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BEFORE THE BOARD OF COMMISSIONERS

FOR LINCOLN COUNTY, OREGON Lincoln County Legal Counsel

Ordinance # 253

AN ORDINANCE AMENDING LINCOLN COUNTY COMPREHENSIVE PLAN AND COMPREHEN-
SIVE PLAN AND ZONING MAP DESIGNATION FOR THE NEWPORT URBAN GROWTH
BOUNDARY, ADOPTING FINDINGS IN SUPPORT THEREOF, DECLARING EMERGENCY

WHEREAS Thiel Creek Development Company requested that an extension of the Newport Urban Growth Boundary be made to permit the siting of a destination resort on approximately 882 acres of land located south and east of the Newport Municipal Airport; and

WHEREAS the Lincoln County Comprehensive Plan and the statewide planning goals require that the county and its cities mutually adopt any change or amendment to the urban growth boundary; and

WHEREAS the planning commission, after legal notice, held a public hearing on June 8, 1987 to review the proposed amendment to the Newport Urban Growth Boundary and concurred with the amendment, adopted findings in support thereof, and recommended to the board approval of the petitioner's request; and

WHEREAS, following legal notice, this board conducted a hearing on this matter;

Now, therefore, the board hereby ORDAINS as follows:

1. That the Newport Urban Growth Boundary as delineated on the comprehensive plan and zoning map is amended to include those properties described in exhibit "A", attached hereto and by this reference made a part hereof;

2. That the Department of Planning and Development amend the official county plan and zone map on file in the office of the county clerk and date and number said change;

3. That the board adopts in support of the amendment of the Newport Urban Growth Boundary the findings in exhibit "B", attached hereto and made a part hereof;

4. That a copy of this ordinance, with attached exhibits, be provided to the assessor, to the Department of Planning and Development, and to the petitioner;

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.....

Lincoln County Legal Counsel
Lincoln County Courthouse
225 W. Olive Street
Newport, OR 97365
Phone: 253-6611 ext 308

1 5. That this ordinance, being necessary for the imme-
2 mediate preservation of the public peace, health, and safety, an
3 emergency is declared to exist and this ordinance takes effect
4 upon its adoption.

5 Dated this 24th day of June, 1987.

6 LINCOLN COUNTY BOARD OF COMMISSIONERS

7 Albert Bryant
8 Chairman

9 Frank Armstrong
10 Commissioner

11 Norma McMillin
12 Commissioner

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Lincoln County Legal Counsel
Lincoln County Courthouse
225 W. Olive Street
Newport, OR 97365
Phone: 265-6611 ext. 308

June 3, 1987

EXHIBIT "A"

PROPERTY DESCRIPTION FOR PETITION TO AMEND
THE CITY OF NEWPORTS URBAN GROWTH BOUNDARY

All of the following property is in the County of
Lincoln and State of Oregon.

Tax Lots 601, 600, 602, 500, 400, 100, 113, 103,
200, 300, of Section 6AB, Township 12 South, Range
11 West.

Tax Lots 1602, and 1604 of Section 32, Township 11
South, Range 11 West.

Tax Lots 1500, 600, and 1600 of Section 6, Township
12 South, Range 11 West.

Blocks 35 through and including Block 45 For Far.

Tax Lots 512, 500, 513, 514, 515, 511 and 400 of
Section 31DD, Township 11 South, Range 11 West.

Tax Lot 300 of Section 31DD, Township 11 South,
Range 11 West, owner : Edmond L. & Diane J. Obermeyer

Tax Lots 600, 800, and 803 of Section 5, Township
12 South, Range 11 West.

The Northwest quarter of the Northeast quarter of
the Southwest quarter of Section 5, Township 12
South, Range 11 West, owner: Boise Cascade

A Portion of Tax Lot 900 of Section 5, Township 12
South, Range 11 West described as: The most Westerly
60 acres.

Tax Lot 3300, Township 12 South, Range 11 West.

Tax Lot 801 of Section 5, Township 12 South, Range
11 West, owner: Boise Cascade

Tax Lot 2000 of Section 32, Township 11 South,
Range 11 West.

Tax lot 2900 of Section 6, Township 12 South,
Range 11 West.

Tax Lot 100 of Section 32, Township 11 South,
Range 11 West.

Appendix I

Tax Lot 800 of Section 29, Township 11 South, Range 11 West.

Tax Lot 800 of Section 28, Township 11 South, Range 11 West.

Tax Lot 300 and the North 1/2 of Tax Lot 402 of Section 33, Township 11 South, Range 11 West.

Tax Lot 700 of Section 5, Township 12 South, Range 11 West, owners: John & Sally Whitaker

Approximately 20 acres in the most Northwesterly portion of Tax Lot 100 of Section 5, Township 12 South, Range 11 West, owner: Boise Cascade

Tax Lots 503, 504, 800, 501, 701, 702 of Section 31DD Township 11 South, Range 11 West.

Tax Lot 700 of Section 31DD, Township 11 South, Range 11 West, owner: Lincoln County

A PORTIONS OF HWY. 101 - DESCRIBED FOR NOW AS: All that portion of Hwy. 101 lying between the Southerly line of Tax Lot 502 of Section 31DD, Township 11 South, Range 11 West, if extended across Hwy. 101, South to a point which would intersect with a line if drawn from the Northwest corner of Tax Lot 1100 of Section 31DD, Township 11 South, Range 11 West, across Hwy. 101. And that portion of Hwy. 101 lying South of a line if drawn from the Southwest corner of Tax Lot 1100 of Section 31DD Township 11 South, Range 11 West, across Hwy. 101, South to a point which would intersect with a line if drawn from the Northwest corner of Tax Lot 600 of Section 31DD, Township 11 South, Range 11 West across Hwy. 101. And that portion of Hwy. 101 lying South of a line if drawn from the Southwest corner of Tax Lot 600 Section 31DD, Township 11 South, Range 11 West, across Hwy. 101, South to the Northwest corner of Tax Lot 1501 of Section 6, Township 12 South, Range 11 West across Hwy. 101. And that portion of Hwy. 101 from the North line of "A" Street, For Far, North to a point that would intersect with a line if drawn from the Southwest corner of Tax Lot 1501 of Section 6, Township 12 South, Range 11 West, across Hwy. 101.

A Portion of Thiel Creek Road

All that portion Thiel Creek County Road No. 601, lying in Sections 31 & 32, Township 11 South, Range 11 West, and in Sections 5 and 6, Township 12 South, Range 11 West, Willamette Meridian, Lincoln County, Oregon, bounded on the West by its intersection with U.S. Highway 101 and on the East by the North-South center line of said Section 5.

BEFORE THE BOARD OF COMMISSIONERS FOR
LINCOLN COUNTY, OREGON

IN THE MATTER OF THE PETITION)
OF THIEL CREEK DEVELOPMENT)
COMPANY FOR AN AMENDMENT TO)
THE CITY OF NEWPORT'S URBAN) FINDINGS AND CONCLUSION
GROWTH BOUNDARY REQUIRING AN)
AMENDMENT TO THE LINCOLN) EXHIBIT "B"
COUNTY COMPREHENSIVE PLAN)

I.

NATURE OF PETITION

The Thiel Creek Development Company (Petitioner) requests the necessary approvals to permit the siting of a destination resort in the South Beach area. To be developed in two stages, the entire site includes approximately 942 acres. This petition seeks an amendment to the City of Newport's Urban Growth Boundary (UGB) for the entire 942 acres, as legally described in Appendix I hereby attached and incorporated by reference. The areas proposed for inclusion are adjacent to the current Newport UGB (Attached herein as Figure 1). Proposals to change the Urban Growth Boundary are considered as Plan text and map amendments to both the City and County Comprehensive plans and shall be mutually agreed upon by the City and the County. (Section 1-2-4.485 of City Comprehensive Plan; Section 1.0030 of Lincoln County Comprehensive Plan)

The Petitioner has filed petitions with the City of Newport for amendment to the City's UGB to include the 942 acres referenced above; to annex approximately 444 acres, to Newport's corporate limits in order to proceed with Stage One of the resort as depicted on Figure 2 attached herein; and to replan and rezone the property annexed to the City to allow for the destination resort as depicted on Figures 3 and 4, attached herein.

To allow for the provision of municipal services to the destination resort site and the areas between it and the current Newport City Limits, the City of Newport has initiated an annexation which will include Plan and zone amendments to the City and County Plans for the area. The following zoning designations have been requested as part of the annexation action:

- ° South Beach State Park - P-2 (Public Recreation); now P-F in County
- ° Property north of the airport - I-1 (Light Industrial); now I-P in County

- ° Newport Municipal Airport - P-1 (Public Buildings and Structures); now P-F in County
- ° Stage one of Destination Resort-R4/C2(PDR) (High Density Residential/Tourist Commercial/Planned Destination Resort); now R-1, RR1-2, RR-5, and T-C in County.

II.

LOCATION OF THE PROPERTY

Stage one of the destination resort, focused on a 75-acre lake with a lodge and homesites, is located in the lower Thiel Creek Drainage Basin. Stage two, focused on an 18-hole golf course, clubhouse and additional homesites, is located in the upland areas east of the Newport Municipal Airport and in areas adjacent to Stage one. The areas proposed for inclusion are adjacent to the current Newport UGB. (figure 1)

III.

SUMMARY OF PROPOSAL

Destination resorts are large tourist-oriented developments which serves as attractive forces in areas with high scenic or natural amenities. To respond to the economic realities of Oregon, resorts should maintain natural or scenic site qualities while offering a variety of environmental and recreational opportunities to attract both visitors and purchasers of sites for homes and condominium units. Destination resorts must be of a size and quality to provide multiple activity opportunities; generally, the larger and more varied the resort, the more likely it is to attract visitors from longer distances and for longer stays.

The proposed destination resort site is presently located within unincorporated Lincoln County adjacent to the City of Newport's Urban Growth Boundary. Most of the site is planned and zoned timber conservation ("TC"), a restrictive resource zone. Other parts of the property are planned and zoned for residential uses (R-1; RR-1/RR-2; RR-5).

In 1984 the State of Oregon, through LCDC, amended Statewide Goal 8 (Recreational Needs) to specifically allow counties to amend their comprehensive plans and zoning laws and provide for the siting of destination resorts on rural lands. The destination resort site must be at least 160 acres except within two miles of the Ocean Shoreline, where sites must be at least 40 acres in size.

Goal 8 requires counties to map resource lands and determine whether or not sites exist that could be eligible for locating a destination resort without requiring a Goal 2 exception to Goals 3, 4, 11 or 14. For example, resource land of predominantly Cubic Foot Site Class 1 or 2 forest lands would not qualify while resource land of predominantly Cubic Foot Site Class 3 or 4 forest lands would qualify for the siting of a destination resort without a Goal 2 exception. Also, a site with 50 or more contiguous acres of unique or prime farm land or located within three miles of farm land within a high value crop area would not qualify without taking a Goal 2 exception. Further, sites identified as "especially sensitive big game habitat" and as "3A" sites designated pursuant to OAR 660-16-010(1), would not qualify.

Lincoln County has drafted a "Planned Destination Resort" ordinance to implement Goal 8. The County prepared a map of resource land in unincorporated Lincoln County to determine which lands met Goal 8 requirements for the siting of a destination resort without a Goal 2 exception.

Although the draft ordinance has not been adopted, the County has determined that the site proposed for a destination resort is predominantly Cubic Foot Site Class 3 or 4 forest lands; is not on a site with 50 or more contiguous acres of unique or prime farm land and is not within three miles of farm land within a high value crop area; is not a "3A" site; and is not within an "especially sensitive big game habitat" area.

Goal 8 requires that community sewer and water and recreational facilities be provided on-site and be limited to the needs of the resort. The site will meet all of the siting requirements for a destination resort except for water service self-containment.

The engineering firm of Kramer, Chin and Mayo ("KCM") has determined that the proposed site is not capable of providing its own on-site water supply sufficient to meet the needs of the resort. Notwithstanding the fact that the Seal Rock Water District is immediately adjacent to the proposed site and has the capacity to provide water service to stages one and two of the resort, the Department of Land Conservation and Development (DLCD) has determined that Goal 8 requires "on site" water and an adjacent water district does not meet the requirement.

As a result, through discussions with DLCD, the County and the City of Newport it was determined that the proposed site could still be developed as a destination resort if the site was brought inside the Urban Growth Boundary (UGB), annexed to the City and replanned and rezoned to provide for a destination resort subject to the requirements of Goal 8 (except for the

self-containment requirement). Therefore, a decision was made to seek inclusion of the resort within Newport's UGB in order to receive urban services.

If the site for the proposed resort could provide "on-site" water, the resort could technically be sited in unincorporated Lincoln County without the need to: 1) amend the City's UGB pursuant to Goal 14; 2) annex to the City; and 3) take a Goal 2 exception through the Goal 14 process.

IV

RELEVANT CRITERIA

In order to amend an acknowledged Urban Growth Boundary, the City of Newport and Lincoln County must consider the seven factors of Statewide Goal 14 and the requirements of the Goal 2, Part II exceptions process. 1000 Friends of Oregon v. Wasco County Court, 299 Or 344, 364 (1985).

To help establish and amend the Urban Growth Boundary that distinguishes urban from rural lands, the Goal identifies seven factors or questions that must be considered:

1. Is there a demonstrated need to accommodate long-range urban population growth requirements that the urban growth boundary would accommodate?
2. Is there a need for housing, employment opportunities and livability that the urban growth boundary would accommodate?
3. Can public facilities and services be provided in an orderly and economic manner within the proposed urban growth boundary?
4. Will the location of the proposed urban growth boundary promote the maximum efficiency of land uses for the urban area?
5. Will the environmental, energy, economic and social consequences of the location of the urban growth boundary be unreasonably adverse?
6. Will the proposed location of the urban growth boundary unreasonably affect the goal of retaining prime agricultural lands?
7. Will the location of the urban growth boundary result in urban uses which are compatible with nearby agricultural uses?

OAR 660-04-010(1)(C)(B) provides that when a local government changes an established urban growth boundary, it shall follow the procedures and requirements set forth in Goal 2 "Land Use Planning", Part II, Exceptions. The following standards must be met: [these are the four exception criteria contained in Goal 2]

- (i) Reasons justify why the state policy embodied in the applicable goals should not apply (This factor can be satisfied by compliance with the seven factors of Goal 14.);
- (ii) Areas which do not require a new exception cannot reasonably accommodate the use;
- (iii) The long term environmental, economic, social and energy consequences resulting from the use at the proposed site with measures designed to reduce adverse impacts are not significantly more adverse than would typically result from the same proposal being located in areas requiring a goal exception other than the proposed site; and,
- (iv) The proposed uses are compatible with other adjacent uses or will be so rendered through measures designed to reduce adverse impacts.

In 1983, the State Legislature enacted ORS 197.172 to emphasize the importance of Goal 9 (Economy of the State) in decisions relating to UGB land supplies. In relevant part, the Statute provides:

"(2) By the adoption of new goals or rules, or the application, interpretation or amendment of existing goals or rules, the Commission [LCDC] shall implement all of the following:

(c) Comprehensive plans and land use regulations shall provide for at least an adequate supply of sites of suitable sizes, types, locations and service levels for industrial and commercial uses consistent with plan policies.

(g) Local government shall provide:

(B) Reasonable opportunities for urban, residential, commercial and industrial needs over time through changes to urban growth boundaries." (emphasis added).

Compliance with Goal 9 can be based upon a local government's identification of particular commercial or industrial

activities which the community considers attractive or suitable. (See City of LaGrande Continuance Order, Staff Report, at 15 [LCDC, March 5, 1981] and City of Junction City Continuance Order, Staff Report, at 14 [LCDC, June 26, 1980]).

In recognition of ORS 197.172 and Goal 9 (Economy of the State) and to enhance Oregon's tourist potential, Goal 8 recognizes the need to site destination resorts which meet the stated definition. The proposed destination resort is a prime example of carrying out the legislative intent of ORS 197.172, Goal 8 and Goal 9.

THE CITY OF NEWPORT AND LINCOLN COUNTY COMPREHENSIVE PLANS

Proposals to change the Urban Growth Boundary shall be considered as plan text and map amendments to both the City and County Comprehensive plans and shall be mutually agreed upon by the City and the County. (Section 1-2-4.485 of City Comprehensive Plan; Section 1.0030 of Lincoln County Comprehensive Plan).

The City's plan provides that "[T]he purpose of an Urban Growth Boundary is to provide a method of insuring the direction of growth, not to limit growth. This orderly growth is necessary so that City services may be provided in a logical manner and a cost efficient way." (Section 1-2-4.010, City Comprehensive Plan). The City's plan recognizes that future expansion of the UGB could occur "south along 101" where the proposed site is located in the South Beach area.

The City's Plan requires that the following factors be considered by the City and the County for changes in the UGB:

- "(A) A demonstrated need to accommodate long range growth consistent with the State Goals and acknowledged Comprehensive Plan.
- (B) A need for housing or employment opportunities.
- (C) The orderly, economic and efficient provision of public facilities and services.
- (D) The retention of forest land.
- (E) The compatibility of the proposed uses with nearby forest lands.
- (F) A change in growth patterns which requires greater land area, or the commitment of land to other purposes, such as open space, so that maximum efficiency of land uses within and on the fringe of the existing urban area will be achieved.

- (G) The long range environmental, energy, economic and social consequences of the proposed change.
- (H) What alternative locations within the area have been considered for the proposed needs."
(Section 1-2-4.410, City Comprehensive Plan).

Further, the City's Plan requires that the compelling reasons and facts for an amendment to the UGB be completely set forth as part of the amendment and shall include:

- "A. Why these other uses should be provided for.
- B. Why the area is needed for the proposed uses.
- C. A finding that the proposed uses will be compatible with other adjacent uses and the City's time table for providing services." (Section 1-2-4.485, City Comprehensive Plan).

The County's Comprehensive Plan provides that the change of a UGB shall be based upon consideration of the following factors:

- "(a) Demonstrated need to accommodate long-range urban population growth requirements consistent with LCDC goals;
- (b) Need for housing, employment opportunities, and liveability;
- (c) Orderly and economic provision for public facilities and services;
- (d) Maximum efficiency of land uses within and on the fringe of the existing urban area;
- (e) Environmental, energy, economic and social consequences;
- (f) Retention of agricultural land as defined, with Class VI the lowest priority; and
- (g) Compatibility of the proposed urban uses with nearby agricultural activities." (Section 1.003, County Comprehensive Plan).

V.

FINDINGS

This section addresses the relevant legal criteria and makes the necessary findings justifying the amendment of the City of Newport's UGB and amendment of the County's Comprehensive Plan. All references to any figure or appendix herein, are to those figures or appendices included within the Petition entitled "Petition to Amend Lincoln County Comprehensive Plan, City of Newport - Urban Growth Boundary, Comprehensive Plan, Corporate Limits, Zoning Map For a Destination Resort for the Oregon Coast by Thiel Creek Development Company, March 1987" on file with The Lincoln County Planning Department.

CRITERIA 1. Why should this proposal be provided for within the UGB (the seven factors of Goal 14)?

FACTOR 1. There is a demonstrated need for long range tourism growth and to provide a destination resort site that this proposal would provide for.

Finding No. 1: Statewide Goal 8 (Recreational Needs) recognizes the statewide need to satisfy the recreational needs of the State of Oregon and its visitors by the siting of destination resorts which meet the definition of a "destination resort" as prescribed by Statewide Goal 8.

The purpose of Goal 8 is to "satisfy the recreational needs of the Citizens of the State and visitors and, where appropriate, to provide for the siting of necessary recreational facilities including destination resorts." (Emphasis added).

The legislative history regarding the adoption of the 1984 Amendment to Goal 8 clearly recognizes the importance of destination resorts in enhancing the tourism sector of the State's economy and that they are a matter of statewide importance both as an economic and a land use activity.

On April 15, 1983, the Joint Subcommittee of the Economic Development Commission (EDC) and the Land Conservation and Development Commission (LCDC) submitted a report to then Governor Atiyeh entitled "Report and Recommendations on Destination Resort Siting." (Appendix E) This report served as the basis for the amendments to Goal 8 regarding the siting of destination resorts. The report makes the following conclusions:

- ° Increasing tourism is an appropriate and necessary step in an overall state economic development

program. Destination resorts, because they attract visitors for longer stays, result in higher expenditures per person per day and are an attractive and appropriate means of increasing tourism. Because of their large size and potential economic effects, the siting of destination resorts is a matter of statewide importance.

° The traditional "need test" to demonstrate whether there is a need for the use should not be used as a criteria for approving destination resorts. There are three reasons for this:

1. Detailed studies on demand for destination resorts are limited.
2. Properly sited destination resorts will be a benefit to the entire state in a manner consistent with land use objectives, particularly Goal 8 (Recreational Needs) and Goal 9 (Economy of the State). In other words, destination resorts ought to be provided for because they provide an effective means of expanding and improving the tourism sector of the state's economy.
3. By clearly defining and limiting developments which will qualify as destination resorts assures that these benefits will be attained with minimal public costs and without allowing inappropriate uses.

Finding No. 2: The proposed destination resort meets the siting requirements for a destination resort as prescribed by Goal 8 except for the requirement as a self-contained development. The site cannot support an on-site water supply to serve the needs of the proposed resort.

KCM determined that self-containment was infeasible with respect to water supply (Appendix D) because of limited ground water supplies, inadequate surface water resources and potential conflicts with the proposed recreational, fish life and wildlife uses, and the Petitioner's resource management program.

DLCD determined that the existence of Seal Rock water immediately adjacent to the site with the capacity to serve the needs of the resort did not satisfy the on-site water requirement.

But for the on-site water issue, the proposed resort could be sited in unincorporated Lincoln County without the need

to (1) amend the City's UGB; (2) annex to the City and (3) take a Goal 2 exception through the Goal 14 process.

The following findings demonstrate compliance with the siting requirements of Goal 8: (Appendix G)

1. Destination resorts allowed by Goal 8 shall not be sited in the following areas:

(a) Within 30 air miles of an urban growth boundary with an existing population of 100,000 or more.

The proposed destination resort is adjacent to the urban growth boundary of the City of Newport which has an existing population of 8,300. The nearest urban growth boundary with an existing population of 100,000 or more is the City of Eugene which is farther than 30 air miles from the proposed site.

(b) On a site with 50 or more contiguous acres of unique or prime farm land identified and mapped by the Soil Conservation Service (SCS); or within three miles of farm land within a high-value crop area.

The proposed site has not been identified and mapped by the SCS as prime farm land. There are no lands within this part of Lincoln County that meet the Goal 3 definition of agricultural land.

The proposed site is not within 3 miles of farm land within a high-value crop area as defined by Goal 8.

(c) On predominantly Cubic Foot Site Class 1 or 2 forest lands which are not subject to an approved Goal exception.

Lincoln County has mapped the County's resource lands to determine which sites meet the destination resort siting requirements. The proposed site consists of predominantly Cubic Foot Site Class 3 or 4 forest lands.

(d) In the Columbia River Gorge.

The proposed site is not in the Columbia River Gorge as defined by ORS 390.460.

(e) On areas protected as Goal 5 resource sites on acknowledged comprehensive plans protected in spite of identified conflicting uses ("3A" sites designated pursuant to OAR 660-16-010(1)).

The lower portion of the Thiel Creek watershed located on the east side of Highway 101 is identified in the Lincoln County Comprehensive Plan as an area protected by Goal 5, but is not a "3A" site designated pursuant to OAR 660-16-010(1). (Appendix G: Gail McEwen memo of August, 1986)

- (f) Especially sensitive big game habitat as generally mapped by the Oregon Department of Fish and Wildlife in July, 1984 and as further defined through development of Comprehensive plans implementing this requirement.

The Oregon Department of Fish and Wildlife has not mapped this site as an especially sensitive big game habitat. The County and City Comprehensive Plans do not designate the site as an especially sensitive big game habitat area. An on-site habitat analysis has been conducted and there are no "especially sensitive big game habitats" present on the site. (Appendix A)

- 2. Destination resorts shall be ensured to be compatible with the site and adjacent land uses through the following means:

Through amendment of the City's Comprehensive Plan and Zoning, the site will be replanned and rezoned as high density residential/tourist commercial and designated a destination resort with a planned development overlay to ensure the limitation of uses, activities, design and impacts on the site as required by Goal 8. The amendment and planned development overlay will be implemented by the City's Planned Development Section of the Zoning Code. As a result, any required recreational and visitor facilities will be assured through surety bonding or substantially equivalent financial assurances prior to closure of sale of individual lots or units.

- 3. The proposed destination resort qualifies as a destination resort under Goal 8 because it meets the following standards:

- (a) The proposed resort (stages one and two) is located on a site of approximately 942 acres and is within two miles of the ocean shoreline.
- (b) More than 50% percent of the site in stage one of the development will be maintained as permanent open space. This percentage is achieved by the creation of the 75 acre lake, common open space areas within the development and leaving the heavily

wooded area in the eastern part of the site in its natural state. The focal point in stage two will be an 18-hole golf course which will qualify as a recreational amenity and open space.

- (c) More than two million will be spent for on-site developed recreational facilities (including the lake) and visitor-oriented accommodations for stage one. Costs for land, sewer and water facilities and roads are not included within this estimate.
 - (d) The proposed resort will include visitor-oriented facilities such as an executive conference facility with meeting rooms and a lodge for overnight lodging. The proposed ratio of accommodations for residential uses to units for overnight lodging will not exceed two residential units for each unit for overnight lodging. Overnight lodging will be provided by the lodge, cottages, and time share units. A pool will be managed through a central reservation and check-in service.
 - (e) Commercial uses to be provided will be limited to meet the needs of visitors to the resort. The design and the location of any commercial uses will ensure they are not highway-oriented. This will be accomplished through the Planned Development process of the City.
4. The proposed development will be developed in a manner to minimize any adverse environmental effects of the resort development on the site.

The Petitioner has addressed any adverse environmental effects through its Goal 5 analysis (Appendix A) and its 404 permit application. The Petitioner will also implement a resource management program for purposes of enhancement of the environment, including water quality in the Thiel Creek watershed, and a mitigation program to minimize any adverse effects on habitats.

Finding No. 3: The siting of the proposed destination resort is a part of the State, County and City of Newport's economic development strategy for tourism growth.

The City's Comprehensive Plan recognizes that Newport has had a long history as a place for vacations and as a "tourist resort." (City Comprehensive Plan, Newport Urban Growth Boundary Section). Due to its coastal location, Newport originally developed as a tourist center for the Willamette Valley with fishing and lumber as secondary activities. (City Comprehensive Plan, Section 1-2-1.005). Current major elements in the economic base of Newport and the surrounding area of Lincoln County are tourism/recreation, fishing and seafood processing, forest products, ocean research, manufacturing and logging, agricultural, government and retirement income. (City Comprehensive Plan, Section 1-2-1.015). The City's Plan recognizes that Newport shares substantially in the tourist/recreation industry of the Oregon coast and that rapid tourism growth is expected to continue to occur. (Sections 1-2-1.020 and 1-2-1.116). A critical economic policy of the City of Newport is to encourage a diversified economic base. (City Comprehensive Plan, Section 1-2-1.200).

Lincoln County has also recognized the importance of the tourism industry and has established a goal to "maintain the region as a tourist recreation area." (County Comprehensive Plan, Section 1.0170).

The report and recommendations on destination resort siting by the Joint Subcommittee of the EDC and LCDC recognized the importance of destination resorts as a part of the economic development strategy for tourism growth. The report makes the following findings: (Appendix E)

- ° Tourism is Oregon's third largest industry, behind forestry and agriculture. Visitors to the state make a substantial contribution to the State's economy. The State is seeking ways to increase and improve the performance of the tourism industry as a form of economic development.
- ° For economic development purposes, increasing trip lengths and per person expenditures is perhaps as important as increasing the number of visitors to the State.
- ° Destination resorts can be an important part of the State's efforts to increase visit lengths and per person spending. Like convention centers, destination resorts attract visitors who stay longer and spend more than the average tourist.
- ° Destination resorts also provide a recreational opportunity for many citizens in the State - possibly reducing travel to similar developments in

other states.

- ° Because of a destination resort's size and potential economic effects, the siting of destination resorts is a matter of Statewide importance.

There are presently no destination resorts in the Newport Coastal Community which have been sited pursuant to the requirements of Goal 8. This proposed destination resort provides a unique and special opportunity to encourage tourism growth and enhance the City's economic base. The City of Newport Chamber of Commerce and others in the Newport community, recognize the need to encourage tourism growth and that the proposed destination resort would add an important dimension to the effort which is not presently provided within the City's Urban Growth Boundary or City.

Finding No. 4: The siting of the proposed destination resort will complement and support the recent and future growth within the City of Newport.

The proposed destination resort will aid and support projects within the Newport Community such as the Aquarium, the Oregon Marine Science Center and the Performing Arts Center. (Appendix E: letter from Marvin Vernon, President of the Bank of Newport). These projects are supported by tourism and will be benefited by visitors to the destination resort who tend to stay longer than the normal tourist. Additionally, the location of the proposed destination resort adjacent to the Newport Municipal Airport will generate airport users who will be visiting the resort. (Appendix G: letter regarding airport services). The Urban Land Institute in its publication entitled "Development Review and Outlook 1983-1984" indicates that the third major factor that influences recreational markets is mobility, primarily through the use of the automobile and airplane. As such, air travel has become increasingly important to recreational development.

The brochure prepared for the Newport Center for the Performing Arts indicates that the center will encourage tourism and that it will add to the Coast's desirability as a "destination vacation area". Publicity for this and other projects in the Newport area and the proposed destination resort, can assist the area's promotional activities to attract tourists.

Projected Airport improvements, including the U.S. Coast Guard Sea and Rescue project, will upgrade the Airport to a sufficient level which will allow for all-weather landings and commercial flight services to the Newport area. As a result, visitors to the resort from either in-state or out-of-state will have access to the proposed destination resort via the airport.

Finding No. 5: There is a demonstrated market need for a quality destination resort in the City of Newport and South Lincoln County area.

A Goal 14 analysis, including a Goal 2 exception regarding "why these other uses should be provided for" (also labeled as the "needs" test) does not typically take into consideration the "market demand" for a particular use. In other words, "market demand" for a particular use is not, by itself, considered "need" for the use.

The Joint Subcommittee of the EDC and LCDC in its "Report and Recommendations on Destination Resort Siting" stated that the typical "needs" test as a criteria for approving destination resorts should not be used. (Appendix E) Two reasons were given for this conclusion:

1. Properly sited destination resorts will be a benefit to the entire state in a manner consistent with land use objectives, particularly Goal 8 (recreational needs) and Goal 9 (economy of the State).
2. Destination resorts ought to be provided for because they provide an effective means of expanding and improving the tourism sector of the States economy.

As a result of the above, Goal 8 was amended to allow for the siting of destination resorts without the requirement to address the traditional "needs" test. In fact, "recreational needs" in Goal 8 refers to "existing and future demand by citizens and visitors for recreation areas, facilities and opportunities".

Williams-Kuebelbeck and Associates, Inc. has concluded that the proposed destination resort has a market potential but must be carefully designed and phased in order to insure maximum market penetration. Williams-Kuebelbeck further concluded that the proposed destination resort has unique characteristics which increase the likelihood of its success.

Finding No. 6: The proposed destination resort will provide an executive conference facility which is not presently provided for within the City of Newport or Lincoln County area.

An executive conference facility will be provided, adjacent to the proposed lodge. This facility will be designed specifically for the conference needs of organizations seeking a high quality facility with private dining rooms, variously sized meeting rooms with display areas, audiovisual equipment, and the latest in communications technology. In addition to the con-

ference center, a small self-contained retreat center with capacity for up to 100 people is proposed within stage one. This retreat center will have 40-50 overnight rooms located in a setting away from the lake.

FACTOR 2. There is a need for tourist/visitor housing or accommodations and for employment opportunities that would be provided by the proposed destination resort and an enhanced livability for the Newport Coastal Community.

Finding No. 1: The Joint Subcommittee of the EDC and LCDC in its report entitled "Report and Recommendations on Destination Resort Siting" concludes that 1) destination resorts are an attractive and appropriate means of increasing tourism, 2) the siting of destination resorts is a matter of statewide importance and 3) the "needs" test as a criteria for approving destination resorts should be set aside.

Finding No. 2: The proposed destination resort satisfies all of the siting requirements prescribed by Goal 8, except for self-containment. The development of the resort will be implemented through the City's Planned Development ordinance to ensure compliance with the requirements of Goal 8. As a result, the proposed destination resort will be an attractive and appropriate means of increasing tourism in the City of Newport and South Lincoln County area.

Finding No. 3: There are no destination resort facilities as defined by Goal 8 for tourist/visitor accommodations within the Newport coastal community and its Urban Growth Boundary.

The tourist/visitor uses required by Goal 8 and to be provided by the proposed resort are not presently provided for within the area. The proposed resort provides a unique and special part of the opportunity for tourism growth recognized by the joint subcommittee of the EDC and the LCDC.

Any resort-recreational development that has occurred within the City of Newport/Lincoln County area has occurred prior to the Goal 8 requirements for the siting and development of destination resorts.

Finding No. 4: New employment opportunities will be created by the development of the destination resort.

Three types of employment opportunities will be created: 1) construction jobs, 2) year around jobs and 3) seasonal jobs. (Appendix G: letter from Department of Human Resources Employment Division, Newport Office)

Finding No. 5: The livability of the Newport Coastal Community will be improved through the Petitioner's Resource Management Program which will be implemented to protect and enhance the natural environment of the Thiel Creek watershed.

The Goal 5 Analysis (Appendix A) and the petition to amend the Mid-Coast Basin Plan (Appendix F) provides additional details on the environmental enhancement that will occur as part of the development of the site for a destination resort.

Finding No. 6: The proposed destination resort will act as a catalyst and provide support for the proposed South Beach sewer plant which will serve South Beach State Park, the Aquarium, the Airport, later phases of the destination resort, and the industrial area south of the Yaquina Bay Bridge.

The availability of sewer facilities in the South Beach area is essential to the implementation of the City's South Beach Urban Renewal Plan and its attendant City-wide benefits.

Finding No. 7: The Yaquina Bay Bridge is scheduled for major improvements which may be accelerated and encouraged by the proposed destination resort which will be located south of the bridge.

FACTOR 3. Public facilities and services can be provided in an orderly and economic manner to accommodate the proposed destination resort.

Water

Finding No. 1: The need to amend the City's UGB to provide for the development of the destination resort is due to the inability to provide on-site water to the resort as required by Goal 8. However, the Seal Rock Water District is immediately adjacent to the site and has adequate capacity to serve the site. (Appendix G: letter from Seal Rock Water District)

The water supply to the resort is to be provided from the Seal Rock Water District distribution system. The development will receive water from an existing 8-inch line along Highway 101 and/or from a 12-inch line in the eastern portion of the Thiel Creek basin. (Figure 10) (Appendix D)

The water system needed to serve the resort includes waterstorage reservoirs, a pump station, and distribution pipelines. Two water reservoirs are recommended to supply the resort's water storage requirements.

The Seal Rock Water District will maintain the reservoirs and pipelines if their construction requirements and specifications are met. Design and construction will be coordinated with the Water District and the District will inspect construction of the system. Following a one-year warranty period, the maintenance of the lines and the water reservoir will be performed by the District.

The users of the water system will be required to pay a service connection fee and service costs.

Sewer Finding No. 2: Newport's current wastewater treatment system has adequate capacity to service the initial development phase of the resort. Newport's wastewater treatment master plan recommends development of a new South Beach treatment plant with capacity to serve the balance of stage one and stage two of the resort. (Appendix G: letter from the City of Newport)

As currently proposed, the initial development phase of stage one of the resort will be served by the existing Newport sewer system. The remaining development phases of stage one and stage two of the resort will be connected to a new South Beach wastewater treatment plant. (Figure 11) KCM's analysis shows adequate capacity exists in Newport's existing wastewater treatment system (see Appendix C) and the City plans to create the new South Beach system in a time frame which will accommodate the balance of the resort's wastewater treatment needs (Appendix G: letter from City re: wastewater treatment; also, City of Newport's Wastewater Treatment Master Plan).

Roads Finding No. 3: Primary access to the proposed destination resort will occur at Highway 101. Access to the site via side roads or other local streets will be limited. Any traffic impacts will be mitigated through improvements.

It is estimated by KCM that about three-fourths of the vehicles entering the site will come from the north on Highway 101. Similarly, about the same amount of traffic leaving the site will proceed north toward the City of Newport. Based on this analysis (Appendix B), the impacts can be mitigated by on and off-site improvements which utilize industry standards and are to be approved by ODOT and the City of Newport. These improvements will include replacement of the Thiel Creek culvert under Highway 101.

Finding No. 4: On-site road improvements will be build to standards appropriate to the destination resort and are adequate to insure access for police, fire and other emergency vehicles. The approval process for the planned development will include review of the design of the road system and the engineering standards that are used, thus insuring mitigation of any potential negative impacts created by the development.

Fire and Police

Finding No. 5: Inclusion of the site inside the City's UGB will allow the City to annex the site inside its corporate limits. As the resort is developed over the next 20 years, the site will and can be adequately served by City Police and Fire services to handle the needs of the destination resort. The City Police and City Fire Departments have indicated their ability to serve the site. (Appendix G: letter from Newport Chief of Police and Fire Chief)

Finding No. 6: The proposed destination resort will also maintain a private security system on-site which will lessen the burden on the public police. Also, on-site private security will enable rapid reporting of fires allowing timely response from the City Fire Department.

Schools

Finding No. 7: Development of this property as a destination resort will place minimal burden on local schools. Property taxes generated by the resort development will lessen the tax burden on individual property owners and assure a stable financial base for the school district to operate.

Other Community Services

Finding No. 8: General government services from Lincoln County and the City of Newport is provided in the surrounding areas. Except for the public approvals and inspections required to process the various phases of the development, no significant increase in the demand for general governmental services will result from this development. Most planning, engineering and inspection services are developer fee supported, as provided by the Petitioner.

FACTOR 4.

The proposed amendment to the Urban Growth Boundary will promote the maximum efficiency of land uses within and on the fringe of the existing urban area.

Finding No. 1: The site for the destination resort is immediately adjacent to the existing UGB on the North.

The site is presently on the fringe of the City's UGB (Figure 2). The site will be used to develop a major destination resort pursuant to the requirements of Goal 8. The proposed destination resort meets all of the Goal 8 requirements except for on-site water and therefore cannot be developed on this site without amending the City's UGB.

The inclusion of this site within the City's UGB will act as a catalyst encouraging development of other properties in the South Beach area, including those presently planned for industrial uses. The proposed development will contribute to the construction of the South Beach Sewer plant providing the opportunity for sewer service in the area and, thereby, promoting a more efficient pattern of land use within the UGB.

Finding No. 2: The site is immediately adjacent to the Newport Municipal Airport.

The Newport Municipal Airport is presently inside the existing UGB and is adjacent to the site. (Figure 1). As discussed previously, the Airport is an essential element of the destination resort, providing access for visitors. The destination resort will promote the maximum efficiency of the use of the Airport as part of its marketing efforts to attract visitors to the resort.

Finding No. 3: The site is located immediately adjacent to State Highway 101, a major arterial connecting the southern portions of the City of Newport urban area to the central urban area of the City of Newport.

Primary access to the resort will be provided by Highway 101. Inclusion of the proposed site within the UGB for development as a destination resort will extend improvements along Highway 101.

Finding No. 4: The properties adjacent to the proposed UGB and south of the site are existing residences or residential lots planned for low density residential uses and are served by septic systems and the Seal Rock Water District. The continuation of these existing uses does not require inclusion within the UGB. Therefore, the proposed UGB is a logical expansion of the City's urban area south of Newport.

FACTOR 5. The environmental, energy, economic and social con-

sequences of amending the Urban Growth Boundary will not be unreasonably adverse.

Environmental

Finding No. 1: There will be no significant adverse environmental effects from adding the property to the Urban Growth Boundary. Natural features or habitat on the proposed site will not be adversely affected by the development of this property as the result of the Petitioner's resource management program which will enhance the terrestrial and wetland habitats throughout the basin. See Goal 5 analysis, (Appendix A) and petition to amend the Mid-Coast Basin plan (Appendix F).

Finding No. 2: The land use signature of the proposed destination resort (Stage 1) will be a 75-acre lake and an 18-hole golf course (Stage 2). The overall theme will be "Natural Oregon" which will ensure maintenance of the natural environment of the site while allowing compatible urban uses. Environmental quality will be the focal point of the resort development.

The proposed use for the site is a destination resort with a lake with an integrated basin resource management program for Thiel Creek to preserve, protect and enhance recreation, wildlife and fish life uses.

The Petitioner has acquired the right to ownership of most of the real property within the Thiel Creek Basin to (1) curtail degradation caused by grazing and logging in the upper part of the basin (2) improve water quality and seasonal flow patterns and (3) enhance habitat of wildlife and fish life throughout the entire watershed.

Finding No. 3: The proposed use will enhance the wildlife and fish life uses within the Thiel Creek Basin.

Enhancement will occur in the following ways:

A fish ladder will be installed as a part of the earth embankment structure to allow passage of wild Coho Salmon and Cutthroat Trout. A proven fish ladder design will be used and will be subject to Oregon Department of Fish and Wildlife review and approval.

Existing fish passage conditions at the mouth of Thiel Creek will be improved. A small wild Coho Salmon and Cutthroat

trout population currently exists in Thiel Creek in spite of a log jam at the mouth of the creek. As a part of the proposed use, the Petitioner will adjust the log jam and maintain access to allow for the free passage of fish.

Fish spawning and rearing habitats in the balance of the watershed will be enhanced:

- (1) the Petitioner will provide safe refuge and rearing areas for fish in the lake through appropriate snags, vegetation and design of the lake banks;
- (2) through the removal of degrading livestock influences and subsequent colonization by beaver and establishment of beaver ponds, there will be greater instream carrying capacity for fish life and higher productivity due to greater food availability; and
- (3) through the removal of passage barriers in the existing drainage basin, access will be provided to the best spawning grounds in the upper tributaries.

Finding No. 4: The proposed use will improve seasonal flow characteristics and water quality.

The effect of the Basin Resource Management Plan accompanying the creation of the lake will be to increase mean stream flows during the summer months based on the increase in functional wetlands and increased beaver activity. Peak winter flows will be reduced, although mean winter flows will remain about the same. The overall impact will be an improvement in the flow characteristics of Thiel Creek.

The overall water quality of Thiel Creek will improve with the recovery of degraded forests, emergent wetlands, and beaver ponds upstream of the resort development area, and the areas of the lake dominated by emergent vegetation. As planned, the new areas of forest, beaver ponds, and emergent wetlands will serve as better filters of suspended particulates than the degraded wetlands, pasture lands and clear-cut areas that now exist in the basin.

The lake will be accessible to the public for fishing; and lake management measures will be taken to maintain water quality including the management of problems sometimes associated with eutrophication such as limitations on the use of fertilizers, provision of sanitary sewers, on-site runoff controls and restriction of livestock use in the middle portion of the basin.

Finding No. 5: The proposed use will enhance the wetlands and wildlife within the Thiel Creek basin.

Approximately 75 acres of wetlands currently exist along Thiel Creek in the area of resort development. Replacement and enhancement of wetland values is proposed within the Thiel Creek basin as part of the proposed development. The lake will contain approximately 13 acres of emergent wetland and support 25 acres of submerged macrophytes and floating-leaved vegetation. The remaining 37 (approximate) acres of the lake will be greater than 10 feet deep and is unlikely to support submerged vegetation. An additional 47 acres (approximate) of currently degraded pasture (a portion of which are probably wetlands) in the middle of the watershed will be managed to mitigate the wetlands inundated by the lake.

Livestock will be removed from existing overgrazed pastures and vegetation in these areas will be reestablished through plantings of species such as willow, sedge, and alder. With beaver returning to these areas, a series of natural ponds and new wetlands will be created. The increase in fish production will improve food availability for fur bearers, osprey, kingfishers, and other fish eating species. The result will be increased wetland productivity for these groups.

Both the lake and wetlands will provide improved breeding, staging (during migration) and wintering habitat for waterfowl and other water birds. Wading birds (herons) will be attracted to the site, osprey will benefit from increased food supply in the lake; at least one osprey nest platform will be constructed in a suitably isolated part of the site and nesting boxes for wood ducks and mergansers will be provided.

The Petitioner is acquiring the right to ownership or control of substantial holdings in the Thiel Creek watershed to insure elimination of degrading forest practices in the upper tributaries. Forest management practices will be undertaken for these areas to increase habitat potential for deer, elk and bear, since existing habitat is less than optimal. These practices could include using selective logging for timber harvest, creation of forest openings to provide a stable food source for big game, encouragement of deciduous and mixed deciduous forest areas, and maintenance of snags as habitat for owls and other snag-using species in undeveloped areas, where appropriate.

Resort development will be restricted. Improved management of habitat in the upper part of the basin will more than replace any habitat losses due to development. A net gain in productivity of wildlife, particularly waterfowl, furbearers and osprey is projected.

Finding No. 6: No threatened or endangered species are known to inhabit the Thiel Creek site. (Appendix A) However, new species will be attracted to the new lake such as migrant ducks, herons, kingfishers and possibly osprey. At least one nest platform will be built for osprey on the site.

Finding No. 7: Natural vegetation will be maintained as landscaping on most of the site.

Finding No. 8: There is no air quality problem within this portion of the urban area. The destination resort is a use which will not materially impact the airshed.

Finding No. 9: A sewerage system is proposed to be constructed to serve this project and treatment will be provided by the City of Newport. No septic systems will be used which could contaminate the surface and ground water systems in the immediate area.

Finding No. 10: Surface drainage systems will be constructed according to City standards. There will be no drainage impact to the surrounding areas.

Energy

Finding No. 1: Additional energy resources will be required to serve the destination resort. Sufficient capacity exists within the existing system to meet the needs of this project. (Appendix G: letter from Central Lincoln People's Utility District)

Finding No. 2: Transportation efficiencies and energy savings will be achieved with the inclusion of this property in the urban area to allow the destination resort.

Highway 101 will serve as the primary access to the site and is proximate to the City of Newport.

The Newport Municipal Airport is adjacent to the proposed destination resort and will be used by visitors to the resort. Proposed Airport improvements will allow for greater use of the Airport facilities by visitors to the resort. A shuttle bus service will transport visitors from the airport to the destination resort. Transportation between downtown Newport and the site will be available as a convenience to the users of the destination resort.

The destination resort is energy efficient inasmuch as its mixed uses of a lodge/hotel, executive conference facility,

retreat, condominiums, custom homes, restaurants, recreational facilities and shop areas allow visitors to use the destination resort without having to leave the site.

Pedestrian paths, bikepaths and trails will be provided within the proposed destination resort.

Economic

Finding No. 1: Increasing tourism is an appropriate and necessary step in the overall State economic development program. Destination resorts, because they attract visitors for longer stays, result in higher expenditures per person per day and are an attractive and appropriate means of increasing tourism. Because of their large size and potential economic effects, the siting of destination resorts is a matter of statewide importance. (see Criteria 1, Factors 1 and 2 regarding the economic benefit of Destination Resorts, pgs 8-17)

Finding No. 2: No revenues other than property taxes are presently generated from this site. Therefore, no revenues will be lost with the conversion of this property to urban use as a destination resort.

Finding No. 3: The estimated development costs of stage one of the destination resort (excluding land costs) will be approximately \$50 million. It is anticipated that qualified local service providers and contractors will be involved and receive direct economic benefit.

Finding No. 4: Local financial institutions will directly benefit by the development of the resort through the financing of homes and condominiums and the provision of commercial banking services to the operators of the resort.

Finding No. 5: During development, the County's assessed valuation will rise. The property will generate additional annual property taxes and transient room taxes.

Finding No. 6: The resort will provide new employment opportunities. (Appendix G: letter from the State Department of Human Resources Employment Division, Newport Office)

Social

Finding No. 1: Development of the destination resort will enhance the social structure in the area. The destination resort will help promote the City's aquarium project, the Marine Science Center, and the

Performing Arts Center by the publicity associated with the destination resort and the visitors that will be brought to Newport because of the destination resort and executive conference facility.

FACTOR 6. Expansion of the Urban Growth Boundary to include this property will not unreasonably affect the goal of retaining prime agricultural lands.

Finding No. 1: There are no agricultural lands as defined by Statewide Goal 3 present on the site.

The site has not been identified and mapped by the SCS as prime farm land. There are no lands within this part of Lincoln County that meet the Goal 3 definition of agricultural land.

The property is predominantly Cubic Foot Site Class 3 and 4 forest lands which would allow for this site to be a destination resort under Goal 8 without having to take a Goal 2 exception. (Appendix G)

FACTOR 7. The proposed destination resort will not be incompatible with nearby agricultural uses.

Finding No. 1: There are no nearby agricultural uses which would be adversely effected by the proposed destination resort.

The Lincoln County Department of Planning and Development has determined that the proposed site for the destination resort is not (1) on a site with 50 or more contiguous acres of unique or prime farm land identified and mapped by the SCS or (2) within three miles of farm land within a high-value crop area. (Appendix G) Goal 8 defines a "high-value crop area as:

" An area in which there is a concentration of commercial farms capable of producing crops or products with a minimum gross value of \$1,000 per acre per year. These crops and products include field crops, small fruits, berries, tree fruits, nuts, or vegetables, dairying, livestock feedlots, or Christmas trees as these terms are used in the 1983 County and State Agricultural Estimates prepared by the Oregon State University Extension Service. The High Value Crop Area designation is used for the purpose of minimizing conflicting uses in resort siting and is not meant to revise the requirements of Goal 3 or administrative rules interpreting the Goal."

Therefore, the proposed destination resort will not be incompatible with agricultural uses.

Goal 2, Part II, Exceptions (OAR 660-04-010(1)(c)(B)).

CRITERIA 2. Are there reasons which justify why the State policy embodied in Goals 3 and 4 should not apply?

Finding No. 1: This criteria can be satisfied by compliance with the seven factors of Goal 14. See Criteria 1 (Goal 14, Factors 1-7) for a demonstration of compliance with this criteria, pg. 8-27.

CRITERIA 3. Are there alternative locations inside or outside the UGB that are more appropriate and can accommodate the proposed destination resort?

Finding No. 1: The Joint Subcommittee of the EDC and the LCDC concluded in their "Report and Recommendations on Destination Resort Siting" that the traditional alternative sites test under a Goal 2 exception should not be applied to destination resorts.

Traditionally, the alternative sites test applied in a Goal 2 exception requires that other suitable sites be identified and compared with the proposed site.

The Subcommittee concluded that the traditional alternative sites test is not applicable to the siting of a Goal 8 destination resort. The Subcommittee said:

"[T]he primary difficulty with this criteria [i.e. the alternative sites test] is the nature of destination resort development [M]ost destination resort developers are tied to a particular site. Many prefer not to consider purchasing and developing alternative sites because of the cost and delay associated with a transaction."

The Subcommittee suggested that the true test in determining whether a site is appropriate for use as a destination resort is to consider the availability of the site to facilitate a resort, and the potential impacts on surrounding resource uses. As a result of this suggestion, Goal 8 was amended to include (1) specific siting requirements to qualify for a destination resort and (2) requirements to ensure against potential impacts on surrounding resource uses.

The site for the proposed destination resort complies with all of the Goal 8 destination resort site requirements. (See Criteria 1, Factor 1, pg. 8-16).

The Petitioner has determined that the site is the most suitable site to accommodate the proposed destination resort, and Lincoln County has determined that the site complies with all of the Goal 8 destination resort site requirements. (Appendix G: letter from Lincoln County Department of Planning and Development)

Finding No. 2: There are no alternative locations inside the UGB that are more appropriate and can accommodate the proposed destination resort.

Alternative locations were identified for evaluation within the UGB taking into consideration the siting requirements of Goal 8. These locations appear on Figure 7, and are not suitable alternative sites for the following reasons:

- ° The Agate Beach area (shown as "A" on Figure 7) is largely platted in 5,000 square foot lots and is considered appropriate for continued mobile home park development. Previous attempts to develop in this area and Highway 101 have encountered major landslide problems.
- ° The Agate Beach Golf Course (shown as area "B" on Figure 7) slopes steeply toward Little Creek, not allowing the type and intensity of development proposed.
- ° West Big Creek Drainage Area (shown as area "C" on Figure 7) lies primarily within a flood plain which seriously limits the development potential of the site.
- ° Jeffries Creek Drainage Area (shown as area "E" on Figure 7) is planned for low density development due to the steep slopes. (Figure 12)
- ° Harbor Heights (shown as area "F" on Figure 7) is limited by both slide potential and service constraints. (Figure 12)
- ° Idaho Point (shown as area "G" on Figure 7) has an inadequate water system and areas of steep slope.
- ° South Beach (shown as area "H" on Figure 7) has long been planned as an industrial area.

Finding No. 3: There are no alternative locations for the siting of a destination resort outside the UGB that are more appropriate and can accommodate the proposed use.

Alternative locations were identified for evaluation outside the UGB taking into consideration the siting requirements of Goal 8. The following areas were identified and are not suitable alternative sites for the following reasons:

- ° The city does not intend to extend services further north/due to landslide, topography, and service restrictions. The slide hazards are apparent based on development experience and by the condition of Highway 101, which has experienced slippage.
- ° The slopes northeast of Highway 101 are cut by a myriad of small creeks and their branches. The area does not fulfill the criteria for a Goal 8 destination Resort in terms of high natural amenities, nor would the topography allow significant recreational facilities, open space and residential development sufficient to produce an economically viable resort.
- ° East of Newport's UGB, the land continues to be steeply contoured, with some slide potential. (Figure 12) The majority of the area is Cubic Foot Site Class 2, forest land and as such, specifically cannot be developed as a destination resort.
- ° East Big Creek Drainage Area (area "D" on Figure 7) comprises the city's watershed and is restricted from development while the reservoir is used for the water supply.
- ° Near Yaquina Bay the slopes can exceed 25%, with slide potential. (Figure 12) Providing necessary services to these areas would be both difficult and expensive. High density development could result in significant vegetation removal and cause hazardous slide conditions.
- ° The site for the proposed destination resort is adjacent to the Newport UGB on the southern edge. This site offers an opportunity for a destination resort that represents neither forest resource land nor steep topography with slide potential and service constraints.

CRITERIA 4. What are the long term environmental, economic, social and energy consequences if the UGB is or is not amended to allow the destination resort to develop?

Finding No. 1: See Criteria 1, Factor 5 for additional discussion of this criteria, pg. 20-26.

Finding No. 2: The following consequences will occur or not occur depending on whether or not the UGB is amended to allow for the proposed destination resort.

Environmental

Amend the UGB

- Natural vegetation will be maintained as landscaping wherever possible on the site.
- Water quality of the Thiel Creek watershed will be enhanced.
- The lake will have high water quality.
- Adjustment and control of the log jam at the creek mouth will significantly improve salmon and trout access to spawning grounds above lake.
- The lake will increase productive capacity of the system for salmon and trout.
- New species will be attracted to the new lake, including the potential for osprey.
- The existing species will relocate along the new shoreline.
- There will be no significant effect on air quality.
- Erosion problems upstream from the site will be reduced by revegetation of grazing lands.
- Implementation of the resource management program will enhance the natural environment of the site.
- Improvements of seasonal flow characteristics and water quality for the Thiel Creek basin.
- Wetlands and wildlife will be enhanced.

Do not Amend UGB

- Existing log jam at creek mouth will likely continue to impede spawning fish.
- New species will not be attracted to the area.
- The erosion problems upstream from the site caused by overgrazing will continue to degrade the watershed.

- The watershed will not be a productive system for salmon and trout.

Economics

Amend the UGB

- \$50 million invested in the proposed development.
- Mortgages on homes/condos could bring substantial sums of money into the community.
- New employment opportunities will be created by construction, the lodge/hotel, executive conference, and the stimulation of a diversified economy.
- Off-season tourism benefits will be created by the destination resort.
- As the development goes on the tax roles, it will provide tax revenue that will benefit the City and County.

Do Not Amend the UGB

- No significant investment will be made and the property will remain essentially undeveloped.

Social

Amend the UGB

- Job alternatives will be provided to the community.
- Promotion of Aquarium, Marine Science Center, and Performing Arts Center will be assisted by publicity associated with the resort.

Do Not Amend the UGB

- None of the above will occur.

Energy

Amend the UGB

- P.U.D. has sufficient energy resources available to serve site.
- Transportation between site, Airport and Central Newport can be provided via shuttle service.

- Energy efficiency is promoted by having the destination resort/conference center/recreation facilities all on one site located adjacent to the airport.

Do Not Amend the UGB

- Use of Airport for visitor travel will not be increased.

CRITERIA 5. Will the destination resort be compatible with adjacent use or will it be so rendered through measures designed to reduce adverse impacts?

Finding No. 1: See Criteria 1, Factor 7 for additional discussion of this Criteria Pg. 26 & 27. OAR 660-04-020(2)(d) provides that the term "compatible" is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses.

The Joint Subcommittee of the EDC and the LCDC in its "Report and Recommendations on Destination Resort Siting" indicates that the development must be compatible with uses on adjacent lands. The Subcommittee carefully notes, however, that "[A]dverse impacts on adjacent lands must be minimized, but incompatibility is not usually a basis for denial of an exception." (Appendix E)

For purposes of the compatibility test the Subcommittee concluded that a site for a destination resort could be suitable after considering: (1) the resource value of the site; (2) potential effects on continued resource use of the surrounding lands; and (3) transportation access (e.g. Highway and airport access). The report is clear that if the proposed development would significantly interfere with continued resource use of the surrounding land it should not be permitted.

Finding No. 2 below addresses the compatibility of the proposed resort with surrounding resource uses and other uses within the context of the requirements of Goal 8.

Finding No. 2: There are no conflicting uses adjacent to the proposed site. The resort will be compatible with surrounding uses and any potential adverse impacts will be mitigated as required by Goal 8 and through the City's Planned Development (PD) requirements.

Goal 8 requires that destination resorts be compatible with adjacent land uses. The City's Planned Development process will ensure that improvements and activities will be located and

designed to avoid or minimize adverse effects of the resort on uses on surrounding lands while meeting Goal 8 requirements for destination resorts.

Goal 8 recognizes the need to minimize adverse effects of a proposed resort on "intensive farming operations" in the area. There are no productive agricultural activities occurring on the site and the site is not within three miles of farm land within a high-value crop area.

The proposed stage one site is bordered on the east and southeast by timberland which is owned by the Petitioner, a portion of which will remain in its natural state as a natural buffer and as part of the resource management program for the resort. The low density residential neighborhood to the south will be protected through the establishment and maintenance of buffers. To the north, the Newport Municipal Airport will provide air transportation for the resort. The residential neighborhood to the northeast will be protected by buffer strips of vegetation on Thiel Creek Road. The western border across Highway 101 is the Pacific Ocean.

The proposed destination resort will be compatible with adjacent uses and will enhance the value of surrounding properties through the development of a quality resort.

Finding No. 3: Any traffic impacts on adjacent land uses will be mitigated by improvements to Highway 101 and Thiel Creek Road. See Criteria 1, Factor 3 for additional discussion of traffic impact mitigation, pg. 17-19 .

Finding No. 4: Urban Development of this property will not create any rural islands. (Figure 2)

CRITERIA 6. Does this proposal comply with other relevant Statewide planning Goals?

The following findings are made:

Goal 1 (Citizen Involvement)

- ° The current UGB amendment process will be conducted through public hearings before the City and County and provide ample opportunity for citizen comment.
- ° The Petitioner with the development team have contacted numerous citizens and organizations regarding the proposed destination resort for the purpose of solicitating comments and input prior to the public hearings on this matter.

Goal 2 (Land Use Planning)

- ° This Goal has been addressed in the preceding Criteria 1 - 6.

Goal 3 (Agricultural Lands)

- ° See Criteria 1, Factors 6 and 7 for discussion of issues related to this Goal, pg.26-27.

Goal 4 (Forest Lands)

- ° The goal definition for forest lands includes:

forest lands needed for watershed protection, wildlife and fisheries habitat and recreation and other forest lands in urban and agricultural areas which provide urban buffers, wind breaks, wildlife and fisheries habitat, livestock habitat, scenic corridors, and recreational use.

at the same time, forest uses are defined as including:

(1) the production of trees and the processing of forest products; (2) open space, buffers from noise, and visual separation of conflicting uses; (3) watershed protection and wildlife and fisheries habitat; (4) soil protection from wind and water; (5) maintenance of clean air and water; (6) outdoor recreational activities and related support services and wilderness values compatible with these uses; and (7) grazing land for livestock.

The proposed destination resort site is located on predominantly Cubic Foot Site Class 3 and 4 soils. Portions of the property have been clear cut as recently as 1972 and are not considered to be commercially viable for timber use. However, the proposed resort design will provide watershed protection, and a significantly enhanced fisheries and wildlife habitat, as well as outdoor recreational activities. Not only will the resort area itself involve maintenance of trees for a variety of "forest uses", the buffer area under the same ownership will be retained as forest land.

Goal 4 clearly recognizes that forest lands have value beyond that of timber harvesting. The proposed destination resort will implement this expanded view, as well as meeting the intent of Goal 8.

Goal 5 (Open Spaces, Scenic and Historic Areas and Natural Resources)

- ° See Goal 5 analysis (Appendix A).

The benefits resulting from this unique combination of a destination resort and resource management program for the Thiel Creek basin are substantial and varied. There are no significant losses of important values and the entire effort has been designed from the outset to provide measures to avoid or mitigate minor adverse effects. There are no environmental, economic, social, or energy conflicts. In addition to the ESEE analysis (Appendix A), the proposal will undergo careful analysis by a wide variety of State and Federal agencies as part of the permitting processes of the State Water Resources Commission (Appendix F) and the U. S. Army Corps of Engineers' (404 Permit).

Goal 6 (Air, Water and Land Resources Quality)

- ° See Criteria 1, Factor 5, Environmental; pg. 20-26, and Criteria 4, Environmental, pg. 29-32, for discussion of the issues related to this goal.

Goal 7 (Areas subject to Natural Disasters and Hazards)

- ° See Criteria 1, Factor 5, pg. 20-26, for discussion of the issues related to this goal.

Goal 8 (Recreational Needs)

- ° See Criteria 1-6, for demonstration of compliance with Statewide Goal 8.

Goal 9 (Economy of the State)

- ° See Criteria 1, factors 1, 2, and 5. pgs. 8-17, and pgs. 20-26; and Criteria 4, pgs. 28-31, for discussion of issues related to this goal.
- ° The proposed destination resort developed under the requirements of Goal 8, will be a benefit to the entire state in a manner consistent with the land use objectives of Goal 8 and Goal 9. The destination resort will provide an effective means of expanding and improving the tourism sector of the State's economy.

Goal 10 (Housing)

- The proposed destination resort will provide recreational housing for tourists and visitors to the Newport/Lincoln County area at a resort which meets the siting requirements and qualifications of a resort under Goal 8, except for self containment.

Goal 11 (Public Facilities and Services)

- See Criteria 1, Factor 3, pg.17-19, for discussion of the issues related to this goal.

Goal 12 (Transportation)

- See Criteria 1, Factor 3, pg.17-19 for discussion of issues related to this Goal.

Goal 13 (Energy Conservation):

- See Criteria 1, Factor 5, Energy, pg.20-26, for additional discussion of issues related to this goal.
- Energy Conservation is achieved primarily through the development of a destination resort with mixed uses as required by Goal 8 necessary to accommodate visitors who stay longer.

Goal 14 (Urbanization)

- This Goal is addressed in Criteria 1, Factors 1-7, pg. 8-27.

Goal 16 (Estuarine Resources)

- The proposed destination resort does not include any estuarine resources.

Goal 17 (Coastal Shorelines)

- The portion of the site located west of Highway 101 is included within the Coastal Shorelands, and will retain this designation after annexation. In addition, the mouth of Thiel Creek (west of Highway 101) has been included in the County's Goal 17 inventory as an area of riparian vegetation and a tall shrub dominated wetland. This information will be transferred to the City's Goal 17 inventory as a function of the property being included within the UGB and City Comprehensive Plan.

- ° The Coastal Shorelands Goal will be implemented by protecting the wetland area of Thiel Creek west of Highway 101 and by compliance with the City's Ocean Shoreland Area Policies. A Newport Shoreland Impact Review application will be submitted as part of the Planned Development approval process.

Goal 18 (Beaches and Dunes)

- ° A portion of the proposed resort site west of Highway 101 includes beach area. The requirements of Goal 18 will be met by compliance with the City's land use policies in Coastal Beach and Dune Areas.

Goal 19 (Ocean Resources)

- ° The proposed destination resort does not infringe upon the near shore ocean and continental shelf.

THE CITY OF NEWPORT'S CRITERIA TO AMEND CITY COMPREHENSIVE PLAN

CRITERIA 7. Does the proposal to amend the City's UGB demonstrate compliance with the City's Urbanization policies and requirements for a change to the UGB?

FACTOR 1. The proposed use satisfies the procedures and requirements of the Goal 2 exceptions process to allow an amendment to the UGB to provide for the destination resort.

Finding No. 1: Criteria 1, Factors 1-7, pgs. 8-27 . Criteria 2-5, pgs. 27-33 , and Goal 4 under Criteria 6, pg. 33-37, addresses the requirements of the Goal 2, Part II, exceptions process.

FACTOR 2. There is a demonstrated need to accommodate long range tourism growth that this proposal would provide for and which is consistent with the State goals and acknowledged Comprehensive Plan.

Finding No. 1: Criteria 1, Factor 1, regarding Goal 14, pg. 8-16 , addresses this requirement.

State Goal 8 (Recreational Needs) recognizes the Statewide need to satisfy the recreational needs of the State of Oregon and its visitors by the siting of destination resorts which meet the definition of a "destination resort".

The proposed destination resort meets the siting requirements for a destination resort pursuant to Goal 8 with the exception of on-site water services. The proposed site cannot

provide an on-site water supply to serve the needs of the proposed resort.

The siting of the proposed destination resort is a part of the State, County and City of Newport's economic development strategy for tourism growth.

FACTOR 3. There is a need for tourist/visitor housing or accommodations and for employment opportunities that would be provided by the proposed destination resort.

Finding No. 1: Criteria 1, Factor 2 regarding Goal 14, pg. 16-17, addresses this requirement.

The proposed destination resort is an attractive and appropriate means of increasing tourism in the Newport coastal community. At this time there are no destination resort facilities as defined by Goal 8 for tourist/visitor accommodations within the Newport area.

The proposed destination resort will provide additional employment opportunities.

FACTOR 4. Public facilities and services can be provided in an orderly, economic and efficient manner to accommodate the proposed destination resort.

Finding No. 1: Criteria 1, Factor 3 regarding Goal 14, pg. 17-19, addresses this requirement.

The resort will receive its water from the Seal Rock Water District. On-site reservoirs and transmission lines will be provided by the Petitioner, built to the District's specifications.

The resort, as a result of annexation, will be served by the City's sewerage system for South Beach. An on-site sewage collection system will connect to the City's system.

Runoff will be controlled through the provision of on-site systems designed to insure dissipation of concentrated runoff.

Highway 101 and Thiel Creek Road will be improved to accommodate projected traffic flows in the vicinity of the resort. The existing Thiel Creek culvert under 101 will be replaced and the highway elevation raised. An on-site road system will be constructed to meet the need of the resort users as well as provide access for emergency vehicles.

City fire and police services can be provided to the proposed destination resort.

FACTOR 5. Expansion of the urban growth boundary to include the proposed site will not unreasonably affect the goal of conserving forest lands for forest uses.

Finding No. 1: Lincoln County has mapped the site and concluded that the property is predominantly Cubic Foot Class 3 and 4 forest land. Consequently no goal exception would be required to develop a destination resort under Goal 8 regarding the conservation of this forest land.

The Petitioner is requesting an amendment to the City's UGB on the basis of the inability of the site to accommodate an on-site water supply to serve the needs of the proposed resort. But for the on-site water issue, the proposed resort could be sited in unincorporated Lincoln County without the need to amend the City's UGB. In other words, Goal 8 recognizes the state wide importance of the siting of destination resorts on predominantly Cubic Foot site Class 3 and 4 forest lands given the economic benefits derived from the proposed destination resort.

The Petitioner intends to preserve as many trees on the site as possible and portions of the timberland to the east of the proposed site will be maintained as a natural buffer in the Thiel Creek watershed.

FACTOR 6. The proposed resort will be compatible with nearby forest lands.

Finding No. 1: As stated above, those forest lands adjacent to the site to the east are owned by the Petitioner. These forest lands will be maintained as a natural buffer in the Thiel Creek watershed to minimize any potential conflicts. There will be no development in these areas.

FACTOR 7. The maximum efficiency of land uses within and on the fringe of the existing urban area will be achieved.

Finding No. 1: Criteria 1, factor 4 regarding Goal 14, pg.19-20, addresses this requirement.

The proposed destination resort is located adjacent to the Newport Urban Growth Boundary, the Municipal Airport and Highway 101. The inclusion of the resort property within the UGB is an efficient use of both the airport and the industrially planned lands north of it. Inclusion of the proposed site is a

logical extension of the urban area south of the City of Newport at this time, since properties farther to the south have already developed as rural residences served by septic systems and by the Seal Rock Water District. The continuation of these existing uses do not require an amendment to the existing UGB.

FACTOR 8. The environmental, economic, social, and energy consequences of amending the UGB will not be unreasonably adverse.

Finding No. 1: Criteria 1, Factor 5 regarding Goal 14, pg. 20-26, addresses this requirement.

There will be no significant adverse environmental effects from adding the site to the UGB. The proposed development will actually enhance the existing environmental values. Adjustment and control of the log jams at the creek mouth and establishment of a fish ladder will increase Coho and Cutthroat access to spawning grounds upstream. The water quality of the watershed will be maintained at its highest level to assure a clean water lake as the focal point for the resort. Although no endangered species are known to inhabit the site, new species will be attracted and may include osprey. Natural vegetation will be maintained as landscaping with immediate re-planting after construction.

Transportation to Newport's commercial areas will be provided by shuttle from the site. It is anticipated that the airport will be used by many resort visitors. Bike paths will be constructed within the resort complex.

The resort site generates no revenue other than property taxes, in its current condition. Stage 1 development costs are projected at \$50 million dollars. The destination resort will contribute significantly in terms of property taxes and hotel/motel taxes.

The destination resort will attract additional tourists to the area and assist in the promotion of Newport's cultural facilities, including the Performing Arts Center and the Aquarium.

FACTOR 9. There are no alternative locations within the area which are more suitable to accommodate the proposed destination resort.

Finding No. 1: Criteria 3 regarding the alternative sites analysis under Goal 2, part II exceptions, pg. 27-29, addresses this requirement.

To qualify as a destination resort under Goal 8, the development must be: located on a site of 160 acres or more,

unless it is within two miles of the ocean shoreline in which case the site must be at least 40 acres and in a location that provides a setting with high natural amenities. The property must be capable of siting significant recreational facilities and a variety of accommodations with a minimum of 50% open space dedication. Direct access to Highway 101 and the Municipal Airport are considered important aspects that would encourage tourists from outside the state to visit the resort. The site has been determined to be the only location capable of meeting all of the criteria.

The vacant land within the Newport UGB cannot fulfill the requirements of size and high natural amenities while allowing an economically viable development that includes significant recreational amenities and open space.

The City's Comprehensive Plan describes the land available for future growth. A review of this land indicates that these areas are not suitable to accommodate the proposed resort.

The Agate Beach area (shown as area "A" on Figure 7) is largely platted in 5,000 square foot lots and is considered appropriate for continued mobile home park development and has experienced landslide problems. The Agate Beach Golf Course (shown as area "B" on Figure 7) slopes steeply toward Little Creek, not allowing the type and intensity of development proposed. West Big Creek Drainage Area (shown as area "C" on Figure 7) lies primarily within a flood plain which seriously limits the development potential of the site. Jeffries Creek Drainage Area (shown as area "E" on Figure 7) is planned for low density development due to the steep slopes. Harbor Heights (shown as area "F" on Figure 7) is limited by both slide potential and service constraints. Idaho Point (shown as area "G" on Figure 7) has an inadequate water system and areas of steep slope. South Beach (shown as area "H" on Figure 7) has long been planned as an industrial area.

The properties outside the Newport UGB are similarly unable to meet the necessary criteria. North and northeast of Agate Beach, steep slopes and service constraints limit the potential for development and do not meet the criteria for a destination resort. East of Newport, the soil is predominately Cubic Foot Site Class 2 forest land, and Goal 8 specifically does not allow a resort to be located on this land. The city watershed (shown as area "D" on Figure 7) must be restricted from development until the reservoir is no longer needed. East of Yaquina Bay, the steep slopes exceed 25%, effectively preventing high density development. The site proposed for the destination resort offers the best opportunity to locate a destination resort.

CRITERIA 8. Are there compelling reasons and facts to change the urban growth boundary of the City to accommodate the proposed destination resort?

FACTOR 1. There are compelling reasons and facts demonstrating that the proposed destination resort should be provided for.

Finding No. 1: Criteria 1, Factors 1 and 2 addresses this requirement and demonstrates that there is a need for long range tourism growth. (pgs. 8-17)

FACTOR 2. There are compelling reasons and facts demonstrating that the area where the proposed site is located is needed for the proposed use.

Finding No. 1: Criteria 1, Factors 1-7 and Criteria 2 of addresses this requirement and demonstrates that the area where the proposed site is located is needed for the proposed destination resort. (pgs. 8-27)

FACTOR 3. There are compelling reasons and facts demonstrating that the proposed destination resort will be compatible with other adjacent uses and that urban services can be provided to the site in an orderly and economic manner.

Finding No. 1: Criteria 1, Factor 3 and Criteria 5, addresses this requirement and demonstrates that the proposed use will be compatible with other adjacent uses and that urban services can be provided to the site in an orderly and economic manner. (pgs. 17-19 and 32-33)

THE CRITERIA TO AMEND THE COUNTY'S
COMPREHENSIVE PLAN AND ZONING MAP

It should be noted that the following factors are substantially identical to the seven factors of Goal 14 addressed in Criteria 1, Factors 1-7 of "Criteria to Amend the City of Newport's UGB."

The Lincoln County Development Code (Section 1.1235) requires that any quasi-judicial amendment to the Comprehensive Plan and zoning maps (e.g. an urban growth boundary amendment) demonstrate the following: (Section 1.1235)

- (1) That the change is in accord with the Comprehensive Plan Goals and Policies and the Statewide Planning Goals; and

- (2) That there is a public need for the change being sought.

CRITERIA 1. Why should Lincoln County agree to amend the City of Newport's UGB to provide for the proposed destination resort?

FACTOR 1. There is a demonstrated need for long range tourism growth and to provide a destination resort site that this proposal would provide for which is consistent with LCDC Goals.

Finding No. 1: Criteria 1, Factor 1 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 8-16)

FACTOR 2. There is a need for tourist/visitor housing or accommodations and for employment opportunities that would be provided by the proposed destination resort and an enhanced livability for the Newport coastal community.

Finding No. 1: Criteria 1, Factor 2 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 16-17)

FACTOR 3. Public facilities and services can be provided in an orderly and economic manner to accommodate the proposed destination resort.

Finding No. 1: Criteria 1, Factor 3 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 17-19)

FACTOR 4. The proposed amendment to the Urban Growth Boundary will promote the maximum efficiency of land uses within and on the fringe of the existing urban area.

Finding No. 1: Criteria 1, Factor 4 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 19-20)

FACTOR 5. The environmental, energy, economic and social consequences of amending the UGB will not be unreasonably adverse.

Finding No. 1: Criteria 1, Factor 5 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 20-26)

FACTOR 6. Expansion of the UGB to include this property will not unreasonably affect the goal of retaining prime agricultural lands.

Finding No. 1: Criteria 1, Factor 6 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 26)

FACTOR 7. The proposed destination resort will not be incompatible with nearby agricultural uses.

Finding No. 1: Criteria 1, Factor 7 of "Criteria to Amend the City of Newport's UGB" addresses this requirement. (pg. 26-27)

CRITERIA 2. Does the proposed Amendment to the City's UGB meet the quasi-judicial requirements of Section 1.1235 of the County Development Code?

FACTOR 1. The proposed UGB amendment to accommodate the proposed destination resort is in accord with the County Comprehensive Plan Goals and Policies and the State Wide Planning Goals.

Finding No. 1: Criteria 1, 2, 3, 4, 5, and 6 of "Criteria to Amend the City of Newport's UGB" demonstrate that the proposed amendment to the UGB is in accord with the applicable State Wide Planning Goals.

Finding No. 2: Criteria 1, Factors 1-7 of "Criteria to Amend the Lincoln County Comprehensive Plan and Zoning Map" demonstrates that the proposed amendment to the UGB is in accord with the Lincoln County Comprehensive Plan Goals and Policies. (pg. 8-27)

FACTOR 2. There is a demonstrated public need for long range tourism growth and to provide for a destination resort site that this proposal would provide for. There is a need for tourist/visitor opportunities that would be provided by the proposed destination resort and an enhanced livability for the Newport coastal community.

Finding No. 1: Criteria 1, Factors 1-2 of "Criteria to Amend the City's UGB" addresses this requirement and demonstrates that there is a need for the change in the City's UGB. (pgs. 8-17)

VI

CONCLUSION

The Petitioner has addressed all relevant criteria for amendment of the City of Newport's Urban Growth Boundary which requires an amendment to the County's Comprehensive Plan. Based on the above findings, the City of Newport UGB should be amended and the County's Comprehensive Plan should be amended to reflect the same.

June 3, 1987

PROPERTY DESCRIPTION FOR PETITION TO AMEND
THE CITY OF NEWPORTS URBAN GROWTH BOUNDARY

All of the following property is in the County of
Lincoln and State of Oregon.

Tax Lots 601, 600, 602, 500, 400, 100, 113, 103,
200, 300, of Section 6AB, Township 12 South, Range
11 West.

Tax Lots 1602, and 1604 of Section 32, Township 11
South, Range 11 West.

Tax Lots 1500, 600, and 1600 of Section 6, Township
12 South, Range 11 West.

Blocks 35 through and including Block 45 For Far.

Tax Lots 512, 500, 513, 514, 515, 511 and 400 of
Section 31DD, Township 11 South, Range 11 West.

Tax Lot 300 of Section 31DD, Township 11 South,
Range 11 West, owner : Edmond L. & Diane J. Obermeyer

Tax Lots 600, 800, and 803 of Section 5, Township
12 South, Range 11 West.

The Northwest quarter of the Northeast quarter of
the Southwest quarter of Section 5, Township 12
South, Range 11 West, owner: Boise Cascade

A Portion of Tax Lot 900 of Section 5, Township 12
South, Range 11 West described as: The most Westerly
60 acres.

Tax Lot 3300, Township 12 South, Range 11 West.

Tax Lot 801 of Section 5, Township 12 South, Range
11 West, owner: Boise Cascade

Tax Lot 2000 of Section 32, Township 11 South,
Range 11 West.

Tax lot 2900 of Section 6, Township 12 South,
Range 11 West.

Tax Lot 100 of Section 32, Township 11 South,
Range 11 West.

Tax Lot 800 of Section 29, Township 11 South,
Range 11 West.

Tax Lot 800 of Section 28, Township 11 South,
Range 11 West.

Tax Lot 300 and the North 1/2 of Tax Lot 402 of
Section 33, Township 11 South, Range 11 West.

Tax Lot 700 of Section 5, Township 12 South, Range
11 West, owners: John & Sally Whitaker

Approximately 20 acres in the most Northwesterly
portion of Tax Lot 100 of Section 5, Township 12
South, Range 11 West, owner: Boise Cascade

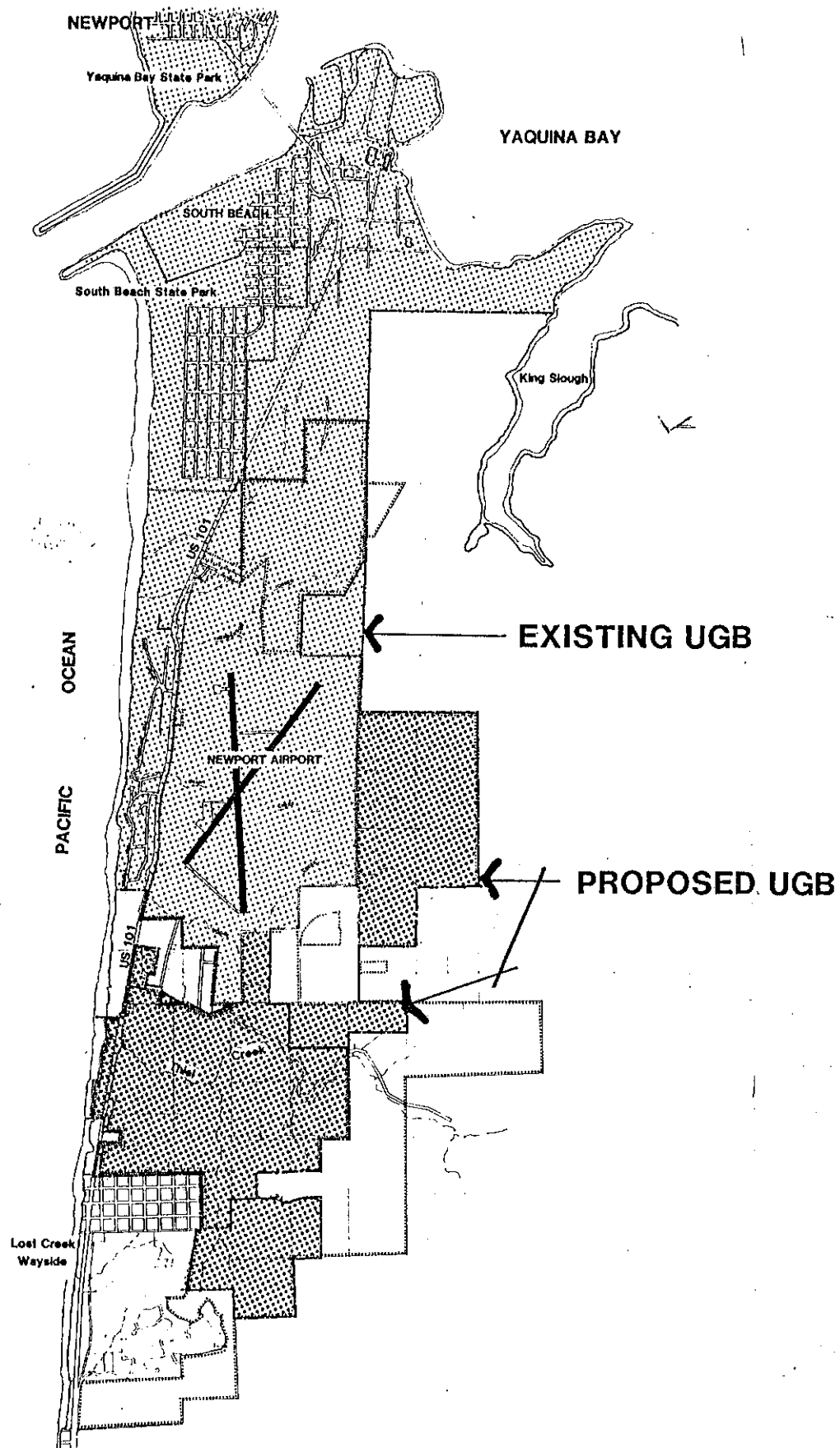
Tax Lots 503, 504, 800, 501, 701, 702 of Section
31DD Township 11 South, Range 11 West.

Tax Lot 700 of Section 31DD, Township 11 South,
Range 11 West, owner: Lincoln County

A PORTIONS OF HWY. 101 - DESCRIBED FOR NOW AS:
All that portion of Hwy. 101 lying between the
Southerly line of Tax Lot 502 of Section 31DD,
Township 11 South, Range 11 West, if extended
across Hwy. 101, South to a point which would
intersect with a line if drawn from the Northwest
corner of Tax Lot 1100 of Section 31DD, Township
11 South, Range 11 West, across Hwy. 101. And
that portion of Hwy. 101 lying South of a line if
drawn from the Southwest corner of Tax Lot 1100 of
Section 31DD Township 11 South, Range 11 West,
across Hwy. 101, South to a point which would
intersect with a line if drawn from the Northwest
corner of Tax Lot 600 of Section 31DD, Township 11
South, Range 11 West across Hwy. 101. And that
portion of Hwy. 101 lying South of a line if drawn
from the Southwest corner of Tax Lot 600 Section
31DD, Township 11 South, Range 11 West, across
Hwy. 101, South to the Northwest corner of Tax Lot
1501 of Section 6, Township 12 South, Range 11
West across Hwy. 101. And that portion of Hwy.
101 from the North line of "A" Street, For Far,
North to a point that would intersect with a line
if drawn from the Southwest corner of Tax Lot 1501
of Section 6, Township 12 South, Range 11 West,
across Hwy. 101.

A Portion of Thiel Creek Road

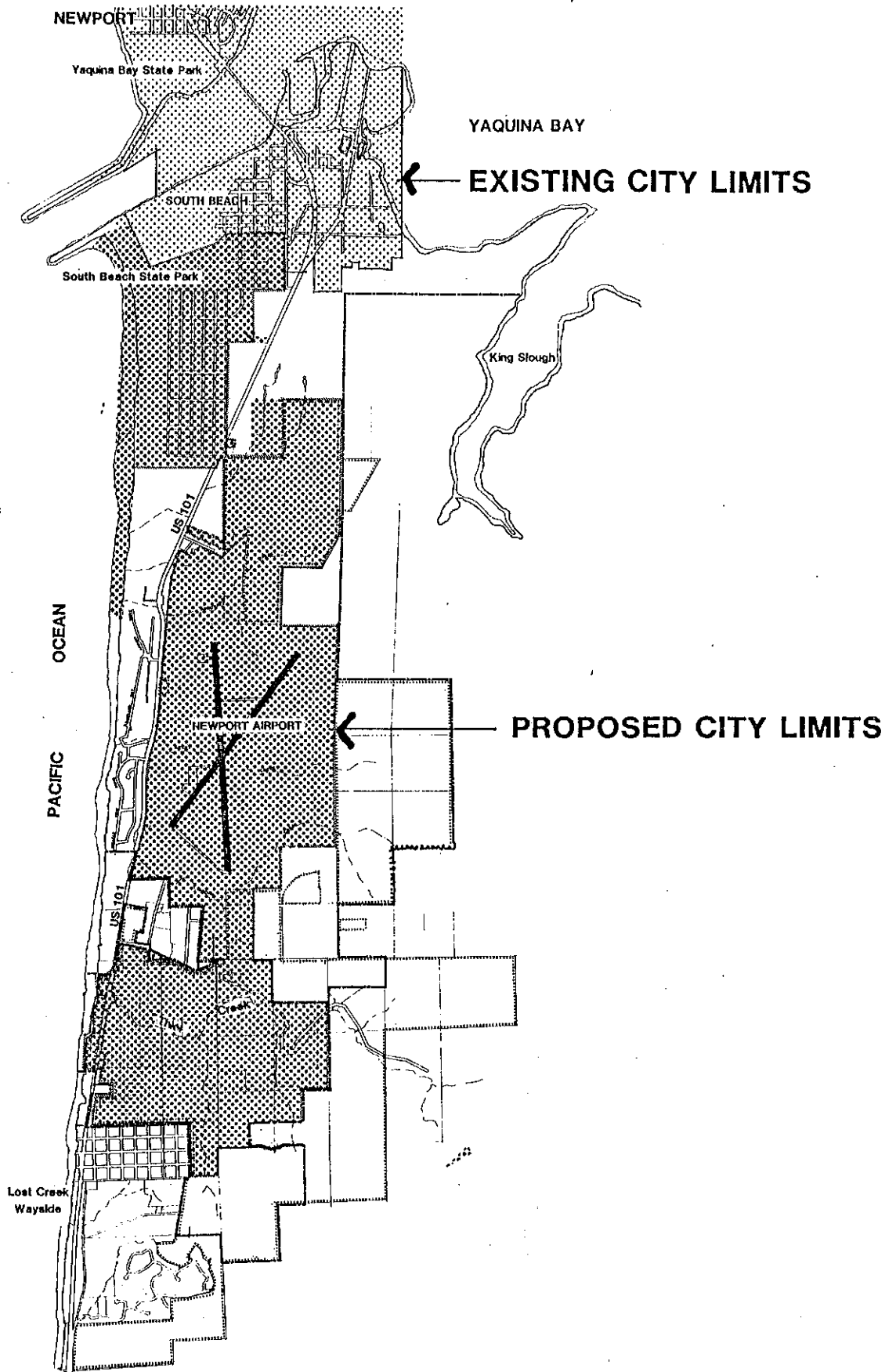
All that portion Thiel Creek County Road No. 601,
lying in Sections 31 & 32, Township 11 South,
Range 11 West, and in Sections 5 and 6, Township
12 South, Range 11 West, Willamette Meridian,
Lincoln County, Oregon, bounded on the West by its
intersection with U.S. Highway 101 and on the East
by the North-South center line of said Section 5.



NORTH 0 2000' 4000'

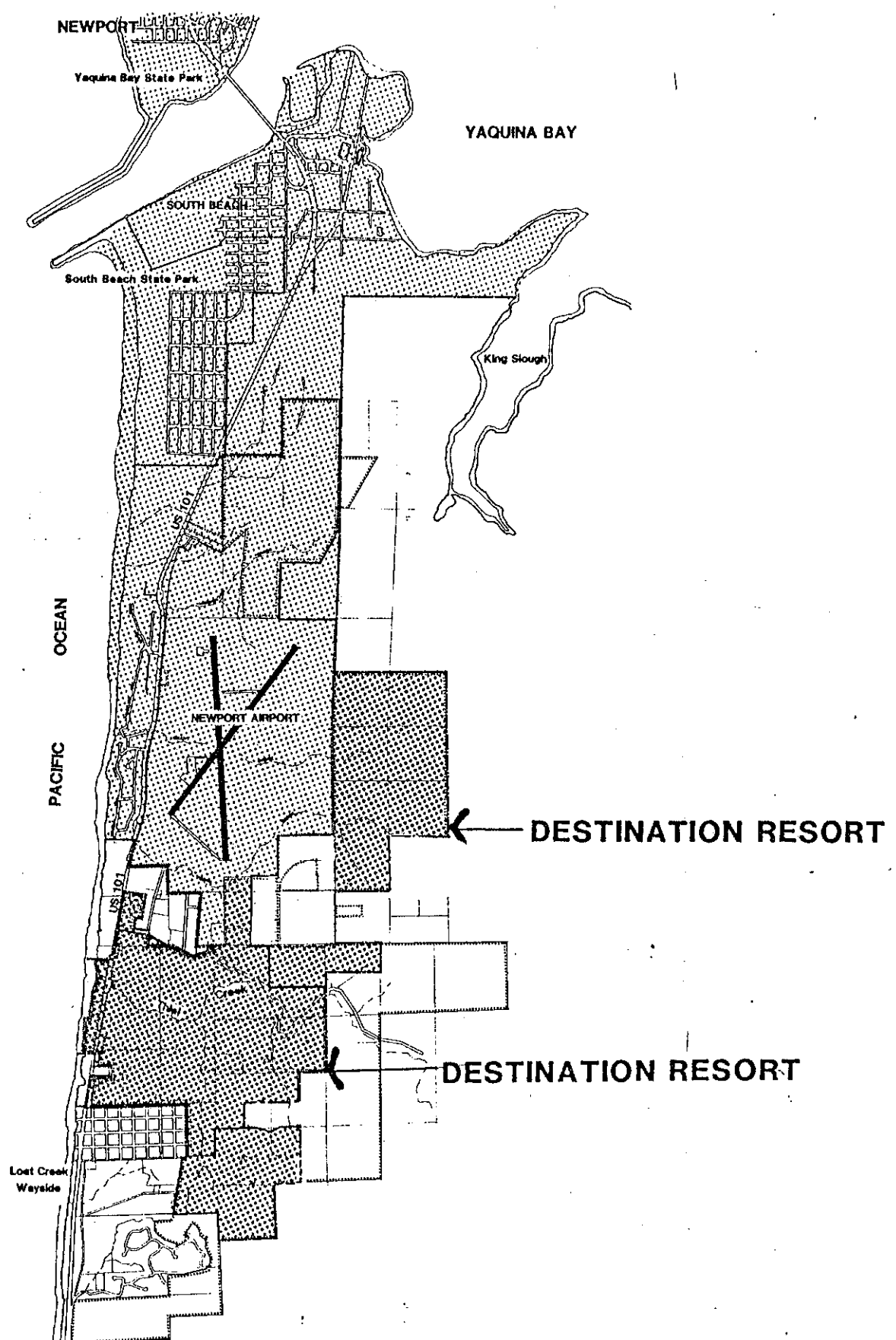
URBAN GROWTH BOUNDARY

FIGURE 1



ANNEXATION

FIGURE 2



PROPOSED COMPREHENSIVE PLAN DESIGNATIONS

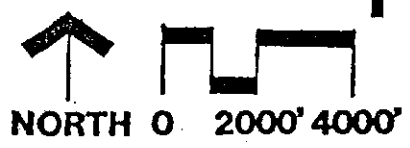
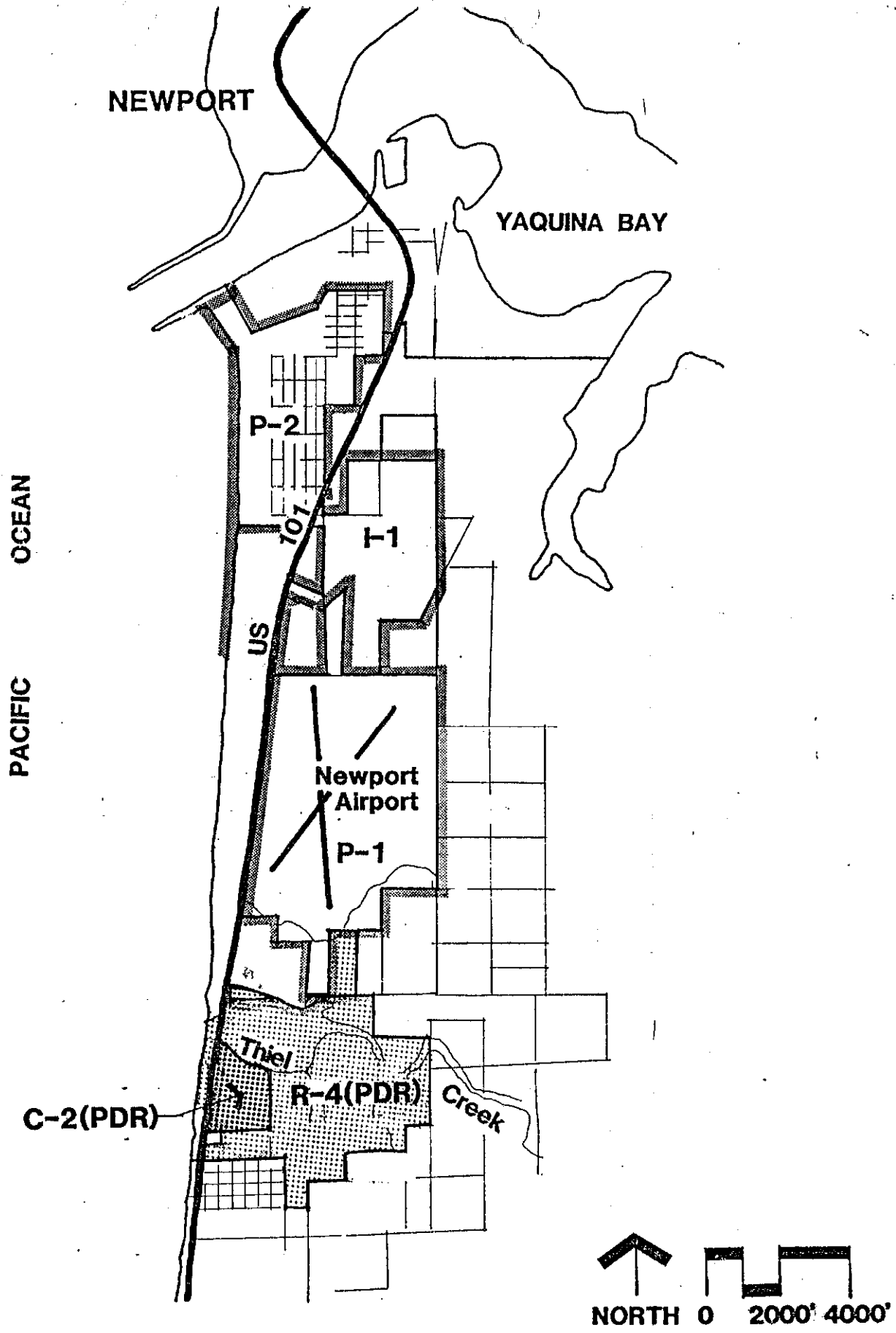


FIGURE 3



PROPOSED CITY ZONING

FIGURE 4