Employment Lands &
Conceptual Land Use Planning Project

Submitted to:

City of Newport
Community Development Department
169 SW Coast Highway
Newport, Oregon 97365

September 2005

Funding for this project was provided in part by the Oregon Department of Land Conservation and Development, the City of Newport and the Newport Development Commission.

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I. INTRODUCTION

A. Summary

The following report has been prepared to accomplish two primary objectives:

- First, to guide the growth of Newport’s economy and,
- Second to provide a Land Use, Transportation and Utility Plan for the South Beach Neighborhood.

A vision for the City’s economy coupled with specific goals for each segment were framed to position Newport to compete in a regional market while enhancing the community as a positive place to live and work. These goals will be accomplished through the implementation of a Strategic Action Plan which has established both short and long term objectives and strategies. An extensive analysis of the national, state, county and city economic conditions was compiled and analyzed as the basis for the economic development program described in Sections II through IV.

The future of the South Beach neighborhood is directly linked to the City’s new economic development program because of its intended role in accommodating a considerable fraction of the forecasted commercial and industrial land needs. While South Beach has significant recreational and institutional attractions, such as the marina, Hatfield Marine Science Center, the Aquarium and a major state park, there is significant opportunity for new residential, commercial and industrial development. For that reason, a new Neighborhood Plan has been prepared to guide the development of this important part of the City. The plan is supported by proposed transportation and utility improvements.

The South Beach Neighborhood Plan is intended to significantly change the land use character of the South Beach area from that currently called for in the Comprehensive Plan. The new plan is environmentally friendly and focuses on commercial, residential and institutional uses that are more consistent with existing uses in South Beach rather than the industrial development identified on the Newport Comprehensive Plan. South Beach was originally intended to be the industrial area of Newport in the 1980s Comprehensive Plan. A significant amount of acreage (475 acres) was designated for “Industrial” uses. However, South Beach hasn’t developed as intended because of natural constraints such as steep slopes, wetlands, and a lack of infrastructure to serve industrial users.

The proposed plan results in a net decrease of land designated for intensive urban development. However, the plan provides for land that can be serviced more readily and efficiently and better fits within the natural constraints (such as steep slopes) existing in South Beach.

The planning program was strongly supported by an expansive community involvement program. The City Council appointed 20 citizens to an Ad Hoc Advisory Committee, some of whom had contributed to an earlier effort to prepare a South Beach neighborhood plan.
In addition, the City hosted two Open Houses for the neighborhood and City residents, advertised all project meetings in the newspaper and radio, and created and regularly updated a project Web-Site. See Section II. Public Involvement.

The report is divided into three basic parts. Sections III through V describe the City’s economy and specific strategies for how to guide its future growth. Sections VI and VII illustrate the existing neighborhood conditions in South Beach and propose a Land Use, Transportation and Utility Plan consistent with the economic, social and environmental conditions of this part of the City. Sections VIII and IX recommend specific Comprehensive Map and Policy amendments as well as specific amendments to the City’s Transportation Systems Plan and Public Facility Plan.

B. Background and Purpose

As early as the 1960s and 1970s, the South Beach area of Newport was intended to be the industrial portion of Newport. Large areas of land north of the Newport Municipal Airport were identified for industrial uses. In the early 1980s, the City of Newport Comprehensive Plan had designated large areas of the South Beach neighborhood for industrial use to meet the projected demands for light industrial development and based on a strong desire of the community for additional light industrial development. The land designated for industrial use on the Comprehensive Plan included property on both sides of Highway 101 extending south from SE 35th Street to the north end of the Newport Municipal Airport. The 1981 South Beach Industrial Development Feasibility Study identified constraints (such as slopes over 5% and ponding) present on many of the industrial zoned properties in the South Beach area that limited the land’s potential for industrial development.

In the mid-1990s, after a draft South Beach wetland inventory was developed in 1990 and after a 1995 Yaquina Bay Economic Foundation funded study of vacant commercial and industrial land need in Newport, the City recognized that constraints (such as steep slopes and wetlands) on land development continued to exist in the South Beach area for industrial development. The City identified a need for additional commercial land and adopted a Comprehensive Plan policy (Policy 1 of Goal 1 of the Economic Section) that directed the City to redesignate areas of industrial land to commercial uses in South Beach to accommodate the commercial land needs of Newport. However, the City did not proceed to redesignate industrial land in South Beach to commercial uses. This has resulted in a shortage of land zoned for commercial uses available for development. Additionally, large areas of land in South Beach continue to remain designated for industrial development even though much of the land has been identified through previous planning efforts as constrained for industrial development.

In 1997, a group of residents and other interested parties in the South Beach area began meeting to discuss the future of South Beach. Over a period of time, the group developed a draft 2001 South Beach Neighborhood Plan that contained general guidance for the future direction of South Beach. Other recent planning projects have been started involving the South Beach area, including the South Beach State Park Master Plan (prepared by the Oregon Parks and Recreation Department and adopted by the City Council in 2003). In
2002, the City began to develop a Storm Water Master Plan for South Beach. In 2003, the City began to develop an Airport Master Plan to update the previous Airport Plan.

In 2003, the City Council and the Planning Commission recognized as a high priority the need to address planning issues within the South Beach area through the completion of the various South Beach planning projects. In 2004, grant money was sought and obtained from the Oregon Department of Land Conservation & Development to update the economic development strategy and the employment lands (such as those designated for commercial and industrial uses) analysis for the City of Newport and to develop a conceptual land use plan for the South Beach area. The draft 2001 South Beach Neighborhood Plan served as a basis for beginning the project. The project was entitled the "Newport Employment Lands and Conceptual Land Use Planning Project" with key projects tasks consisting of:

- Preparation/adoption of a local economic development strategy. Preparation would be guided by the methodology published by the Advisory Committee on Commercial and Industrial Development (Chapter 812 Oregon Laws 2001). The task will include preparation of all necessary land use amendments to address the city’s vision, goals, objectives, actions, and policies relating to this strategy.

- Preparation/adoption of an updated buildable lands inventory and land needs analysis for employment lands. Preparation was guided by the methodology published by the Advisory Committee on Commercial and Industrial Development (Chapter 812 Oregon Laws 2001).

- Preparation of a conceptual land use plan/overlay for the South Beach area of Newport focusing on commercial and industrial lands.

- Update of the City’s public facility plan to ensure that employment lands identified in earlier tasks are adequately served.

- In coordination with ODOT, development of specific transportation facility solutions in the South Beach area to address proposed economic development strategies planned in this area.
II. PUBLIC INVOLVEMENT

Efforts to include members of the public in the Employment Lands and Conceptual Land Use Planning Project began with the selection of a committee created to interview and to provide a recommendation to the City Council for consultants on the project. The committee of the City of Newport Community Development Director, the Newport Planning Commission Chair, the Newport Chamber of Commerce Executive Director, a Port of Newport staff member, and a Newport Development Commission member. The City Council chose the consulting team lead by The Benkendorf Associates Corp. as recommended by the selection committee. The Newport News-Times July 9, 2004 article, entitled "Newport selects consultant for economic development study" provided a first overview of the project for the public.

In conformance with the Newport Comprehensive Plan citizen involvement policies, the Mayor appointed a 20 member Employment Lands and Conceptual Land Use Planning Ad Hoc Advisory Committee confirmed by the City Council. The Advisory Committee included members representing a variety of interests and also included members involved in the previous South Beach Neighborhood planning process. The Advisory Committee began meeting in September 2004 in a series of meetings open to the public. The Advisory Committee met monthly through April 2005 (with the exception of February 2005) and provided input and guidance on the elements of the project. Various other interested parties to the process were also kept informed of the meeting dates and agenda topics to be discussed. Meetings were well attended and included coverage in the local newspaper with articles such as the Newport News-Times September 24, 2004, article entitled "Economic development study underway in Newport" and the front page Newport News-Times November 19, 2004, article entitled "Planning study looks at entirely new South Beach neighborhood."

In October 2004, two days of focus group meetings involving various members of the community were held to help develop an economic development strategy. Six different focus groups representing different aspects of the community (new business, general business, tourism, industry, education/workforce, and government/organizations) met in small (generally 8-10 individuals) group sessions to discuss economic development issues and to identify economic development goals for each of the individual sectors of the community.

Two open house sessions were held focusing on the South Beach area. The first open house was held in November 2004 at the Hatfield Marine Science Center to present background information on South Beach and to discuss South Beach issues in an interactive format. The open house also included a survey to receive input from the public on their desired future direction for South Beach. Over 60 of the surveys were returned to the Community Development Department. The second open house was held in December 2004 at the City Council Chambers of the Newport City Hall. The December open house included a short basics of land use presentation, the results of the November open house surveys, a presentation on the draft economic development strategy, an overview of the vacant employment lands inventory relating to the South Beach area, and a discussion on the
alternative land use concepts for South Beach. Publicity for both open houses included over 400 direct mail invitations for each open house to property owners, businesses, agencies/organizations, and interested parties and the distribution of press releases to both the Newport News-Times and local radio stations publicizing the events. The Newport News-Times November 12, 2004, article entitled "Future development in South Beach is subject of open house" and the Newport News-Times December 10, 2004, article entitled "Newport open house to provide update on land use project" both contained information on the open houses prior to the actual events.

In addition to the Advisory Committee meetings, City staff and the consultants on the project also met or discussed the project with a variety of interested parties, such as members of the former South Beach Neighborhood Planning Group, agency officials, property owners, business owners, and the Yaquina Bay Economic Foundation. A presentation on the economic development portion of the project was also given to the Newport Chamber of Commerce at their November 19, 2004, luncheon meeting.

Public involvement was also encouraged by the development of the Newport Employment Lands and Conceptual Land Use Planning Project website that was linked off of the City of Newport website. The website included a project overview including contact information; a summary of each of the project elements; the process and schedule for the project; and a list of the advisory committee members. The website also included a section for meeting materials which included the agendas for the meeting (usually posted about a week before each meeting) and selected presentation material from meetings; a project update page which included detailed information on the status of the project elements; and a page for draft reports to be posted when available for public comment. The website information was included in the invitations to participate in the focus groups, the invitations to the open houses, and in the press releases on the open houses. Additionally, several of the Newport News-Times articles on the project also contained information on how to access the website.
III. Economic Development Vision & Goals

The purpose of an Economic Development Strategy is to help shape future economic conditions in the City of Newport in order to remain competitive in a rapidly growing Pacific Northwest market place, while creating a positive place to live and work. The implementation of the plan will guide this purpose and ensure that the needs of the local business community are recognized in a timely and positive manner and within changing economic conditions. This strategy is ultimately meant as an integral part of the broader Community Vision, facilitated by the Newport Chamber of Commerce, which will also reflect resident, government and other non-business stakeholder views, goals and desires for the community as a whole.

A. Tomorrow’s Vision

Establishing an economic development vision is an essential piece to designing an obtainable and realistic strategy that meets the needs and desires of area residents, business and property owners, stakeholders, and community leaders. The economic development vision sets the foundation for economic goals and in turn is the basis for implementing the strategic directions and associated initiatives.

In 2004, the Newport Employment Lands & Neighborhood Planning Advisory Committee identified a unified economic development vision statement. This statement is presented in the following text box followed by a discussion of economic development goals that result from and motivate the community’s economic development vision.

VISION STATEMENT

“The City of Newport Proactively Sustains a Growing Economy for a Diversity of Existing and Emerging Competitive Businesses through:

– Innovative Coordination with its Core Economic Clusters,
– Supporting Development of a Skilled Workforce,
– Fostering Conditions for New Entrepreneurial Opportunities, and
– Continuing as a Strong Partner within the Framework of Local and Regional Economic Development Efforts”

Newport Employment Lands & Neighborhood Planning Advisory Committee
B. Economic Development Goals for the Newport Economy

Economic Development goals for realizing Newport’s economic development vision and resulting strategy emphasis are presented in no particular order and designed through focus groups, interviews and evaluations of current and projected economic conditions. During the research process, individual business sectors often expressed similar or identical concerns and needs for improvements from an economic development perspective. The following represents a consolidation of Community Economic Development Goals from a broader group of industry-specific and community partnership goals.

1. Ensure an Adequate Supply of Land and Business Space, Specifically to Encourage a Diversity of Business Sizes and Types

2. Enhance Newport’s Workforce Size, Permanence and Quality

3. Identify, Enhance and Strengthen Newport’s Economic Clusters

4. Address Current Infrastructure Improvement Needs and Anticipate Likely Future Needs

5. Promote Conditions for Newport’s Home-Grown and Small Businesses to Flourish

6. City Beautification Strategy, Particularly Along Highway 101, that Balances Private Cost Through Incentives

7. Attraction of New, Larger Businesses without Sacrificing Existing, Smaller Local Businesses

8. Strong Coordination with Local, Regional, State and Federal Entities on Commerce-Affected Issues
IV. STRATEGIC ACTION PLAN

The following Strategic Action Plan comprises recommendation actions to be taken by the City and its economic development partners to address threats and opportunities identified during the course of this analysis. Specific strategies are tailored to Newport's needs, though reflect general approaches that have proven successful in other similarly-sized communities in Oregon, Washington and California.

In many instances, the formation of a Community Task Force or Advisory Committee is proposed as a means of realizing an economic development goal. Because any economic development improvement will require a public cost of some quantity, the City can leverage local business and resident participation and support to create ownership of the economic development goal and increase the likelihood of voluntary program participation without having to completely rely on public expense through tax revenues, incentives and other fiscal streams that may be politically infeasible.

The Strategic Action Plan is divided into Short Term and Long Term actions. Although specific timing of individual actions is premature, the Project Team recommends the following guidelines:

- **Short Term**: Actions and Initiatives identified that warrant high-priority for short-term problems or opportunities in Newport. Initiation and substantial progress, if not outright completion, should occur in two years or less.
- **Long Term**: Actions and Initiatives that address threats or opportunities that are important but are not necessarily immediate in nature. Initiation should occur within two years’ time, with measurable progress within five years and outright completion in fewer than ten years.

A. Short Term

**ISSUE 1: INADEQUATE SUPPLY OF LAND AND BUSINESS SPACE FOR A DIVERSITY OF BUSINESS SIZES AND TYPES**

**OBJECTIVE 1: SECURE SUPPLY OF INDUSTRIAL AND COMMERCIAL LAND AND SPACE ADEQUATE FOR NEWPORT ECONOMIC GROWTH**

**Strategy 1**: Adopt Findings of Employment Land Need in the Newport Employment Lands & South Beach Conceptual Planning Process.

- **Responsible Party**: Newport Community Development Director
- **Time Schedule**: Fall of 2005
- **Unit of Measure**: Scheduled Project Completion
Strategy 2: Create a Large-Parcel Reserve (Up to 30+ Acres) of Industrial Land for a Potential “Home Run” Economic Development Success.

   Responsible Party: Newport Community Development Director
   Time Schedule: Fall of 2005
   Unit of Measure: Scheduled Employment Lands & South Beach Conceptual Planning Process Completion


   Responsible Party: Newport Community Development Director
   Time Schedule: Fall of 2005
   Unit of Measure: Annual, Accurate Inventory of Available Parcels in Newport for Diverse Economic Development Purposes

Strategy 4: Coordinate with the Commercial Real Estate Industry to Allow Immediate Query of Vacant Industrial and Commercial Space, Rent Conditions, and Availability Specifically for City Business Assistance Purposes.

   Responsible Party: Newport Economic Development Director
   Time Schedule: Fall of 2005
   Unit of Measure: Immediate On-Line Access to Regularly Updated Inventory of Existing Vacant Space and Costs

Strategy 5: Examine and analyze the Downtown, Nye Beach areas, the Bayfront and other locations on the east and west sides of Highway 101 adjacent to the areas currently zoned for Commercial as new locations to accommodate the need for Commercial uses.

   Responsible Party: City of Newport Community Development Director
   Unit of Measure: Designation of new locations north of the Bay for Commercial uses.

ISSUE 2: OVERLAP AND INEFFICIENCIES IN ECONOMIC DEVELOPMENT EFFORTS IN THE NEWPORT AREA

OBJECTIVE 1: ELIMINATE REDUNDANCIES, CONFLICTS AND LOSS OF EFFICIENCY IN LOCAL AND REGIONAL ECONOMIC DEVELOPMENT ACTIVITIES

Strategy 1: Consider revising the Newport Economic Development Director Scope of Work to Place Significantly Greater Emphasis on Local Business & Industry Retention, Expansion and Recruitment Efforts while Reducing Emphasis on Countywide Issues such as Workforce Training & Education and Chamber of Commerce Administrative Responsibilities

   Responsible Party: Newport Chamber of Commerce Board of Directors
   Time Schedule: Winter of 2004-2005
   Unit of Measure: Amended Economic Development Director Scope of Work and Job Description
Strategy 2: Encourage the Formation of a Newport Area Economic Development Advisory Committee, Consisting of the Newport Economic Development Director, City Council Member(s), the Port of Newport General Manager, the director of the Central Coast Economic Development Alliance, County Commissioner(s), other appropriate Officials from City Committees/Commissions, members of Industry and other Jurisdictions/Entities as Appropriate to Define and Address Newport Area Economic Development Issues and Coordinate on Potential Economic Development Leads throughout the greater Newport Area.

Responsible Party: Newport Mayor and the Newport Economic Development Director
Time Schedule: Fall of 2005
Unit of Measure: Formation of a Newport Area Economic Development Advisory Committee; City Coordination and Support Related to Economic Development Initiatives

**ISSUE 3: NEED FOR LOCAL INFRASTRUCTURE IMPROVEMENT AND EXPANSION**

**OBJECTIVE 1: NECESSARY INFRASTRUCTURE TO SUPPORT LOCAL ECONOMIC EXPANSION OF NEWPORT’S CLUSTER INDUSTRIES AND BROADER BUSINESS BASE**

**Strategy 1:** Continue to Support Funding for Completion of Highway 20 Improvements

Responsible Party: Newport Chamber of Commerce Surface Transportation Committee
Time Schedule: To Be Determined
Unit of Measure: Progressively Specific Details of Project Funding, Timeline and Ultimately, Project Start-Up

**Strategy 2:** Commission a System Development Charge Study to Assess Potential Modifications to Current SDCs to Better Fund Transportation and Other Improvements

Responsible Party: Newport Community Development Director and Public Works Director
Time Schedule: To Be Determined
Unit of Measure: Commissioned Study, Potential SDC Policy Amendments

**Strategy 3:** Review SDCs for Equitable Treatment of Various Uses, Including New Uses within Existing Businesses/Buildings

Responsible Party: Newport Community Development Director
Time Schedule: To Be Determined
Unit of Measure: Completed Review, Potential SDC Policy Amendments
Strategy 4: Adopt the Airport Master Plan

- Responsible Party: Newport Community Development Director and Airport Manager
- Time Schedule: To Be Determined
- Unit of Measure: Master Plan Submittal to the Planning Commission, Potential Adoption

Strategy 5: Adopt the Stormwater Master Plan

- Responsible Party: Newport Community Development Director and Public Works Director
- Time Schedule: To Be Determined
- Unit of Measure: Master Plan Submittal to the Planning Commission, Potential Adoption

Strategy 6: Support Completion of Fiber Optic Connectivity in Newport

- Responsible Party: Newport Economic Development Director
- Time Schedule: To Be Determined
- Unit of Measure: Elaboration of “Last Mile” Connection Plan, Ground-Breaking and Project Completion

Strategy 7: Support Development of City-Sponsored Wireless Internet Broadcast

- Responsible Party: Newport Mayor and Newport Economic Development Director
- Time Schedule: To Be Determined
- Unit of Measure: Feasibility and Funding Plan, Wireless Internet Connection RFP

ISSUE 4: NEED FOR LOCAL SMALL BUSINESS ASSISTANCE AND OPPORTUNITIES

OBJECTIVE 1: ENHANCED ACCESS TO SMALL BUSINESS ASSISTANCE INFORMATION IN NEWPORT

Strategy 1: Consolidate a One-Stop On-Line Information Webpage for Small Business Assistance with Information from and Links to all Agency and Assistance Resource Pertinent to Newport Business Development

- Responsible Party: Small Business Development Center in cooperation with Newport Economic Development Director and Central Coast Economic Development Alliance
- Time Schedule: To Be Determined
- Unit of Measure: Website Development

Strategy 2: Help Promote Existing Revolving Loan Fund with Grant Monies to Assist Start-Up Businesses

- Responsible Party: Newport Economic Development Director in cooperation with Cascades West Council of Governments
- Time Schedule: To Be Determined
- Unit of Measure: Increased Rate of Revolving Loan Fund Participation in Newport
OBJECTIVE 2: **Enhance Opportunities for Local Businesses to Provide Contract Services to the City and Newport’s State and Federal Entities.**

Strategy 1: Explore Local Emerging Business or Local Disadvantaged Business Vendor Preference Policies to Encourage Growth in Local Commerce

- **Responsible Party:** Newport City Manager
- **Time Schedule:** To Be Determined
- **Unit of Measure:** Proposed Changes, as Necessary, to Local Vendor Purchasing Policy

Strategy 2: Organize and make available the vendor policies and contact information of the various state and federal entities in Newport.

- **Responsible Party:** To be determined
- **Time Schedule:** To be determined
- **Unit of Measure:** Availability of vendor policies and contact information

OBJECTIVE 3: **Remove Zoning Policy-Related Barriers to Local Businesses**

Strategy 1: Review and Amend Zoning Ordinances to Remove Unnecessary Barriers for Businesses such as 6-Month Non-Conforming Use Discontinuation Period, Conditional Use Flexibility and other Issues

- **Responsible Party:** Newport Planning Commission and Community Development Director
- **Time Schedule:** To Be Determined
- **Unit of Measure:** Zoning Ordinance Review, Proposed Ordinance Amendment, Submission for Amendment Adoption

ISSUE 5: **Short-Term Health of Newport Economic Clusters**

OBJECTIVE 1: **Identify Immediate Business Expansion and Industry Coordination Potential in Newport’s Economic Development Clusters**

Strategy 1: Organize Formal Cluster-Based Trade Groups for Each of the Five Identified Clusters for Regular Networking, Coordination and “Pulse-Taking” for Local Economic Development Efforts

- **Responsible Party:** Newport Economic Development Director in Coordination with the Newport Chamber of Commerce
- **Time Schedule:** On-Going
- **Unit of Measure:** Industry Cluster Identity among Local Businesses, Networking & Familiarity, Greater Industry Coordination among Firms, Vendors and Services

Strategy 2: Coordinate Rotation of Cluster-Based Trade Groups as the Focus of a New City Economic Development Committee, which in Turn Reports to City Council

- **Responsible Party:** Newport Economic Development Director in Coordination with the Newport City Council
OBJECTIVE 2: RAISE THE STATEWIDE PROFILE OF NEWPORT’S OWN COMMERCIAL FISHING AND VALUE-ADDED INDUSTRY

Strategy 1: Explore Potential Strategies to Raise the Profile of Newport’s Own Commercial Fishing & Value-Added Cluster within the New Brand Oregon Food Products Marketing Campaign

Responsible Party: Fishermen’s Wives and the Port of Newport in cooperation with Newport Economic Development Director
Time Schedule: To Be Determined
Unit of Measure: Increased awareness and sales of Newport-fleet-originated seafood

Strategy 2: Advocate for Increased Emphasis of Crab and Oyster Harvest and Processing, Specifically Newport’s Own, in the Brand Oregon Campaign (in Addition to Finfish and Shrimp Harvest Already Promoted)

Responsible Party: Fishermen’s Wives and the Port of Newport in cooperation with Newport Economic Development Director and OSU’s Coastal Oregon Marine Experiment Station and Astoria Seafood Laboratory
Time Schedule: To Be Determined
Unit of Measure: Addition of Crab and Oyster Products to the Brand Oregon Campaign; Increased Awareness and Sales of Newport’s Crab and Oyster Harvest and Products

Strategy 3: Coordinate with Other Jurisdictions to Create A Consolidated Local Voice for Input in State and Federal Natural Resource Regulations as they Affect Newport Core Fishing, Timber and Tourism (Recreational Fishing) Industries

Responsible Party: Newport Chamber of Commerce in coordination with the City of Newport, Port of Newport and Lincoln County
Time Schedule: To Be Determined
Unit of Measure: Increased and Greater Efficiency of Local Industry Advocacy at the State and Federal Level; if Possible, Effects on Natural Resource Policy

Strategy 4: Support the Development of a Unique Fish Market on the Newport Bayfront, with Emphasis on On-Site Processed Seafood in Addition to Sale of Fresh Seafood

Responsible Party: Newport Economic Development Director in Support to the Port of Newport and Participating Fishermen and Fishermen’s Wives
Time Schedule: To Be Determined
Unit of Measure: Completion of Project Feasibility, Activity and Land Zoning Compliance Reconciliation, Potential Operation of the Project
OBJECTIVE 3: RAISE THE STATEWIDE PROFILE OF NEWPORT’S OWN NON-SEAFOOD FOOD AND BEVERAGE PRODUCTS MANUFACTURE INDUSTRY

Strategy 1: Explore Potential Strategies to Raise the Profile of Newport’s Own Beverage and Food Product Cluster within the New Brand Oregon Food Products Marketing Campaign

Responsible Party: Newport Economic Development Director in coordination with the Newport Chamber of Commerce
Time Schedule: To Be Determined
Unit of Measure: Increased awareness and sales of Newport’s food and beverage cluster.

OBJECTIVE 4: IMPROVE PARKING CONGESTION AND SAFETY PROBLEMS IN NEWPORT’S BAYFRONT AND THE NYE BEACH AREA

Strategy 1: Consider Consensus Parking Solutions Proposed by the Bayfront Merchants’ Association and the Nye Beach Merchants’ Association and Adopt Resulting Parking Regulation Reforms

Responsible Party: Newport City Council in coordination with the Bayfront and Nye Beach Merchants’ Associations
Time Schedule: To Be Determined
Unit of Measure: Proposed and Adopted Parking Regulation Changes; Fewer Parking Violations; Increased Sales in Each Commercial Area

OBJECTIVE 5: FORMALIZE IDENTIFY THE NEWPORT AREA POPULATION OF VISUAL AND PERFORMING ARTISTS

Strategy 1: Create a Comprehensive Newport-Area Visual and Performing Artist Registry for Cluster Promotion Purposes

Responsible Party: Newport Chamber of Commerce in Coordination with the Newport Economic Development Director and if Necessary, the Oregon Coast Council for the Arts (OCCA).
Time Schedule: To Be Determined
Unit of Measure: Completed Census of Local Artists; Expanded Marketing of the Newport Arts and Culture Cluster

Strategy 2: Assist in the Creation of an Inventory of Occasionally Leaseable, Low-Cost Space Suitable for Studio Space, Artist Workshops and Classes Driven by Frequent Overflow from the Visual Arts Center

Responsible Party: Newport Economic Development Director in coordination with the Newport Visual Arts Center, Performing Arts Center and the OCCA
Time Schedule: To Be Determined
Unit of Measure: Working Directory of Available, Suitable Space
OBJECTIVE 6  SUCCESSFULLY ATTRACT NEW NOAA DEEP-SEA RESEARCH VESSELS TO NEWPORT, STATIONED AT THE NOAA/HATFIELD MARINE SCIENCE CENTER AND MAKE NEWPORT THE FOCAL POINT FOR PACIFIC NORTHWEST INFRASTRUCTURE SUPPORTING THE US INTEGRATED OCEAN OBSERVATION SYSTEM

Strategy 1:  Provide Necessary Public Support and Coordination to Hatfield Marine Science Center and Port of Newport Efforts to Win Federal Research Spending and Activities by NOAA

Responsible Party: Newport Economic Development Director in coordination with HMSC/OSU Administration and Port of Newport
Time Schedule: 3-5 Years
Unit of Measure: Increased Partnership with HMSC and the Port; Award of Research Vessel Anchorage in Newport and Related Research Spending and Activities in Newport.

Strategy 2:  Develop approaches to attract businesses supporting ocean research and observation systems to Newport.

Responsible Party: Newport Economic Development Director in coordination with Oregon State University and Port of Newport.
Time Schedule: To be determined
Unit of Measure: Identification and implementation of approaches.

B. Long Term

ISSUE 1:  INADEQUATE STOCK OF COMMERCIAL AND INDUSTRIAL LAND AND SPACE FOR A DIVERSITY OF BUSINESS TYPES AND SIZES

OBJECTIVE 1:  INCREASE OPPORTUNITY FOR RE-USE AND REDEVELOPMENT OF EXISTING COMMERCIAL AND INDUSTRIAL SPACE IN NEWPORT

Strategy 1: Explore Feasibility and Regulatory Possibility of Re-Using Depreciated Single and Double-Story Roadside Lodging as Small Business Space

Responsible Party: Newport Community Development Director
Time Schedule: To Be Determined
Unit of Measure: Potential Amendments to Related Zoning and Permitting Ordinances; Resulting Redevelopment of Targeted Lodging Structures

ISSUE 2:  NEED FOR LOCAL WORKFORCE OF ADEQUATE SIZE AND SKILLS

OBJECTIVE 1: COMPLETE UNDERSTANDING OF LOCAL LABOR SKILL NEEDS AND REQUIREMENTS

Strategy 1: Support the Creation of a Mechanism to Inventory Exact Labor Quantity and Skill Needs of All Local Industries to Better Accommodate Local
Business Expansion Needs

Responsible Party: Newport Economic Development Director, in support of the Director of the Central Coast Economic Development Alliance
Time Schedule: To Be Determined (CCEDA)
Unit of Measure: Discussion of Workforce Needs; Gradual Inventory of Skill Requirements by Sector

OBJECTIVE 2: ENRICHMENT OF NEWPORT WORKFORCE EDUCATION AND SKILLS

Strategy 1: Support Local Educational Institutions in Efforts to Expand, Innovate Programs and Seek Enhanced Public Funding Support

Responsible Party: City of Newport
Time Schedule: To Be Determined
Unit of Measure: Public Partnership and Support of Educational Institution Expansion, Attraction and Funding Enhancement

Strategy 2: Support Local Efforts to Attract or Grow Private School Options in Newport

Responsible Party: City of Newport
Time Schedule: To Be Determined
Unit of Measure: Increased Public Discussion of Private School Attraction, Potential City or Chamber of Commerce Committee Involvement, Private School Establishment

Strategy 3: Facilitate Increased Partnership of Local Businesses and Public School Teachers in All Grade Levels to Familiarize Students with the Broader Community, its Local Career Opportunities and Necessary Job Skills

Responsible Party: Newport Chamber of Commerce in coordination with Lincoln County School District
Time Schedule: To Be Determined
Unit of Measure: Business and Industry Educational Partnerships, Field Trips, Internships and Potential Employment Opportunities for School Program Participants

Strategy 4: Support County and Statewide Education Improvement Initiatives such as Public School Finance Improvements, Workforce/Vocational Training Funds and Other Potential Initiatives

Responsible Party: City of Newport
Time Schedule: To Be Determined
Unit of Measure: Greater Local, Regional and Statewide Partnerships in Improving Education and Workforce Quality

ISSUE 3: NEED FOR LOCAL INFRASTRUCTURE IMPROVEMENT AND EXPANSION

OBJECTIVE 1: NECESSARY INFRASTRUCTURE TO SUPPORT LOCAL ECONOMIC EXPANSION OF NEWPORT’S CLUSTER INDUSTRIES AND BROADER BUSINESS BASE
Strategy 1: Pursue Grants from ODOT and other Sources to Enhance and Diversify Transportation Offerings in Newport

Responsible Party: Newport Community Development Director, Public Works Director and Parks & Recreation Director
Time Schedule: On-Going
Unit of Measure: Grant Application(s) Processed, Potential Grant Award(s)

Strategy 2: Create a Yaquina Bay Bridge Improvement Task Force Comprising Port and Government Officials, Community Stakeholders and Businesses to Anticipate Bridge Improvement Needs in Conjunction with South Beach Development and/or Port Economic Development Initiatives

Responsible Party: Newport Mayor and/or Selected City Staff
Time Schedule: To Be Determined
Unit of Measure: Task Force Formation; Bridge Construction and Funding Strategy

Strategy 3: Leverage Support for Commuter Air Service to Newport from Community Stakeholders, Businesses and other Entities/Jurisdictions that would Benefit from Commuter Air Service

Responsible Party: Airport Manager with cooperation from the Newport Economic Development Director
Time Schedule: On-Going
Unit of Measure: Annual Progress Reports in Achieving Commuter Air Service; Discussions with Commuter Air Companies and Feasibility Study

ISSUE 4: NEED FOR LOCAL SMALL BUSINESS ASSISTANCE AND OPPORTUNITIES

OBJECTIVE 1: MAINTAIN A POSITIVE EXCHANGE BETWEEN THE CITY AND THE BUSINESS COMMUNITY

Strategy 1: Continue A High Level of Business-Friendly Customer Service by the City and Its Departments

Responsible Party: Newport Mayor and Newport City Manager
Time Schedule: On-Going
Unit of Measure: Continued High Business and Citizen Satisfaction Rates

OBJECTIVE 2: ENHANCE NEWPORT’S ATTRACTION OF PRE-RETIREES AND THE INDEPENDENTLY EMPLOYED AS A RESIDENTIAL LOCATION, AS A PLACE TO RELOCATE AN EXISTING BUSINESS OR START A NEW BUSINESS

Strategy 1: Further Develop Newport’s Existing Marketing Approach to Entrepreneurs Seeking to Live in Newport for Lifestyle Reasons and Potentially Relocating Businesses to Newport

Responsible Party: Newport Economic Development Director
Time Schedule: To Be Determined
Unit of Measure: Increases in Small Business, Home-Based Business and Independent Contractor Firm Counts in Newport
Strategy 2: Consider Zoning Regulation Changes that Create Incentives for Live-Work Space Development

Responsible Party: Newport Community Development Director
Time Schedule: To Be Determined
Unit of Measure: Suggested Zoning Regulation Changes, as Necessary; Zoning Code Change(s) Adoption; Live-Work Mixed Use Development

ISSUE 5: DECLINING APPEARANCE OF NEWPORT COMMERCIAL AREAS, PARTICULARLY ALONG HIGHWAY 101

OBJECTIVE 1: DEVELOP A VARIETY OF PUBLIC AND PRIVATE TOOLS TO BEAUTIFY AND ENHANCE DECLINING CORE COMMERCIAL AREAS

Strategy 1: Explore New or Enhanced Fiscal Tools to Spur Redevelopment, and Beautification Efforts, Potentially Including Increased Hotel/Motel Tax Rate, Property Tax Incentives, and Urban Renewal Districting

Responsible Party: Newport Mayor or Newport City Manager
Time Schedule: On-Going
Unit of Measure: Tax Stream Identification, Public Debate, Potential New Tax Revenue Streams Earmarked for Commercial Area Beautification

Strategy 2: Pursue Business and Lodging Façade Improvement Program through Grant Funds or Other Funding Sources

Responsible Party: Newport Community Development Director
Time Schedule: On-Going
Unit of Measure: Grant Application Process(es); Grant Award(s)

Strategy 3: Improve and Standardize a City Attraction, Neighborhood/District and Services Signage System along Highway 101 for Visitors to Newport

Responsible Party: Newport Community Development Director in coordination with the Newport Chamber of Commerce City Beautification Committee
Time Schedule: To Be Determined
Unit of Measure: City Signage Proposals; Proposed Signage Ordinance and Adoption

Strategy 4: Review the Ingredients and Success of the Nye Beach Area for Applicability to other Commercial Areas of Newport

Responsible Party: Newport Community Development Director
Time Schedule: To Be Determined
Unit of Measure: Elaboration or Modification to Zoning Overlay Ordinance; Future Zoning Overlay for Commercial District (Re)Development

Strategy 5: Explore Zoning Regulations that Encourage Enhancement of Businesses, Particularly Along Highway 101

Responsible Party: City of Newport Planning Commission and the Newport Community Development Director with input from the Newport Planning Commission, City Council, and the Newport Community Development Director
Strategy 6: Review and Revise the Existing Sign Ordinance for Improvements to Better Address General Signage Along Highway 101

Responsible Party: City of Newport Planning Commission and the Newport Community Development Director with input from the Newport Chamber of Commerce City Beautification Committee

Time Schedule: To Be Determined

Unit of Measure: City Signage Proposals; Proposed Signage Ordinance and Adoption; Improved Building Aesthetics along Highway 101

**ISSUE 6: LONG-TERM HEALTH AND OPPORTUNITY FOR NEWPORT’S INDUSTRY CLUSTERS**

**OBJECTIVE 1: A DIVERSIFIED AND COORDINATED TOURISM INDUSTRY CLUSTER**

Strategy 1: Broaden the Existing Destination Newport Committee to Include the Planned City Events Center and Its Coordinated Use by Local Sectors, Including Non-Tourism Industry

Responsible Party: Destination Newport Committee

Time Schedule: To Be Determined

Unit of Measure: Addition of Appropriate Event Center Representative Prior to Planned Construction of the Facility

Strategy 2: Encourage a Reformatting of the Newport Visitor Information Website to Add Marketing and Sale of Pre-Arranged, Themed Packages Relating to Individual or Combined Elements of the Local Tourism Industry Similar to Nationwide On-Line Travel Reservation Systems

Responsible Party: Newport Chamber of Commerce in Coordination with the Destination Newport Committee

Time Schedule: To Be Determined

Unit of Measure: Reformatting of the Tourism Website; Measure of Website Visitor Counts and On-Line Sales

Strategy 3: Explore New Potential Funding Sources and Avenues for Broadcast Marketing of Newport’s Traditional and New Tourism Offerings

Responsible Party: Newport Chamber of Commerce in Coordination with the Tourism Development Director and the Destination Newport Committee

Time Schedule: On-Going

Unit of Measure: Identification and Receipt of Funding Sources; Expansion of Newport Tourism Marketing

Strategy 4: Reinvigorate Efforts to Attract Development of a World-Class 18-hole Golf Course in Newport

Responsible Party: Newport Economic Development Director
Strategy 5: Explore Opportunities to Expand Non-Event, Gourmet-Related Tourism, i.e. Fresh Oysters, Crab, Fish, Wine and Craft Beer Production

Responsible Party: Fishermen’s Wives, Port of Newport and other Industry Cluster Representatives in cooperation with the Newport Economic Development Director

Time Schedule: On-Going

Unit of Measure: Further Coordination Between Food and Beverage Manufacturers and Traditional Tourism Industry; Increased Factory or Facility Tours

Strategy 6: Support the Exploration of Ecotourism and Educational Tourism Opportunities in Coordination with Hatfield Marine Science Center, Oregon Coast Aquarium and Other Entities

Responsible Party: Newport Chamber of Commerce in Coordination with HMSC, Oregon Coast Aquarium and Necessary Assistance from the Newport Economic Development Director

Time Schedule: To Be Determined

Unit of Measure: Ecotourism development feasibility study, Operator Recruitment, Potential Ecotourism and Educational Tourism Development

OBJECTIVE 2: DEVELOP A DISTINCT, NATURAL CULINARY CACHET FOR NEWPORT’S SEAFOOD, OTHER FOODS AND BEVERAGES INDUSTRY CLUSTERS

Strategy 1: Focus Active Business Recruitment on Complimentary Gourmet Food Products, such as Small- to Medium-Scale Artisan Cheeses, Artisan Breads/Baked Goods, and Wines.

Responsible Party: Newport Economic Development Director

Time Schedule: On-Going

Unit of Measure: Manufacturing Leads and Recruitment of Food Product Industry

Strategy 2: Survey or Conduct Roundtable Discussions with Seafood and Non-Seafood/Beverage Industry Clusters to Inventory Potential Industry Recruitment Needs or Opportunities, i.e. Support/Vendor Industries as well as Joint Venture Possibilities, Cross-Marketing Opportunities and Brand Development/Merchandising Opportunities

Responsible Party: Newport Economic Development Director

Time Schedule: On-Going, Annually or Semi-Annually

Unit of Measure: Industry Recruitment Leads, Industry Cluster “Pulse”

Strategy 3: Tie Food Product Industry Recruitment Efforts and Marketing of Newport Industry to Newport’s Clean, Scenic Environment and Related Quality of Life

Responsible Party: Newport Economic Development Director
Strategy 4: Encourage cooperative Fishery Research Program Participation between Fishermen and HMSC and Federal Research Activities to Increase Local Federal Research Spending Share

Responsible Party: Fishermen’s Wives and HMSC, with Public Support from City of Newport and Necessary Support from the Newport Economic Development Director

Time Schedule: On-Going
Unit of Measure: Industry Recruitment Leads and Successes

Strategy 5: Develop a Long-Term Marketing Strategy for Newport as the Premier Location for Fishing and Seafood Processing Industry Consolidation if Coastal Fisheries Experience Long-Term Restrictions and Industry Decline

Responsible Party: Newport Economic Development Director with the Fishermen’s Wives, Port of Newport, OSU Sea Grant Extension and Other Industry Cluster Representatives

Time Schedule: Long-Term On-Going
Unit of Measure: Growth in Frequency of Research Program Participation; Increased Share of Federal Research Spending in Newport.

Strategy 6: Revitalize Local Efforts to Establish a Business Incubator in Newport, Specifically Targeting Start-Up Food Product Manufacture as a Key Industry

Responsible Party: Newport Economic Development Director

Time Schedule: Long-Term On-Going
Unit of Measure: Revisitation of Incubator Feasibility Criteria, Coordination with Oregon State University Food Products Incubator Program, Realization of a Local Newport Business Incubator

Objective 3: Create an Identity for the Newport Area as the Premier Coastal Arts and Cultural Location Between California and Canada

Strategy 1: Strengthen Ties Between Willamette Valley Culture and Arts Venues, Particularly Galleries and Amenities in Portland

Responsible Party: OCCA and a Newly-Created Newport Arts and Culture Cluster Trade Group with Support from the Newport Economic Development Director

Time Schedule: On-Going
Unit of Measure: Increased Gallery Counts, Artist Counts and Touring Performance Counts

Strategy 2: Develop a Long-Term Strategy for Attracting a Fine Arts School and/or Substantial Studio Investment, such as a Bronze Foundry or Other Proven Attractor

Responsible Party: OCCA and a Newly-Created Newport Arts and Culture Cluster Trade Group with Support from the Newport Economic Development Director
OBJECTIVE 4: ACADEMIC AND RESEARCH FACILITY GROWTH WITH STRONG COMMUNITY SUPPORT AND RESULTING COMMERCE GENERATION

Strategy 1: Support Planned Expansion of Oregon Coast Community College, its Funding Needs and Its Plans to Coordinate with OSU/HMSC on New Course Offerings, and Specialized Technical Training Programs

Responsible Party: City of Newport
Time Schedule: On-Going
Unit of Measure: College Employment Growth, Enrollment Growth and Average Graduate Wage Growth

Strategy 2: Support OSU/HMSC Plans for an Eventual Oregon State University Coastal Campus

Responsible Party: City of Newport
Time Schedule: On-Going
Unit of Measure: Center/Campus Employment Growth, Enrollment Growth and Average Graduate Wage Growth

Strategy 3: Develop a Long-Term Strategy to Utilize Technology Privatization, Spin-Off, Patenting, Private Product Development and Business Recruitment Resulting from Unique Research Activities by HMSC

Responsible Party: City of Newport Economic Development Director and HMSC
Time Schedule: Long-Term, On-Going
Unit of Measure: To Be Determined as the New State Law and Grant Program Evolves

OBJECTIVE 5: COORDINATE WITH THE SEABERG COMPANY TO FORMULATE A LONG-TERM SURGICAL APPLIANCE AND EQUIPMENT MANUFACTURE CLUSTER IN NEWPORT


Responsible Party: Newport Economic Development Director
Time Schedule: 3-5 Years Long-Term, On-Going
Unit of Measure: To Be Determined
V. Economic Analysis

The following economic analysis was conducted in fulfillment of State of Oregon Planning Goal 9, Economic Opportunity Analysis statutory guidelines in determining likely twenty-year need for employment lands in Newport, Oregon. The methodology followed the sequence of project tasks summarized as follows:

- Assessment of National, State & Local Trends
- 20-Year Population & Employment Forecast
- Estimation of Types of Industrial and Commercial Development Likely to Occur in Newport
- Determination of Site Requirements During the 20-Year Planning Period
- Projection of Land Need Based on Growth Projections
- Identification of Vacant/Partially Vacant Parcels
- Identification of Development & Environmental Constraints within the Land Supply
- Identification of Potential Infrastructure Limitations within the Land Supply and Proposed Employment Land Areas
- Identification of Potential Mixed-Use or Redevelopment Opportunities in the Land Supply
- Determination of Short-Term and Long-Term Buildable Land Needs
- Review of Goal 17 water dependent site inventory as it pertains to forecast land need and available inventory of buildable lands

The following Economic Analysis Section is a result of that work scope of tasks and related research and analysis work to inform the City of Newport Draft Comprehensive Plan for Employment Lands.

A. Baseline Analysis: National, State & Local Trends

1. National Trends

The U.S. economy is presently in expansion based on growth in national production measured by Gross Domestic Product (GDP). The U.S. Department of Commerce has recorded twelve consecutive fiscal quarters where U.S. production growth has increased, nine of which have exceeded the pace of inflation. A summary of GDP growth rates over the last three years is summarized in Table 1 below.
By traditional measures, the 2000-2001 recession was a reasonably shallow one as measured by national production. However, payroll employment losses – unemployment insurance-covered jobs shed by firms – were significantly greater than the previous two recessions as demonstrated in Table 2.

Table 1

Table 2

By traditional measures, the 2000-2001 recession was a reasonably shallow one as measured by national production. However, payroll employment losses – unemployment insurance-covered jobs shed by firms – were significantly greater than the previous two recessions as demonstrated in Table 2.
At the end of 2004, the cause for disparity between significant job losses and minimal national production decline has not yet been determined. The following trends appear to have combined and contributed:

- **Regional Recessions:** Unlike previous recessions, the 2000-01 downturn was felt far more acutely in different regions of the country than others. The Pacific Northwest economy, anchored by significant transportation manufacturing and high-tech industries, fell victim to a one-two punch of the 2000 “Tech Wreck” decline in technology companies and the 9/11 shock to the travel industry, particularly need for new commercial airplanes. The Desert Southwest and other regional growth merely slowed temporarily and have since returned to pre-recession rates of expansion while the Pacific Northwest continues to languish.

- **Low Interest Rates:** Economic weakness, trade balances with Asia and Federal Reserve policy have kept long-term and short-term interest rates at historic lows. The result is that residential construction and financial sectors have boomed nationwide like never before. Increased homeownership, along with significant home value gains in most regions, and lower costs for consumer debt have sustained consumer spending during the recession despite significant payroll job losses.

- **Government Spending:** Federal tax cuts paired with significant expansion in Federal spending due to war have both sustained consumer spending and increased production by contractors to the government, though the range of beneficiary industries is relatively limited.

- **Growing Business Overhead Costs:** As demonstrated in Table 3, the U.S. Bureau of Labor Statistics Index of Non-Wage Payroll Employment Costs has significantly increased over the past several years to its highest levels in two decades. In effect, cost of employee insurance and other overhead per employee has escalated to an extent that companies have far greater incentive to delay hiring or avoid it altogether and invest in software and machinery innovation to maintain production if possible.

### Table 3

**U.S. PAYROLLS BY QUARTER 1996-2003**

<table>
<thead>
<tr>
<th>Jobs (Thousands)</th>
<th>Payroll</th>
<th>Civilian</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q01</td>
<td>130,043</td>
<td>130,043</td>
</tr>
<tr>
<td>4Q01</td>
<td>128,000</td>
<td>128,000</td>
</tr>
<tr>
<td>1Q02</td>
<td>130,000</td>
<td>130,000</td>
</tr>
<tr>
<td>2Q02</td>
<td>132,000</td>
<td>132,000</td>
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<tr>
<td>3Q02</td>
<td>134,000</td>
<td>134,000</td>
</tr>
<tr>
<td>4Q02</td>
<td>136,000</td>
<td>136,000</td>
</tr>
<tr>
<td>1Q03</td>
<td>138,000</td>
<td>138,000</td>
</tr>
<tr>
<td>2Q03</td>
<td>140,000</td>
<td>140,000</td>
</tr>
<tr>
<td>3Q03</td>
<td>142,000</td>
<td>142,000</td>
</tr>
<tr>
<td>4Q03</td>
<td>144,000</td>
<td>144,000</td>
</tr>
</tbody>
</table>

**Non-Wage Payroll Employment Cost Growth and Trend**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost Growth Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan-1996</td>
<td>0.0%</td>
</tr>
<tr>
<td>Oct-1996</td>
<td>0.5%</td>
</tr>
<tr>
<td>Jul-1997</td>
<td>1.0%</td>
</tr>
<tr>
<td>Apr-1998</td>
<td>1.5%</td>
</tr>
<tr>
<td>Jan-1999</td>
<td>2.0%</td>
</tr>
<tr>
<td>Oct-2000</td>
<td>2.5%</td>
</tr>
<tr>
<td>Jul-2001</td>
<td>3.0%</td>
</tr>
<tr>
<td>Apr-2002</td>
<td>3.5%</td>
</tr>
<tr>
<td>Jan-2003</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Adding to the above factors in explaining sustained national production but payroll job losses is the changing nature of employment for the nation’s labor force. Although payroll jobs have declined since 2000, the U.S. job market has performed better than commonly reported in terms of civilian employment, which includes agricultural jobs and the self-employed, sole proprietors and independent contractors. The following table provides a comparison of payroll employment to civilian employment over the past 24 years.

Table 4

<table>
<thead>
<tr>
<th>Year</th>
<th>Civilian Employment</th>
<th>Non-Farm Payroll Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-2004</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

While payroll jobs dipped by 2.7 million after 2000, civilian jobs dropped by less than half and returned to pre-recession levels in 2003. Through mid-2004, the country added roughly 3 million more civilian jobs than recorded in 2000 prior to the recession. When accounting for independents and self-employed, U.S. employment has performed consistently with the GDP trends examined above. Dramatic economic growth posted prior to 2000 created more jobs than the traditional payroll employment labor force could fill; the self-employed and independents were lured into payroll jobs as indicated by the narrow gulf between payroll and civilian employment in 2000.

As the country continues to expand economically, the independent and self-employed can be expected to continue to grow at a faster rate than payroll jobs. As Table 4 indicates, the country tends to average an 8 million to 10 million job differential between payroll and civilian employment. With agriculture employment declining by 7% annually according to the U.S. Department of Agriculture, the self-employed will account for a greater majority share of the difference over time.
a. Industry-Specific Trends

Between June of 2000 and June of 2004, the U.S. economy experienced significant losses in its manufacturing core as demonstrated in Table 5. A Manufacturing payroll job deficit of 17%, or 2.9 million positions, still existed as of July 1, 2004. Information industries, a significant portion of which is software and internet publishing firms, experienced the second-largest decline during the period. These industries have been particularly difficult for the Pacific Northwest as discussed above. Wholesale Trade and Transportation, Warehousing & Utilities payroll employment have also not completely recovered since the recession, largely due to ripple effects from primary Manufacturing and Information job losses. This tertiary economic loss has also been particularly difficult for the port, rail and highway-concentrated industries of the Pacific Northwest corridor already struggling due to core industry losses.

Table 5

<table>
<thead>
<tr>
<th>U.S. ECONOMY BY INDUSTRY, 2000 TO 2004</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Thousands of Payroll Jobs</strong></td>
</tr>
<tr>
<td>Natural Resources</td>
</tr>
<tr>
<td>Construction</td>
</tr>
<tr>
<td>Manufacturing</td>
</tr>
<tr>
<td>Wholesale Trade</td>
</tr>
<tr>
<td>Retail Trade</td>
</tr>
<tr>
<td>T.W.U. 1/</td>
</tr>
<tr>
<td>Information</td>
</tr>
<tr>
<td>Financial Activities</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
</tr>
<tr>
<td>Education &amp; Health Services</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
</tr>
<tr>
<td>Other Services</td>
</tr>
<tr>
<td>Government</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Alternatively, Healthcare, Education, Leisure & Hospitality, Government & Financial Activities have all enjoyed growth since 2000 in terms of payroll employment. Excepting Government, due greatly to ramp-up in military spending, industries that have seen sustainable expansion, benefited from low mortgage and interest rates, reflect residential growth and qualify of life preferences, and have benefited significantly from telecommunications, i.e. internet innovations over the past decade.
b. Industry & Earnings

Nationwide, wages have grown in a stable manner for all private industries. The following table provides a summary of annual earnings per employee for each national private industry sector in 1994 and 2003. The left chart in Table 6 summarizes nominal wages, or wages as they are paid annually including price increases. The right chart in Table 6 summarizes wages in constant, 1994 dollars which excludes price increases.

- Wages in all industries grew between 1994 and 2003 – Information industry jobs enjoyed the largest increase in pay over the period ($9,800) while Leisure & Hospitality jobs experienced the smallest increase ($4,000).
- In real terms, wage growth – reflecting true buying power by workers – has been less dramatic for industry nationwide.
- All industries but Natural Resources & Mining paid higher wages in constant dollars – Financial Services employees enjoyed the greatest buying power increase ($2,900) while Manufacturing workers garnered smallest increase in buying power ($635) over the period.

Table 6
U.S. WAGES BY INDUSTRY, 1994-2004
c. Considerations for Economic Growth

Current consensus forecasts for the U.S. economy generally range between 3.3% and 3.6% annual GDP growth over the coming years. However, the following trends and considerations could have significant implications for the economy.

- The weak U.S. dollar has made U.S. exports more affordable internationally while making imports more expensive. Continued low interest rates and less-than-stellar economic performance should keep the dollar weak, particularly against Asian currencies – benefiting Pacific Northwest firms that trade in the Pacific Rim.

- Mortgage rates will increase as the economy improves over the coming months. However, 30-year rates are greatly determined by international currency exchange and purchases of Federal notes. China in particular is expected to maintain a consistent policy of buying U.S. debt at below market rates to keep its currency strong – which in turn will dampen upward pressure on mortgage rates and other long-term rates.

- Petroleum prices recently spiked above $50 per barrel, though prices are now trending downwards with the U.S. election complete, a stronger hand by the U.S. in Iraq, repair of production facilities in the Gulf of Mexico and growing prospects of additional exploration in Alaska. Growing demand for oil by China will be a primary upward pressure of oil prices over the next several years, paired with unpredictable politics in the Middle East. Any growth in prices acts like a tax and increases the costs of production, and, thus prices.

- As already expressed, growing non-wage costs of employment is likely discouraging businesses from hiring employees. If the present administration is unable to create conditions for lower health insurance costs and other escalating overhead expenses, sluggish payroll employment growth can be expected nationwide.

2. State & Local Trends

Table 7

UNEMPLOYMENT AND JOB GROWTH
Lincoln County unemployment suffered a roughly 2.5%-point increase as a result of the recent recession, though fared better than the Oregon rate which increased by 3%.

At the end of 2003, the Oregon and Lincoln County unemployment rates were not significantly different; the Lincoln County jobless rate typically exceeds the State by an average of 1.3%.

Lincoln County contracted by 1.0% during the recent recession, though since 2001 County job growth has averaged roughly 1% annually.

The State, in contrast, enjoyed its first 12-month period of positive job growth in 2003.

Historically, annual job growth has been far more erratic in Lincoln County than Statewide, largely due to the historically seasonal nature of local industry, as well as the significant influence State and Federal environmental regulations have on local core fishing and timber industry.

**a. Industry Job Growth**

2003 industry employment in Lincoln County was less than 1% lower than industry jobs at the end of 2000; the local economy has, in effect, weathered the recession relatively well.

The State, in comparison, has not performed as well through the recession; industry employment at the end of 2003 was still 2% below its mark at the end of 2000.
Transportation, Warehousing & Utilities, Wholesale Trade and Education & Health Services exhibited the greatest strength over the last four years. Transportation improvements, particularly Highway 20, help to explain the former two while growing population and residential development in Lincoln County caused the latter.

Statewide, Education & Health Services, Financial Activities, and Federal Government employment experienced growth, though modestly, through the recession. All other sectors declined, particularly Information (software, internet and publishing) and Manufacturing were the hardest hit.

Lincoln County’s superior performance can largely be explained by its relatively greater diversity of industry, particularly its lower reliance on hard-hit Manufacturing firms. The County economy is half as dependent upon the Manufacturing sector as is the rest of the State.

Industries expanding the fastest in Lincoln County are generally family-wage jobs, specifically Health, Transportation, Wholesale Trade, Warehousing, and Utilities.

**b. Lincoln County Business Expansion & Loss**

Lincoln County has traditionally experienced a higher rate of business turnover than other parts of the State, due in part to the transitory nature of much of the population and the economy’s historically seasonal nature. However, the following table demonstrates business count trends in Lincoln County that are encouraging, particularly so given the recent recession.

**Table 9**

**LINCOLN COUNTY BUSINESS TRENDS**

- Business gains in the County were broadly based in a variety of industry sectors. Unlike the past, no single industry such as Tourism dominated the count of new establishments.
• The average wage paid by new firms is roughly $32,300, 29% higher than the County average of $25,000.
• Unlike new businesses in the local area, exiting businesses did predominate in a handful of industries, all largely traditional: Tourism-related Accommodation and Performing Arts/Sports, as well as Natural Resources firms.
• Because of the predominance of Leisure & Hospitality firms, average wages for jobs lost by these firms was roughly $18,800, or 34% below the County average.
• Although the County had a slight net firm count and job loss during the recession, the trend is towards new, higher-paying firms and industries which bodes well for future economic potential.

c. Tourism Industry Growth

Table 10 provides a summary of trends in the local Tourism industry as estimated by the Oregon Tourism Commission.

- County visitor spending growth has averaged over 6% annually since 1996, including the surge due to Keiko’s stay at the Oregon Coast Aquarium. Stagnation occurred after that, largely due to excess capacity built during that time.
- Lincoln County tourism has picked up significantly over the last five years as overcapacity was eliminated. Visitor spending growth, due in part to higher per capita spending by visitors in Newport for cultural and scenic attractions, has grown by 5% to 8% in the various categories of tourist-related commerce.

Table 10
LINCOLN COUNTY VISITOR SPENDING

<table>
<thead>
<tr>
<th>Year</th>
<th>Accommodations</th>
<th>Meals</th>
<th>Food Stores</th>
<th>Recreation</th>
<th>Non-Food Retail Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>$150</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>$200</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>$250</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>$300</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>$350</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>$400</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td>$450</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

42.9% Growth

SOURCE: Oregon Tourism Commission and Johnson Gardner, LLC

ANNUAL GROWTH IN VISITOR SPENDING BY CATEGORY, 1999-2002

Non-Food Retail Sales: 7.1%
Recreation: 7.3%
Food Stores: 6.6%
Meals: 8.2%
Accommodations: 5.0%

SOURCE: Oregon Tourism Commission & Johnson Gardner, LLC
3. City of Newport Economic Conditions

Within the City of Newport, economic conditions have trended consistently with County patterns. However, Newport clearly has a different industry mix and economic reality than does its Tourism-concentrated neighbor to the north, Lincoln City.

To determine economic conditions in Newport as opposed to countywide, State of Oregon covered employment data were accessed to discern employment, business count and wage trends over the past four years, particularly since the last Community Visioning process.

The following pages provide a summary of Newport’s local industries during this time based on data provided by the State. A more detailed discussion of the local economy via a Cluster Analysis is found in Section IV-C below. Caveats to the following analysis are as follows:

- Data is confidential in nature and every attempt has been made to avoid reporting specific data and information that is required to be suppressed. Errors are unintentional and will be remedied accordingly.
- The data are not a perfectly consistent time series due to revisions in payroll tax coding, NAICS category classification changes, and various other potential issues as a result of geo-coding of NAICS coded data since the 2001 conversion of Standard Industrial Classification coding to NAICS.

The following section is based on the detailed summary of Newport economic trends, by every local industry category, found in the Appendix.

a. Employment Trends & Seasonality

Table 11 provides a summary of monthly citywide employment in Newport from 2001 to 2003.

Table 11

NEWPORT MONTHLY EMPLOYMENT, 2001-2003

Data summarized in the above table indicate three important trends for the Newport
Newport outperformed Lincoln County, in terms of covered employment, through the recent recession. Peak employment in July & August grew by roughly 250 jobs, while January 2003 (seasonal low) employment was over 500 jobs above levels in January of 2001.

The period reflects growing summer/seasonal tourism health, as well as robust growth of Newport’s non-seasonal sectors, marked by January covered employment expansion.

Seasonality of the local economy is also diminishing as indicated by the relative “flattening” of the monthly employment cycle exhibited in Table 11. In 2001, the January to July/August employment differential was roughly 1,000 jobs. By 2003, the six-month differential was roughly 500 jobs.

Seasonality will continue to flatten as more empty nesters and retirees relocate to Newport and generate more year-round economic activity.

Wages in Newport have grown as has employment over the past few years. Quarterly average wages in Newport are detailed in Table 12 below.

Table 12
NEWPORT AVERAGE WAGE TRENDS, 2001-2003

- During the recessionary years, the average annual covered wage in Newport increased from roughly $24,500 to $25,250. Though increasing, local wages did not keep pace with inflation, growing only 1.5% annually.
- Newport wages surpassed the countywide average of $25,000 in 2003.
- Seasonality of wage levels eased over the past three years along with seasonal employment trends. During the period, the peak (4th Quarter) to trough (1st Quarter) annual wage differential decreased from $3,000 to $2,500.
Table 13 provides a summary of Newport establishment counts between 2001 and 2003. Establishment counts, as kept by the Oregon Employment Department, are businesses and institutions that have paid employees.

**Table 13**

**NEWPORT ESTABLISHMENT COUNT TRENDS, 2001-2003**

- Despite the recession, Newport added 53 net new payroll employers since 2001.
- Consolidation explained a significant share of establishment losses while relocation of firms to Newport from within and outside of Lincoln County explained many new local establishments.
- Other Services firms reported the greatest net growth, which includes numerous personal and automotive services firms driven by local residential growth. Construction expanded significantly, as well.
- Surprisingly, Education & Health Services stagnated in the sense that consolidation outweighed the addition of new firms and establishments in Newport.
B. Commercial/Industrial Land Inventory

A visual survey of all parcels zoned or planned for Commercial, Industrial and Water dependent/related uses within the Urban Growth Boundary was conducted in August, 2004. The parcel data base was provided by Lincoln County and the City provided paper copies of the Comprehensive Plan designations, the Zoning Map and aerial photographs. All parcels have been organized into a Vacant Buildable Land Inventory which illustrates the Category, Zone or Plan designation, Parcel Identification Number, Parcel Size, the number of Developed or Constrained acres by Parcel and the Gross Buildable Acres.

Following the inventory and during the analysis, the parcels were classified into several categories such as: Committed, Constrained, Redevelopable and Partially Vacant or Vacant. Constraints are such site characteristics as wetland or steep slopes. For the parcels with wetland, a 50 foot buffer was included for that part of the site description designated as constrained. Additional comments were annotated for specific parcels with unique or special conditions. The parcels were organized as follows:

- Commercial Zones C-1, C-2 and C-3
- Redevelop Zones C-1 and C-3
- UGB Plan Designation “C”
- Industrial Zones I-1 and I-2
- Redevelop Zone I-3
- UGB Plan Designation “I”
- UGB Redevelop Plan Designation “I”
- Water Dependent/Related W-1 and W-2
- Planned Destination Resort C-2/PDR

The following table summarizes the results of the inventory. The complete inventory is in the Appendix.
The City of Newport has an extremely limited supply of vacant buildable Commercial sites; 8.10 acres within the City limits, 3.74 acres that have been classified as ready to be redeveloped and one half acre within the Urban Growth Boundary (UGB). This limited supply is compounded by the large number (78) of parcels that contain the 8.1 acres. Not only are many of the parcels committed or constrained, but many of the parcels are approximately 4-8,000 square feet. The average vacant parcel size is 0.23 acres. Given the land need identified in the Economic Opportunities Analysis of 201.6 acres, a substantial amount of land will need to be planned for Commercial purposes.

There is less of an overall need for additional Industrial land. There is an existing inventory of 66.14 gross vacant buildable acres within the City limits, and an additional 58.03 acres within the UGB. However, the average size of the parcels within the City is small - 1.86 acres and there are only seven parcels in excess of 5 acres. There are no sites that could accommodate a medium sized new industry or institution seeking to locate in Newport. The 20-year forecast identifies a land need of 32 acres for industrial uses. This forecast does not include the desirability of having one or two large sites – 25 to 40 acres – for the new industry or institution which may select Newport for a new facility.

There are 43.5 acres designated for Water-Dependent/Related uses. The land needs forecast indicates that no more than two or three acres will be needed for Water-Dependent/Related uses in the next 20 years. For that reason, some of the land designated W1 and W2 may be
better suited for another less limiting zone designation. An evaluation of all of the land supply and need imbalances is undergoing a thorough analysis consistent with Goal 9, and if need be in the future, Goal 17.

Goal 9 requires that the City maintain at least an adequate supply of a variety of sites for commercial and industrial land consistent with the Comprehensive Plan policies. Goal 17 provides for the protection of land zoned for water-dependent recreational, commercial and industrial uses as an important economic resource of limited availability and changes to water-dependent lands must be done pursuant to the Statewide Planning Goal methodologies (such as the Goal 17 inventory process and/or the Goal 2 exception process.)

C. Industry Cluster Analysis
An analysis of Newport’s industry clusters was conducted to identify current and future economic development opportunities and issues. Economic clusters are the networks of core businesses and their vendors and support services that help support the broader economy of a community. Clusters are determined by the relative prevalence or concentration of an industry group relative to nationwide averages. Clusters are, therefore, not necessarily large industries in and of themselves, but sectors with appreciably above-average presence relative to elsewhere.

Industry clusters are typically driven by the unique nature of local geography, environment, population, culture and public investment. Because of their unique qualities in any given location, it must be a high priority in economic development efforts to retain, strengthen and build upon existing clusters to maintain an economic competitive advantage.

Economic data for the City of Newport, Lincoln County and the State of Oregon, informed by Newport industry interviews and focus groups, indicate that Newport presently is host to five distinct industry clusters. These are:

- Tourism
- Commercial Fishing & Value Added
- Other Food and Beverage Manufacturing
- Arts & Culture
- Higher Education & Research

Newport is also home to a potential industry cluster resulting from the existence and possible expansion of an individual firm in the Surgical Appliance & Supplies Manufacturing industry.

The following represents a description of each industry cluster identified and related, recent trends. Specific cluster opportunities and threats are identified in the analysis and elaborated upon in the Economic Development Issues section of this document.
To further measure the economic development potential of different economic clusters, an analysis of local U.S. Small Business Administration loan activity was conducted, as well as an analysis of federal Small Business Innovation Research (SBIR) program participation, as well as local participation in the federal Small Business Technology Transfer Program (STTR). Local participation in all three was found to be limited. A discussion of each is found in the Appendix.

1. Tourism Industry Cluster

Newport’s tourism industry cluster is the largest of the five and it has demonstrated resilience over the past three years as measured in the analysis found in Table 12.

- Jobs, total payroll and employer count all increased through the recession at significant rates.
- Average wages barely kept pace with annual inflation during the period and actually stagnated in 2003.
- Tourism industry now accounts for nearly one-third of local employment each year.

Location quotients for each primary and secondary/auxiliary tourism sector were calculated to determine local strengths and features of the tourism cluster. Although growth has occurred, the local industry has not significantly diversified away from reliance on the Oregon Coast Aquarium and fishing-related recreation. The primary exception is the Newport Arts & Culture industry cluster, which is discussed below.

- The Oregon Coast Aquarium continues to distinguish Newport as a tourism destination despite reported visitor count declines.
- Recreational amenities and services, however, still comprise the majority of tourism industry in Newport (Scenic & Sightseeing Transportation-Water, Boat Dealers, Golf Courses & Country Clubs).
- Labor Day 2004 restrictions on sport fishing charters due to declining rockfish population had a significant negative impact on the end of Newport’s season.
- Venues for extended-stays (Bed & Breakfast Inns, RV Parks & Campgrounds) continue to be important to the local tourism industry, however their relative importance seems to be declining as measured by a receding location quotient since 2001.
- Alternatively, shorter-stay venues, i.e. hotels and motels, have increased in number since 2001 and faster than B&B inns and RV parks/campgrounds.
- Full-service restaurants demonstrated the greatest growth during the period, with fine dining diversifying most significantly.
### Table 15

#### TOURISM INDUSTRY CLUSTER, 2005-2025

<table>
<thead>
<tr>
<th>Category</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Employment</strong></td>
<td>1,734</td>
<td>1,904</td>
<td>2,083</td>
<td>6.3%</td>
</tr>
<tr>
<td><strong>Total Payroll</strong></td>
<td>$25,384,734</td>
<td>$30,074,403</td>
<td>$32,842,036</td>
<td>9.0%</td>
</tr>
<tr>
<td><strong>Average Wage</strong></td>
<td>$14,642</td>
<td>$15,797</td>
<td>$15,766</td>
<td>2.5%</td>
</tr>
<tr>
<td><strong>Employers</strong></td>
<td>122</td>
<td>128</td>
<td>140</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

**ABOVE-AVERAGE CONCENTRATION (LQ)**

<table>
<thead>
<tr>
<th>Industry</th>
<th>LQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zoos and Botanical Gardens</td>
<td>47.6</td>
</tr>
<tr>
<td>Scenic and Sightseeing Transportation, Water</td>
<td>32.4</td>
</tr>
<tr>
<td>Bed-and-Breakfast Inns</td>
<td>31.4</td>
</tr>
<tr>
<td>All Other General Merchandise Stores</td>
<td>13.6</td>
</tr>
<tr>
<td>RV (Recreational Vehicle) Parks and Campgrounds</td>
<td>12.1</td>
</tr>
<tr>
<td>Museums</td>
<td>8.9</td>
</tr>
<tr>
<td>Hotels (except Casino Hotels) and Motels</td>
<td>6.9</td>
</tr>
<tr>
<td>Other Organizations</td>
<td>5.8</td>
</tr>
<tr>
<td>Boat Dealers</td>
<td>5.5</td>
</tr>
<tr>
<td>Periodical Publishers</td>
<td>5.5</td>
</tr>
<tr>
<td>Discount Department Stores</td>
<td>4.8</td>
</tr>
<tr>
<td>Tire Dealers</td>
<td>3.8</td>
</tr>
<tr>
<td>Gift, Novelty, and Souvenir Stores</td>
<td>3.1</td>
</tr>
<tr>
<td>Food Service Contractors</td>
<td>2.6</td>
</tr>
<tr>
<td>Full-Service Restaurants</td>
<td>2.3</td>
</tr>
<tr>
<td>Snack and Nonalcoholic Beverage Bars</td>
<td>2.1</td>
</tr>
<tr>
<td>Limited-Service Restaurants</td>
<td>1.4</td>
</tr>
<tr>
<td>Cafeterias</td>
<td>1.3</td>
</tr>
<tr>
<td>Drinking Places (Alcoholic Beverages)</td>
<td>1.2</td>
</tr>
<tr>
<td>Golf Courses and Country Clubs</td>
<td>1.1</td>
</tr>
</tbody>
</table>

**BELOW-AVERAGE CONCENTRATION (LQ)**

<table>
<thead>
<tr>
<th>Industry</th>
<th>LQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Property Managers</td>
<td>0.9</td>
</tr>
<tr>
<td>Passenger Car Rental</td>
<td>0.9</td>
</tr>
<tr>
<td>All Other Amusement and Recreation Industries</td>
<td>0.3</td>
</tr>
<tr>
<td>Lessors of Residential Buildings and Dwellings</td>
<td>0.2</td>
</tr>
<tr>
<td>Fitness and Recreational Sports Centers</td>
<td>0.2</td>
</tr>
<tr>
<td>Sports and Recreation Instruction</td>
<td>0.0</td>
</tr>
<tr>
<td>Marinas</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**2003 Tourism Share of Newport Economy**

- **Tourism, 31.7%**
- **Other Industry, 68.3%**

**Source:** Oregon Employment Department Covered Employment Data, 2001-2003

**Note:** Payroll and wage data do not include benefits and other employment expenses.

- Arts, culture and dining amenities in Nye Beach have driven the emergence of that district as a strong and distinct tourist draw in counterpoint to the more-established working Bayfront.
- Seasonal employment patterns have stabilized somewhat in recent years due to concentrated industry efforts, though the cluster still experiences significant traffic decline during winter months.

#### 2. Commercial Fishing & Value-Added Industry Cluster

Yaquina Bay in Newport is not only host to Oregon’s largest commercial fishing fleet, but it is also home to significant oyster beds and value-added finfish and shellfish processing. The result is a sizeable cluster of fishing, manufacturing and support vendors and services within the City.

- Although significantly seasonal in nature, the average annual employment has grown by nearly 3% annually over the past few years.
- Total payroll and average wages in the cluster have been stagnant and declined, respectively, since 2001.
- Four new firms have emerged in the past three years.
The industry cluster now accounts for nearly 5% of total employment, though its share of the economy is in reality greater due to the absence of data for independent and/or family fishermen that do not report employees and pay unemployment insurance.

Table 16

FISHING & VALUE-ADDED INDUSTRY CLUSTER, 2005-2025

<table>
<thead>
<tr>
<th>Category</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Employment</td>
<td>281</td>
<td>302</td>
<td>305</td>
<td>2.8%</td>
</tr>
<tr>
<td>Total Payroll</td>
<td>$7,761,530</td>
<td>$7,374,627</td>
<td>$7,776,860</td>
<td>0.1%</td>
</tr>
<tr>
<td>Average Wage</td>
<td>$27,662</td>
<td>$24,392</td>
<td>$25,533</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Employers</td>
<td>34</td>
<td>35</td>
<td>38</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

### ABOVE-AVERAGE CONCENTRATION (LQ)
- Specialized Freight Trucking, Local: 126.5855
- Fresh & Frozen Seafood Processing: 88.4
- Fish & Shellfish Fishing: 78.1
- Shellfish Fishing: 60.9
- Fish and Seafood Markets: 15.1
- Fish & Seafood Merchant Wholesalers: 14.8
- Lessors of Miniwarehouses and Self-Storage Units: 6.2
- Transportation Equipment & Supplies Merchant Wholesalers: 5.0
- Lessors of Nonresidential Buildings: 3.3
- Ship Building and Repairing: 2.6
- Port and Harbor Operations: 2.4
- Search, Detection & Navigational Instruments: 2.0
- Business Associations: 2.0
- Marine Cargo Handling: 2.0

### BELOW-AVERAGE CONCENTRATION (LQ)
- Other Scientific and Technical Consulting Services: 0.7
- General Freight Trucking, Long-Distance, Truckload: 0.0
- Refrigerated Warehousing and Storage: 0.0

The fishing fleet at Newport includes both short-haul boats harvesting from Oregon Coast fisheries, as well as distant-haul boats that harvest in Alaska fisheries.

Groundfish restrictions in Oregon Coast fisheries have discouraged growth in the local cluster, as have continued restriction of the salmon harvest.

Flatfish harvest was initially hurt by groundfish restrictions, though efforts are now underway to utilize new trawler technology to avoid unintentional rockfish and whiting harvest.

Most employment gains have been due to the expansion of Newport seafood processing companies.

Manufacturing firms in the food products industry, especially shellfish foods, are planning expansion, but the lack of suitable land and space is a major hurdle.

Improvements to Highway 20 have been beneficial to the industry, though the remaining 20 miles in need of upgrade and current construction reroutes have hindered cluster expansion.
3. Other Food and Beverage Industry Cluster

Unlike Tourism and Seafood/Value Added clusters, the Non-Seafood and Beverage Manufacturing cluster is a more recent development in the local economy. Local manufacture of Rogue Ales, confections manufacture, and more recently, wines and fruit processing and canning, have diversified and enhanced Newport’s economy.

- The cluster has experienced the second-fastest expansion among the five Newport clusters in recent years; employment growth has averaged 5.4% annually.
- Non-seafood and beverage manufacturing has generated a remarkable rate of business start-up and attraction in Newport, tying for first place among clusters at 14.5% annual business growth.
- Wage rates have grown but have not kept pace with inflation.

Despite the recent recession, the Non-Seafood and Beverage Manufacturing cluster is well-poised for growth over the next several years provided adequate land is available and transportation infrastructure continues to improve.

- Rogue Brewery recently broke ground on a 15,000 square foot expansion of their South Beach brewery facilities. Greater brewing capacity and a distillery for Rogue expansion into the spirits market (vodka and gin) are planned.
- Newport has attracted a new alcoholic beverage distributor, a confectionary wholesaler/distributor and a fruit processing firm in the last three years.
- Although the cluster accounts for roughly 2% of the local economy in terms of employment, businesses in the cluster have contributed significantly to the popularity and viability of Newport’s more successful events such as the Seafood and Wine Festival, the Microbrew Festival and the Oyster Cloyster.
- Rogue Brewery’s international distribution, development of brewpubs in Oregon, Washington and California, and its planned expansion of Rogue brand identity provide a substantial opportunity for marketing of Newport and its quality food product identity.
- Highway 20 improvements have aided, though not significantly, existing cluster commerce. Rogue Brewery maintains its own fleet of trucks, while other, smaller manufacturers largely distribute along the Coast.
**Table 17**

**OTHER FOOD AND BEVERAGE INDUSTRY CLUSTER, 2005-2025**

<table>
<thead>
<tr>
<th>Category</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>Annual Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Employment</td>
<td>112</td>
<td>112</td>
<td>131</td>
<td>5.4%</td>
</tr>
<tr>
<td>Total Payroll</td>
<td>$3,020,923</td>
<td>$3,076,739</td>
<td>$3,670,054</td>
<td>6.7%</td>
</tr>
<tr>
<td>Average Wage</td>
<td>$27,093</td>
<td>$27,389</td>
<td>$28,087</td>
<td>1.2%</td>
</tr>
<tr>
<td>Employers</td>
<td>8</td>
<td>8</td>
<td>12</td>
<td>14.5%</td>
</tr>
</tbody>
</table>

**ABOVE-AVERAGE CONCENTRATION (LQ)**

- Breweries: 33.8
- Nonchocolate Confectionery Manufacturing: 10.2
- Beer and Ale Merchant Wholesalers: 4.3
- Wineries: 4.1
- Other Grocery & Related Products Merchant Wholesalers: 3.1
- Retail Bakeries: 2.4
- Food Product Machinery Manufacturing: 2.1

**BELOW-AVERAGE CONCENTRATION (LQ)**

- Confectionery Merchant Wholesalers: 0.9
- Fruit and Vegetable Canning: 0.4
- General Freight Trucking, Long-Distance, Truckload: 0.0

**SOURCE:** Oregon Employment Department Covered Employment Data, 2001-2003

**Note:** Payroll and wage data do not include benefits and other employment expenses.

4. Arts & Culture Industry Cluster

The City of Newport has significantly invested in its local culture and arts community relative to other coastal communities from Northern California to Canada. The result has been cultural and arts venues and offerings that would be typical of larger cities. The Newport Performing Arts Center, the Newport Visual Arts Center, the Lincoln County Historical Society Museum, a planned Maritime Museum, the numerous galleries, workshops and related attractions have helped bolster Newport’s tourism industry and broader economy.

- Arts & Culture employment grew at an impressive 5.7% annual rate during the recent recession, posting the second-largest growth rate among industry clusters.
- Payroll and wage growth for the Arts & Culture sector were among the fastest-growing in the local economy, though average pay in the industry is the lowest among clusters.
- Arts & Culture has generated the fastest rate of employer attraction and start-up among Newport’s clusters at 14.5% annual growth (four new employers to total 12 by 2003).
Table 18
ARTS AND CULTURE INDUSTRY CLUSTER, 2005-2025

<table>
<thead>
<tr>
<th>Category</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>Annual Change</th>
<th>Above-Average Concentration (LQ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Employment</td>
<td>65</td>
<td>62</td>
<td>77</td>
<td>5.7%</td>
<td>Art Dealers: 11.9</td>
</tr>
<tr>
<td>Total Payroll</td>
<td>$678,648</td>
<td>$704,203</td>
<td>$960,716</td>
<td>12.3%</td>
<td>Museums: 8.9</td>
</tr>
<tr>
<td>Average Wage</td>
<td>$10,454</td>
<td>$11,404</td>
<td>$12,545</td>
<td>6.3%</td>
<td>Commercial Photography: 6.8</td>
</tr>
<tr>
<td>Employers</td>
<td>8</td>
<td>8</td>
<td>12</td>
<td>14.5%</td>
<td>Independent Artists, Writers, and Performers: 4.3</td>
</tr>
</tbody>
</table>

2003 Arts & Culture Share of Newport Economy

Other Industry, 98.8%

Arts & Culture, 1.2%

INDUSTRY LOCATION QUOTIENTS (NAICS-2003)

<table>
<thead>
<tr>
<th>Category</th>
<th>2003 Arts &amp; Culture Share of Newport Economy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civic &amp; Social Organizations</td>
<td>3.0</td>
</tr>
<tr>
<td>Fine Arts Schools</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Note: Payroll and wage data do not include benefits and other employment expenses.

Methodology limitations for the above analysis somewhat understate the true significance of the Arts & Culture cluster for the Newport economy.

- In terms of employment, the Arts & Culture cluster accounts for only 1.2% of Newport’s economy as calculated in this analysis. However, high volunteer employment rates, owner-operator galleries, independent artists that do not report employment, and isolation of Arts & Culture from broader Tourism industry and support service statistics largely understate true employment share, wage rates and total share of the local economy.

- Enhancement of local arts has helped make the Nye Beach area an economic success, drawing shoppers and destination tourists that might not otherwise visit Newport.

- Arts events and venues provide year-round visitor and resident activities and amenities that are not subject to seasonal patterns.

- Expansion of the Arts and Culture cluster has helped bring visitors to Newport for longer stays; arts and culture patrons also have been observed to spend more per diem than the average Coast tourist, driving the recent expansion of fine dining venues, among others, in Newport.

- Demand for art workshops, classes and activities has already outstripped space available at the Visual Arts Center.
Construction of the planned City Event Center and Maritime Museum provide a significant opportunity for the cluster’s continued expansion.

5. Higher Education & Research Industry Cluster

Newport’s geographic and ecological features provide a significant laboratory for marine and environmental research and education at the Oregon State University Hatfield Marine Science Center (HMSC) and federal agencies, including the National Oceanic and Atmospheric Administration (NOAA). Fisheries, shellfish aquaculture, estuary and marine ecology, as well as planned expansion of deep-sea research, visitor/youth education, and teacher training in the marine and environmental sciences are counted among the emphases of HMSC. Significant State research and conservation program activity are also located in the Newport area for similar reasons. In addition, Newport is home to the Oregon Coast Community College, which offers more traditional academic and job skill training programs to the Central Coast. The Oregon Coast Aquarium has been included in this cluster due to its own educational and research activities.

- Cluster employment has actually declined over the past few years, due both to well-publicized State employment cutbacks and employment cuts at the Oregon Coast Aquarium.
- Although total cluster payroll has remained stagnant in the past few years, average wage growth has increased by over 3% annually.
- Cluster employer count did not change through the recession.

Table 19

<table>
<thead>
<tr>
<th>VITAL STATISTICS</th>
<th>INDUSTRY LOCATION QUOTIENTS (NAICS-2003)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>2001</td>
</tr>
<tr>
<td>Total Employment</td>
<td>517</td>
</tr>
<tr>
<td>Total Payroll</td>
<td>$19,011,188</td>
</tr>
<tr>
<td>Average Wage</td>
<td>$36,754</td>
</tr>
<tr>
<td>Employers</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2003 Higher Education & Research Share of Newport Economy

- Higher Education & Research, 7.3%
- Other Industry, 92.7%

SOURCE: Oregon Employment Department Covered Employment Data, 2001-2003

Note: Payroll and wage data do not include benefits and other employment expenses.
Among Newport’s industry clusters, Higher Education & Research poses the most significant, immediate changes and developments for the local economy.

- Recent passage of the community college bond measure will allow significant expansion of OCCC, its facilities and programs.
- HMSC plans to attract additional deep-sea research vessels to be funded by Congress; the Port of Newport’s deep draft channel and existing HMSC facilities and infrastructure are instrumental to these efforts.
- OCCC and HMSC are working to coordinate joint program offerings, including unique disciplines such as aquarium science, to provide specialized skills and facilitated entrance to Oregon State University by OCCC students.
- Long-term plans for HMSC include development of an Oregon Coast campus in Newport for Oregon State University similar to OSU campus development in Bend, Oregon.
- HMSC intends to expand partnerships with commercial fishermen in fishery research and in the process capture a greater share of federal research spending from New England-dominated allocations.
- The Higher Education & Research cluster now accounts for over 7% of the Newport economy in terms of employment and pays among the highest wages in the local area.
- The HMSC and Oregon Coast Aquarium are working on increased cooperative education programs that should lead to greater attraction to Newport for both youth and adults.
- The U.S. is developing an integrated ocean observation system which will involve instrumentation and infrastructure support. Newport is a very logical place to expand this support function given its proximity to important ocean areas and the presence of HMSC and the federal agencies there.

6. Potential Emergent Cluster: Medical Devices & Equipment Manufacturing

Newport is home to a manufacturing facility for the Seaberg Company, a manufacturer of patented, mobile first aid equipment. The firm has a modest operation in Newport, though owners of the company reside locally and keep operations there due largely to the lifestyle appeal of the community and the Oregon Coast. The company also innovates and conducts research on potential new products, though such activities largely occur in the Portland metropolitan area. Seaberg Company reported recent success with a National Institutes of Health Phase I research grant and plans to continue the product development process over the next two years.

In the short term, existing operations will likely expand at Seaberg, though not significantly. Current facilities are not adequate in size for likely future expansion and immediate land and space options are not feasible. Local expansion is also limited by the fact that sizeable growth would require significant costs related to technical equipment relocation, skilled workforce availability and transportation costs.
However, Seaberg Company did note that successful development of its new product technology has substantial economic development potential and could “really put Newport on the map” with regard to the medical device and equipment industry and related commerce. Timeline for product deployment, if successful, is likely up to three years and in the view of the company would create significant potential for related firms, suppliers or broader applications of the new technology to drive substantial firm and job growth locally.

D. Competitive Market Area

In the course of identifying Newport’s industry clusters, a broad range of economic development issues, i.e. opportunities and constraints, were identified by industry and sector representatives. A more focused treatment of these issues are provided in the Business and Land Needs Section.

The Competitive Market Area within which City of Newport business and industry competes varies significantly for individual clusters and sectors. Historically, local businesses generally viewed their competitive area within the scope of the Central Coast or Lincoln County.

Declining road and air transportation costs, paired with unprecedented telecommunications and technological advancement over the past decade, have rapidly expanded the competitive environment for Newport business currently and into the future. The following is a summary of Newport’s competitive market area for its specific economic clusters and broader categories of business and industry.

1. Tourism

Newport’s Tourism cluster continues to be competitive with all of the Oregon Coast, though with emphasis on those coastal communities with reasonably direct highway connections to Willamette Valley cities and emphasis on entertainment attractions and draws. Specifically, primary competitors still comprise Astoria/Warrenton, Seaside, Tillamook, Lincoln City and recent up and comer Florence. Astoria/Warrenton has emerged as a strengthened competitor over the last few years due to revitalization of its commercial fishing sector, attraction of cruise ship traffic, city redevelopment efforts and increasing interest from the Lewis & Clark Expedition Bicentennial. Coos Bay/North Bend/Bandon has also emerged as a stronger competitor due to success of Bandon Dunes, recreational fishing out of Charleston Harbor and commuter air service serving the South Coast.

2. Fishing and Value Added Manufacture

The Competitive Market Area for this cluster spans the Oregon and Washington coastline primarily as fishing fleets in this region have short-haul access to Oregon and Washington fisheries, as well as long-haul harvesting in Alaska fisheries. Primary competition within the Oregon coastal fisheries and its harvest quotas, however, includes Warrenton/Astoria to the north as a major competitor, and other communities to a lesser extent such as Coos Bay/North Bend, Charleston Harbor, Winchester Bay, Garibaldi and Depoe Bay (same fishery as Newport-primarily a competitor in the recreational fishing activities.
3. Non-Seafood Food Products and Beverage Manufacture

The Competitive Market Area for other food and beverage manufacturing is statewide. Non-seafood food products firms are typically located either within primary agriculture areas or adjoined by transportation access. Newport’s proximity to the central and south Willamette Valley agricultural areas places it in competition with valley communities, particularly in Marion, Polk, Yamhill, Linn and Benton Counties. Other value-added food products industry, most notably cheese and gourmet processed foods, is particularly competitive in Lane, Jackson, and Tillamook counties. Alcoholic beverage manufacture is competitive throughout the Pacific Northwest. Significant craft beer production is centered in the Seattle and Portland metro areas, as well as Central Oregon and Lane County. Spirits manufacture is an emerging industry in Oregon, though the Columbia Gorge does have some vodka production.

4. Arts & Culture

Newport’s arts and culture cluster competes in a primary market area that stretches the length of the Oregon Coast due to its primarily regional appeal within the State and limited distance from coastal art and culture venues from Willamette Valley urban areas. Lincoln City and Cannon Beach host the most competitive clusters, though Astoria’s arts and culture community is on the rise.

5. Higher Education & Research

The Competitive Market Area for Newport’s Higher Education & Research cluster is most prominently for federal research spending and grants. The most comparable, and therefore competitive, coastal and marine sciences research clusters for federal research and spending are located in California (Santa Cruz, Monterey), Seattle, Hawaii and New England.

6. Surgical Appliance & Supplies Manufacture

The Competitive Market Area for this potential/emerging cluster is nationwide. The Seattle metro area is the most proximate, significant cluster of medical device industry with a distant second in the Portland metro area. Alternatively, the Seaberg Company maintains vendor and contract manufacturing services in Kansas among other areas. Furthermore, economic development efforts nationwide target biomedical, technology and medical devices firms that rely on research and innovation for new product development and deliver federal research grants and activity to local economy.

7. Remaining Newport Businesses

Most Newport businesses not included in the above six clusters largely compete within Newport, Lincoln County or the Central Coast area. Local and regional-serving industry includes professional services, medical services, educational services, construction, financial services and other sectors that specifically support local and regional population.
E. Business & Land Needs

1. Employment Land Need Forecast

An analysis of the City of Newport’s 20-year need for industrial and commercial land was conducted. The following section provides a summary of analysis results, followed by a description of likely geographic distribution of need in Newport, discussion of forecast need compared to contingent need (land reserve or “banking”), and likely parcel sizes and development specifications for various uses forecast in this analysis.

Detailed employment and land need estimates in five-year increments through 2025 are found in the Appendix, along with the methodology employed to estimate employment growth, need for commercial and industrial space, and, accordingly, industrial and commercial land.

2. Population Projections

The most current (2003/2004) average annual growth rates (AAGR) for Newport are from the Office of Economic Analysis’s forecast and the Airport Master Plan and range from 0.7 to 1.1 percent. The 0.7 AAGR is for the County and the 1.1 is for the City only.

To date, the County has not allocated the Office of Economic Analysis (OEA) forecast to the cities within the County. The OEA forecast for Lincoln County is 46,945 for 2010, 50,379 for 2020 and 52,039 for 2025.

Two alternative 2025 population forecasts were calculated using a 0.7 (OEA County AAGR) and a 1.0 percent AAGR. The US Census 2000 population estimate for the City served as the base number.

An existing population number for the area between the city limits and the UGB was unavailable. Therefore, that area population has not been included. Some allowance for the residents in that area can be made, but the addition is not likely to be significant.

The forecasts are as follows:

| Table 20 |
|-----------------|-----------------|
| **POPULATION GROWTH RATES, 2000-2025** | |

<table>
<thead>
<tr>
<th>Year</th>
<th>0.7% AAGR</th>
<th>1.0% AAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>9,532</td>
<td>9,532</td>
</tr>
<tr>
<td>2010</td>
<td>10,221</td>
<td>10,529</td>
</tr>
<tr>
<td>2020</td>
<td>10,959</td>
<td>11,631</td>
</tr>
<tr>
<td>2025</td>
<td>11,348</td>
<td>12,224</td>
</tr>
</tbody>
</table>
3. Employment Projections

Over the 20-year study period, the City of Newport is estimated to add roughly 2,450 jobs under the Medium Growth scenario. Retail Trade, Education & Health Services, and Leisure & Hospitality can be expected to continue to comprise the majority of local employment. Growth rates for Leisure & Hospitality lead the local economy at 2.2% annually under the Medium Growth Scenario, followed by Education & Health Services at 1.9% annually, then Professional & Business Services and Information at 1.8% annually. See section IV B.

Table 21

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
</tr>
<tr>
<td>Construction</td>
<td>241</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>345</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>131</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>1,257</td>
</tr>
<tr>
<td>Transportation, Warehousing &amp; Utilities</td>
<td>144</td>
</tr>
<tr>
<td>Information</td>
<td>106</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>235</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>505</td>
</tr>
<tr>
<td>Education &amp; Health Services</td>
<td>1,070</td>
</tr>
<tr>
<td>Leisure &amp; Hospitality</td>
<td>1,537</td>
</tr>
<tr>
<td>Other Services</td>
<td>321</td>
</tr>
<tr>
<td>Government</td>
<td>703</td>
</tr>
<tr>
<td>Total</td>
<td>6,596</td>
</tr>
</tbody>
</table>

High Growth Scenario

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
</tr>
<tr>
<td>Total</td>
<td>6,596</td>
</tr>
</tbody>
</table>

Slow Growth Scenario

<table>
<thead>
<tr>
<th>Employment Sector</th>
<th>Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2005</td>
</tr>
<tr>
<td>Total</td>
<td>6,577</td>
</tr>
</tbody>
</table>

The three employment growth scenarios analyzed for future land need estimation provide a realistic confidence interval of probable economic expansion in Newport. The Medium Growth Scenario, or baseline rate of expansion, represents likely employment gains assuming City economic development efforts continue on their currently successful path. The High Growth Scenario reflects faster employment gains over the next twenty years, illustrating land need to accommodate realistically accelerated economic development successes. The Low Growth Scenario reflects employment gains and land need should Newport’s development efforts experience local, regional or Statewide economic setbacks. It is highly possible, however, that the City’s twenty-year land need could exceed estimates for the High Growth Scenario should a “Home Run,” i.e. sizeable and/or unprecedented, business attraction success occur. Though such developments are impossible to realistically forecast, the City should prepare for such a possibility to create local jobs with strong wages and opportunity. A reserve of industrial land for unanticipated developments is recommended and is further discussed later in this document.
4. Summary of Industrial and Commercial Land Need

The projections of net new demand in Newport for gross commercial and industrial land between 2005 and 2025 is illustrated in the following table. Through 2025, net new demand for industrial and commercial land including 25% gross-up for roads and other associated public facility needs, is estimated to range from 219.1 acres to 321.3 acres depending upon whether Newport realizes low economic growth or high economic growth. The baseline “Medium Growth Scenario” indicates that Newport will see demand for industrial and commercial land reach nearly 250 acres through 2025.

Based on an analysis of Newport’s industry clusters, specifically Tourism, Fishing/Value-Added and Non-Seafood & Beverage Manufacture, Newport economic trends do not indicate significant demand for Water-Dependent industrial land (W1). Over a twenty-year period, gross demand for W1 land is estimated to range from as little as 2.5 acres (Low-Growth Scenario) to as much as 3.8 acres (High-Growth Scenario). A mid-point estimate of 3.2 acres is most probable based on the methodology of this analysis and likely long-term employment and industry trends given current conditions.

Purely tourist-related uses are not included in the demand forecast for W-1 zoned land. Several factors contributed to not including tourism uses: permitted uses/restrictions for tourism uses, environmental cost of development for seasonally-natured businesses, as well as the greater likelihood of tourism (retail and services, i.e. kayaks) to suffer lower overhead and try to reuse existing space along the Bay Front or elsewhere.

### Table 22

<table>
<thead>
<tr>
<th>Use</th>
<th>Gross Need for Land (acres) By Scenario Through:</th>
<th>Medium Growth</th>
<th>High Growth</th>
<th>Low Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2025</td>
<td>2025</td>
<td>2025</td>
<td></td>
</tr>
<tr>
<td>Population Growth</td>
<td>2,206</td>
<td>2,997</td>
<td>1,478</td>
<td></td>
</tr>
<tr>
<td>Employment Growth</td>
<td>2,457</td>
<td>3,567</td>
<td>1,962</td>
<td></td>
</tr>
<tr>
<td>Office Commercial</td>
<td>14.0</td>
<td>20.8</td>
<td>11.1</td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
<td>32.0</td>
<td>39.5</td>
<td>25.7</td>
<td></td>
</tr>
<tr>
<td>Water-Dep. (W1)</td>
<td>3.2</td>
<td>3.8</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>Retail Commercial</td>
<td>201.6</td>
<td>257.2</td>
<td>179.8</td>
<td></td>
</tr>
<tr>
<td>Resident-Driven</td>
<td>17.3</td>
<td>23.6</td>
<td>11.6</td>
<td></td>
</tr>
<tr>
<td>Visitor-Driven 1/</td>
<td>184.2</td>
<td>233.7</td>
<td>168.2</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>250.8</strong></td>
<td><strong>321.3</strong></td>
<td><strong>219.1</strong></td>
<td></td>
</tr>
</tbody>
</table>

1/ Includes need due to lodging/hospitality expansion.

SOURCE: Johnson Gardner LLC
The need for retail drives the vast majority of commercial land demand under all three scenarios. Under the “Medium Growth Scenario,” retail drives the largest share (81%), with an identical proportion expected under the “High Growth Scenario” at 81% of need. Retail, though still the majority of demand, accounts for 83% of commercial and industrial land in the future with the “Low Growth” assumption due to the significantly greater expected growth of non-retail jobs under that scenario.

More specifically, tourism accounts for 70%, 60% and 73% of estimated land need under the Medium, High and Low Growth scenarios, respectively. It is important to note that the expansion of the hotel/hospitality industry, technically a Service industry subsector, is included in the Visitor-Driven retail commercial land need estimates.

The remaining 2/3rds of the Commercial land need will be provided north of the Bay. In the future there are several locations that should be considered including the area between Highway 101 and Nye Beach, other locations adjacent to the existing Highway 101 Commercial uses, the Bayfront and Downtown. There are several sites in the Downtown area with very low improvement value that could be redeveloped for more intensive commercial uses.

The strategy regarding the allocation of land for commercial uses is consistent with the Goal 9 requirement that sufficient vacant buildable land be available to meet the forecasted need. The strategy is to designate approximately 60 acres for Commercial use in the South Beach area. These 60 acres will provide for the short term need of approximately five to seven years recognizing that the forecast is for the year 2025. In order to achieve the objective of the South Beach Neighborhood Plan, no other land will be allocated north of the bay at this time. The City desires to encourage the development of land that can be served by existing water and sewer services and the lands designated for Commercial use in the Plan meet that objective.
F. Medium Growth Scenario Land Need

The following is a summary of highest-probability land need for the City of Newport as represented by the Medium Growth Scenario, followed by a discussion of likely geographic allocation of land need with focus on the South Beach area.

Table 23
MEDIUM GROWTH SCENARIO, 2005-2025

<table>
<thead>
<tr>
<th>Gross Commercial and Industrial Land Need</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use</td>
<td></td>
</tr>
<tr>
<td>Office Commercial</td>
<td>14.0</td>
</tr>
<tr>
<td>Industrial</td>
<td>32.0</td>
</tr>
<tr>
<td>Water-Dependent</td>
<td>3.2</td>
</tr>
<tr>
<td>Retail Commercial</td>
<td>201.6</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident Driven</td>
<td>17.3</td>
</tr>
<tr>
<td>Visitor Driven</td>
<td>184.2*</td>
</tr>
</tbody>
</table>

Allocation of City need to South Beach

<table>
<thead>
<tr>
<th>Office Commercial</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>8-10</td>
</tr>
<tr>
<td>Retail Commercial</td>
<td>60</td>
</tr>
</tbody>
</table>

*Includes need due to lodging/hospitality expansion
1. Land Use Distribution

*Office Commercial* – The number of acres built out for Office Commercial in South Beach will be determined by the number of new residential areas developed over time. Offices in Newport are occupied primarily by businesses serving residents, such as clinics, attorneys, accountants, insurance agents, etc.

*Industrial* – It is expected that most warehouse/distribution types of uses will want to site their business north of Highway 20 in order to also serve Lincoln City efficiently. However, some warehouse/distribution uses may occur in South Beach to support existing businesses such as Rogue Brewery. The other industrial uses will probably locate in the area recently annexed at the north end of the City and on the Wilburn Hall site (currently leased by the Port of Newport) were it converted to a non-water dependent zoning designation.

*Retail/Tourist Commercial* – It has been estimated that South Beach will be able to attract approximately 1/3rd of the commercial uses seeking to locate in Newport. Again, commercial uses want to be easily accessible to the population, most of which live north of the bridge. However, to the extent that a large site or several large sites can be created in the South Beach area, the area will be attractive for commercial uses, such as large retailers and major tourist related uses. No allocation of additional commercial land North of the Bay is planned at this time. See Section E.4.

*Note:* The commercial land included in the Wolf Tree Plan is not suitable for accommodating the identified need. The site is too distant from City services and its tourist attractions, i.e. Bay Front, Nye Beach and Science Center/Aquarium.

2. Land Need Trends & Industrial Land Reserves

The land need forecasts summarized above are based on “organic growth” assumptions about the Newport economy. Specifically, that current economic and regulatory conditions will remain stable over the forecast period. Therefore, employment forecasts and resulting land need estimates largely reflect attraction of businesses and expansion of local businesses at rates not significantly different from recent trends.

A primary limitation of such an analysis, though reflecting the highest probability of outcomes, is that opportunities for unprecedented economic developments are not anticipated and included in the results. For instance, the relocation of a major new manufacturer to Newport requiring 30 contiguous acres with waterfront access is not accounted for in this analysis. Such developments are unpredictable and represent an anomaly within Newport’s economic trends.

To equip Newport for just such an unanticipated economic development, it is highly recommended that additional land, particularly industrial, be considered for employment lands expansion by the City for the 20-year planning horizon. A contiguous parcel of up to 30 acres, or up to five separate but consolidated parcels summing to roughly 30 acres, is recommended to be considered for the purposes of a “home run” business attraction and
By “land banking” such acreage, the City can meet the needs of potential larger, family-wage-paying industry that is consistent with the City’s Vision and economic development goals. Reserving such a strategic parcel or parcels is also consistent with specific recommendations found in the 2003 Oregon Department of Land Conservation & Development (DLCD) and Oregon Economic & Community Development Department (OECD) Report to the Oregon Legislature from the Advisory Committee on Commercial and Industrial Development regarding the sufficiency of commercial and industrial land statewide. Inadequate “market-ready” inventory of such sites, and their protection from non-industrial uses through zoning controls, was determined as a major and immediate need statewide. Conservation of appropriate land, in coordination with current statewide efforts to provide market-ready sites, will also further enhance Newport’s chances of recruiting a major employer through the through the statewide Oregon Prospector program.

G. Employment Land Configuration & Development Issues

The following is a summary of anticipated employment land development types based on the Medium Growth Scenario forecasted need. A discussion of each with general descriptions of configurations and infrastructure issues follows. Detailed information for each development type is in Appendix A.

Table 24
SUMMARY OF LAND DEMAND BY TYPE OF USE, 2005-2025

<table>
<thead>
<tr>
<th>Use Type</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>% Share of Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>OFFICE</td>
<td>2.4</td>
<td>5.0</td>
<td>8.0</td>
<td>11.2</td>
<td>12.8%</td>
</tr>
<tr>
<td>RETAIL</td>
<td>19.4</td>
<td>27.5</td>
<td>37.3</td>
<td>49.2</td>
<td>56.4%</td>
</tr>
<tr>
<td>FOOD PROCESSING</td>
<td>1.2</td>
<td>2.5</td>
<td>3.9</td>
<td>5.4</td>
<td>6.2%</td>
</tr>
<tr>
<td>INDUSTRIAL PARK</td>
<td>1.4</td>
<td>2.9</td>
<td>4.5</td>
<td>6.3</td>
<td>7.2%</td>
</tr>
<tr>
<td>WAREHOUSE/DISTRIBUTION</td>
<td>2.3</td>
<td>5.1</td>
<td>8.1</td>
<td>11.3</td>
<td>13.0%</td>
</tr>
<tr>
<td>GENERAL MANUFACTURING</td>
<td>0.5</td>
<td>1.1</td>
<td>1.7</td>
<td>2.3</td>
<td>2.6%</td>
</tr>
<tr>
<td>BUSINESS SERVICES</td>
<td>0.3</td>
<td>0.7</td>
<td>1.1</td>
<td>1.6</td>
<td>1.8%</td>
</tr>
<tr>
<td>HEAVY INDUSTRIAL MANUFACTURING</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>27.5</td>
<td>44.7</td>
<td>64.4</td>
<td>87.2</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

PROJECTED SHARE OF LAND DEMAND

- RETAIL: 3%
- WAREHOUSE/DISTRIBUTION: 7%
- OFFICE: 6%
- INDUSTRIAL PARK: 13%
- FOOD PROCESSING: 13%
- GENERAL MANUFACTURING: 13%
- BUSINESS SERVICES: 0%
- HEAVY INDUSTRIAL MANUFACTURING: 55%
1. Retail

Over the next twenty years, land need in Newport will be largely concentrated among retail use types. Over 56% of all land demand will be realized through retail. This is in large part a result of Newport’s positioning as a regional tourist destination. Nearly 72% of retail land demand over the next twenty years will be derived from non resident activity. Infrastructure needed to support this use type consists primarily of location and waterflow needed to satisfy patron needs. Telecommunication capabilities are not essential. The development should rest on or near a major visibility and transportation corridor.

2. Warehouse/Distribution

Land demand designated for warehouse/distribution will account for nearly 13.0% of total need over the projection period. Total land designated for this use is expected to increase by 0.57 acres or 1.6% annually. Infrastructure needed to support this use type is minimal from a utility perspective. Waterflow, pipe size, and electricity needs are not high. A greater emphasis is placed on location, particularly proximity to major transportation outlets.

3. Office

Demand for land designated for office use is also significant. Approximately 11.2 acres will be needed over the twenty year period. This need accounts for 12.8% of total demand. Office land demand is expected to grow at 1.8% annually, trailing only retail uses. Utility requirements for office uses are minimal for water and sewer; however, having major communications capacity and broadband access is typically required.

4. Business Park

The need for industrial park space and land will be limited in the City of Newport in the foreseeable future. Over the next twenty years, only 6.3 acres will be required to meet projected need. Industrial land in Newport is expected to grow by 1.4% annually over the projection period. From a utility perspective, waterflow, pipe size, and electricity requirements are minimal. However, significant telecommunications amenities are typically preferred including major communications capacity, route diversity, and fiber optic accessibility. The need for Business Park space and land could be greater then estimated above, should HMSC have better then expected success in attracting marine research activity.
5. Food Processing

Although the amount of land designated to the process is relatively small, food processing supports one of Newport’s primary industry clusters. However, growth is projected to be somewhat limited as approximately 5.4 acres will be needed through 2025. This accounts for an annual increase of 1.2%. Significant infrastructure is needed to house this development type. A minimum pipe size of 10” is typically preferred for both sewer and water so as to accommodate a minimum daily waterflow of 29,400 gallons. High pressure water demand is also high. Telecommunications capabilities are preferred, yet not always necessary. If natural gas is utilized, a 6” pipe is typically preferred.

6. General Manufacturing

Land need for this development type is relatively negligible. General manufacturing is expected to account for only 2.3 acres or 2.6% of total need. Infrastructure guidelines include an 8” sanitary sewer pipe size, and telecommunications amenities.

The Medical Devices Industry expansion should be considered a “home run” economic development for the City and should fall under the industrial land reserve. Therefore, land need projections do not include that particular industry.

7. Business Services

This use accounts for only 1.8% of projected land need over the next twenty years. However, 1.4% annual growth is expected. Infrastructure requirements are similar to that of office uses with minimal waterflow needs. However, for obvious reasons, major telecommunications capacity is an absolute necessity.

8. Heavy Industrial/Manufacturing

There is no projected demand for this development use in the foreseeable future.
H. Focus Group Consensus

In October of 2004, a series of six focus groups were held to solicit input into economic development issues and priorities facing local industry. These six groups were:

- Emerging Businesses: Small start-ups or relocated firms in the last two years;
- General Commerce: Non-core industry firms such as banking, legal services, etc.;
- Tourism: Lodging, recreation, culture and arts, Oregon Coast Aquarium, etc.;
- Core Industry: Commercial fishing, wholesaling, non-seafood production, etc;
- Education: Lincoln County School District, OCCC, Hatfield Marine Science, etc.;
- Government and Agency Partners: State of Oregon, Port of Newport, Lincoln County, etc.

Each focus group discussed local opportunities, threats, strengths and weaknesses from the perspective of their specific industry or field. Each focus group then formulated consensus Goals that Johnson Gardner consolidated into Vision Statements for each broad industry or group. These Vision Statements and Goals were then refined, consolidated and synthesized to shape the City of Newport Economic Development Vision Statement and Goals summarized in Section II above.

The following are the individual Vision Statements and Goals resulting from those focus group sessions.

1. Emerging Businesses

Emerging Business Vision

The City of Newport creates a supportive environment for emerging businesses and entrepreneurs, whether from within Newport or attracted from outside the community, requiring a high quality of life and reliable opportunity for expansion.

Emerging Business Goals

- Grow Newport’s Population of Successful Entrepreneurs by Enhancing Community Image and Promoting Local Quality of Life
- Ensure a Diversity of Business Space Types and Costs, in Part through an Adequate Supply of Land, Specifically to Encourage Small Business Growth
- Enhance Local Non-Land-Based Production Factors to Support a Diversity of New Businesses Including Workforce, Transportation & Communications Infrastructure
- Promote Conditions for Newport’s Home-Grown Businesses to Flourish
2. General Commerce

General Commerce Vision

The City of Newport sustains an attractive and stable environment for businesses to operate and grow over the long term.

General Commerce Goals

- A Growing Population of Professionals with Families Attracted and Retained by Newport’s Quality of Life
- An Adequately Sized, Trained & Supported Workforce to Sustain Business Operations and Expansions
- Sufficient Quantity and Variety of Commercial Space Availability to Facilitate Business Growth
- City Beautification Strategy, Particularly Along Highway 101, that Balances Private Cost Through Incentives
- Attraction of New, Larger Businesses without Sacrificing Existing, Smaller Local Businesses
- Newport Stays Competitive by Improving its Business-Serving Infrastructure.

3. Tourism Industry

Tourism Industry Vision

The City of Newport features a local tourism industry that enjoys innovative coordination within the industry, with other Newport industry sectors and with the local public sector to ensure long-term economic opportunities for its businesses and residents.

Tourism Industry Goals

- Unique Visitor Packages and Experiences due to Collaboration between all Entertainment, Arts, Historical, Recreation, Research and Hospitality Sectors
- Coordination between the Tourism Industry and Local Educational Institutions that Creates a Skilled Workforce and Career Opportunities for Residents
- Effective and Attractive Infrastructure to Enhance Newport as a Destination
- Adequately Funded Not-For-Profit Components of the Broader Tourism Industry
- Preserved Image as a Smaller Beach/Fishing Town of Convenient Distance from Valley Cities and Pleasant Weather
4. Core Manufacturing and Fishing Industry

Core Industry Vision
The City of Newport is forward-looking and proactive in identifying and meeting the needs of its core industries, including natural resource and manufacturing, for retaining and expanding local firms.

Core Industry Goals
- Defined Strategy for the South Beach Area that Supports Existing Core Industry and Attracts New, Diverse Commerce
- Continuously Improved Commercial Transportation Infrastructure
- Identification and Support of Industry Infrastructure Needs, Particularly Support Facilities and Services
- Increased City Presence and Voice in State & Federal Regulatory Processes
- Improvements to Local Public Education by Identifying New, Local Funding Mechanisms
- Strengthened Relationship with Hatfield Marine Sciences Center as an Economic Engine

5. Education & Workforce Agencies

Education & Workforce Vision
The City of Newport features educational infrastructure that creates diverse educational offerings, a skilled workforce, and business and entrepreneurial skills that support all sectors of the local economy and attract family-wage industries.

Education & Workforce Goals
- Expansion and Innovation of Local Educational Institutions with the Partnership of the City of Newport
- Enhanced Educational Program Offerings through Partnerships Between Local Industry and Educational Institutions
- Creation, Expansion and Attraction of Home-Based Businesses in Newport through Business Education
- A Sufficiently-Sized and Skilled Workforce to Sustain all Local Industries
- Expansion of Post-Secondary Enrollment Programs to Increase Educational Opportunity and Expand Unique Disciplinary Offerings
6. Government & Institution, and Organization Partners

*Intergovernmental Partnership Vision*

The City of Newport is a strong partner with other public agencies and entities to ensure positive steps in local and regional economic development efforts.

*Intergovernmental Partnership Goals*

- Strong Coordination with other Local, Regional, State and Federal Entities on Regulations and Funding Affecting Newport Businesses
- Increased and Enhanced Communication with Hatfield Marine Science Center in Pursuit of Local Economic Enhancement
- Increased and Enhanced Communication with Newport Residents Regarding Economic Development Issues
- Forward-Looking Efforts with Other Jurisdictions Regarding Existing and Emerging Infrastructure Needs

I. Newport Support Programs

A wide variety of Federal, State and regional economic development resources are currently available to Oregon jurisdictions and business for the purpose of business retention, expansion and attraction, as well as community development initiatives.

Although an exhaustive list of all programs is beyond the scope of this study, an inventory of programs best suited for the needs and issues of Newport is found in the Appendix.
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

September 2005
(with March 2006 revisions to South Beach Neighborhood Plan)

Funding for this project was provided in part by the Oregon Department of Land Conservation and Development, the City of Newport and the Newport Development Commission.

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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 neighborhood near SE 35th Street, to implement street, pedestrian and bicycle plan provisions, to consider general urban design objectives, and to mitigate possible conflicts between new residential areas and the existing wastewater plant and airport.

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.
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.

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<th>Acres Constrained</th>
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<td>Redevelopable</td>
<td>C-1</td>
<td>1</td>
<td>0</td>
<td>1.13</td>
</tr>
<tr>
<td>UGB</td>
<td></td>
<td>1</td>
<td>0</td>
<td>0.52</td>
</tr>
<tr>
<td>Total Commercial</td>
<td></td>
<td>12</td>
<td>19.68</td>
<td>2.07</td>
</tr>
<tr>
<td>Industrial</td>
<td>I-1</td>
<td>15</td>
<td>263.15</td>
<td>21.39</td>
</tr>
<tr>
<td>UGB</td>
<td>I</td>
<td>22</td>
<td>68.82</td>
<td>34.76</td>
</tr>
<tr>
<td>UGB Redevelopable</td>
<td>I</td>
<td>3</td>
<td>0.16</td>
<td>3.87</td>
</tr>
<tr>
<td>Total Industrial</td>
<td></td>
<td>40</td>
<td>332.13</td>
<td>60.02</td>
</tr>
<tr>
<td>Water-Dependent</td>
<td>W-1</td>
<td>2</td>
<td>1.70</td>
<td>0.13</td>
</tr>
<tr>
<td>Water-Related</td>
<td>W-2</td>
<td>3</td>
<td>27.56</td>
<td>0.52</td>
</tr>
<tr>
<td>Total Water-Dependent/Related</td>
<td></td>
<td>5</td>
<td>29.26</td>
<td>0.65</td>
</tr>
<tr>
<td>Planned Destination Resort</td>
<td>C-2 PDR</td>
<td>2</td>
<td>162.01</td>
<td>23.69</td>
</tr>
</tbody>
</table>
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>
<thead>
<tr>
<th>Zones within the City of Newport</th>
<th>Abbreviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail &amp; Tourist Commercial</td>
<td>C-1</td>
</tr>
<tr>
<td>Tourist Commercial</td>
<td>C-2</td>
</tr>
<tr>
<td>Light Industrial</td>
<td>I-1</td>
</tr>
<tr>
<td>Public Structures</td>
<td>P-1</td>
</tr>
<tr>
<td>Public Parks</td>
<td>P-2</td>
</tr>
<tr>
<td>Low Density Single-Family Residential</td>
<td>R-1</td>
</tr>
<tr>
<td>High Density Multi-Family Residential</td>
<td>R-4</td>
</tr>
<tr>
<td>Water-Dependent</td>
<td>W-1</td>
</tr>
<tr>
<td>Water-Related</td>
<td>W-2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Zones within Lincoln County</th>
<th>Abbreviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planned Industrial</td>
<td>I-P</td>
</tr>
<tr>
<td>Public Facilities</td>
<td>P-F</td>
</tr>
<tr>
<td>Residential</td>
<td>R-1</td>
</tr>
<tr>
<td>Residential</td>
<td>R-1-A</td>
</tr>
<tr>
<td>Timber Conservation</td>
<td>T-C</td>
</tr>
</tbody>
</table>

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.

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.
Exhibit 4A
Exhibit 4B
Exhibit 4C
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**

<table>
<thead>
<tr>
<th>Land Use Classification</th>
<th>Recommended Fire Flows</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quantity (GPM)</td>
</tr>
<tr>
<td><strong>Commercial</strong></td>
<td></td>
</tr>
<tr>
<td>Major</td>
<td>3,000</td>
</tr>
<tr>
<td>Neighborhood</td>
<td>2,000-3,000</td>
</tr>
<tr>
<td><strong>Industrial</strong></td>
<td></td>
</tr>
<tr>
<td>Light-Medium</td>
<td>2,500-3,000</td>
</tr>
<tr>
<td><strong>Institutional</strong></td>
<td></td>
</tr>
<tr>
<td>Schools</td>
<td>3,000</td>
</tr>
<tr>
<td>Hospitals</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>Residential</strong></td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td>750</td>
</tr>
<tr>
<td>Single Family</td>
<td></td>
</tr>
<tr>
<td>Low Density</td>
<td>1,000</td>
</tr>
<tr>
<td>High Density</td>
<td>1,500-2,000</td>
</tr>
<tr>
<td>Multiple Family</td>
<td>1,500-2,000</td>
</tr>
<tr>
<td>Apartments</td>
<td>2,000-3,000</td>
</tr>
</tbody>
</table>

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.
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

<table>
<thead>
<tr>
<th>Wastewater Drainage Basin Number</th>
<th>S1</th>
<th>S2</th>
<th>S3</th>
<th>S4</th>
<th>S5</th>
<th>S6</th>
<th>S7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Acreage</td>
<td>425</td>
<td>545</td>
<td>320</td>
<td>707</td>
<td>270</td>
<td>55</td>
<td>800</td>
</tr>
<tr>
<td>Residential Population</td>
<td>747</td>
<td>810</td>
<td>270</td>
<td>1,341</td>
<td>1,278</td>
<td>396</td>
<td>5,200</td>
</tr>
<tr>
<td>Population Equivalent - Other Zoning</td>
<td>2,416</td>
<td>3,020</td>
<td>6,270</td>
<td>8,788</td>
<td>5,950</td>
<td>714</td>
<td>1,890</td>
</tr>
<tr>
<td>Total Projected Population</td>
<td>3,163</td>
<td>3,830</td>
<td>6,540</td>
<td>10,129</td>
<td>7,228</td>
<td>1110</td>
<td>7,090</td>
</tr>
<tr>
<td>Average Daily Base Flow - Residential</td>
<td>0.171</td>
<td>0.185</td>
<td>0.062</td>
<td>0.307</td>
<td>0.293</td>
<td>0.091</td>
<td>1.191</td>
</tr>
<tr>
<td>Average Daily Flow - Other Zoning</td>
<td>0.121</td>
<td>0.151</td>
<td>0.314</td>
<td>0.439</td>
<td>0.298</td>
<td>0.036</td>
<td>0.095</td>
</tr>
<tr>
<td>Average Daily Base Domestic Flow</td>
<td>0.29</td>
<td>0.34</td>
<td>0.38</td>
<td>0.75</td>
<td>0.59</td>
<td>0.13</td>
<td>1.29</td>
</tr>
<tr>
<td>Peaking Factor for Domestic Flow</td>
<td>2.1</td>
<td>2.0</td>
<td>1.9</td>
<td>1.8</td>
<td>1.9</td>
<td>2.5</td>
<td>1.9</td>
</tr>
<tr>
<td>Peak Domestic Flow Rate from Basin</td>
<td>0.61</td>
<td>0.68</td>
<td>0.72</td>
<td>1.35</td>
<td>1.12</td>
<td>0.33</td>
<td>2.45</td>
</tr>
<tr>
<td>Infiltration Allowance Within Basin</td>
<td>0.21</td>
<td>0.27</td>
<td>0.16</td>
<td>0.35</td>
<td>0.14</td>
<td>0.03</td>
<td>0.40</td>
</tr>
<tr>
<td>Total Peak Flow from Basin</td>
<td>0.82</td>
<td>0.95</td>
<td>0.88</td>
<td>1.70</td>
<td>1.26</td>
<td>0.36</td>
<td>2.85</td>
</tr>
</tbody>
</table>

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 [CH2Mhil]
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:

- Discrete 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 304 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 study area will retain the existing applicable city or county comprehensive plan and zoning designations until changed through either the public hearing process for the South Beach Neighborhood Plan or at a later date. The Exhibit 6 (South Beach Village: Option 7C) 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 at their March 6, 2006, regularly scheduled City Council meeting. Exhibit 6A shows the property to be removed from the UGB.

The 304 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 34 acres already within Newport’s Urban Growth Boundary from Industrial Comprehensive Plan designations and Zones as illustrated in the following table. In addition, approximately 48 acres are proposed to be re-zoned to open space with the addition of an open space overlay zone. These changes avoid the wetlands and steep slopes which are not suitable for industrial development. The 304 new acres and 34 converted acres would be composed of a mix of land uses as indicated in the following table.
Exhibit 6 and Exhibit 6A
### TABLE 29
South Beach Neighborhood Planning Area Description by Acreage
(Based on information provided by Angelo Eaton & Associates)

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Beach Village w/ Proposed Zoning (see break-out below)</td>
<td>388.97</td>
</tr>
<tr>
<td>Further Study Area - Zoning to be determined during process</td>
<td>307.01</td>
</tr>
<tr>
<td>Eastern slope of planning area – no development proposed</td>
<td>56.08</td>
</tr>
<tr>
<td><strong>Total Planning Area</strong></td>
<td><strong>752.06</strong></td>
</tr>
</tbody>
</table>

#### South Beach Village Concept Area

<table>
<thead>
<tr>
<th>Plan Designations</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Commercial (Village Center Overlay)</td>
<td>25.02</td>
</tr>
<tr>
<td>Proposed Low Density Residential (proposed R1 zoning)</td>
<td>105.05</td>
</tr>
<tr>
<td>Proposed Low Density Residential (proposed R2 zoning)</td>
<td>65.60</td>
</tr>
<tr>
<td>Proposed High Density Residential (proposed R3 zoning)</td>
<td>50.33</td>
</tr>
<tr>
<td>Proposed Commercial (proposed C3 zoning)</td>
<td>19.50</td>
</tr>
<tr>
<td>Existing Industrial (proposed and existing I1)</td>
<td>57.79</td>
</tr>
<tr>
<td>Proposed Public (Oregon Coast Community College) (proposed P1 zoning)</td>
<td>26.13</td>
</tr>
<tr>
<td>Existing Public (Mike Miller Park, existing) (proposed P2 zoning)</td>
<td>39.55</td>
</tr>
<tr>
<td><strong>Total land in area of South Beach Village Concept Plan:</strong></td>
<td><strong>388.97</strong></td>
</tr>
</tbody>
</table>

#### Planning Area within Urban Growth Boundary

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area w/in the current UGB</td>
<td>392.20</td>
</tr>
<tr>
<td>Area proposed for inclusion in UGB</td>
<td>303.78</td>
</tr>
<tr>
<td>Eastern slope of planning area - not to be added to UGB</td>
<td>56.08</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>752.06</strong></td>
</tr>
</tbody>
</table>

#### Planning Area within City Limits

<table>
<thead>
<tr>
<th>Area Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area w/in the city limits</td>
<td>234.12</td>
</tr>
<tr>
<td>Area proposed for annexation</td>
<td>461.86</td>
</tr>
<tr>
<td>Eastern slope of planning area - not proposed for annexation</td>
<td>56.08</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>752.06</strong></td>
</tr>
</tbody>
</table>

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 a few acres. As illustrated in the following Table, the Neighborhood Plan will decrease the areas designated for Residential use by 160 acres and Industrial use by 20 acres. An additional 80 acres are proposed for Institutional and Commercial uses.
Residential

The approximately 309 acres proposed to be removed from the UGB are currently designated for High-Density Residential use and based on estimates prepared by Angelo Eaton & Associates could yield up to 1,080 dwelling units given the topography of the property and other development constraints. To compensate for this reduction in potential housing, the Neighborhood Plan proposes to add approximately 220 residential acres through additional land to the UGB and conversion of existing industrial land. Combined, these approximately 220 residential acres could support approximately 1,285 dwelling units based on analysis prepared by Angelo Eaton & Associates.

Industrial

The Plan will decrease the amount of land planned or zoned for Industrial use through conversion to residential use and commercial use. Additionally, approximately 48 acres of Industrial land comprising of wetlands is recommended to be designated with a South Beach Open Space Overlay zone. 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 re-designate 19 acres adjacent to Highway 101 from Industrial use to Commercial use, and will provide an additional 25 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 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 44 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 23 acres is recommended for Business Park use. This acreage could be accommodated within the further study area. For example, a 13-acre site currently designated Industrial is situated in a relatively level area overlooking a large wetland. The wetland has the potential to serve as an amenity for the adjacent users. The purpose of a new Business Park zone is to provide sites for a mix of light industrial, office and service businesses such as real estate and insurance uses that require some level of visibility.
**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 a the Oregon Coast Community College or school will locate on this site. This area is part of the approximately 304 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 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: The following transportation analysis portion of the March 2006 revised South Beach Neighborhood Plan was based on the September 2005 draft plan map (Exhibit 6A) which has subsequently been replaced with the South Beach Village Option 7B map (Exhibit 6).

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. These volumes 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.

1. Data Collection

Traffic Counts
To determine existing traffic volumes and patterns, peak-hour manual turning movement counts were made at the critical South Beach area intersections. The critical intersections are those that are likely to be most impacted by development of South Beach and likely to need improvements to accommodate the projected traffic volumes. These intersections include the following:

US 101 at the entrance to South Beach State Park
US 101 at Ferry Slip Road
US 101 at 32nd Street
Ferry Slip Road at 35th Street
Ferry Slip Road at 32nd Street

The traffic counts were made from 7 to 9 AM and from 4 to 6 PM on a weekday in January 2005. The peak hours were found to be typically from 7:45 to 8:45 AM and from 4:30 to 5:30 PM.

Seasonal Adjustments
Because the traffic counts were made in January but the peak traffic volume months are July and August, seasonal adjustments to the traffic counts were required so that the volumes used
in the analysis would be typical of the peak months of the year.

As a guide to the appropriate seasonal adjustment factor, an examination was made of a permanent traffic volume recorder operated by ODOT and located on US 101 at 25th Street in the northern part of Newport. Although the traffic volumes on US 101 at this location will be different from those on US 101 in South Beach, the seasonal variation is likely to be similar. Both locations are within the City, and reflect the influence of both commuter traffic, which has little seasonal variation, and tourist traffic, which has a very high seasonal variation.

It was found that January traffic volumes are about 82 percent of both the average annual weekday traffic volume and the average annual total traffic volume. The July and August traffic volumes are about 127 percent of both the weekday and total traffic volumes. The summer volume percentage was divided by the January volume percentage to obtain a seasonal adjustment factor of 1.55. This factor was applied to all the traffic volume counts (with one exception) so that all the existing volume counts used in this report reflect July and August traffic volumes. The seasonally adjusted peak-hour traffic volumes are shown in Exhibit 3. The one exception to the use of this factor was the traffic count for the access to South Beach State Park. A seasonal factor of ten was applied to those traffic volumes assuming that weekday campground occupancy and day visitor counts in January are on the order of 10 percent of those in the summer.

**Background Growth**

In addition to the seasonal adjustment factor, an investigation was made of the need for a background growth factor. One objective of this report is to determine projected 20-year traffic volumes for the South Beach area. Although an analysis of the proposed land-use plan estimates the traffic volumes that will be generated by the plan (assuming that full build-out will occur in about 20 years), that does not account for normal growth in US 101 traffic that would occur over the next 20 years as a result of general growth within the City of Newport and the surrounding areas as well as general growth in coastal tourist traffic.

ODOT suggests using a background growth factor of three percent per year. To verify this growth rate, the actual growth rate of traffic on the Yaquina Bay Bridge was examined. For the 20-year period from 1984 to 2004, the average annual growth rate was 1.4 percent, less than half the rate assumed by ODOT.

Although the ODOT growth rate appears to be unreasonably high, it was used in this study to maintain consistency with other traffic volume projection studies that might be conducted in the area. Of the three percent per year increase on US 101 within Newport, it was estimated that about half would be due to increases in intra-city traffic as a result of internal growth, and about half would be due to increases in inter-city traffic as result of general growth on the Oregon Coast. A factor of 1.33 was applied to existing US 101 traffic volumes to account for 20 years of growth at 1.5 percent per year in inter-city traffic. The remaining 1.5 percent per year growth in intra-city traffic is accounted for by the trip generation and distribution analysis in this report for the planned land development in the South Beach area.
2. Analysis Procedure

**Land-Use Plan**

The primary area that has been selected for development as part of the South Beach land-use study is east of US 101 and between 50th Street at the south end and a private street known as Stocker Road at the north end. This was designated as Area A for the purposes of the transportation analysis (see Exhibit 7). The intent for this Area is to provide a mix of land uses to provide opportunities to reduce offsite trips. For example, a person could live in a residence in Area A, attend college at a potential institutional site or work in a business park, and shop at a retail development, all without leaving the area. The land-use proposal for Area A includes 129 acres of residential property in six parcels which could provide a total of about 250 single-family houses, 50 condominiums or common-wall units, and 20 apartments. In addition there would be 40 acres for institutional use which is expected to accommodate a community college with up to 1000 students over the period of a year. There will also be 40 acres designated for commercial use which could include a 150-room hotel, 195,000 sq ft of retail space, and 7,000 sq ft of tourist-oriented specialty retail shops. If Stocker Road is reconstructed and converted to a public street, the street name may or may not be changed. For the purposes of this report, a public street in this area will be referred to as SE 40th Street.

A second nearby area selected for additional development is in the southeast quadrant of the intersection of US 101 and 50th Street. This 14-acre area is proposed for commercial use, and is designated in this report as Area B. This area could accommodate a 125-room hotel and 50,000 sq ft of retail stores.

A third area that was reviewed for potential development or redevelopment is the area within the US 101 corridor between 50th Street and 40th Street. This area, which is designated as Area C in this report, was judged unlikely to be the site of extensive redevelopment within the next 20 years, and was not analyzed further.

The area east of US 101 and between 40th and 32nd Streets is likely to see some redevelopment over the next 20 years. This was designated as Area D, and was assumed to be the location of a 150-room hotel, a 65,000 sq ft retail store, and 25,000 sq ft of specialty shops over the next 20 years.

Area E, which is on the west side of US 101 between 40th Street and 32nd Street, will probably not see extensive redevelopment within the next 20 years. As with Area C, it was not analyzed further.

Area F, which is on the west side of US 101 north of 32nd and south of the ramps from the approach to the Yaquina Bay Bridge, is likely to be developed within the next 20 years. This area was assumed to have about 175,000 sq ft of retail space, which would include one large retail building and several smaller outlying pads that could include banks, shops, and restaurants.
Area G is the Port of Newport marina area at the north end of Ferry Slip Road. This area is likely to experience additional development over the next 20 years, but the size and form that the development might take is not known at this time. The Port of Newport expects to begin a study of land-use alternatives for this area in the near future. Pending completion of this study, Area G has not been included as an analysis area for this report.

Area H is a 280-acre area east (NOTE: 280-acre figure based on Assessor's Map acreage calculation, property owner identifies property as being approximately 309 acres) of the airport that is currently zoned for single-family houses. The topography limits the density of potential development. It is estimated that an average of no more than one house per acre could be developed on this site. (NOTE: Initial estimate used in transportation analysis based on preliminary information. Angelo Eaton & Associates subsequently estimates that 1,080 units could be developed on the site. Transportation analysis in the South Beach Neighborhood Plan that is based on the one house per acre may be revised at a later date to reflect updated dwelling unit analysis by Angelo Eaton & Associates). This area is proposed for removal from the Newport urban growth boundary.
Roadway Network
To accommodate traffic from the proposed new development in Areas A and B and redevelopment of Areas D and F, a conceptual plan for a network of roadways was produced (see Exhibit 8). The primary component of the network is a loop roadway to the east of 101 which would bisect Area A. 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 Area A.

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).

Trip Generation and Distribution
To estimate the trips that would be generated by the proposed land development and redevelopment, trip rates from the TRIP GENERATION handbook, Seventh Edition, published by the Institute of Transportation Engineers, were used. Trip generation can be calculated by applying the trip rates to the size of the proposed development. These rates are based on studies throughout the United States of the volume of traffic generated by various types and sizes of land development. The total trip generation for each of the analyzed land-use Areas was calculated.

Some types of land uses will draw trips from the existing flow of traffic passing by the site. For example, shopping centers located adjacent to a major street will draw some trips from the existing traffic flow as well as generating new trips that will be added to the adjacent highway. In general, for this study, the numbers of trips generated by proposed retail stores were discounted by 20 percent to account for pass-by trips.

Area A is intended to include a mix of land uses. As a result, some trips will be contained entirely within Area A. To account for the trips that will be internal to Area A, the total trip generation of Area A was reduced by 10 percent.
It is expected that the largest percentage of trips generated by new development in Area A will originate from or be destined to the portion of Newport that is located north of Yaquina Bay. Some trips will be to or from Area D east of US 101, and some will be to or from areas south of Newport. Although the directional distribution percentages will vary somewhat depending on the type of land use, in general, about 56 percent of the generated trips are expected to be to or from the north side of Yaquina Bay, about 20 percent will be to Area D in South Beach, and about 14 percent will be to the south of Newport. The remaining 10 percent will be the internal trips within Area A. Similar distribution analyses were made for trips generated by the other land use Areas that were analyzed.

After the trip generation and distribution were determined for each development Area, the trips were assigned to specific streets and intersections within the proposed street network. The assignments were made based on the routes most likely to be used by drivers. For example, of trips originating north of Yaquina Bay and destined to Area A, most were assigned to US 101 from the Yaquina Bridge to the north end of the proposed loop roadway, then east on the loop roadway to Area A. A few trips, those destined to the south end of Area A, were assumed to continue south on US 101 to the south end of the loop roadway, then east on the loop roadway to Area A. The trip assignments were then added to the existing seasonally adjusted traffic volumes for each street.

The projected total 20-year traffic volumes for the key intersections on US 101 which were analyzed are shown in Exhibit 9.

**Capacity Analysis**

With the completion of the trip assignments, individual intersections were analyzed to determine the number and configuration of traffic lanes that would be required to provide sufficient capacity for the existing and future traffic. The 2000 Highway Capacity Manual, published by the Transportation Research Board, as implemented by the Highway Capacity Software, was used for the capacity analysis. The analysis assumed completion of the full roadway network as proposed, including the Area A loop roadway, traffic signals on US 101 at both ends of the loop roadway (40th and 50th), realignment of Ferry Slip Road, and turn restrictions at the US 101/35th Street intersection.

The most notable result of the capacity analysis is that with full build-out of the proposed land development, widening of Highway 101 to four lanes (plus turning lanes at major intersections) will be required from the Yaquina Bay Bridge to 50th Street. This finding is consistent with the current Newport Transportation System Plan.

The required intersection lane configurations are illustrated in Exhibit 11. It should be noted that these lane configurations will be needed with full build-out of the planned land development and redevelopment. The roadway and intersection improvements can be constructed incrementally as land development occurs.
TRAFFIC VOLUMES
Full Build-Out Conditions
AM & PM Peak Hours
With full build-out of Area A, a cursory review of the traffic volumes on the proposed loop roadway indicates that traffic signals will be warranted at both the north and south loop intersections with US 101. The point in time at which signals are warranted will depend on the rate of land development within Area A.

The installation of new signals at the loop roadway intersections (40th and 50th Streets) along with the existing traffic signal at 32nd Street will provide a sufficient spacing of the three traffic signals to facilitate progressive traffic movement on US 101 through the signals. The distance between 32nd and 40th is about 2100 ft, and the distance between 40th and 50th is about 2900 ft. Both distances are within a reasonable range of the ideal traffic signal spacing of about 2600 ft.

An analysis was not made of the intersection of Ferry Slip Road and 32nd Street pending completion of the upcoming land use and transportation study of the Port of Newport area. Depending on the traffic and pedestrian volumes that will be projected to use this intersection, it may be a potential site for construction of a roundabout. A roundabout would provide for free-flowing traffic movements without the need for a traffic signal, and could serve as a gateway to the Port of Newport marina area as well as to a potential redevelopment of Area D south of 32nd Street.

The following table shows the projected volume-to-capacity ratios for 2025 for the three analyzed intersections on US 101.

<table>
<thead>
<tr>
<th>Intersection</th>
<th>V/C* Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>32nd Street AM Peak</td>
<td>0.70</td>
</tr>
<tr>
<td>32nd Street PM Peak</td>
<td>0.96</td>
</tr>
<tr>
<td>40th Street AM Peak</td>
<td>0.74</td>
</tr>
<tr>
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</tr>
<tr>
<td>50th Street AM Peak</td>
<td>0.65</td>
</tr>
<tr>
<td>50th Street PM Peak</td>
<td>0.64</td>
</tr>
</tbody>
</table>

*V/C = Volume to Capacity ratio

3. Recommendations

Roadway Configuration
The recommended roadway configuration for South Beach is shown in Exhibit 10. This configuration includes the following improvements:

- Construction of a new loop roadway through Area A
• 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 Area A east of US 101, the proposed network includes a new loop road through Area A. 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 Area A. 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. 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 A development.

With development of Area A and redevelopment of Area D 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 Area D, 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 Area D without the necessity of entering and exiting US 101. Second, it would provide access from all of Area D 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.
**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 roadway improvement priorities:

- Begin to procure right-of-way based on preliminary design.
- Construct the north portion of the loop roadway through Area A, from US 101 at 40th Street to a point within Area A. It may be constructed initially as two lanes, but should be designed for ultimate expansion to a four-lane parkway. This will allow development of Area A 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 Area A.
- 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.

**Area B Access**

The development of about 14 acres of commercially zoned land is proposed for Area B in the southeast quadrant of the intersection of US 101 and 50th Street. To avoid safety and congestion issues on US 101, it is recommended that primary access to Area B 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 Area B.

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 Area B 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 Area B 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. 

- **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.
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.
• **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 Miler 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 increase 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 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-
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 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.
**Commercial – Small**

### PARCEL
- **Area:** 0.60 acres
- **Street Frontage:** Shown-130’ on a local public street
- **Density Target:** 0.4 – 0.5 FAR
- **Lot Coverage:** No maximum (Shown: 40%)
- **Open space:** 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.
- **Surface water management:** Not shown on site-common off-site facility is assumed.

### LANDSCAPING
- **Space between building & Sidewalk:** shall be appropriately landscaped for use and enjoyment by pedestrians. Enhanced materials encouraged.
- **Trees:** Install 4-5 coast appropriate trees in planter strips along public streets (as shown). Install additional 4-5 coast appropriate trees.
- **Conservation Areas:** Per City standards
- **Fences and Walls:** Shall be Min. 18” and this space shall be landscaped with trees or shrubs.
- **Buffers / Screens:** Per City standards.
- **Signs:** Shall be pedestrian-oriented; directional signs are encouraged.

### BUILDINGS
- **Location:**
  - Setback-Front: 0-10’ (Shown –2’, landscaped)
  - Setback-Rear: 0
  - Setback-Sides: 10’
- **Building Orientation:** The building shall be oriented to the public street (as shown).
- **Max Height:** 35’
- **Height Transition:** YES-adjacent to existing SF
- **Entrance Door:** The entrance door shall be oriented to and directly accessible from the public sidewalk.
- **Ground Floor Design:** Min 80% of ground floor along public streets shall incorporate windows with clear glass. (As shown: Glazed Porch)
- **Other Architectural Design:** The following architectural features are encouraged: Corner entry (at a street intersection); cornice, roof projection; cupola, skylight, bay windows.

### PARKING
- **Off-street Auto parking:** Shall be behind or on side of building (not between building and public street).
- **Deliveries / Loading:** Off-street loading area is preferred; some street parking may be time designated for delivery vehicles.
- **Bike parking:** 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.
- **Shared parking:** Some of the off-street parking may be shared with complementary uses nearby.
- **On-street parking:** Shall be incorporated on the adjacent public (City) street. (shown: 5 parallel parking stalls).

### SITE ACCESS & CIRCULATION
- **Vehicle Access & Circulation:** As shown: A shared driveway from public street; a rear alley, lane or road, connecting to the cross street.
- **Pedestrian Access & Circulation:** As shown

### SPECIAL FEATURES
- **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.**

---

*See Exhibit 15*
**Commercial – Medium/Tourist**

### PARCEL

<table>
<thead>
<tr>
<th>Area:</th>
<th>1 acre to 1.25 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Frontage:</td>
<td>Parcel fronts on 2 public streets</td>
</tr>
<tr>
<td>Density Target:</td>
<td>0.50 FAR</td>
</tr>
<tr>
<td>Lot Coverage:</td>
<td>No maximum (Shown: 35%)</td>
</tr>
<tr>
<td>Open space:</td>
<td>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.</td>
</tr>
<tr>
<td>Surface water management:</td>
<td>Not shown on site; common off-site facility is assumed.</td>
</tr>
</tbody>
</table>

### LANDSCAPING

| Space between building & Sidewalk: | shall be appropriately landscaped for use and enjoyment by pedestrians. Enhanced materials encouraged. |
| Trees: | Install 8-10 coast appropriate trees in planter strips along public streets (as shown). Install additional 10-15 coast appropriate trees. |
| Conservation Areas: | Per City standards |
| Fences and Walls: | Shall be setback Min. 18” and this space shall be landscaped with trees or shrubs. |
| Buffers / Screens: | Per City standards |
| Signs: | Shall be pedestrian-oriented; directional signs are encouraged. |

### BUILDINGS

(15,000sf retail plus 5,000sf other commercial, plus housing)

<table>
<thead>
<tr>
<th>Location:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setback-Front:</td>
</tr>
<tr>
<td>Setback-Rear:</td>
</tr>
<tr>
<td>Setback-Sides:</td>
</tr>
<tr>
<td>Building Orientation:</td>
</tr>
<tr>
<td>Max Height:</td>
</tr>
<tr>
<td>Height Transition:</td>
</tr>
<tr>
<td>Front Door (s):</td>
</tr>
<tr>
<td>Ground Floor Design:</td>
</tr>
<tr>
<td>Other Architectural Design:</td>
</tr>
</tbody>
</table>

### PARKING

| Off-street Auto parking: | Shall be behind or on side of building (not between building and public street). |
| Deliveries / Loading: | Off-street loading area is optional; some street parking may be designated for business / retail use by delivery vehicles. |
| Bike parking: | 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. |
| Shared parking: | Some of the off-street parking may be shared with complementary uses nearby. |
| On-street parking: | Shall be incorporated on public streets. (shown: 23 angle and 8 parallel parking stalls. |

### SITE ACCESS & CIRCULATION

| Vehicle Access & Circulation: | As shown |
| Pedestrian Access & Circulation: | As shown |

| Street Connectivity: | Required |
| Block Formation: | Max block 1.5 ac. approx.; shall include an alley connection (shown) |

### SPECIAL FEATURES

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.)
### Commercial – Large

#### PARCEL
- **Area:** 5-8 acres
- **Street Frontage:** Shown - public streets all around the parcel
- **Density Target:** 0.25 FAR
- **Lot Coverage:** No maximum
- **Open space:** Approx. tbd% of open space shall be treated for use by pedestrians.
- **Surface water management:** Required; Not shown on illustration

#### LANDSCAPING
- **Space between building & Sidewalk:** shall be appropriately landscaped for use and enjoyment by pedestrians. Enhanced materials encouraged.
- **Trees:** Install coast appropriate trees in planter strips along public streets. Install additional coast appropriate trees within the large block.
- **Conservation Areas:** Per City standards
- **Fences and Walls:** Shall be Min. 18” setback from public streets, landscaped with trees or shrubs.
- **Buffers / Screens:** Per City standards.
- **Signs:** Shall be pedestrian-oriented; directional signs are encouraged.

#### BUILDINGS (shown 70,000sf floor area)
- **Location:** 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.
- **Building Orientation:** The building shall be oriented to the public street (as shown).
- **Max Height:** 35’
- **Max Length:** 300’; Min Separation 50’
- **Entrance Door:** The entrance door shall be oriented to and directly accessible from the public sidewalk.
- **Ground Floor Design:** Min 65% of ground floor along public streets shall incorporate windows with clear glass.
- **Other Architectural Design:** The following architectural features are encouraged: Corner entry (at a street intersection); cornice, roof projection; cupola, skylight, bay windows.

#### PARKING
- **Off-street Auto parking:** Shall be behind or on side of building (not between building and public street).
- **Deliveries / Loading:** Off-street loading area is preferred; some street parking may be time designated for delivery vehicles.
- **Bike parking:** 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.
- **Shared parking:** Some of the off-street parking may be shared with complementary uses nearby.
- **On-street parking:** Shall be incorporated on the adjacent public (City) street.

#### SITE ACCESS & CIRCULATION
- **Vehicle Access & Circulation:** As shown: An internal road connecting two public streets; driveway or alley connecting the other streets.
- **Pedestrian Access & Circulation:** As shown
- **Street Connectivity:** Required
  - **Block Formation:** Max block 4 ac. approx.; shall include pedestrian and road connections through the entire block.

#### SPECIAL FEATURES
- 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.
Exhibit 15
### PARCEL

<table>
<thead>
<tr>
<th>Area:</th>
<th>0.55 acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Frontage:</td>
<td>Public street on shorter side</td>
</tr>
<tr>
<td>Density Target:</td>
<td>NA</td>
</tr>
<tr>
<td>Lot Coverage:</td>
<td>No maximum</td>
</tr>
<tr>
<td>Open space:</td>
<td>Approx. tbd% of open space</td>
</tr>
<tr>
<td>Surface water management:</td>
<td>Not Required on site; (Assumed off-site / common facility).</td>
</tr>
</tbody>
</table>

### LANDSCAPING

- **Space between building & Sidewalk:** shall be appropriately landscaped for use and enjoyment by pedestrians.
- **Trees:** Install 2-3 coast appropriate trees in planter strips along public streets. Install 3-5 additional coast appropriate trees within parcel.
- **Conservation Areas:** Per City standards
- **Fences and Walls:** Shall be Min. 18” setback from public streets, landscaped with trees or shrubs.
- **Buffers / Screens:** Per City standards.
- **Signs:** per City standards, plus directional signs.

### BUILDING (Shown 6,000sf floor area)

| Location: | Close to the public street. |
| Building Orientation: | As shown: “Showroom” (or front office) is oriented to the public street; “Loading” is oriented to the internal, |
| Max Height: | 35’ |
| Max. Length: | 100’ |
| Entrance Door: | The primary office / public entrance door shall be oriented to and directly accessible from the public sidewalk. |
| Ground Floor Design: | 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 |
| Other Architectural Design: | The following architectural features are encouraged); cornice, roof projection; cupola, skylight, |

### PARKING

- **Off-street Auto parking:** Shall be behind or on side of building (not between building and public street).
- **Deliveries / Loading:** Off-street loading area is optional; some street parking may be time designated for small delivery vehicles.
- **Bike parking:** Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building entrances,
- **Shared parking:** Some of the off-street parking may be shared if the nearby uses are complementary.
- **On-street parking:** Incorporated 4-5 stalls on the public street close to the building.

### SITE ACCESS & CIRCULATION

- **Vehicle Access & Circulation:** Off-street parking/loading from rear alley or lane or road.
- **Pedestrian Access & Circulation:** As shown
- **Street Connectivity:** Required
  - **Block Formation:** Max block 3 ac. approx.; shall include north-south & east-west pedestrian and road connections through the large block.

### SPECIAL FEATURES

- **Decorative low wall and landscaped courtyard along the sidewalk.**
- **Outdoor or partially covered work area behind the building, oriented to the rear parking lot.**

See Exhibit 16
**Industrial – Medium**

<table>
<thead>
<tr>
<th><strong>PARCEL</strong></th>
<th><strong>LANDSCAPING</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Area:</strong> 1.5acres</td>
<td><strong>Space between building &amp; Sidewalk:</strong> shall be appropriately landscaped for use and enjoyment by pedestrians.</td>
</tr>
<tr>
<td><strong>Street Frontage:</strong> Public street on shorter side <strong>Density Target:</strong> NA</td>
<td><strong>Trees:</strong> Install 10-12 coast appropriate trees in planter strips along public streets. Install additional coast appropriate trees within the large block.</td>
</tr>
<tr>
<td><strong>Lot Coverage:</strong> No maximum</td>
<td><strong>Conservation Areas:</strong> Per City standards</td>
</tr>
<tr>
<td><strong>Open space:</strong> Approx. tbd% of open space</td>
<td><strong>Fences and Walls:</strong> Shall be Min. 18” setback from public streets, landscaped with trees or shrubs.</td>
</tr>
<tr>
<td><strong>Surface water management:</strong> Not Required on site; (Assumed off-site / common facility).</td>
<td><strong>Buffers / Screens:</strong> Per City standards.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>BUILDING (Shown 15,000sf floor area)</strong></th>
<th><strong>PARKING</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location:</strong> Close to the public street.</td>
<td><strong>Off-street Auto parking:</strong> Shall be behind or on side of building (not between building and public street).</td>
</tr>
<tr>
<td><strong>Building Orientation:</strong> As shown: “Showroom” (or front office) is oriented to the public street; “Loading” is oriented to the internal, shared driveway.</td>
<td><strong>Deliveries / Loading:</strong> Off-street loading area is required; some street parking may be time designated for small delivery vehicles.</td>
</tr>
<tr>
<td><strong>Max Height:</strong> 35’</td>
<td><strong>Bike parking:</strong> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building entrances.</td>
</tr>
<tr>
<td><strong>Max Length:</strong> 150’</td>
<td><strong>Shared parking:</strong> Some of the off-street parking may be shared if the nearby uses are complementary.</td>
</tr>
<tr>
<td><strong>Entrance Door:</strong> The primary office / public entrance door shall be oriented to and directly accessible from the public sidewalk.</td>
<td><strong>On-street parking:</strong> Incorporated 25-30 stalls (angle and parallel stalls) on the two streets close to the building.</td>
</tr>
<tr>
<td><strong>Ground Floor Design:</strong> 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.</td>
<td><strong>Other Architectural Design:</strong> The following architectural features are encouraged); cornice, roof projection; cupola, skylight.</td>
</tr>
<tr>
<td><strong>Other Architectural Design:</strong> The following architectural features are encouraged); cornice, roof projection; cupola, skylight.</td>
<td><strong>SPECIAL FEATURES</strong></td>
</tr>
<tr>
<td><strong>SITE ACCESS &amp; CIRCULATION</strong></td>
<td><strong>tbd</strong></td>
</tr>
<tr>
<td><strong>Vehicle Access &amp; Circulation:</strong> As shown.</td>
<td><strong>Pedestrian Access &amp; Circulation:</strong> As shown</td>
</tr>
<tr>
<td><strong>Pedestrian Access &amp; Circulation:</strong> As shown</td>
<td><strong>Street Connectivity:</strong> Required</td>
</tr>
<tr>
<td><strong>Block Formation:</strong> Max block 6 ac. approx.; shall include north-south &amp; east-west pedestrian and road connections through the large block.</td>
<td><strong>Max block 6 ac. approx.; shall include north-south &amp; east-west pedestrian and road connections through the large block.</strong></td>
</tr>
</tbody>
</table>
### Industrial – Large

<table>
<thead>
<tr>
<th>PARCEL</th>
<th>LANDSCAPING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Area:</strong> 3 acres</td>
<td><strong>Space between building &amp; Sidewalk:</strong> shall be appropriately landscaped for use and enjoyment by pedestrians.</td>
</tr>
<tr>
<td><strong>Street Frontage:</strong> Public streets on min. two sides</td>
<td><strong>Trees:</strong> Install 10-15 coast appropriate trees in planter strips along public streets. Install additional 20-30 coast appropriate trees within the large block.</td>
</tr>
<tr>
<td><strong>Density Target:</strong> NA</td>
<td><strong>Surface water management:</strong> Required; (shown shared with adjacent parcel)</td>
</tr>
<tr>
<td><strong>Lot Coverage:</strong> No maximum</td>
<td><strong>Conservation Areas:</strong> Per City standards</td>
</tr>
<tr>
<td><strong>Open space:</strong> Approx. tbd% of open space</td>
<td><strong>Fences and Walls:</strong> Shall be Min. 18” setback from public streets, landscaped with trees or shrubs.</td>
</tr>
<tr>
<td><strong>Surface water management:</strong> Required; (shown shared with adjacent parcel)</td>
<td><strong>Buffers / Screens:</strong> Per City standards.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BUILDING (Shown 20,000sf floor area)</th>
<th>PARKING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location:</strong> Close to the two public streets.</td>
<td><strong>Off-street Auto parking:</strong> Shall be behind or on side of building (not between building and public street).</td>
</tr>
<tr>
<td><strong>Building Orientation:</strong> 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.</td>
<td><strong>Deliveries / Loading:</strong> Off-street loading area is required; some street parking may be time designated for small delivery vehicles.</td>
</tr>
<tr>
<td><strong>Max Height:</strong> 45’</td>
<td><strong>Bike parking:</strong> Approx. 10% of the parking shall be bicycle parking spaces, Bike parking facilities shall be located near the building entrances,</td>
</tr>
<tr>
<td><strong>Max. Length:</strong> 200’</td>
<td><strong>Shared parking:</strong> Some of the off-street parking may be shared if the nearby uses are complementary.</td>
</tr>
<tr>
<td><strong>Entrance Door:</strong> The primary office / public entrance door shall be oriented to and directly accessible from the public sidewalk.</td>
<td><strong>On-street parking:</strong> Incorporated 30-35 stalls (angle and parallel stalls) on the two public (City) streets.</td>
</tr>
<tr>
<td><strong>Ground Floor Design:</strong> 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.</td>
<td><strong>Other Architectural Design:</strong> The following architectural features are encouraged); “Green” roof, cornice, roof projection; cupola, skylight.</td>
</tr>
<tr>
<td><strong>Other Architectural Design:</strong> The following architectural features are encouraged); “Green” roof, cornice, roof projection; cupola, skylight.</td>
<td><strong>SITE ACCESS &amp; CIRCULATION</strong></td>
</tr>
<tr>
<td><strong>SITE ACCESS &amp; CIRCULATION</strong></td>
<td><strong>SPECIAL FEATURES</strong></td>
</tr>
<tr>
<td><strong>Vehicle Access &amp; Circulation:</strong> As shown: two driveways from public streets; private road connection to the other public street- stubbed.</td>
<td><strong>tbd</strong></td>
</tr>
<tr>
<td><strong>Pedestrian Access &amp; Circulation:</strong> As shown</td>
<td><strong>Street Connectivity:</strong> Required</td>
</tr>
<tr>
<td><strong>Block Formation:</strong> Max block 6 ac. approx.; include north-south &amp; east-west connections.</td>
<td><strong>Block Formation:</strong> Max block 6 ac. approx.; include north-south &amp; east-west connections.</td>
</tr>
</tbody>
</table>
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 304 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 304 acres, or any portion thereof 2 acres or larger, added to the UGB. If separate Master Plans are submitted for portions of the 304 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 304 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.

Implementation Measure 2: A further evaluation of the compatibility with the City of Newport wastewater treatment plant and the Newport Municipal Airport for proposed land use re-designations to residential uses should be undertaken and a re-designation of the land use classification to residential should only be considered upon findings demonstrating compatibility with the City of Newport wastewater treatment plant and the Newport Municipal Airport and the adoption/implementation as necessary of appropriate measures for compatibility.

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 properties 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.
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.

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:

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
   • Density averages of ___ jobs per net acre and up to 30 dwelling units per net acre
   • 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, Events Center, 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 Area B 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 Area A be classified as an arterial but designed as a parkway. A connection to the Henderson Creek portion of Area A 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 Recommended 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 recommended 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

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Project</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>King Ridge 1.0 MG Reservoir (EL 320')</td>
<td>$1,250,000</td>
</tr>
<tr>
<td>2</td>
<td>16&quot; Water Main to New High Water Tank</td>
<td>$570,788</td>
</tr>
<tr>
<td>3</td>
<td>12&quot; PVC Water Main Loop New Development</td>
<td>$902,860</td>
</tr>
<tr>
<td>4</td>
<td>12&quot; Water Main Toward Idaho Point (105 acre Res.)</td>
<td>$360,133</td>
</tr>
<tr>
<td>5</td>
<td>King Ridge pump station, 350 gpm</td>
<td>$180,000</td>
</tr>
<tr>
<td>6</td>
<td>PRVs 2-12&quot;, 1-16&quot;</td>
<td>$60,000</td>
</tr>
<tr>
<td>7</td>
<td>Newport Airport Water Main</td>
<td>$550,556</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Project</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>6&quot; Water Main SW Coho</td>
<td>$44,550</td>
</tr>
<tr>
<td>9</td>
<td>8&quot; Extension Ash Street to Elm Street (SE)</td>
<td>$125,250</td>
</tr>
<tr>
<td>10</td>
<td>12&quot; Water Main Ferry Slip Road</td>
<td>$150,000</td>
</tr>
<tr>
<td>11</td>
<td>12&quot; PVC Water Main Loop Highway 101</td>
<td>$293,450</td>
</tr>
<tr>
<td>12</td>
<td>Airport Residential Water Main</td>
<td>$636,000</td>
</tr>
<tr>
<td>13</td>
<td>PRVs 1-12&quot;, 1-8&quot;</td>
<td>$40,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Project</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>8-inch &amp; 12-inch PVC Sewer UGB Road</td>
<td>$1,056,000</td>
</tr>
<tr>
<td>2</td>
<td>8-inch PVC Sewer -From 105 acre Res.</td>
<td>$424,920</td>
</tr>
<tr>
<td>3</td>
<td>Manholes</td>
<td>$148,974</td>
</tr>
</tbody>
</table>

**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

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Project</th>
<th>Est. Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>10&quot; PVC Sewer Main Idaho Point</td>
<td>$492,000</td>
</tr>
<tr>
<td>5</td>
<td>8&quot; PVC SSFM Idaho Point</td>
<td>$285,000</td>
</tr>
<tr>
<td>6</td>
<td>Idaho Point Lift Station</td>
<td>$250,000</td>
</tr>
<tr>
<td>7</td>
<td>8&quot; PVC Sewer Main Airport Residential</td>
<td>$499,200</td>
</tr>
<tr>
<td>8</td>
<td>6&quot; PVC SSFM Airport Residential</td>
<td>$100,000</td>
</tr>
<tr>
<td>9</td>
<td>Airport Residential Lift Station</td>
<td>$250,000</td>
</tr>
</tbody>
</table>

**Total Phase 2 Construction**  
$1,876,204

**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**

<table>
<thead>
<tr>
<th>SWMP Project #</th>
<th>Project Description</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Culvert Replacement and Ditch Renovation (East of 35th Street)</td>
<td>$80,000</td>
</tr>
<tr>
<td>2a</td>
<td>Hwy 101 crossing and redirection of drainage south to Basin 7</td>
<td>$1,500,000</td>
</tr>
</tbody>
</table>
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.