water services are available to most of the developed area within Agate Beach. There is a small area east of Hwy. 101 and north of N.E. 55th St. that does not

currently have sewer service. Sewer and water services are generally extended to new area as development occurs. There is however a need for additional water storage capacity in the area. The City owns a piece of property in the northeast section of the study area that will one day house an above ground water tank probably on the order of one million gallons.

Although sanitary sewer service is still available in sufficient capacity to accommodate growth in the next few years, the City's main sewage treatment plant is near its capacity and design life. The City is in the process of building a new plant in the South Beach area of the city. Once complete, there should be no capacity problems for any anticipated development in the Agate Beach neighborhood.

Storm Drainage

Storm drainage facilities are most often, although not always, constructed as streets are brought up to city standards. In fact the definition of a city standard street includes storm drain utilities. Because so many of the streets in Agate Beach are substandard, the storm drains are generally ditches along the roadway edge.

Other Utilities

Telephone, electricity, cable television and natural gas are all available to the neighborhood. Capacity and availability are subject to the provision of those services by private carriers. It appears that all those utilities have the capacity and availability to serve all anticipated development. Again, new development is responsible for extending those services as part of the construction process.

Future Development

Introduction

As an area develops certain physical, economic and community issues arise and must be considered in the planning stage so that the new development has a positive impact on the neighborhood and the City. Haphazard or ill-conceived development can and often does detract from the quality of life cherished by residents. This does not mean that development will not occur. On the contrary, it is the intent of the land use program set up by the state and implemented by the City of Newport that development will take place within established Urban Growth Boundaries. So it is not a matter of whether development and change occurs but a matter of how. This section addresses how development will occur so that neighborhood and community goals can be attained.

Basically, there will be three types of development in the Agate Beach area. First is residential projects be it single family residences, subdivisions, planned developments, apartments or a mixture. The second is commercial and industrial development. Commercial uses in this category includes restaurants, motels, retail shops, gas stations, theaters and bowling alleys. Although the term industrial has many connotations, industrial development in Agate Beach will tend toward the light industrial uses such as wholesale distribution companies, car service businesses, metal and wood fabrication establishments. Finally, there are the public uses necessary for a totally functional city. These uses include fire stations, schools, libraries, police stations, parks and community buildings.

Of course to serve all those various uses the infrastructure must be in place to serve them. Streets, sewerage, water lines and storm drainage are the common systems provided by the City but other utilities such as telephone, electricity, cable TV and natural gas are also needed to function in a modern society. All those facilities are available in Agate Beach but, as can be seen in the previous section dealing with utilities, the hardware (i.e. the pipes and lines) must be extended and upgraded as development occurs.

Transportation

Moving people and good is essential to the everyday life of a city. People need to reach places for work, education, health, care, shopping recreation and entertainment and goods must be moved between the producer and the consumer. An efficient transportation system can widen access to opportunities for local people and assist the local economy. However, the growing demand for mobility is taking its toll on the community and environment. Traffic congestion is increasing. A sustainable transport system must be developed, balancing the needs the needs of the community as well as meeting the travel needs of the whole community.

The City of Newport has developed a general Transportation System Plan (TSP) for the entire community and that document is by reference incorporated into this plan. The TSP however is relatively general and only addresses the major transportation systems citywide. The purpose of this section is to fine tune the TSP and deal with issues specific to the Agate Beach neighborhood. This plan will therefore supplement the TSP.

Streets

Streets are the most visible of all public utilities. Even if work is done on a water or telephone line more often than not a street will be disrupted. Therefore particular attention must be paid to assure that the street system will be disrupted as little as possible. It must be recognized however that streets will be disrupted regardless of how careful one plans. Utilities must be worked on, traffic accidents do occur and storms do topple trees across streets.

The idea of a street system is to minimize the disturbance by providing alternative routes. In essence the idea is to construct a network of streets so that most people have more than one route into and out of an area. The network should also consist of a hierarchy of streets starting at the local or residential street and working up to collectors then arterials. A network should also focus lower streets in the hierarchy into streets higher up in the hierarchy at key intersections. Unlimited access onto major streets only exacerbates congestion and lowers the ability of the street to handle traffic.

For the Agate Beach neighborhood, there is only one true arterial and that is Hwy. 101. The street bisects the area north and south almost in the middle. Hwy. 101 serves as the major connection between Agate Beach and the rest of the city and county. There are no alternative routes between Agate Beach and the City center. Therefore everyone who lives or works in Agate Beach must use Hwy. 101 if they wish to visit the rest of the City. Of primary importance therefore is an alternative route to the City Center. It is important to remember that the alternative route is not a bypass to the City of Newport. The terrain that the route goes through is very steep in places so the road must follow a circuitous way. The street will also be very steep in places sometimes reaching 15% to 16% grade. This is not conducive to a true bypass. The proposed route is therefore an alternative route to Hwy. 101 for locals.

The TSP does have a plan for that alternative route but no specific route is indicated. The City Engineering Department has commissioned a study however to come up with a more particular route for the route. It has been completed and adopted by the City Council. Development that occurs along that route should provide the necessary right-of-way and, if the proposal involves a land use action, a condition can be attached to actually construct a section of the route.

The TSP also envisions traffic control lights at three locations in the Agate Beach area. All the lights are on Hwy. 101 so new lights will have to meet state approved signal warrants prior to installation. The first is at 73rd St. There is a potential for a considerable amount of

growth in the immediate vicinity because of the industrial zoning. There is also an opportunity to limit access on some other streets and funnel traffic (i.e. those turning left onto Hwy. 101) to the light at 73rd St. The second light is at 60th St. Again there is a potential for a considerable amount of development, especially to the east, and an ability to focus traffic to the light and limit other accesses. Finally there is 52nd St. This is the street that serves the Yaquina Head Outstanding Natural Area that receives 400,000 visitors a year. As with the other signals, this street has a potential to serve a large area. It is also possible that N.E. 52nd St. will extend to the alternative route discussed above. The intersection could therefore become a major one.

A concern raised by the neighborhood was the increased use of some local streets by tourists and surfers for access to the beach. This caused some problems in that local residents were being inundated with cars, people and litter. The problem appears to stem from when the northern entrance to the public parking lot next to Highway 101 was closed when the furniture store was built. A solution of opening that northern entrance has been suggested. The only issue is how to do it. Some proposals were suggested that need further analysis before a definitive plan can be formulated. The intent is to therefore work on the idea and come up with a workable plan.

There are other improvements needed in the Agate Beach area to provide the network needed to adequately satisfy traffic needs. The TSP has a more complete list of some of those improvements.

Bicycle and Pedestrian Ways

People do not need to use their private automobile for in all occasions. Some people cannot use an automobile in any occasion (such as people under 16 and those unable to drive due to age or disability). Those people need an alternative to the automobile. Two alternatives are bicycles and pedestrian ways.

As with cars, the only way to walk or ride a bike to the main part of the City from Agate Beach is on Hwy. 101. That arterial is heavily trafficked so conflicts between the motoring public and the bicycling/walking public are great. There is a wide shoulder on Hwy. 101 so room does exist for both users but it would be better if the biking/walking path were separate. Luckily the Hwy. 101 right-of-way is wide enough to provide for a number of alternative bike/pedestrian paths or trails to serve that segment of the public. One alternative would be to provide a completely separate two-way path on the west side of Hwy. 101 near its western right-of-way line. Another alternative would be to provide a bike lane on the outsides of the traveling lanes and sidewalks outside of that. Of course a third alternative would be to leave the highway the way it is. The preferred improvement is the path separated along the western edge of the Hwy. 101 right-of-way. The City will need to coordinate with the Oregon Department of Transportation on the provision of that facility. It is unknown at this time how the project will be funded.

Other bicycle and pedestrian improvements were identified by the Steering Committee to serve Agate Beach. Those projects are:

1. Widen N.W. and N.E. 52nd St. (access to the Yaquina Head Outstanding Area) to provide a bike lane and sidewalks.
2. Sidewalks and bikeways on N.W. 58th and N.W. Biggs to access the proposed park on N.W. 60th St. Those same improvements should also be made along N.W. 60th St. from Hwy. 101 to Biggs and from N.E. 57th St. along the new road making the connection to N.E. 60th then along N.E. 60th to Hwy. 101.
3. Improving a beach access off of N.W. 58th St. and N.W. 60th St. Large investments should not be made here however because of the instability of the land.
4. Bikeways should be properly signed.
5. The access from North Beach Subdivision to N.W. 68th St. should be improved.
6. All new development should have sidewalks.
7. The alternative north/south route on the east side of Hwy. 101 that connects Agate Beach with Newport proper should have a bicycle path, lane or way.
8. All signalized intersections should have pedestrian crossing and lights.

Mass Transit

Mass transit is covered in the City's TSP. Please refer to that document for further discussion.

Sanitary Sewer, Storm Sewer and Water

The City has prepared master plans for all the utilities controlled by the City. By reference those master plans are incorporated herein. The biggest project is the development of a water storage tank on property owned by the City east of the present terminus of N.E. 71st. That tank is necessary to provide adequate pressure and fire protection especially for property above 180 feet elevation. Currently the City has a number of pump stations that serve those properties. Those pump stations can be phased out once the new tank is built.

Parks

There is a considerable amount of publicly owned land in the Agate Beach area. Most of that land however is land that mostly undevelopable for active park uses so it will generally be used as open space. Some of the public property can be used for access to the beach such as off the end of N.W. 58th and N.W. 60th St. Other land, most notably the Yaquina Head Outstanding Area provides the general population with an exceptional educational and recreational facility especially with the addition of the interpretative center. Again however this is not an area that provides the public with active play areas.

The Agate Beach area does not have any community play fields, play equipment or courts. That will change however in the summer of 1996. The City's Parks and Recreation Department has the funds to build a small neighborhood park on the City owned property at the corner of N.W. 60th St. and N.W. Biggs St. The park has also been designed. The design work was done by a group of citizens from the neighborhood in a number of workshops conducted by the Parks and Recreation Department. The plan includes some play fields, a tennis/basketball court, benches, picnic tables and a restroom.

Other park land is needed in the Agate Beach neighborhood. One possible site is the land owned by the City and scheduled for the new water storage tank. There is enough room for both uses but there is currently a very deep, water filled decommissioned rock quarry on a large portion of the property. That quarry would have to be filled and leveled in order to construct any park facilities. That project has been discussed but no formal plans have been formulated. That option should be looked at further.

New Development

As can be seen in the first part of this document, the Agate Beach area is characterized by a number of environmental constraints such as geologically unstable land, wetlands, steep sided canyons and floodplains. Those constraints must be considered when a development, be it small or large, is proposed. Of course, the larger the development the more likely there will be more constraints present. And some small developments will have no concerns at all. The goal is to identify the constraints prior to approval for land development and incorporate sensitive land into the development rather than force development into the sensitive land.

New development should also fit in with the character of the neighborhood in which is being located. Care should be taken to blend building facades, lighting, signing, streets, sidewalks and other physical attributes into the site and take into consideration the development next door. This is especially true of commercial and industrial development.

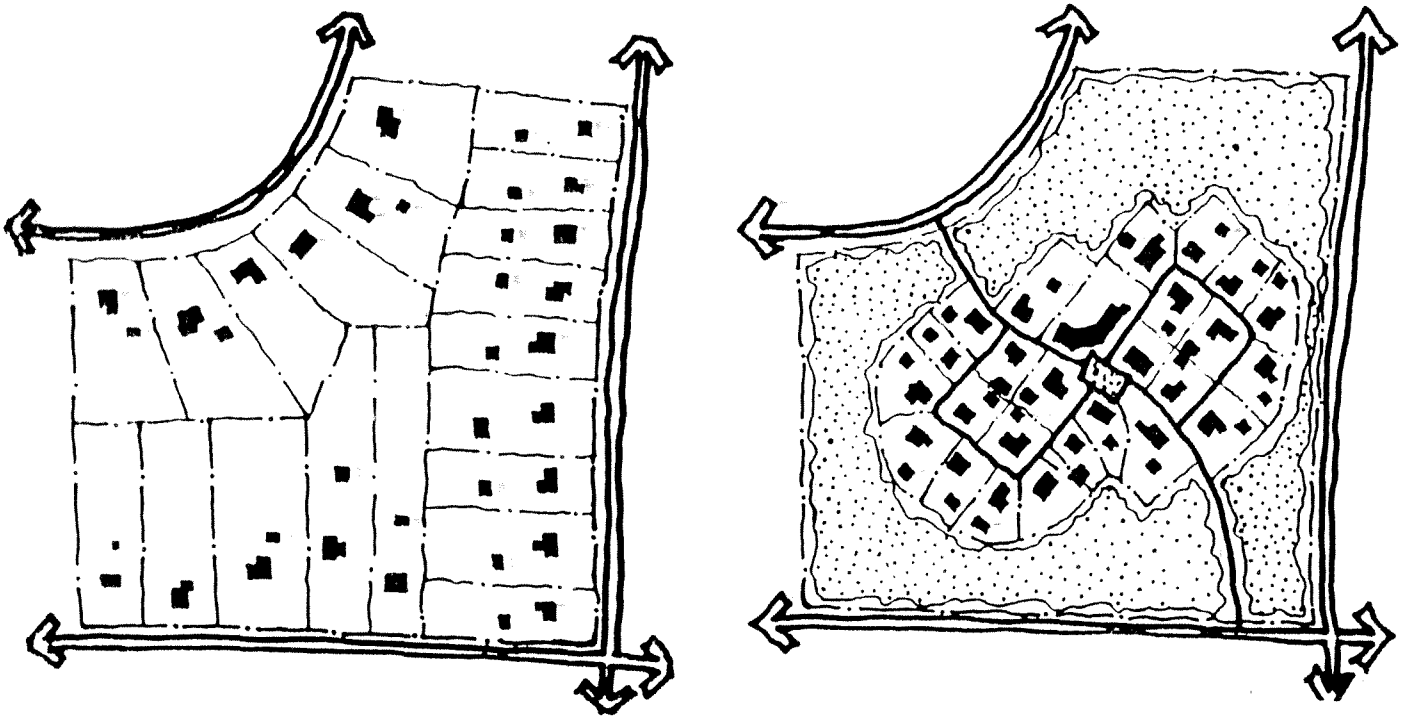
Residential development

New housing development can be a single house on a single lot, a 100-lot subdivision or a four unit apartment complex. It is difficult to anticipate how and when residential property will develop especially considering that the residentially zoned property has the most physical

constraints. Those constraints must be considered in the design of a project however to assure that new housing is safe and aesthetically pleasing.

New development should therefore follow a process that first identifies physical limitations. After the limits have been defined, then the net developable area can be defined. Development should be limited to that area. However, one cannot just subtract the difficult land and use the available land as if it were the gross acreage. For example, if a one acre tract is limited to ten units per acre but, because of physical problems, the developable portion of the property is only one-half acre. This should not mean that the remaining one-half acre should only be allowed five units. The overall density should remain as close to the allowable density as possible to reduce costs per unit and urban sprawl. Consequently, the one-half acre should still be allowed the ten units. The actual design of the units should take the reduced area into consideration so that things such as privacy, light and air are incorporated into the design even though the apparent density is twice as high. Examples of how this can be done are illustrated in Figure 4.

Figure 4



Housing development should also integrate the general transportation systems, sewer, water and other infrastructure outlined in the City's Transportation System Plan (TSP), Master

Sewer Plan, Master Water Plan and other master plans adopted by the City. Items such as streets, sidewalks, bicycle ways, and sewer and water lines should be incorporated into the design of subdivisions and planned developments. Since the various master plans do not specifically identify routes for the respective facility, it is not the intent to know exactly where those facilities will go, however those facilities should follow the routes outlined in the plans as closely as possible. It shall be the responsibility of the applicant of a development to demonstrate that a planned public facility has been accommodated.

Commercial and Industrial Development

As with housing, new commercial and industrial development should analyze a site prior to development to ascertain the physical limits present on the site. Also as with the housing, the developer can transfer as much development rights as possible to the net area for development.

The main issue regarding commercial and industrial development is appearance. Because commercial and industrial development tend to locate along major thoroughfares they are often the first and only contact visitors have with the City. This first impression can be positive or negative based largely on the aesthetic quality of the development. A positive first impression can mean positive results for the City especially since Newport relies so heavily on the tourist industry. It is therefore important that new development consider aesthetic quality as well in the design phase.

Broad urban design principles should ensure that development is well designed and either complements or enhances the surrounding environment. In considering development the City should assess the scale, density, height, massing, and layout used in development to ensure good quality design.

Scale can be used to demonstrate importance and achieve harmony or variety. For example, people tend to have a protective attitude toward small objects and be in awe of large scale ones. Building height is important. If for example, a building is too high a feeling of oppression may result. If it is too low, a feeling of exposure or insecurity may develop. The physical bulk or mass of a building, together with routes and spaces and the way these relate to each other are also important considerations of design. Color can be used to create patterns and produce variety, contrast or harmony. Materials can be used to create differences in texture, color and pattern.

Signing, landscaping and the orientation of buildings can also give a sense of place and improve the aesthetic quality of an area. Buildings should be presented to the public rather than parking lots. Signs should not dominate the streetscape. Signs should be geared to the audience they are trying to attract rather than compete with signs next door. Landscaping should be used to present a pleasing frontage and in parking lots to breakup large areas of asphalt.

Conclusion

The Agate Beach Neighborhood is a dynamic area that will experience considerable change over the next few years. Change will happen and it is important that that change will be an asset to the neighborhood and community as a whole. It is not the intent to limit growth but it is the goal to guide growth so that the future functioning and appearance of Agate Beach will be better.

To accomplish that end, people need to consider the special qualities that characterize Agate Beach. There are many areas that are simply too steep, unstable or important to have any development. Other areas are well suited for construction and they should be encouraged to do so. It is very important that developers, home builders and City departments understand the advantages as well as the limitations that Agate Beach has to offer. It is not acceptable to simply ignore those issues.

Goals and Policies

Goal 1: To foster a sustainable urban living environment and to seek the maintenance and improvement of the character of the neighborhood for its people.

Policy 1: The Agate Beach neighborhood is characterized by a number of natural constraints to development. These include coastal erosion, landslide areas, wetlands and oversteepened topography. New development needs to consider those natural constraints in the planning of projects.

Policy 2: Where feasible, development may transfer development rights that are not constrained by natural or artificial limitations.

Goal 2: The built environment will consider their compatibility with the neighborhood and strive to improve it.

Policy 1: New development should consider aesthetics in their plans. Site layout, landscaping and signing should complement the neighborhood.

Policy 2: New development, i.e. commercial and industrial development, should not be defined by their parking lot. Buildings and landscaping should be the primary presentation to the street, where possible.

Policy 3: A system of incentives to encourage these goals and policies should be investigated.

Goal 3: Further the various infrastructure plans developed and adopted by the City by requiring developers to comply to the greatest extent possible with those plans.

Policy 1: Development approval shall be contingent upon compliance with adopted infrastructure plans including sewer, water, storm drainage and streets.

Policy 2: Developers who wish to not comply with the plans or wish to provide a design that is different than but still implements the adopted plan may do so only if a finding is made that the overall system plan will not be compromised. It shall be the burden of the developer to demonstrate such a finding.

Appendix A

Issues by Category

Agate Beach Neighborhood Meeting

Transportation:

1. Street improvements including paving, storm drains, sidewalks and lighting
2. Traffic control, i.e. on Hwy. 101
3. Hwy. 101 maintenance
4. Right-of-way boundaries
5. Turning lanes at Hwy. 101 and 73rd St.
6. Bikeways, i.e. on Hwy. 101
7. Speed control on Hwy. 101
8. Impacts of Hwy. 101 improvements on the neighborhood
9. N.E. 54th St. and Hwy. 101 intersection
10. Entrance to the theater
11. Pedestrian ways
12. R. V. park access onto N.W. 60th St.

Livability/Environment:

1. Parks
2. Geology, i.e. the oceanfront
3. Crime/police protection
4. Aesthetics/design concerns
5. Vegetation/landscaping concerns
6. Fire/station/fire protection
7. Spraying
8. Beach access/parking/litter/restrooms
9. Scenic resources
10. Goal 5 resources

Political:

1. Cost
2. Conflicts between land users
3. Property rights
4. Allocation of costs/who pays?
5. Equity
6. Taxes
7. How, what, where, who on implementation of the plan

Zoning:

1. Residential density
2. Zoning
3. Residential vs. Commercial development
4. Overuse of conditional use to get more commercial

Miscellaneous:

1. Better cooperation between City and state agencies, i.e. ODOT
2. Coordination with BLM plans
3. Warning system for natural disasters

Appendix B

Geologic Hazard Maps Agate Beach Neighborhood

EXPLANATION OF MAP UNITS




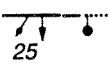





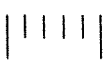



Mass Movement Hazards

PHs	Prehistoric complex landslide
PHb	Prehistoric slide block or slump
PH	Prehistoric rock or soil flow
PAIs	Potentially active complex landslide
PAb	Potentially active slide block or slump
Als	Active complex landslide
Ab	Active slide block or slump

Shoreline Geology

Fill	Artificial fill
Qal	Alluvium
S	Vegetated dune sand
S + Qal	Dune-covered alluvium
Qc	Colluvium
Qmt	Marine terrace deposits
Tmcf	Cape Foulweather Basalt
Tmwc	Sandstone of Whale Cove
Tmdb	Depoe Bay Basalt
Tma	Astoria Formation
Tmn	Nye Mudstone
Toym	Yaquina Formation (mudstone)
Toys	Yaquina Formation (sandstone)
Tech	Basalt of Cascade Head
Ten	Nestucca Formation
Tib	Intrusive basalt

MAP SYMBOLS

-  Contact -- Approximately located contact between formations or areas of differing type or age of mass movement
-  Contact between areas of mass movement and other areas -- Approximately located. Outlines a general area of mass movement of one or several ages and types
-  Zone of particularly active landslides and slide blocks -- Area vulnerable to episodic loss of large amounts (>40 feet) of headwall in back of landslides or slide blocks
-  Fault zones -- Arrow showing dip; bar and ball on downthrown side; dashed where approximate; dotted where concealed; diamond-headed arrow showing rake; vertical offset of marine terrace in feet in parentheses
-  Boundary of slide block within larger slide block -- Approximately located; bar and square on downthrown side
-  Rock fall hazard -- Areas of major rock fall hazard at high-use beaches
-  (Qmt) Rock unit label within a prehistoric slide block or slump -- Parentheses differentiate formation labels within a prehistoric slide block from the mass movement label PHb
-  [Toys] Rock unit label for unit making up less than 3 ft of the sea cliff -- Brackets are utilized to indicate that the rock unit has little control on sea cliff erosion
-  ? Uncertainty -- Question mark used to indicate uncertainty about a mass movement label because the area was examined only by aerial photo analysis or had ambiguous field information
-  Erosion rate transects -- Points where shoreline erosion rates were examined for entry into the database of Open-File Report O-94-11; spacing on straight shorelines is about 150 feet; every tenth is labeled for reference to the database.
-  0.0 to -0.6 ft/yr (-0.3) Generalized erosion rates -- Feet per year of erosion (negative sign = erosion); mean is in parentheses; range separated by a small arrow; applicable to the shoreline segment marked by the arrows perpendicular to the shoreline.
-  Shoreline protection structures -- Sea walls or riprap
-  25 / Strike and dip of bedding

* Oregon Department of Geology and Mineral Industries Open-File Report O-94-11 should be utilized with this map to provide detailed information on the hazard mapping techniques and appropriate use of the information. Data fields summarizing erosion rates, geologic data, and mass movement hazards at each transect are listed in a digital database included with Open-File Report O-94-11.

Erosion rates estimated from data in Open-File Report O-94-11

Mapping of geology and mass movement hazards by George R. Priest, Oregon Department of Geology and Mineral Industries

Reviewed by P.D. Komar and J.W. Good, Oregon State University; J.J. Marra, Shoreland Solutions; E. Toby, Oregon Department of Land Conservation and Development

Field work conducted 1991 through 1993

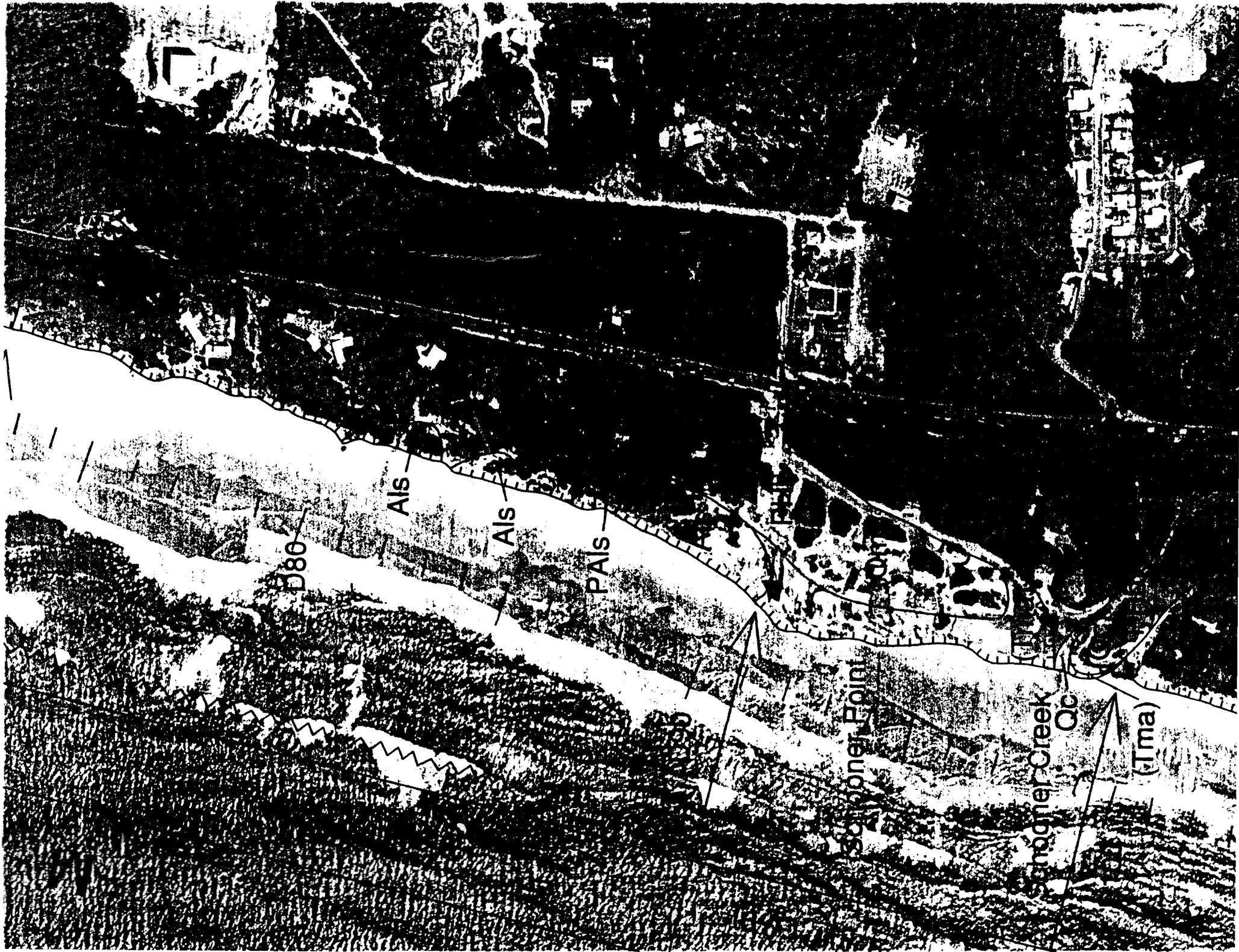
Cartography by Mark Neuhaus

Scale 1:4800

Horizontal datum: 1983 North American Datum

Base map is a 1993 orthophotograph; photography was produced from a positionally controlled flight in the late summer of 1993; the flight was conducted by Spencer B. Gross, Inc. in cooperation with Bergman Photographic Services, both of Portland, Oregon.

This study was supported by the Oregon Department of Geology and Mineral Industries, Federal Emergency Management Agency Cooperative Agreement EMW-91-K-3578, and the Oregon Department of Land Conservation and Development utilizing support by the Coastal Zone Management 309 Program of the National Oceanographic and Atmospheric Administration.



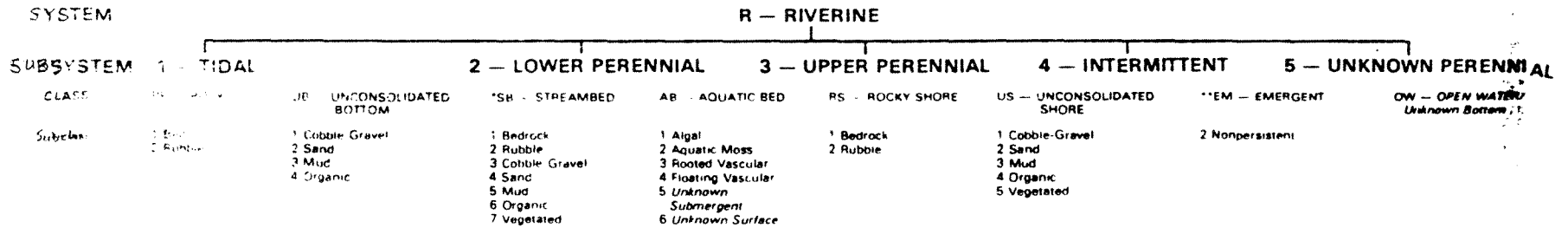
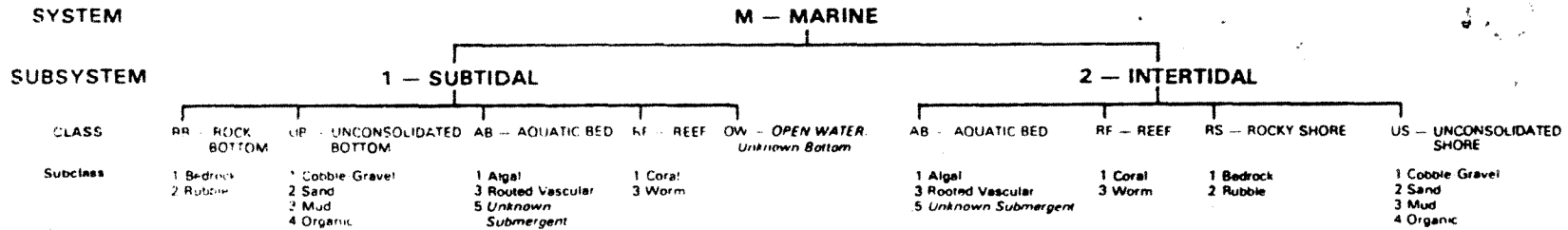
Chronic Geologic Hazard Map of the ~~MUGUAC~~ Coastal Lincoln County, Or

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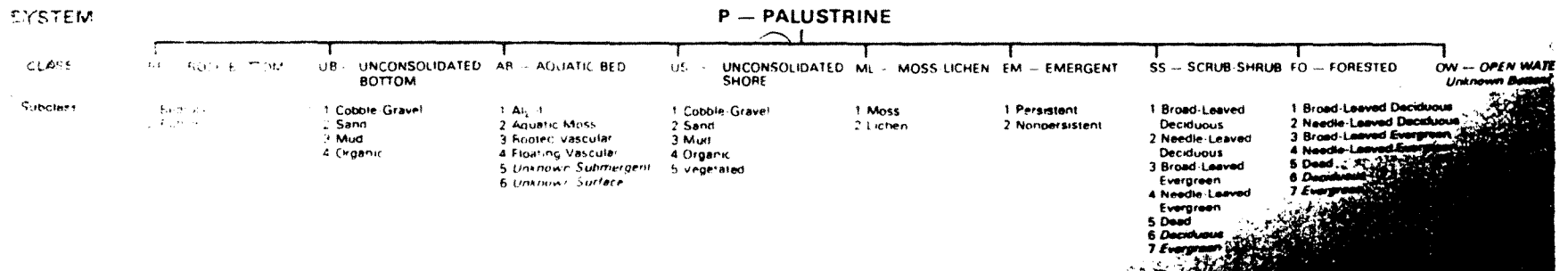


Appendix C

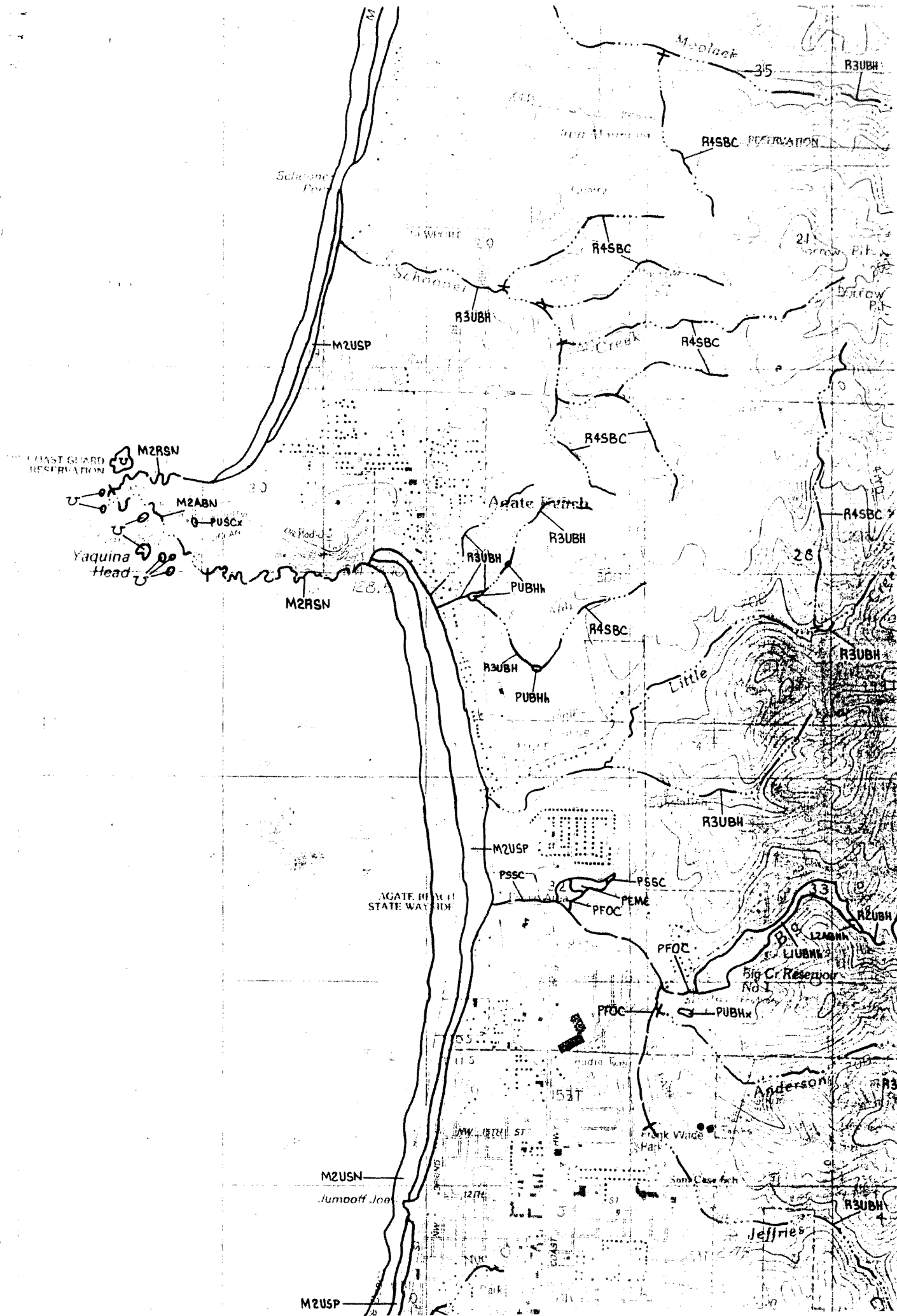
National Wetland Inventory Maps for the Agate Beach Neighborhood



STREAMBED is limited to TIDAL and INTERMITTENT SUBSYSTEMS and comprises the only CLASS in the INTERMITTENT SUBSYSTEM
 EMERGENT is limited to TIDAL and LOWER PERENNIAL SUBSYSTEMS. The remaining CLASSES are found in all SUBSYSTEMS

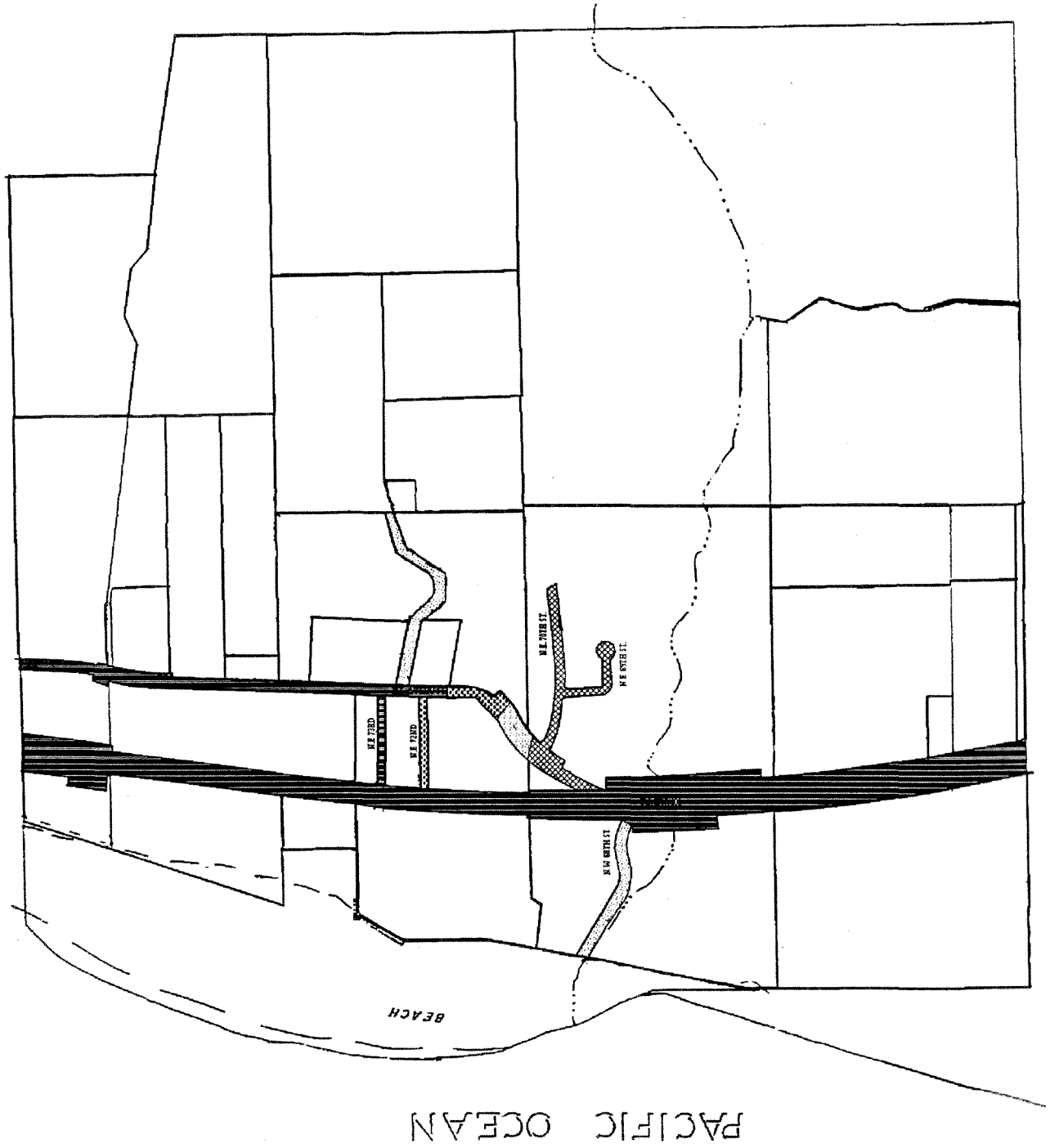
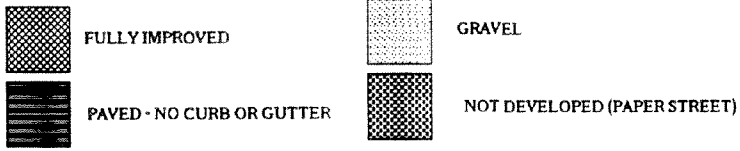






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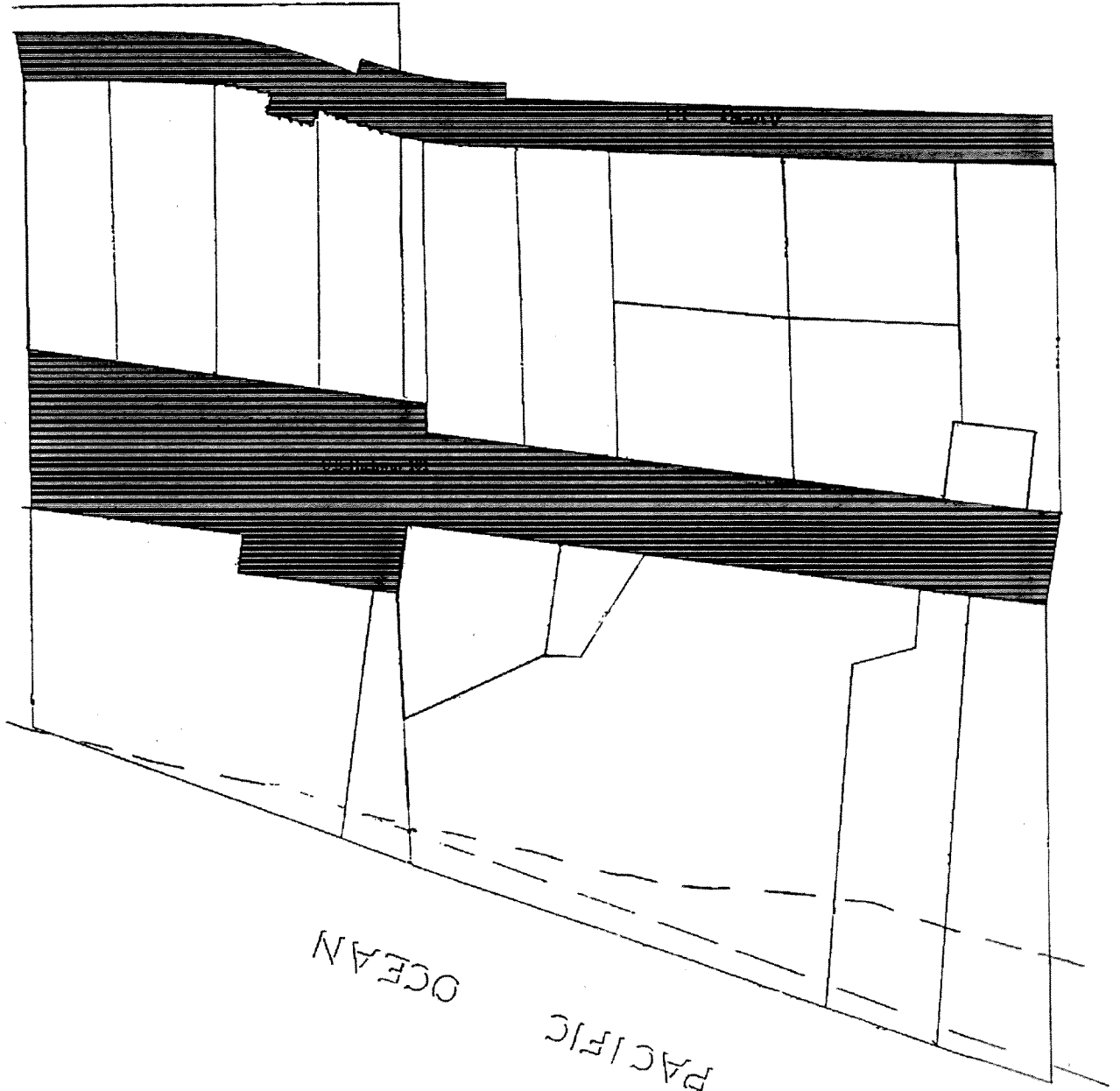


Appendix D






Street Inventory Agate Beach Neighborhood

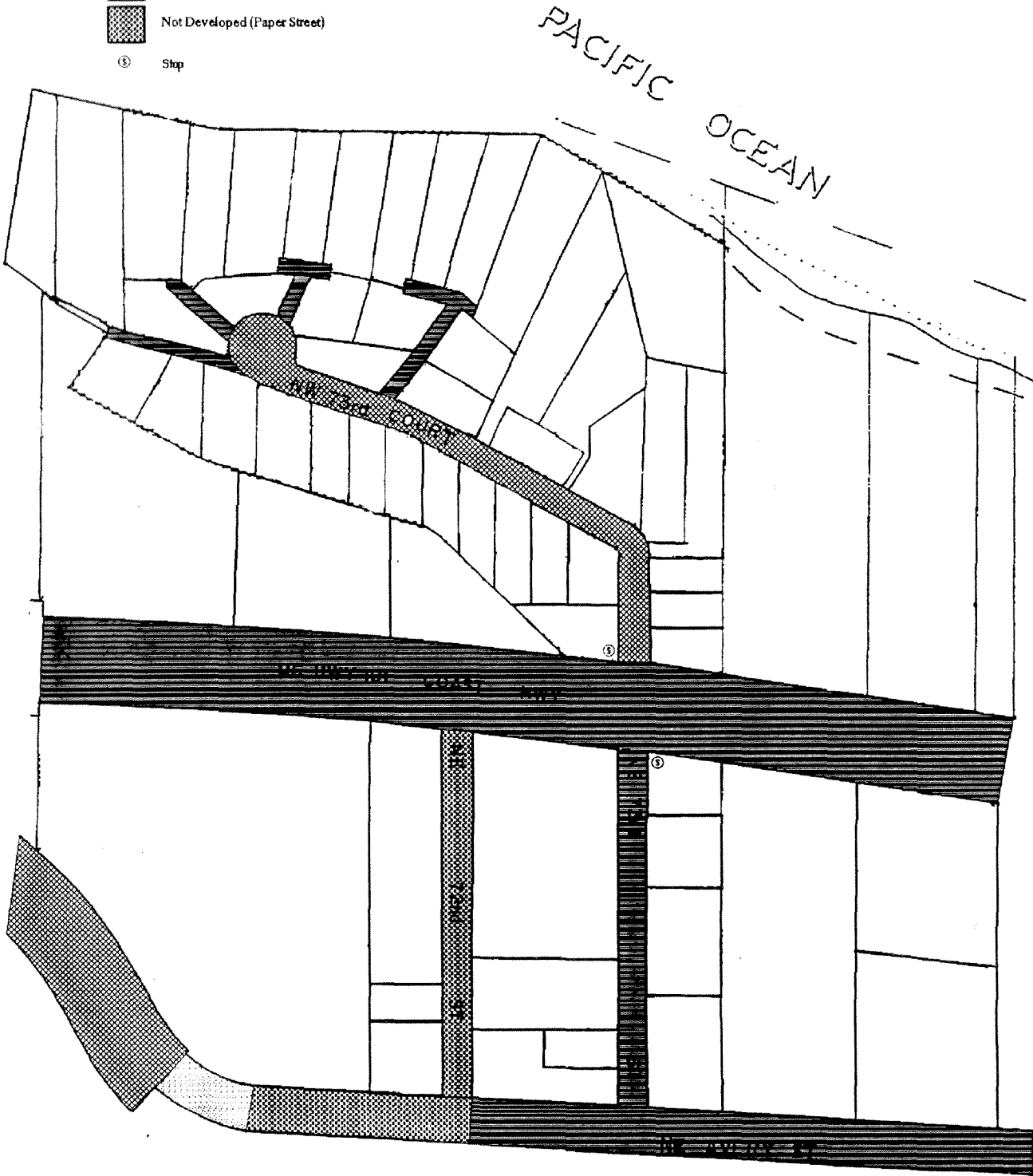


-  Fully Improved
-  Paved - No curb or Gutter
-  Gravel
-  Not Developed (Paper Street)

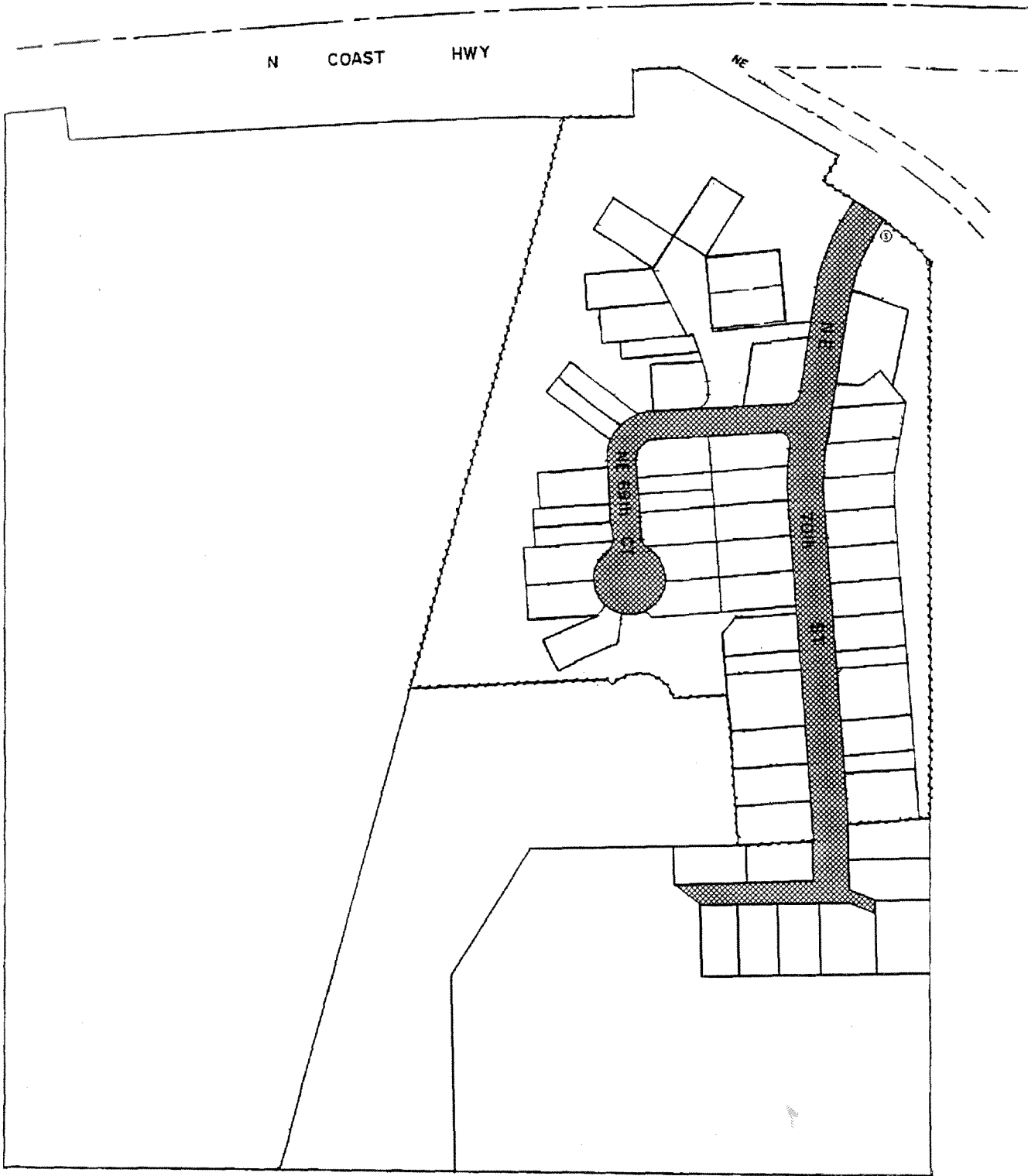






10-11-208C

-  Fully Improved
-  Paved - No Curb or Gutter
-  Gravel
-  Not Developed (Paper Street)
-  Skip








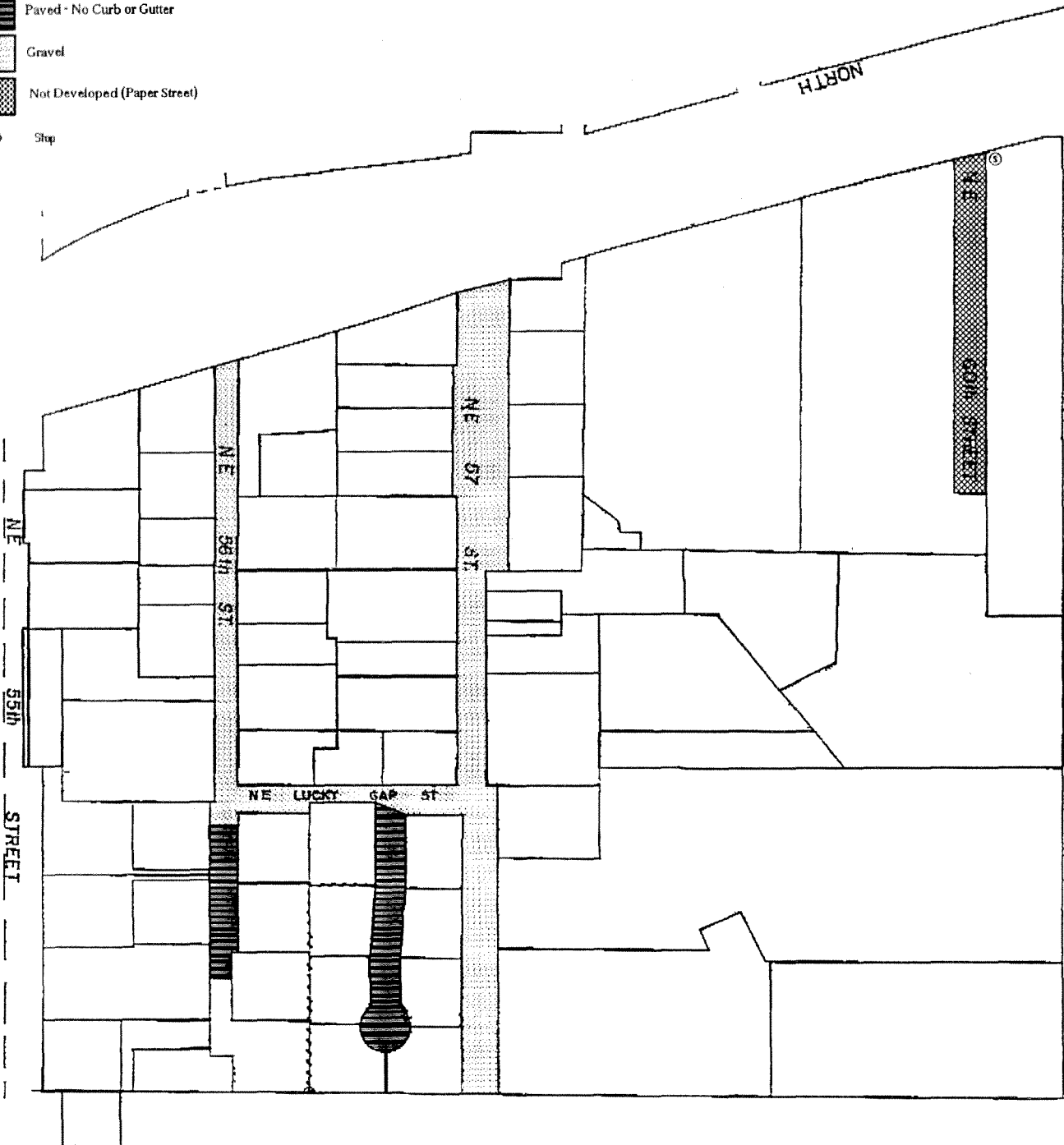
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-  Fully Improved
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-  Not Developed (Paper Street)






Ⓢ Stop

-  Fully Improved
-  Paved - No Curb or Gutter
-  Gravel
-  Not Developed (Paper Street)
-  Stop

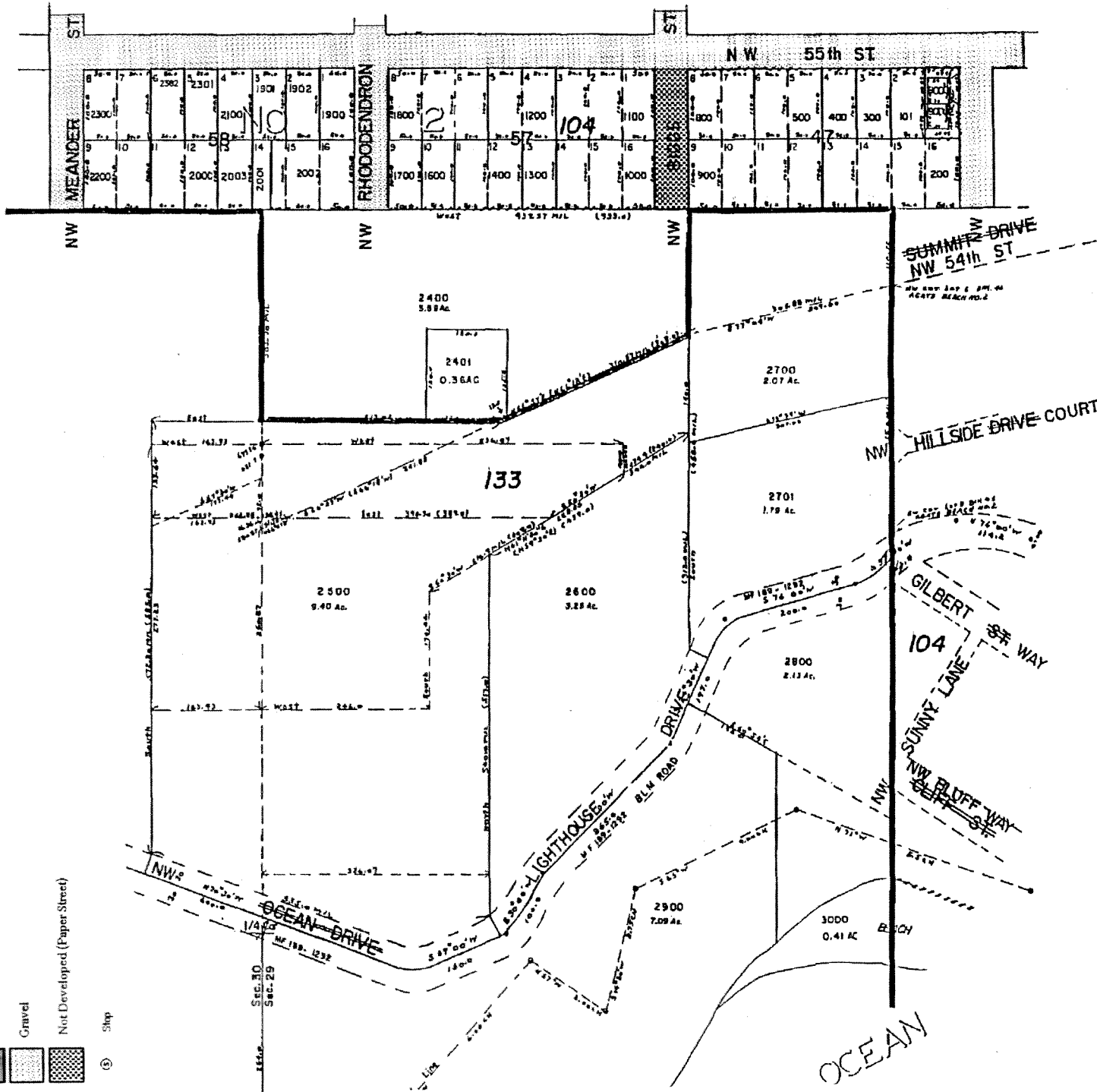


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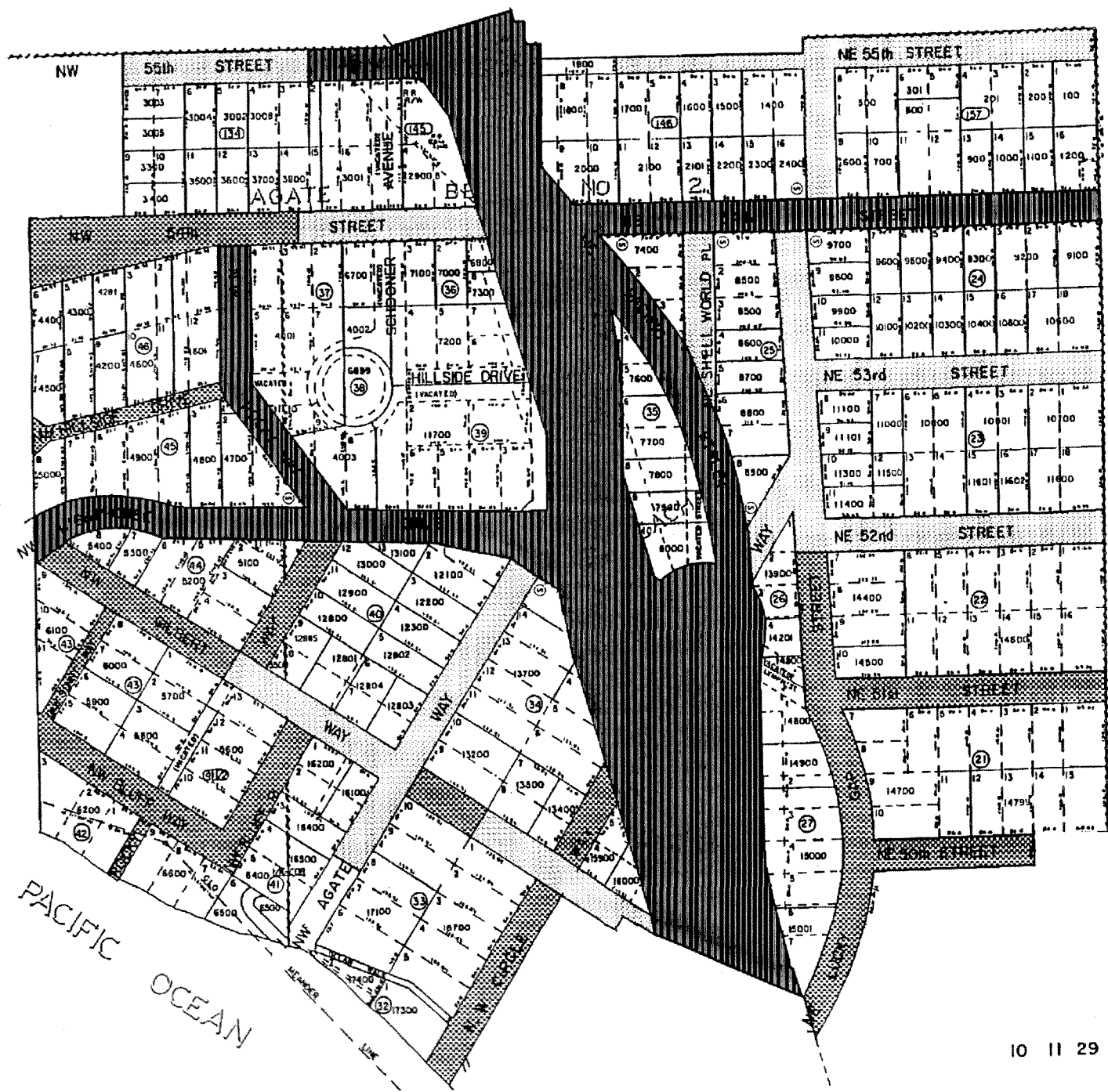
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-  Fully Improved
-  Paved - No Curb or Gutter
-  Gravel
-  Not Developed (Paper Street)
-  Stop











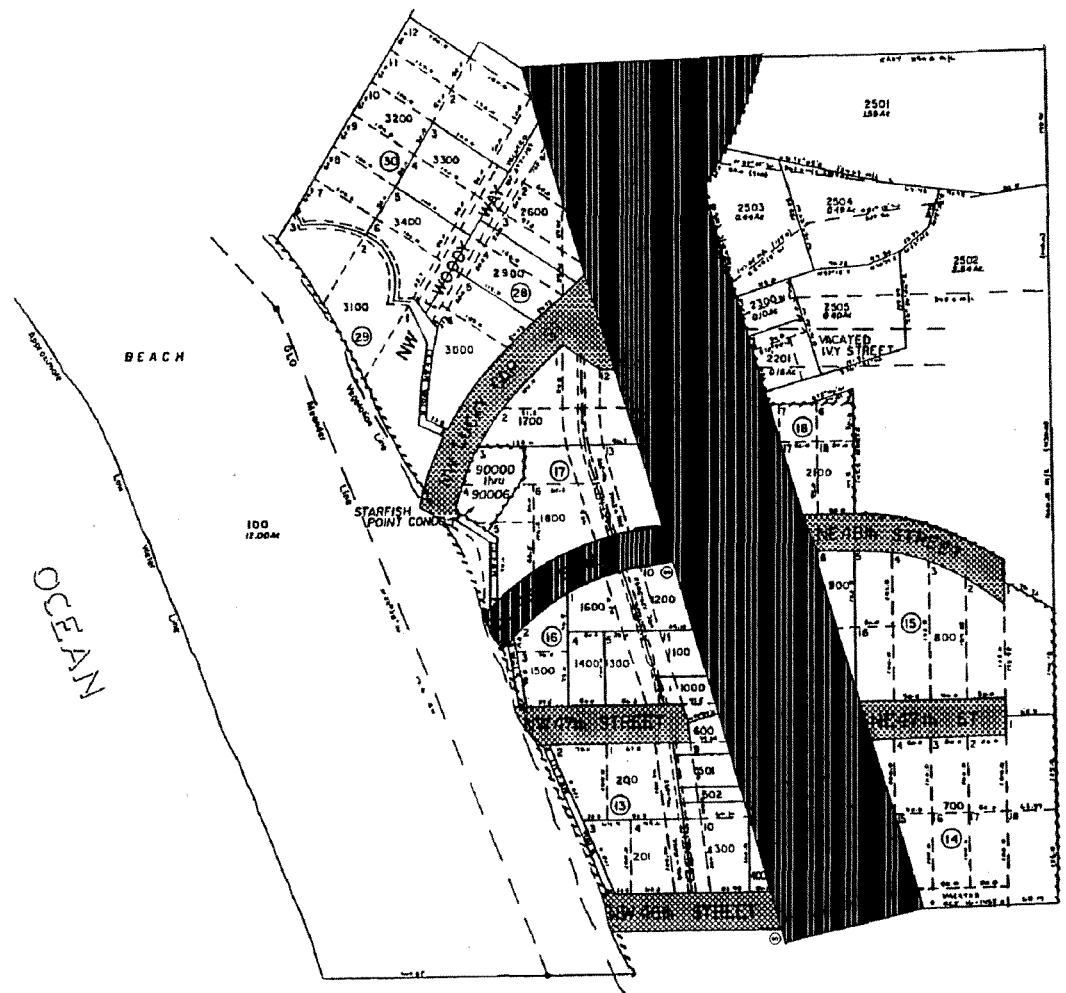
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






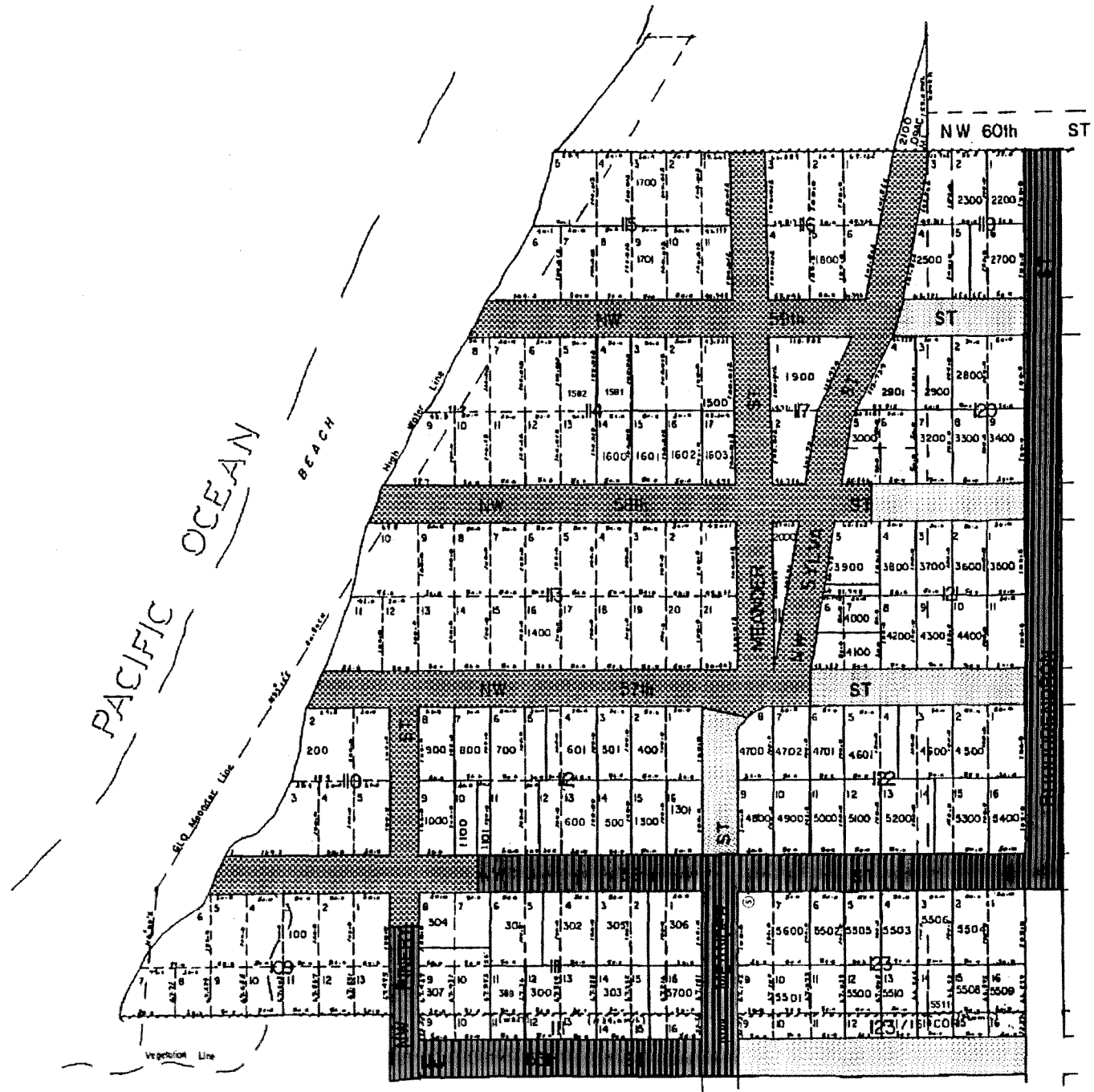
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- ④ Not Developed (Paper Street)
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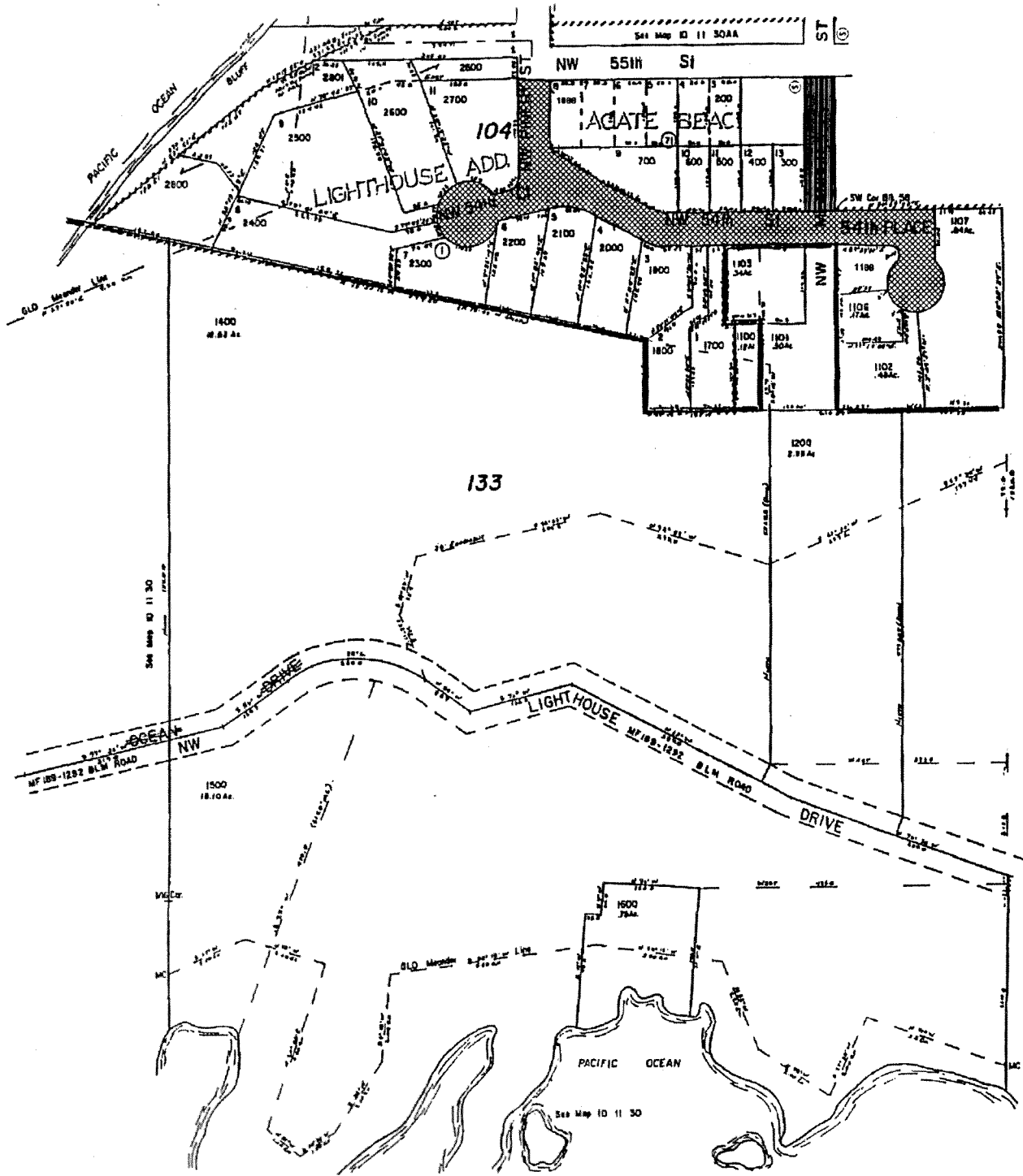
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- ① Strip
- Fully Improved
- Paved - No Curb or Gutter
- Gravel
- Not Developed (Paper Street)

Bay Front Plan*

July 1, 1998

Prepared by

Department of Planning & Community Development
City of Newport
810 S.W. Alder St.
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*Added by Ordinance No. 1811 (7-6-99)

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Vision Statement

The Newport Bay Front has historically been a mix of tourist and fishing related industries. Fish plants, fishing boats, support services, restaurants and gift shops have shared the geographically limited area for over a century. Because of those different users, conflicts are bound to occur. It is important to remember however, that all the different functions are important to the overall well being of the economic, physical and cultural health of the Bay Front. The intent of this plan is to therefore preserve that historic mix, enhance the interrelationships between those uses and ensure that new development or redevelopment preserves the overall integrity of the Bay Front.

As such, the vision of the Bay Front is to foster a mix of uses that enhances the historic and cultural character. New development should be of high quality and should "fit" into the overall design and function of other uses. The local economy should be preserved by developing and encouraging a multi-use area. Transportation and circulation systems should be developed and sized to accommodate a reasonable amount of activity. However, because of the cyclical nature of the use of the Bay Front, all problems cannot be solved. Alternative modes of transportation such as transit, bicycling and walking should be explored as alternatives to other, more expensive transportation systems such as streets and parking lots. Overall, the Bay Front should be an area that provides a number of different uses and experiences for a number of different users.

Introduction

The Bay Front Plan

Located on the banks of the Yaquina Bay, the Bay Front offers a number of different environments for residents and visitors. Fishing, fish processing, retail, residential and tourist related uses all call the Bay Front home. A mixture of uses therefore typifies the development of the properties along Bay Boulevard.

The Bay Front was also one of the first areas on the Oregon Coast settled by Europeans. Much of that historic character still exists and has been enhanced by some new development. However, some development has not added to the attractiveness and historical nature of the Bay Front and detracts from the overall cohesiveness.

The Bay Front also experiences periods of intense activity (usually during the summer months) and periods of relative inactivity. During the active times, parking becomes a premium with many people and users competing for the limited number of spaces. Conversely, the inactive season experiences few problems with parking so people have little trouble parking relatively close to where they want to go but businesses struggle for lack of customers.

The Bay Front, a subarea of the City of Newport, lays on the north side of Yaquina Bay roughly between the Yaquina Bay Bridge and up to and including the Embarcadero Resort. It is an area that has historically been an active and integral part of the City and Lincoln County. Home to one of the largest fishing and fish processing industries on the West Coast, the Bay Front is also characterized by a strong tourist and residential sector. To provide a framework for the management of change and the promotion of growth, the City is preparing the Bay Front neighborhood plan to guide future development and redevelopment.

Purpose

The Bay Front is an exciting and important area with many opportunities and challenges. As such, the Bay Front Plan will provide a framework in which development and redevelopment will be guided so as to achieve the objectives outlined in the plan. The Plan's main concerns are with land use changes, the physical, economic, social and cultural integration of the multiple uses and the preservation of the historic character.

Plan Process

The Plan preparation started in 1996 with a general neighborhood meeting of residents, business owners, property owners and anyone else who was interested in the future of the Bay Front. The purpose of the meeting was to solicit issues from people regarding the future of the Bay Front. From the conversation with the community, a number of issues were raised that people believe faced the study area. A complete list of those issues are contained in Appendix A. That list is merely a listing of the issues raised and is in no particular order.

From the general meeting, seven people volunteered to serve on an advisory committee on the development of this plan. They met on a monthly basis and discussed the issues raised and solutions to the issues considered important enough to be included in a general planning document. They also reviewed the draft plan, goals and policies.

Once the draft plan was reviewed and approved by the advisory committee, another general meeting was held to seek further input. From the comments received, the draft was refined and placed on the docket of the Planning Commission for review and recommendation to the City Council. A public hearing was held at the Planning Commission so people would have another opportunity for comment. After the Planning Commission, the Plan was placed on the agenda for the City Council for yet another public hearing and more opportunity for review and comment. After final review by the Council and amendment, the Plan was adopted by the City Council as a part of the City's overall Comprehensive Plan thus becoming the official guiding document for the subarea known as the Bay Front.

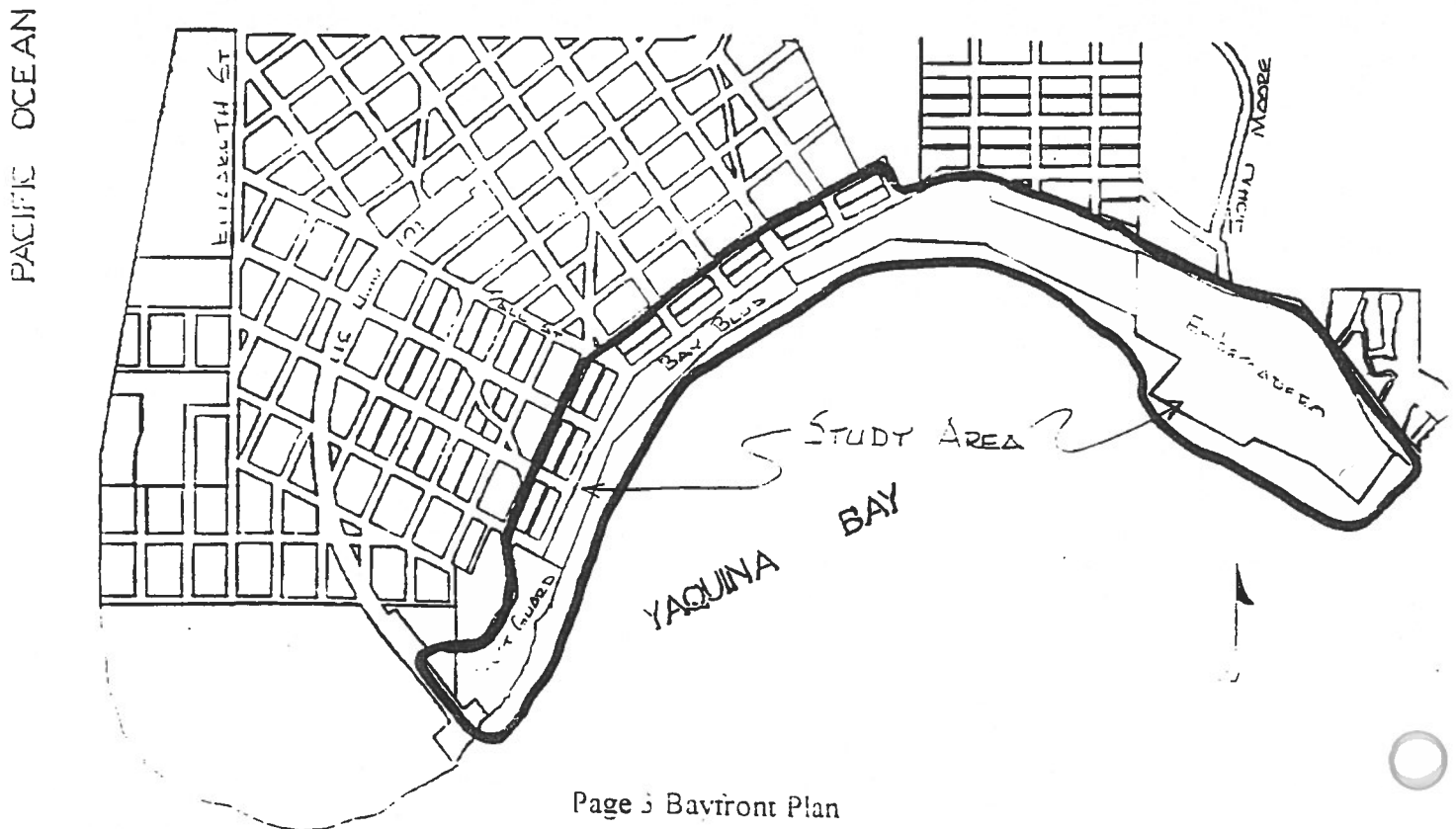
Existing Conditions

Physical Description

The Bay Front is defined as that area between the Yaquina Bay Bridge up to and including the Embarcadero Resort, and between Yaquina Bay and one lot deep landward off of Bay Boulevard (see Figure 1). The area is characterized by a narrow strip of development that parallels the Bay and Bay Boulevard. Inland behind the first row of lots, the land rises sharply from an elevation of about 13 feet to 125 feet above mean sea level. The bluff is very steep in places and is generally covered with vegetation although some areas are so steep that vegetation cannot grow.

Because the strip of flat land is very narrow along the Bay, many of the buildings on the water side of Bay Boulevard, especially south of Hatfield Drive, are built on pilings. Further east, fill has been added to the Bay to create more flat land. Additional fill and pilings to any great extent is highly unlikely so the amount of buildable area available today is most likely the most that will be available in the foreseeable future.

Figure 1



Page 3 Bayfront Plan

Geology

The Bay Front Neighborhood is characterized by a substrate of the Nye Mudstone formation along the bottom of the slopes. This formation is described as a massive to indistinctly bedded, gray, clayey siltstone and very fine-grained sandstone; it contains sandstone interbeds near the base and calcareous concretions in places. Overlaying the Nye mudstone and making up the slopes off the Bay Front, are marine terrace deposits. These deposits are up to 75 feet of semi-consolidated uplifted beach sand overlain locally by fine-grained dune deposits. Lenses of gravel are present in places.¹

The Nye Mudstone unit is highly unstable where beds are inclined in the same direction as slope. Although the marine terrace deposits are semi-consolidated and fairly stable, the occasional incompetent layers of fine-grained soils, organic soils, and peat in the subsurface can cause stability problems. If these materials are within the sphere of load influence, they will settle unpredictably. The foundation characteristics of these soils can be determined only by drilling and soil testing. Landslides are common where the bedrock underlying the marine terrace deposits is composed of soft sedimentary layers that dip 15 degrees or more toward the bay. Construction on the terraces should be located where erosion and landsliding will not endanger the buildings within the time frame of their planned purpose. The removal of vegetation in preparing the ground for a multi-unit development should be followed immediately by construction; otherwise, erosion and water saturation could produce excessive runoff along the cliff areas and induce slope instability and accelerate erosion.²

There is mounting evidence that the Pacific Northwest is periodically subject to massive subduction zone earthquakes. A subduction zone is where two crustal plates meet and one is pushed below the other. Usually these occur where an oceanic and a continental plate meet. Typically, where the two plates meet, the subducting plate gets locked into place causing the continental plate above it to bulge upward. When the strain becomes too great, the two plates abruptly shift causing an earthquake and a downward movement of the continental plate.

Earthquakes of this type can be very strong with estimates as high as 9.0 on the modified Richter scale. The area affected by the earthquake can also cover over 600 miles in length up and down the Pacific coast line and be destructive for over 100 miles inland. It has been predicted by some that the odds of such an earthquake occurring on the Oregon Coast is 20% over the next 50 years.²

Accompanying all earthquakes that happen under the ocean are tsunamis (commonly called tidal waves although they have nothing to do with tides). Therefore if a strong earthquake

¹Environmental Geology of Lincoln County, Oregon prepared by the State of Oregon Department of Geology and Mineral Industries, 1973.

²Ibid.

were to occur just off the coast, a tsunami would surely follow, probably in a very short time. However, tsunamis can also be generated from remote places such as Japan or Alaska. These tsunamis can also cause damage and endanger lives, but the warning time is usually a long enough time to warn people.

Wetlands

No detailed wetland delineation studies have been done for the Bay Front Neighborhood. However, there is a more general map that was prepared by the Fish and Wildlife Service of the U.S. Department of the Interior. The National Wetland Inventory maps were prepared primarily by stereoscopic analysis of high altitude aerial photographs. Wetlands were identified on the photographs based on vegetation, visible hydrology, and geography in accordance with the Classification of Wetlands and Deep water habitats of the United States. The aerial photographs typically reflect conditions during the specific year and season when they were taken. In addition, there is a margin of error inherent in the use of the aerial photographs. Thus, a detailed on the ground and historical analysis of a single site may result in a revision of the wetland boundaries established through photographic interpretation. In addition, some small wetlands and those obscured by dense forest cover may not be included on the maps.

With that in mind, the only wetlands identified in the study area are Yaquina Bay and two intermittent streams located at roughly Eads Street and the other at roughly the Embarcadero. Both streams extend a short distance up the hill. There are no names for either stream.

Yaquina Bay has been identified as an estuarine subtidal environment with an unconsolidated bottom. The two streams are a riverine intermittent environment with a streambed that is seasonally flooded.

Other Goal 5 Resources

Goal 5 refers to the Land Conservation and Development Commission's Statewide Planning Goals. The title of the Goal is open spaces, scenic and historic areas, and natural resources. In the preparation of comprehensive plans, planning bodies are required to address the resources enumerated in the Goal. Those resources are open space, mineral and aggregate resources, energy sources, fish and wildlife areas and habitats, ecologically and scientifically significant natural areas, outstanding scenic views and sites, water areas, wetlands, watersheds and groundwater resources, wilderness areas, historic areas, sites, structures and objects, cultural areas, potential and approved Oregon recreation trails, and potential and approved federal wild and scenic waterways and state scenic waterways.

Historic Resources

The area between the Yaquina Bay bridge and the Embarcadero has been specified in the adopted Comprehensive Plan as a potential historic area. More specifically, Policy 5 under the Historic section in the Plan states:

"Policy 5: The Bay Front and the Nye Beach areas will be considered for historic district status. The Goal 5 analysis and possible ordinance development will be completed by the next regularly scheduled periodic review."

In addition to the general historic status, there are five historic and cultural sites on the Bay Front. The first is the Yaquina Bay bridge. Completed in 1936 after two years of construction, the bridge replaced the Yaquina Bay Ferry and was a key portion of the coast highway system. The bridge led to development of the business district along Highway 101 in Newport, dramatically increasing tourism on the Oregon Coast. The Oregon Coastal Zone Management Association (OCZMA) has categorized the bridge as having importance to the state. The Newport Transportation System Plan also identifies the importance of the bridge and, if necessary to expand the bridge, it should be in the same corridor and preserve the bridge silhouette by locating on the west side.

The second site is the Ocean House Hotel Site and the U.S. Coast Guard Station. The Ocean House Hotel was built in 1866-67 by James R. Bayley and Samuel Case. Case, the proprietor, came to the area as an infantryman to serve at the Siletz Reservation. The present U.S. Coast Guard Station is located on the Ocean House Hotel Site and was built in about 1935. The OCZMA has listed the site as having historical importance to the county. A Lincoln County Historical Society marker identifies the Ocean House site.

The third site is the Abbey Hotel/Bayview Hotel site. Peter Morton Abbey was one of Newport's pioneer settlers in 1867. He built the Bayview Hotel in 1871 on the waterfront and moved it back against the hill in 1911. The hotel was torn down in 1935. The Abbey Hotel, built in 1911 at 704 S.W. Bay Boulevard, operated until it was burned in 1964. It was a three-story wooden building with 45 rooms. George Bahr, the owner in 1964, replaced the hotel with a restaurant-bar called "The Abbey," which was subsequently torn down for a parking lot in 1986. The OCZMA has recognized the site as having historic importance.

The fourth site is the two and one-half story wooden structure at 618 S.W. Bay Boulevard known as the Grand. It is one of the oldest structures, if not the oldest, on the Newport waterfront. It was built in 1886 as an Oddfellows or Masonic Lodge in Olsonville (about a half a mile up the bay from its present location) and was established as a boarding house. It is now known as "Circa 1996," a gift shop.

The final site is the Scott House. Located at 333 S.E. Bay Boulevard, this house was built in 1928 by General Ulysses S. Grant McAlexander, a World War I veteran known as the "Rock

of Marne. The house was built on the foundation of Dr. James R. Bayley's mansion and has been partially rehabilitated.

Scenic Views

Although many scenic views exist on the Bay Front, at this time there are no officially designated scenic views. However, through discussions with various committees, the hillside above the Bay Front has been identified as very picturesque and worthy of preservation. This can be accomplished in a couple of different ways. One is to preserve the many street rights-of-way on the hillside in public ownership. Another is to require a geologic investigation into ramifications of any significant vegetation removal. Another is to require that, if removed, private owners should replace the vegetation removed to the greatest extent possible. It is recognized that there is private property that may be developed and nothing should prevent that from happening as long as health and safety issues can be addressed and mitigated. But, care should be taken to preserve the scenic vista that is now present.

Open Space

The Bay Front has some lots that are currently vacant or underutilized and therefore may be considered open space at this time. However, open space does not refer to any parcel that is vacant. Open space means those areas that are targeted to remain open. There is no property on the Bay Front that is designated as truly open space. It is, however, important that the bluff above Bay Boulevard remain vegetated or have proper engineering to ensure stability of the slope.

Mineral and Aggregate Resources

There are no known mineral and aggregate resources in the study area.

Energy Sources

There are no known energy sources within the study area.

Fish and Wildlife Areas and Habitats

There are no significant fish or wildlife habitats within the study area.

Coastal Shorelands

Ocean Shorelands are defined as those areas:

1. Subject to ocean flooding and lands within 100 feet of the ocean shore or within 50 feet of an estuary or a coastal lake;

2. Adjacent areas of geologic instability where the geologic instability is related to or will impact a coastal water body;
3. Natural or man-made riparian resources, especially vegetation necessary to stabilize the shoreline and to maintain water quality and temperature necessary for the maintenance of fish habitat and spawning areas;
4. Areas of significant shoreland and wetland biological habitats whose habitat quality is primarily derived from or related to the association with coastal water areas;
5. Areas necessary for water-dependent and water-related uses, including areas of recreational importance which utilize coastal water or riparian resources, areas appropriate for navigation and port facilities, dredge material disposal and mitigation sites, and areas having characteristics suitable for aquaculture;
6. Areas of exceptional aesthetic or scenic quality, where the quality is primarily derived from or related to the association with coastal water areas; and
7. Coastal headlands.

Within the Bay Front neighborhood, numbers 1 and 5 apply. Much of the Bay Front is within 50 feet of Yaquina Bay and therefore would fall under the riparian vegetation requirements if it were not for the fact that most of the area is extensively developed so little vegetation remains. It is therefore difficult to replace or, where some may exist, maintain a riparian buffer along the Bay. The exception would be the area west of the Coast Guard station and the riprap wall to the beach. This area may have a trail someday so a riparian buffer may be appropriate. It is also possible to encourage development to restore some riparian buffer as properties develop.

Number 5 deals with water-dependent and water-related uses. The area is zoned either W-1 (Water Dependent) or W-2 (Water Related) with some exceptions in the W-2 zone. This plan will address that issue specifically and come with some policy statements to assure that the Bay Front remains a viable area.

Beaches and Dunes

There is a beach located west of the Coast Guard station and under the Yaquina Bay Bridge. This beach is accessible only during low tides. The area is under the jurisdiction of the U.S. Coast Guard, the Oregon Department of Transportation and the Oregon State Parks. The area is used for walking, clamming, and other recreational activities. Access is limited however because of its location.

Land Use and Infrastructure

Existing Land Use and Zoning

The Bay Front neighborhood consists of a mix of uses ranging from fish processing, marinas, port docks, fishing industry related retail and wholesale establishments, retail uses (especially tourist related commercial uses), residences, parking, and government uses such as the Coast Guard station and the Port of Newport offices. There is some vacant land left and some room for redevelopment. Most of the vacant land is on the Port of Newport property just west of the Embarcadero and along the water side of Bay Boulevard to Fogarty Street.

The Bay Front is zoned P-1 (Public Structures) from the bridge to Bay Street, W-2 (Water-Related) from Bay Street to Port Dock 7, W-1 (Water Dependent) from Port Dock 7 to the Embarcadero and W-2 through the Embarcadero. The W-2 zone also allows outright uses allowed in the C-2 (Tourist Commercial) district as a conditional use subject to the issuance of a conditional use permit. Conditional use permits are reviewed by either the Planning Commission or Planning Staff after notice and opportunity for comment. Conditional use permits are attached to the use and the land, and are valid indefinitely.

Streets

Because the Bay Front is such a narrow strip of land along the Yaquina Bay and the abrupt embankment that rises immediately off the water level, the opportunities for streets are limited. Basically, Bay Boulevard parallels the bay from the Coast Guard station through the study area. Perpendicular streets such as Bay Street, Fall Street, Hatfield Dr., Fogarty Street, and John Moore Drive connect the Bay Front with the uplands. A few other streets such as Case Street, Abbey Street, Hurbert Street and Eads Street provide local access and parking to some properties but do not extend all the way up the hill. The ability to extend those streets is virtually impossible due to topography.

Bike Paths

There are currently no designated bicycle paths within the study area. However, because the area is relatively flat and the traffic moves slowly, bicycles can easily share the roadway with other vehicles. There is a County bicycle path that continues up the Bay Road just outside the City limits about three quarters of a mile past the Embarcadero.

Pedestrian Paths

Sidewalks border Bay Boulevard on both sides from the Coast Guard station to Fogarty Street. From Fogarty street, sidewalks are on the water side of Bay Boulevard only to the Embarcadero. Sidewalks do not extend any further east than the Embarcadero. Sidewalks are also along Bay Street from Bay Boulevard to 13th Street. There are additional sidewalks that run up

the hill along Fall Street, Canyon Way and Hurbert Street from Bay Boulevard to Highway 101. There are also sidewalks along Hatfield Drive from Bay Boulevard to 9th Street. In addition to the improved sidewalks, there are a couple of trails that link the Bay Front with the uptown area.

Water Transportation

The Bay Front is an improved, working water front with a many docks, wharfs and piers for both the loading and unloading of product and the moorage of water vessels. The Embarcadero also has a large marina that primarily serves pleasure craft. For the past two summers (1996 and 1997) a water taxi has operated that connects South Beach with the Bay Front.

Other Utilities

All urban amenities such sanitary sewer, water, storm drainage, telephone, electricity, cable television and natural gas are available on the Bay Front.

Future Development

Introduction

As an area develops, certain physical, economic, and community issues arise and must be considered in the planning stage so that the new development has a positive impact on the neighborhood and the City. Haphazard or ill-conceived development can and often does detract from the quality of life cherished by residents, property owners and tourists. This does not mean that development will not occur. On the contrary, it is the intent of the land use program set up by the state and the City that development will take place within the established Urban Growth Boundary (UGB). So it is not a matter of whether development and change will occur but how. This section addresses how development will occur so that neighborhood and community goals can be maintained.

Basically, there are three types of development on the Bay Front. One is the fishing industry which includes fishing boats, fish processing plants and support industries. The second is the tourist commercial types of uses such as restaurants, gift shops, short term rentals and art galleries. Finally, there are residents primarily at the Embarcadero.

Of course to serve all those various uses the infrastructure must be in place to serve them. Streets, sewerage, water line and storm drainage are the common systems provided by the City but other utilities such as telephone, electricity, cable TV and natural gas are also needed to function in a modern society. All those facilities are available to the Bay Front.

Transportation

Moving people and goods are an essential part of everyday life of any city. People need to reach places of work, education, health care, shopping, and recreation, and goods must be moved between the producer and the consumer. An efficient transportation system can widen access to opportunities for local people and assist the local economy. However, the growing demand for mobility is taking its toll on the community and environment. Traffic congestion is increasing, especially in popular places like the Bay Front. A sustainable transport system must be developed, balancing the needs of the neighborhood as well as meeting the travel needs of the whole community.

The City of Newport has developed a general Transportation System Plan (TSP) for the entire community and that document is by reference incorporated into this plan. The TSP however is relatively general and only addresses the major transportation systems citywide. The purpose of this section is to fine tune and supplement the TSP and deal with issues specific to the Bay Front neighborhood.

Streets

Streets are the most visible of all public utilities. Even if work is done on a water or telephone line, more often than not a street will be disrupted. Therefore particular attention must be paid to assure that the street system will take a comprehensive approach to moving vehicles. It must be recognized however that streets will be disrupted especially in an area like the Bay Front where there are very few alternative routes. Streets will be disrupted, utilities must be worked on, traffic accidents do occur and storms do topple trees and telephone poles across streets.

For the Bay Front, a network of streets is very difficult to attain. The topography limits the ability to connect to other parts of town except in a few places. It is very doubtful that there will be any further street development of any consequence in the study area. The focus should therefore be on improving and maintaining the existing street network so that it works efficiently and safely.

Bay Boulevard is generally a two way street with parking on both sides. The parking varies between 72 hour parking to 15 minute loading zones. The parking also varies between parallel and angled parking. The angled parking is 45 degrees and extends from Fall Street to Bay Street on the land side of Bay Boulevard and from Hatfield Drive to Smuggler's Cove on the water side of the street. The former angled parking has been in existence for many years but the latter area has been in existence only since the completion of the boardwalk in the fall of 1996.

One of the ideas in the Peninsula Plan prepared Demuth Glick and Associates, was to change the angled parking between Fall Street and Bay Street to parallel parking. This would allow the widening of the sidewalk to provide for a more friendly pedestrian environment and for wider travel lanes on the street for easier maneuvering by trucks and other large vehicles. This will work only if the lost parking can be compensated for in some other manner. The issue of parking will be discussed in a later section.

There are a couple of streets in the study area that need to be improved to City standards. One is Hurbert Street just off of Bay Boulevard. That street is currently paved but has no curbing or sidewalks. Because a number of workers on the Bay Front use that street for parking, an adequate pedestrian way needs to be provided along the street. Other streets include the Eads, Fifth and Fourth area. Those streets are currently gravel and should be improved to City standards.

Finally, Fall Street as it intersects with Bay Boulevard is a three way intersection that is stopped on Bay Boulevard but not on Fall Street coming down the hill. Although, the traffic coming down the hill does not have to stop, the alignment of the intersection implies that a stop is warranted. Another complication is that there is a pedestrian crosswalk on Fall Street that is very wide so it requires a considerable amount of time to cross. All this leads to a confusing intersection especially for people not familiar with the system. A suggestion is that a three way stop would better define the traffic pattern and help people through the intersection.

Pedestrian Facilities

There are sidewalks as outlined earlier. Some of them are adequate but many are in need of repair or improvement. Whenever a permit beyond a certain threshold from the City is issued, a condition of that permit should be that the sidewalk is improved or repaired. There is one exception, the land side of Bay Boulevard between Fogarty and John Moore Road. The topography in that section is so severe that putting in a sidewalk would be difficult and expensive. The pedestrian amenities on the other side of Bay Boulevard should be improved to the extent that pedestrians will use that side.

Another idea that came out of the Demuth Glick plan was to improve the land side of Bay Boulevard by making the sidewalk more attractive and wider. This would encourage pedestrians to use that side (which they mostly do now anyway) and separate the tourists from the heavy industrial users on the water side (the fish plants). However, all water access to the visitor would not be off limits. The idea is to provide fingers of water access that direct people to businesses and docks that are appropriate. An example is the Abbey Street pier development. Other places for water access would be the City owned vacant property at the end of Bay Street, the public parking lot at the end of Fall Street, the dock that serves the Marine Discovery Tours, the Undersea Gardens and, finally, the boardwalk between Port Dock 3 and Port Dock 7.

A dream for many years of some citizens of the City is a boardwalk connecting the Embarcadero with the rest of the Bay Front west of Hatfield Drive. A portion of that boardwalk became reality in 1996 when the City's Urban Renewal Agency developed the walk between Hatfield Drive and Port Dock 7. The boardwalk is on the water side of the street and gives some excellent pedestrian access along Bay Boulevard and to the water.

The Port of Newport has developed a plan for the Port Dock 7 area for future development (by reference incorporated into this plan) and shows two alternatives for continuance of the boardwalk along their property. One option is to keep the boardwalk along the water's edge and build overpasses where needed. The advantages of this plan is that the aesthetics would be the best and it would provide people with an opportunity to closely view the workings of the fishing boats. The disadvantages are that the cost is much greater because of the overpasses and the potential interference of tourists and pedestrians with the fishing boat activity, a potentially dangerous situation.

The other option would be to continue the boardwalk down Bay Boulevard to the east property line of Port Dock 7 then head to the bay where it could connect with the existing boardwalk of the Embarcadero. The idea was to also provide a couple of fingers along the stretch to observation areas on the water. The disadvantage of this plan is that the pedestrian is away from the water and the greatest amount of activity and therefore interest. The advantage is the reduced cost and the separation of the tourist/pedestrian traffic with the fishing industry. It would also be a continuation of the development pattern to the west.

A pedestrian trail that would connect the Bay Front with the ocean beach was discussed during the meetings of the Bay Front Steering Committee. It was agreed that it was an excellent idea but the location of the trail needs to be determined. One resident of the City suggested that the sidewalk from Bay Boulevard be extended through the Coast Guard Station and connect with a narrow, gravel road that serves the north jetty. That path would have to include a overpass over the access way from the barracks to the boat moorage. The advantage of this route is that the trail would remain at roughly the same level the entire length to the beach.

The problem arise in two areas. One is the expense. Whenever a structure such as the overpass is added, the cost of the facility is greatly increased. The other problem is the Coast Guard. Although they said they would consider a design that included a walk over their facility and they would work with the City, they did not like the idea on the face of it. Their concern was the interference of pedestrians with the workings of the Coast Guard facility and the liability if an accident occurred. They would much prefer an alternative route.

The alternative route is to go up Bay Street (which already has a sidewalk) turn toward the bridge on Naterlin Drive and then drop down to water level on the road that serves the north jetty all the way to the beach. The disadvantage of this route is the grade change which amounts to about a 35 foot rise and fall. The big advantages of this route is the cheaper cost and the use of public right-of-way and a portion of the Coast Guard property that is not extensively used. If fact, discussion with the Coast Guard suggested that they would greatly prefer that route and would facilitate it. However, care must be taken to maintain the roadway that serves as access to the north jetty, especially when the jetty needs repair.

Weighing the two options, the route up Bay Street and Naterlin Drive appears to be the most logical even with the grade change. The improvements needed are a sidewalk along Naterlin Drive to where the north jetty access road intersects. There would also have to be some work done on the trail to make it pedestrian friendly for the entire length to the beach.

Another idea is to narrow down the crossing distance on Fall Street at the intersection with Bay Boulevard. This crossing is currently very wide (on the order of 65 feet). The distance is complicated by the fact that Fall Street does not stop coming down the hill (an assumed situation) and tourists, especially during the summer months, are not paying attention. If the crossing were narrowed, as shown in the Demuth Glick study, the situation would be improved.

One difficulty is that the fish company just west of the City's parking lot, uses Fall Street to maneuver trucks into the fish waste hopper. If a full curb were installed to narrow down the Fall Street crossing, that maneuvering would be very difficult if not impossible. The solution is to build a mountable curb on the west side of Fall Street so trucks could still back into the truck bay. The sidewalk would also have to be built strong enough to support trucks.

Other pedestrian ways may include a path to include Hurbert Street with Lee Street between the two parking areas, and the improvement of an informal path that connects the upper

portion of Lee Street near 12th Street. In addition, minor changes and additions to crosswalks can help direct people to cross at safe locations. Two possible crosswalk improvements are at the Abbey Street Pier and the western end of the boardwalk. Those two crossings should be well marked to increase safety and direct pedestrians.

Bicycle Facilities

There are currently no bicycle routes on the Bay Front and the width of the street and the development that is in place make it difficult if not impossible to provide a separate bicycle path or lane. However, the traffic on Bay Boulevard, especially during the summer months, moves slow enough that bicycles can easily share travel lanes with car and truck traffic. A shared lane is therefore the option from the Embarcadero to the Coast Guard station.

East of John Moore Road however the right-of-way is there to provide a bike lane especially if no parking is allowed along the street. This would also connect a bike land in the City to one that is outside the City along Yaquina Bay Road. That land goes all the way to Toledo (about 12 miles) and is very flat. The City's TSP shows that connection.

Parking

Probably the biggest single issue for the Bay Front is parking. In fact, the meetings of the Steering Committee invariably lead to a discussion, sometimes lengthy ones, on parking. And it is not an issue of simple numbers. There are a number of users that have different needs for the parking that is available. The fish plants need loading areas, both long and short term, and parking for their employees that work eight to twelve hour shifts. The fishing industry needs parking that may be needed for four or five days while they are out on the ocean. The charter fishing industry needs parking that is up to 12 hours long and the tourist businesses need eight hour or longer parking for the owners and employees but a quicker turnaround on the two to four nature for customers. The tourist industry also needs loading and delivery space usually on a short term basis. And, in recent years, more buses of tourists are visiting the Bay Front to take advantage of the attractions in the burgeoning whale watching industry. All together it makes for an interesting mix of needs and users that often compete for the limited amount of parking available, especially during the summer months.

Table 1 shows the available parking and the type of that parking on the Bay Front between Bay Street and the Embarcadero. The parking inventory also includes some parking on Bay Street from Naterlin Drive to Bay Boulevard and on Fall Street from Canyon Way to Bay Boulevard. Those two streets provide a number of parking spots for people visiting the Bay Front. There is also a public parking lot on Canyon Way next to the Canyon Way Bookstore that has 47 spaces. There are plans to make that lot more efficient and do some minor expansion that may raise the total to 60 spaces. In addition, there are about 45-50 spaces along Canyon Way. The problem with those spaces is that they are up quite a steep hill from the Bay Front so access is limited.

The issues then become how many spaces are needed to accommodate the anticipated demand, where, if needed, should those spaces be built and what is the mechanism to fund the construction of the spaces? The first question is a difficult one because it depends on the time of year and any further development. Currently, the demand for spaces is very high during the

Table 1
Parking Inventory for the Bay Front

		Street Section						
		Waterlin	Coast	Abbey	Canyon	Fall St.	Hatfield	
		to	Guard to	to	Way to	to	to	
		Bay Blvd	Abbey	Fall	Bay Blvd.	Hatfield	John Moore	Total
30 min.	Public							
	Private							
1 Hour	Public							
	Private							
2 Hour	Public		36	18		19	8	81
	Private							
4 Hour	Public		30					30
	Private							
12 Hour	Public		36	11		20		67
	Private							
72 Hour	Public	24		8	20	11	226	289
	Private		20	14		90	77	201
Other	Public					18		18
	Private							
Loading	Public		1			5		6
	Private							
Large	Public		3			1		4
Loading	Private		2			1		3
Taxi	Public		1					1
	Private							
Handicap	Public		2	2		1	2	7
	Private			1		3		4
	Total	24	131	54	20	169	313	711

summer months but relatively low during the rest of the year. In fact, during much of the winter months, parking is not an issue at all. The tourist industry is usually down, the weather keeps the fishing boats in port and the fish plants are not processing fish because the boats are not working.

On the other hand, during the summer months, all the industries are running at full strength creating a difficult parking situation.

Will additional spaces help? Again that question is a difficult one. During the summer months it is doubtful that enough spaces can be built regardless of the number. To quote a famous movie "build them and they will come." During the winter months, all those additional spaces will be vacant along with many of the spaces that already exist.

And the cost of additional spaces could be very high. There is not a great amount of land available for large parking lots so the option is to go up with a parking structure. There has been plans to build a parking structure on the Abbey Street parking lot that would provide about 350 to 400 spaces. The cost of a structure on the Abbey Street parking lot (owned by the City and a logical place to put a public parking garage) is estimated to be \$3.2 million in 1997 dollars. A 20 year loan or bond repayment at 8.5% means a monthly debt load of about \$28,000. Of course if the interest rate is lower or the length of the mortgage is changed or other moneys such as grants or cash is thrown into the pot, the monthly amount can change. But, in any case the monthly debt service is going to be high for a structure.

Is there revenue enough to cover the debt? That is always the ultimate question, can you pay for what you want? The idea is to create some retail space on the bottom floor of the parking structure to serve two purposes. One is to generate revenue and the other is to fill in the large gap between the convenience market and the next building toward the bridge. Preliminary plans show enough space to create about 4,000 square feet of retail space. It is estimated that the monthly rental for prime Bay Front property is about \$1.00 per square foot (1997 dollars) or, for the 4,000 square feet, about \$4,000 per month.

If, in addition to the leased space, one were to charge \$1.00 per hour for the parking spaces and if all the spaces were full all the time, about \$400 dollars an hour could be collected. Assuming an eight hour day, that means \$3,200 per day. If that happened every day of the month, 30 days on average, \$96,000 a month could be generated.

Of course, there are some very large assumptions in those calculations. One is that people would not be willing to pay \$1.00 an hour for parking. During the summer months when parking is at a premium, the spaces may be full. During the winter when there is ample parking on the street for free, the parking garage will stand empty. Another assumption is that the garage will be full for eight hours every day. A highly unlikely scenario. And finally, it is assumed in the above example that the garage will be full not only for the whole day but for every day of the month. Another highly unlikely scenario. A more likely case would be that the garage would be full during a few hours during the day in the summer months especially on weekends. For sake of argument, four hours a day for 15 days a month. Using the same numbers as above (\$1.00 an hour for parking), the monthly income would be \$24,000. Adding that to the \$4,000 of the rental income we barely make the \$28,000 a month needed. During the winter, the monthly income could easily be less than \$4,000 a month.

The point of the preceding exercise is that a parking structure is very expensive. So far we have only talked about building the structure and retiring the debt. No mention has been made of maintenance, administration of the rentals and other overhead that always occurs. It seems doubtful at this time that a parking structure is feasible unless heavily subsidized by the community or the businesses on the Bay Front.

So what are the options? One would be to build smaller surface lots around the Bay Front. Those lots would be a fraction of the cost of a structure (about \$2,000 per space including land). The only problem would be that the number of spaces that could be created especially in the most heavily used portion of the neighborhood would be very limited. Another option would be to provide a shuttle service from other portions of town that have parking during the busiest time of the year, July and August. The shuttle could connect all parts of the Bay Front with the Nye Beach area where many of the hotels are. The cost of this service is estimated to be about \$500 per day. This would mean for the 60 to 70 days during the summer when the service is needed, the total cost would be \$30,000 to \$35,000 dollars, a little more than the cost of one month of the parking structure. It appears that the best course of action in the short term (over the next five to ten years) is the more conservative approach to relieving the parking crunch during the summer months by constructing a few small parking lots to serve of the needs on the Bay Front.

One of the biggest needs is for longer term parking (three to five days) for the fishing community. A plan has been developed that would provide for 60 to 65 spaces on the Port Dock 7 property near the west end. That parking could be dedicated to the fishing boats and made secure. This would open up some parking spaces along Bay Boulevard that are currently being used by that segment of the neighborhood.

Another possible parking area would be just across Bay Boulevard from the area mentioned in the previous paragraph. There is a small piece of property (about 1,700 square feet) that is owned by the City that could be combined with a 13,800 square feet of right-of-way of an unused street to create a parking area. It is unknown exactly how many spaces could be built because it is a triangular property and there are some topographic constraints, but it is estimated that about 20 to 25 spaces could be provided on the site. This area could also be used for long term parking.

A third area that could be used for parking on Hurbert Street just off of Bay Boulevard. There is a steep hill up the first 100 to 150 feet, but the street levels off fairly flat after that. That area could accommodate about 30 to 35 spaces. This area could be used by employees of the Bay Front businesses especially if the pedestrian facilities are improved and lighting is provided.

Finally, it makes sense to provide a temporary solution to the temporary parking problems during the summer months. The best way to do that is to provide a shuttle service that would

connect the Bay Front with other parts of the City especially the hotel and motel areas in Nye Beach. The service could also connect the parking lots and other shops in the City Center area. The trick is to make the service convenient, efficient and inexpensive. That means that the shuttle will have to be subsidized during the summer months when it is used. The amount of subsidy and who pays is a question that will have to be answered before the program can be initiated. However, the best solution will probably be a cooperative arrangement between public and private entities. There will also need to be well placed stops spread out along the Bay Front that are spaced appropriately. The stops will also have to be constructed to provide easy and safe boarding.

Other Utilities

All other utilities are in place and need only to be maintained and/or expanded as more development occurs. Sewer and water line replacement is a major task on the Bay Front because they are under the street and can be worked on only in a narrow window from May to October. Unfortunately this is also the busiest time of the year so disruptions are inevitable. The City and other utilities should try to do their work before Memorial Day or after Labor Day but that is not always possible. The unavoidable disruptions are bound to happen.

When the boardwalk was built, the City also paid to have the overhead lines undergrounded. There has been many compliments on that particular aspect of the improvement, so the undergrounding of utilities along the rest of the Bay Front should be a goal.

Although restrooms are not a traditional "utility," there is a need for additional facilities on the Bay Front. The only public restrooms currently in existence are the ones on the Abbey Street parking lot. There needs to be one or two more restrooms strategically spaced so as to adequate service.

Zoning

Although there is a limited amount of land on the Bay Front, there is some and there is an opportunity for remodels, improvements and conversion of buildings to different uses. So there is a considerable amount of opportunity to change not only the uses but the appearance of the Bay Front. The zoning regulations dictate the type of change that occurs.

There are two zoning designations on the Bay Front. One is the W-1/Water Dependent classification. The uses allowed under this zoning are uses that are dependent on the water for operations. A good example is a fish plant or a charter fishing business. The other zoning classification is the W-2/Water Related district which allows the uses under the W-1 district plus some other uses most notably the permitted uses in the C-2/Tourist Commercial district. The C-2 uses are conditional in the W-2 which means it has to be reviewed by the Planning Commission or staff (depending on the size) for compliance with the applicable conditional use criteria.

Most of the development in the past years has been in the tourist industry. This means that those uses must go through a conditional use permit process in order to receive permission to operate. The disadvantage of that process is that it takes time for the applicant to go through it. The big advantage of the process is that the project can be reviewed for compliance with the goals and policies of the Bay Front. One of the major concerns when reviewing for compliance is the preservation of the historic character of the Bay Front. Without the conditional use process, there is no other mechanism to assure compliance. Because that issue is very important to the Bay Front the conditional use process should be retained (which means keeping the current zoning) or another mechanism, such as design review, should be instigated (which means developing another zoning tool). In any rate, the historic character of the Bay Front should be considered whenever a new project is being proposed. The character includes the physical appearance of the building, signing, lighting, the location of parking, and other design considerations.

There are three other areas, however, that should be considered for different zoning. One is the Port property between the Embarcadero and Douglas Street. The Port has a general plan that indicates that the property should be developed to a higher and better use. In conjunction, the plan contains a model site plan on how the property could be physically developed. The plan also calls for a mixed use type of development where some limited tourist facilities could be incorporated. This, however, would require that the property be rezoned to W-2. As long as the types of tourist uses is limited by the Port to be those that compliment rather than detract from the fishing industry, the idea is a good one. (There is also the added protection of the conditional use process and review by the Planning Commission for any tourist type of use.)

The second area is the Embarcadero property. It is currently zoned W-2 which means that the entire facility is a conditional use. This means that any expansion or change in use, regardless on how minor, requires a conditional use permit. That process seems unnecessary because the Embarcadero is a tourist facility and is likely to remain so for the foreseeable future. It makes sense to rezone that property to C-2, a zoning designation that fits the use. However, consultation with the Embarcadero ownership should proceed such a change.

The final possibility is to rezone the water side of Bay Boulevard from the Coast Guard Station to about Douglas Street from W-2 to W-1. The land side would remain W-2. This would afford greater protection of water dependent uses from encroachment of non-water related uses. A major disadvantage of this proposal is that many existing businesses would become nonconforming and subject to regulations contained in the Zoning Ordinance. This proposal therefore must be looked at very carefully before enactment.

Public Art

Public art can greatly enhance the appearance of an area. It can also provide a focal point for other public activities such as concerts, art displays and other entertainment and socializing. On the other hand, if done wrong or with a particular self interest, public "art" can add to the visual clutter and detract from community goals. This is especially true with murals. Murals can

be very attractive or they can be a large, often times very large, sign or cartoon. It is important that they remain tasteful and appropriate.

Three questions come to mind when murals are discussed. One is, how many murals is enough? Should every blank wall on the Bay Front be allowed to have a mural? Obviously there is a saturation point for the number, but there is no definitive number. Another question is, who controls the quality of the painting? A corollary question is, when does a mural cease to be a mural and start to be a sign? These are questions that have to be answered in order to maintain a modicum of order and character.

Finally, what happens when the murals start to deteriorate? Like all paint, especially on the Oregon Coast, it will start to fade. Who maintains those murals so they remain vibrant? Those questions have not been answered but need to be before a plethora of wall graphics take up the Bay Front facades.

Conclusion

The Bay Front area is a dynamic one that is characterized by a mix of tourist, fishing and residential uses. Change will happen and it is important that change will fit into that mix as well as the historic nature. It is not the intent of this plan to limit growth or interfere with individual property rights, but it is the intent of this plan to protect and enhance the interests and uses on the Bay Front.

To accomplish that end, development must consider the special qualities that characterize the Bay Front. There will not be a great deal of change in the infrastructure on the Bay Front. The goal is to therefore enhance the existing systems. There is not a great deal of vacant property left to be developed. So the direction should be to preserve the historic pattern and type of development as properties do develop and redevelop. It is very important for developers, decision makers and service providers to understand the special nature of the Bay Front and make sure that it continues.

Goals and Policies

Goal 1: To preserve the mix of tourist, fishing and residential uses that give the Bay Front its special charm.

Policy 1: The current zoning designations shall be retained except for the Port of Newport property between the Embarcadero and Douglas Street (Port Dock 7), the water side of Bay Boulevard between the Coast Guard Station and Douglas Street and the Embarcadero. The City shall, within one year of the adoption of this Plan, consider rezoning those properties consistent with this Plan.

Policy 2: The W-2 zone currently allows tourist related uses as a conditional use. On the water side of Bay Boulevard, if the W-2 zoning is retained, those uses may be allowed only on a finding that the use does not interfere with the functioning of the water dependent uses.

Goal 2: To preserve the historic character of the Bay Front.

Policy 1: The current conditional use process for tourist related uses should continue with the added emphasis on the preserving the historic character of the Bay Front. Design guidelines that outline architectural and site development parameters consistent with this policy shall be developed within one year of the adoption of this Plan.

Policy 2: The zoning ordinance requires a certain percentage of the site to be landscaped. In an area such as the Bay Front, a strict percentage landscaping requirement does nothing to enhance the area especially when it can be placed anywhere. The landscaping requirement could be reduced but only if other amenities such window boxes, pedestrian benches, reduced signing or other design features are incorporated into the design of a building. The City shall amend its landscaping ordinance consistent with this policy within one year of the adoption of this Plan.

Policy 3: Parking lots should be buffered from pedestrian ways by landscaping, planter boxes, fences, low walls or other design elements.

Goal 3: To enhance the pedestrian facilities.

Policy 1: The pedestrian systems mentioned in this plan should be implemented within the next 10 years subject to the availability of funding. In order of priority, the pedestrian improvements are:

1. The continuation of the boardwalk from the eastern end of the existing boardwalk to the Embarcadero along the Bay Boulevard frontage of the Port of Newport property (Port Dock 7).
2. The pedestrian pier on City owned property on the western end of Bay Boulevard.

3. The pedestrian trail connecting the Bay Front with the beach by improving the sidewalk along Naterlin Drive in front of the Coast Guard Station and connecting to the existing trail under the Yaquina Bay Bridge.

Other projects may be developed as money becomes available. Improvements to sidewalks in front of development or redevelopment shall occur upon the issuance of building permits.

Policy 2: Whenever any permit is reviewed, the approval of the permit should be conditioned on improving the sidewalk along the subject property. The City shall develop a typical sidewalk section that is consistent with the historic character for those replacements.

Policy 3: The land side of Bay Boulevard should be the main focus of pedestrian movement with fingers extending out to the water of other public places. Ten to twelve foot wide sidewalks shall be provided between Bay Street and the Port Docks if the room is available. On the bay side of Bay Boulevard, six foot sidewalks will be provided where possible and piers or other projections that provide viewing of the water or sitting spaces for pedestrians will be provided, subject to the availability of adequate and safe access points and funding.

Goal 4: To deal with the summer crowds in appropriate, efficient and cost effective ways.

Policy 1: The parking shortage is a summer time event that cannot be solved by merely providing more parking. The preferred option at this time is to explore the possibility of operating a shuttle system to offset the demand for parking.

Policy 2: The parking in lieu of fund should remain an option for businesses on the Bay Front.

Policy 3: The angled parking on Bay Boulevard between Fall Street and Bay Street should be changed to parallel parking whenever the number of spaces lost can be replaced by an equal or greater number within the area bounded by Bay Boulevard, Fall Street, Bay Street and 13th Street.

Policy 4: The parking proposal on the Port Dock 7 property and the City property, as outlined in the parking section of this plan, should be implemented as soon as possible.

Policy 5: A development should not be shaped by its parking. If parking is provided on site it should not be located in the front and should be adequately screened as to provide a buffer between the parking lot and the sidewalk.

Policy 6: Credit for parking may be provided if that parking is located on private property no further than 1,000 feet from the use.

Goal 5: To preserve the scenic quality of the Bay Front.*

Policy 1: The City should retain rights-of-way on the hillside above the Bay Front in order to preserve vegetation in those areas. However, circumstances may dictate the need to vacate some rights-of-way when the City finds it necessary to do so. In addition to the standard criteria for

*Amended by Ordinance No. 1840 (10-1-01)

street vacations, the City shall also find that the vacation does not interfere with convenient pedestrian, bicycle or other transportation connections.

Policy 2: Removal of vegetation shall be replaced and a Zoning Ordinance provision addressing this issue shall be developed within one year of the adoption of this Plan.

Policy 3: Because of the potential geologic problems that could arise, excavation and fill permits are required for more than 50 cubic yards of material. Such permits may be required to obtain a geologic permit in conjunction with the work.

Policy 4: The City shall work with the utility providers of overhead utilities, the property and business owners on the Bay Front and others that are appropriate, to underground utilities.

Policy 5: Although little if any riparian vegetation remains, the City should encourage property owners or developers to replace some riparian vegetation as a part of their development. Such replacement may be counted toward meeting landscaping requirements.

Appendix A
Issues Raised
Bay Front Neighborhood General Meeting

Bay Front Issues:

1. Parking both long and short term, numbers, location
2. Pedestrian traffic - safety and access
3. People pollution interfering with businesses i.e. fisherman
4. Drunks
5. Spread out people
6. Views for people on the hills
7. Skateboarding
8. Restrooms - more of them
9. Utilize vacant space next to Yaquina Oyster
10. Maintain the vegetation on the bluff
11. Traffic flow and safety i.e. at Fall and Bay Boulevard
12. Odors
13. Lighting (safety for pedestrians) and noise
14. Sea lions
15. Tourist and fisherman tolerance for each other
16. Cleaniness
17. What to do with tip of SE 5th and Bay Blvd.
18. Mural on the west end to welcome and identify Bay Front
19. General circulation - moving people across the bay
20. What are the overall goals for the Bay Front
21. Feel that City is trying to remove fishing from town
22. Fishing industry is frustrated
23. Working water front is important to the tourist industry
24. Parking permits
25. Better communications between the users
26. Alternative transportation i.e. for the tourists
27. User friendly
28. Selective who we allow - e.g. no horse drawn carriages
29. Keep R.V.'s off the Bay Front
30. No surprises
31. Appearance
32. Signing - directional, interpretative. on Hwy. 101 and 20
33. Bike path from John Moore Road east to County paths
34. Provide for larger fishing vessels